

RICHARD WARREN, PRESIDENT
SHELLEY FULLER, BOARD MEMBER
VENESSA GUERRERO, BOARD MEMBER
CHUCK ENGELKEN, BOARD MEMBER



DANNY EARP, BOARD MEMBER
RANDY WOODARD, BOARD MEMBER
NANCY OJEDA, VICE-PRESIDENT

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 July 17, 2017, 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 June 12, 2017 - P. Fogarty
 - (b) Receive Financial Report - M. Dolby
3. **DISCUSSION AND POSSIBLE ACTION**
 - (a) Discussion and possible action regarding report received from the Economic Alliance Houston Port Region - T. Leach
 - (b) Discussion and possible action regarding an extension of the development agreement between the La Porte Development Corporation and Fischer's Hardware, Inc. - T. Leach
 - (c) Discussion and possible action regarding proposed FY 2017-2018 budget of the La Porte Development Corporation Board - T. Leach
 - (d) Discussion and possible action regarding economic development incentive request from LPH Properties for renovation of former Port Theater - T. Leach
4. **SET DATE FOR NEXT MEETING - T. Leach**
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.**
6. **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 July 17, 2017 , agenda of items to be considered by the Board of the La Porte Development Corporation was placed on the City Hall Bulletin Board on July ____, 2017.

Patrice Fogarty

Patrice Fogarty, City Secretary

RICHARD WARREN, PRESIDENT
NANCY OJEDA, VICE-PRESIDENT
CHUCK ENGELKEN, BOARD MEMBER
VENESSA GUERRERO, BOARD
MEMBER



DANNY EARP, BOARD MEMBER
RANDY WOODARD, BOARD MEMBER
SHELLEY FULLER, BOARD MEMBER

MINUTES OF LA PORTE DEVELOPMENT CORPORATION BOARD MEETING OF JUNE 12, 2017

The City of La Porte Development Corporation Board met on **June 12, 2017**, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, 77571, at **5:10 p.m.** to consider the following items of business:

1. CALL TO ORDER

President Richard Warren called the meeting to order at 5:11 p.m. Other members of the La Porte Development Corporation Board present: Board members Fuller, Earp, Guerrero, Woodard, Engelken and Ojeda. Staff Present: Corby Alexander, Traci Leach, Patrice Fogarty and Clark Askins.

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 May 22, 2017 – P. Fogarty

(b) Consider approval or other action designating projects of the La Porte Development Corporation and authorize Staff to publish public hearing notice for August 12, 2017 – T. Leach

Board member Engelken moved to approve the Consent Agenda items pursuant to staff recommendations. Board member Fuller seconded the motion. **MOTION PASSED UNANIMOUSLY 7/0.**

3. PUBLIC HEARING AND ASSOCIATED MATTERS

(a) Public hearing to receive comments regarding proposed project of the La Porte Development Corporation for acquisition of real property located at 1218 S. Broadway for park/recreation purposes, in the amount of \$ 57,372.00; consider approval or other action authorizing project of the La Porte Development Corporation in the amount of \$57,372.00 for acquisition of real property located at 1218 S. Broadway for park/recreation purposes – T. Leach

The public hearing opened at 5:13 p.m.

Assistant City Manager Traci Leach presented a summary. There were no public comments.

The public hearing closed at 5:14 p.m.

Board member Engelken made a motion to authorize a project of the La Porte Development Corporation in the amount of \$57,372.00 for acquisition of real property located at 1218 S. Broadway for park/recreation purposes. Board member Fuller seconded the motion. **MOTION PASSED UNANIMOUSLY 7/0.**

4. DISCUSSION AND POSSIBLE ACTION

(a) Discussion and possible action regarding project for installation of sidewalks along Main Street – T. Leach

Assistant City Manager Traci Leach presented a summary.

Committee Member Earp commented he would like to see an architectural rendering.

Committee Member Ojeda commented she likes the idea of combining Option B (Sidewalk construction in locations where none currently exist; ADA ramps) and Option C (Slab jacking to level existing sidewalks and repairing/installing ADA ramps).

Board member Ojeda made a motion to proceed with a public hearing in an amount of \$14,250.00 for sidewalk repairs on Main Street. Board member Fuller seconded the motion. **MOTION PASSED UNANIMOUSLY 7/0.**

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.

Assistant City Manager Traci Leach advised Board members that she would like to meet on July 17, 2017, to go over budget items.

President Warren asked for an update on the bids for restrooms at Five Points. Ms. Leach reported two proposals have been received, and Staff will be evaluating the proposals.

6. ADJOURN

There being no further business, Board member Engelken moved to adjourn the meeting at 5:35 p.m. Board member Fuller seconded the motion. **MOTION PASSED UNANIMOUSLY 7/0.**

Respectfully submitted,

Patrice Fogarty, City Secretary

Passed and approved on this the 17th day of July, 2017.

President Richard Warren

This is an Unaudited Statement.

**City of La Porte
La Porte Development Corporation (038) Fund Summary
(Section 4B Sales Tax)**

	<u>Previous Report</u>	<u>FY 2016-17</u>	<u>FY 2015-16</u>
<i>Unaudited Beginning Fund Balance 9/30</i>	\$ 5,494,900	\$ 5,494,900	\$ 4,544,417
Plus Year to Date Revenues:			
1/2 Cent Sales Tax	781,967	1,222,732	1,184,963
Interest Income	15,633	21,280	10,690
Total Revenues	<u>797,600</u>	<u>1,244,012</u>	<u>1,195,653</u>
<i>Equals Total Resources</i>	6,292,500	6,738,912	5,740,070
Less Year to Date Expenditures:			
Payroll	10,322	13,682	65,499
Supplies	150	193	1,127
Services & Charges (Memberships, Training, Advertising, Legal, Utilities)	56,450	65,289	56,829
Incentive Grants	351,000	351,000	140,500
Debt Service Transfer *	342,624	456,831	453,779
Capital Projects Transfers **	670,100	893,467	-
Total Expenditures	<u>1,430,646</u>	<u>1,780,462</u>	<u>717,734</u>
<i>Estimated Year to Date Fund Balance as of 05/31/2017</i>	\$ 4,861,854	\$ 4,958,450	\$ 5,022,336
Commitments			
Pipeline Grill		\$ 200,000	
Fischer's Hardware		120,000	
Richard Industrial Group		10,000	
Debt Service Reserve		<u>1,083,817</u>	
		\$ 1,413,817	
<i>Adjusted Year to Date Fund Balance</i>		\$ 3,544,633	

Projection Through Year End

<i>Adjusted Year to Date Fund Balance</i>	\$ 3,544,633
<i>Plus: Estimated Sales Tax</i>	1,027,268
<i>Less: Estimated Operational Costs</i>	(175,570)
<i>Less: Debt Service Transfers</i>	(228,416)
<i>Less: Capital Projects Transfers</i>	<u>(446,733)</u>
<i>Projected Year End Fund Balance</i>	\$ 3,721,182

Sales tax revenues for Fiscal Year 2017 are estimated to be \$2,250,000.

Capital Improvement Projects (Accounted for in Fund 015 - General CIP Fund)

	Budget	Expenditures	Balance
Façade Grants	407,669	169,703	237,966
Restroom/Pavilion at Five Points	400,000	-	400,000
Parking Spaces at Pecan Park	350,000	-	350,000
Fencing at Golf Course	250,000	2,850	247,150
Fencing on Spencer Highway	340,200	-	340,200
Available Balance	1,747,869	172,553	1,575,316

**Debt Service Payments for Library, Bay Area Boulevard & Canada Road and Ballfields.*

**REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA
ITEM**

<p>Agenda Date Requested: <u>July 17, 2017</u></p> <p>Requested By: <u>Traci Leach</u></p> <p>Department: <u>Administration</u></p> <p>Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/></p>	<p style="text-align: center;"><u>Appropriation</u></p> <p>Source of Funds: _____</p> <p>Account Number: _____</p> <p>Amount Budgeted: _____</p> <p>Amount Requested: _____</p> <p>Budgeted Item: <input checked="" type="radio"/> YES <input type="radio"/> NO</p>
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Exhibits:

1. [Annual Report](#)

SUMMARY & RECOMMENDATIONS

Chad Burke, President and CEO of the Economic Alliance Houston Port region, will provide the Board with an Annual Report of activities the Alliance has completed this past year.

Action Required by the La Porte Development Corporation:

Receive report and take appropriate action.

Approved for the La Porte Development Corporation Agenda

Corby D. Alexander, City Manager

Date



City of La Porte Annual Report

July 17th, 2017

Overview

Our Mission

A non-profit organization, whose mission for over 30 years has been to ***grow and market a vibrant regional economy*** through economic development, public policy, workforce development, and quality of life initiatives.

Impact Initiatives

- Economic Development
- Public Policy
- Workforce Development
- Transportation
- Quality of Life

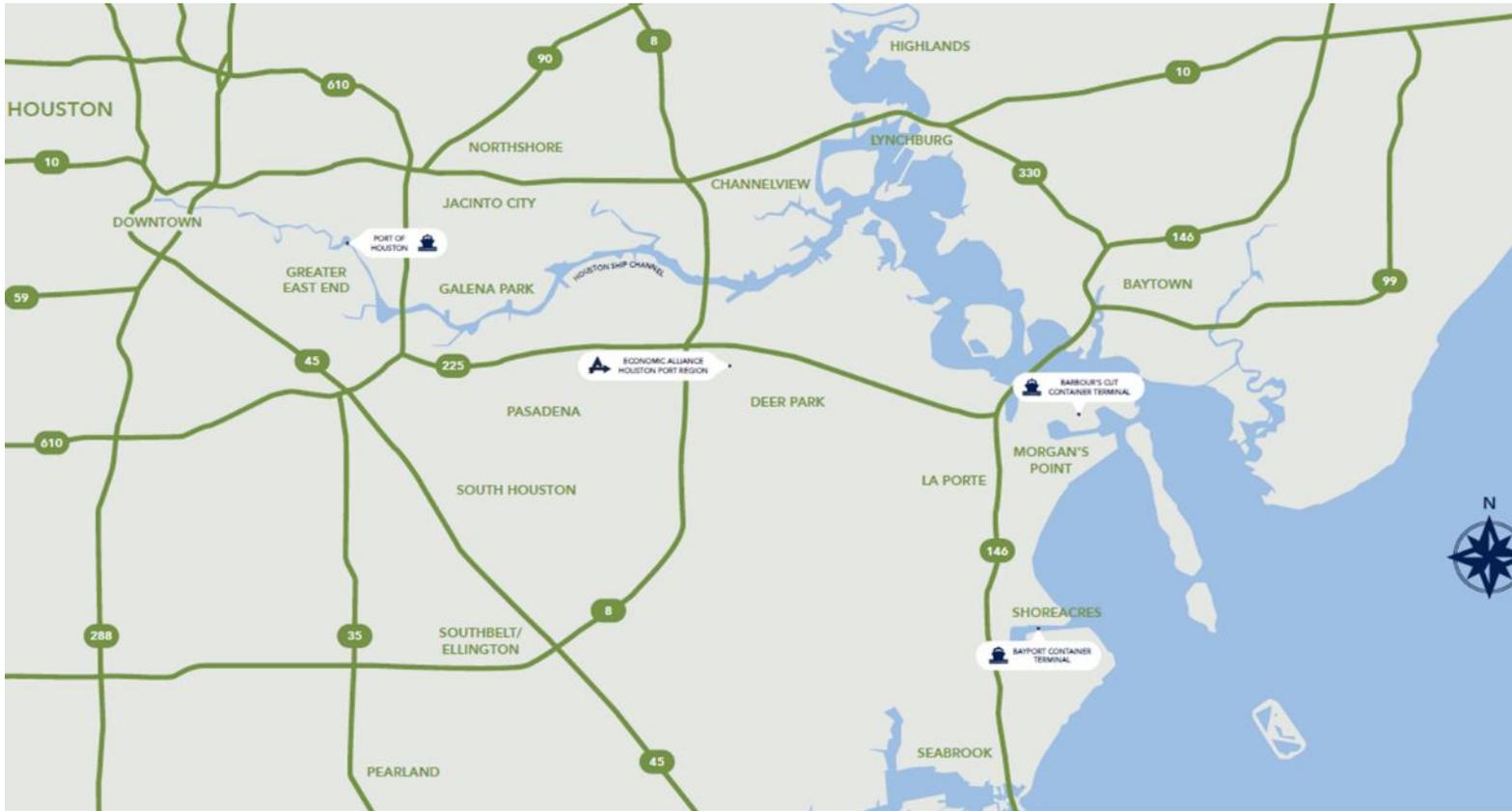
Member Involvement

- Connections/Networking, Taskforces & Publications
- Events



Who We Represent

Most sought-after region in the entire world for petrochemical, manufacturing, maritime and logistics operations



25 miles of the 52 mile
Houston Ship Channel

World's 2nd largest petrochemical complex

Nation's busiest port in terms of foreign tonnage

12 Cities, Harris County
and Port Houston

250 Private Sector Members

Global leaders in refining and petrochemical production



Economic Development

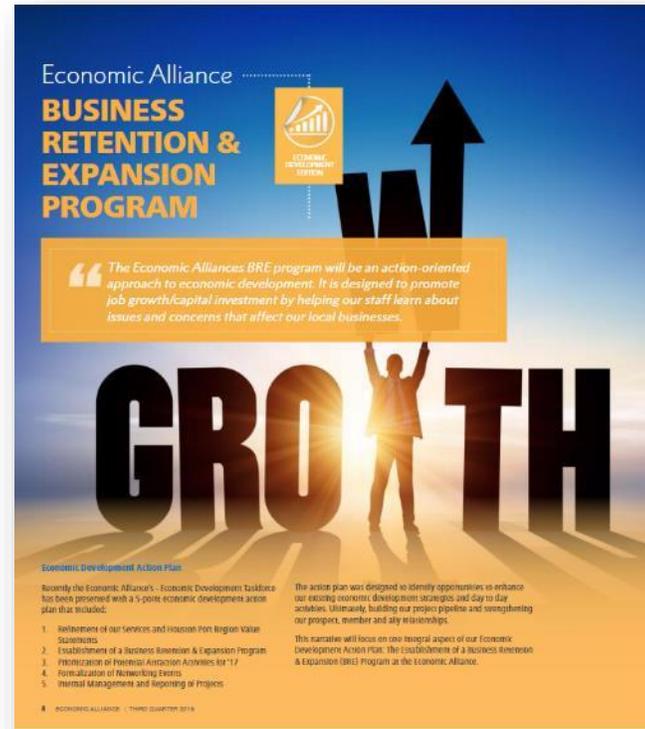
Economic Development



Professional Economic Development Services

Provide a professional relationship to navigate the multiple facets of the site selection/expansion process, including the facilitation to our economic development support network.

- Conduct **real estate searches**
- Participation and coordination of **site-selection tours**
- Facilitate **access to data**
- Provide guidance in evaluating State and Local **incentive & workforce programs**
- **Advocacy** for projects & **mobilization** of key board members



Economic Development

Impact on the Houston Port Region – ED Projects '16



CAPITAL INVESTMENT = \$498M

JOBS CREATED

105

JOBS RETAINED

96

INDIRECT JOBS

220

ECONOMIC IMPACT ON THE HOUSTON PORT REGION

TOTAL JOBS

421

ANNUAL IMPACT

\$94M

CONSTRUCTION JOBS

2,481

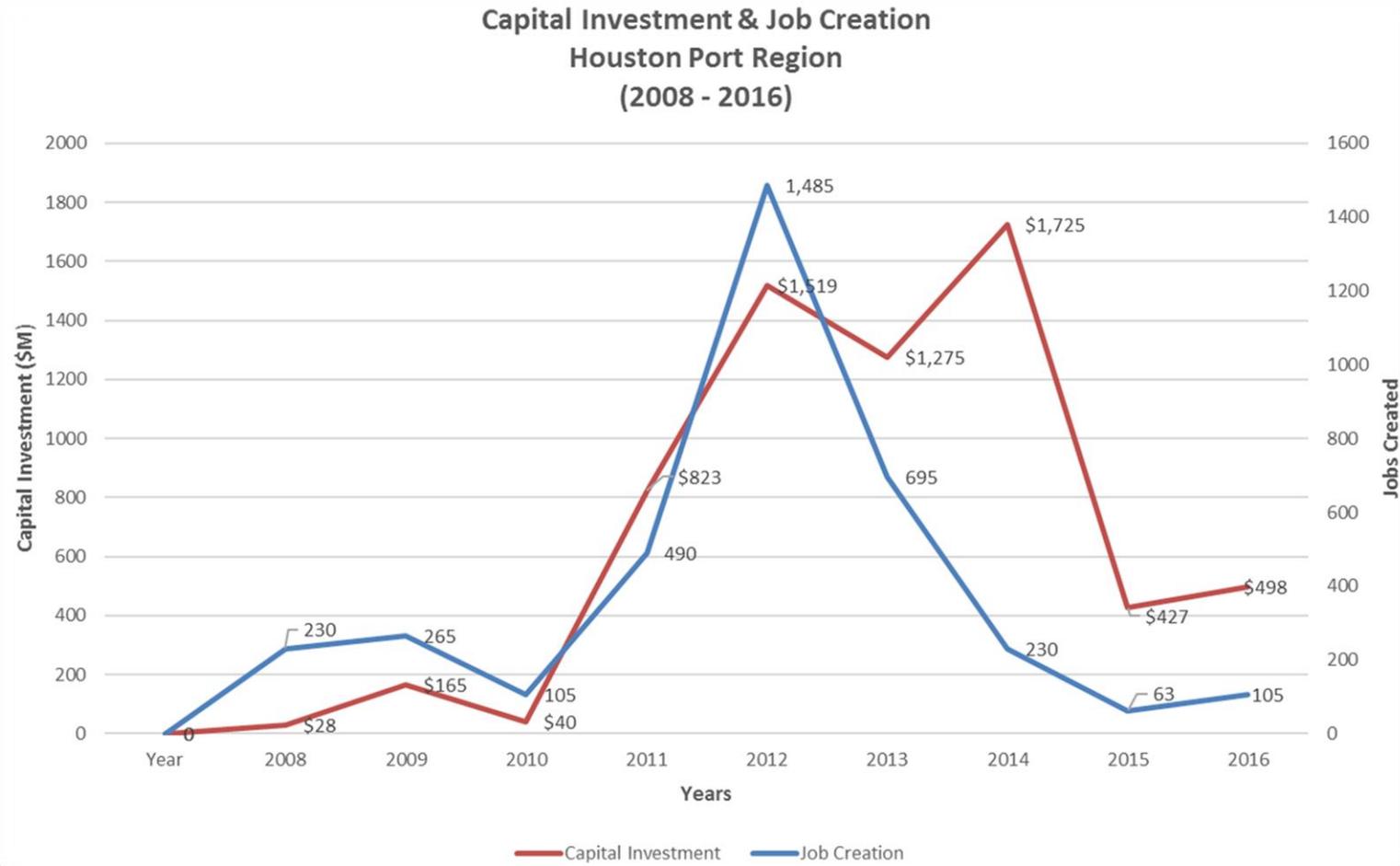
ONE-TIME
CONSTRUCTION IMPACT

\$883M

Economic Development



Impact on the Houston Port Region – Historical



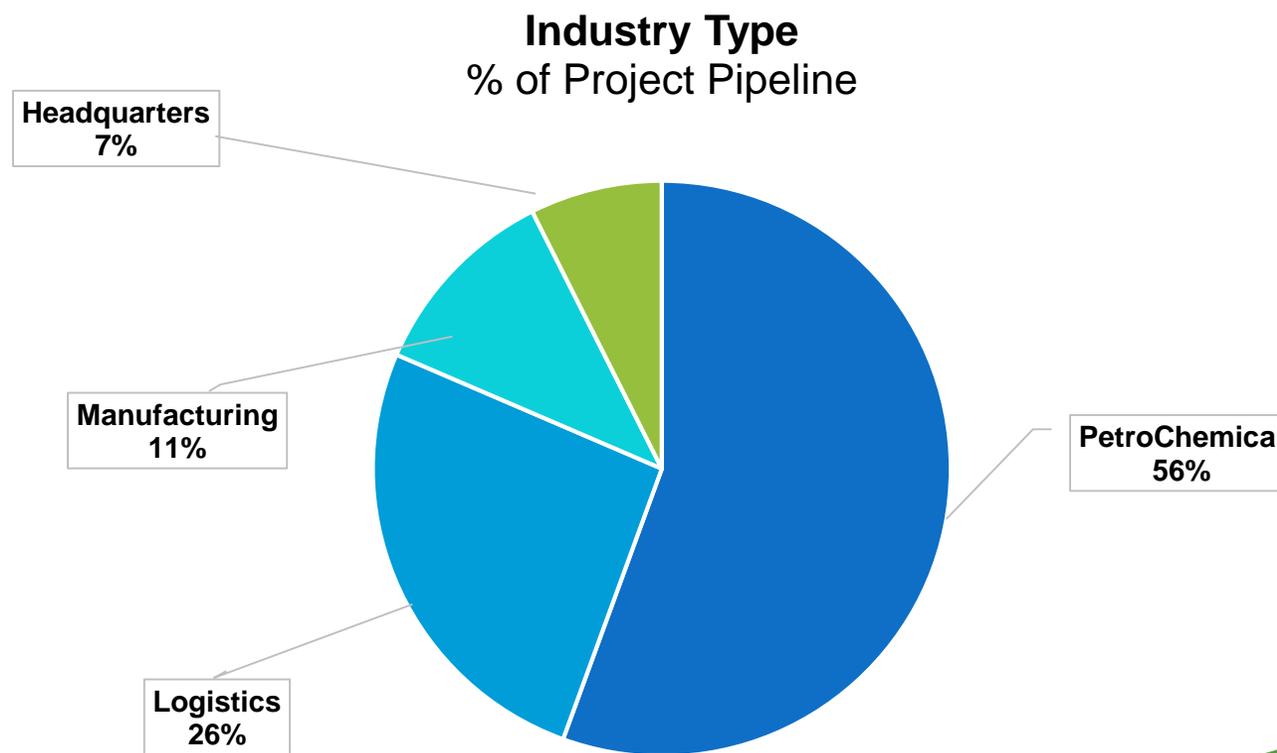
56 "Wins" over an 8-year period:

- **\$6.4B Capital Investment**
- **3,608 Jobs Created**

Economic Development

Project Pipeline Breakdown

Total Projects	Potential Direct Job Creation	Potential Capital Investment
28	1,824	\$5B





Public Policy

Public Policy



Driving a Regional Advocacy Campaign

Supports an environment that bolsters job creation and initiatives that encourage investment in our people, infrastructure and businesses through member input.



Prioritizing **Transportation** Projects and Advocate for **Funding**



Support local cities right to set tax rates; **Funding** of state Economic Development **Incentive Programs**



Address **Issues and Regulations** facing our Industry Base



Aligning Skills Development Fund, Core Curriculums and Funding **Commitments**



Secure **Funding** for a “**Coastal Spine**” (barrier) to Protect Industry, Infrastructure, and Residents

Public Policy

One Voice, Under the Leadership of the Economic Alliance

WHITE PAPER

2017 Economic Alliance Houston Port Region Public Policy Considerations

32 Economic Alliance Members
Participated in **35** Meetings in
Washington DC



24 Economic Alliance Members
Participated in **31** Meetings in
Austin TX

Public Policy - Transportation Taskforce



Committee of Regional Transportation Stakeholders

- East Harris County Mfg's Assoc. (130+ plants)
- Regional Mayors
- Port of Houston Authority
- Harris County
- TxDOT
- HGAC
- BayTran

Addressing critical issues associated with the movement of Freight and Workers

Public Policy - Transportation Taskforce



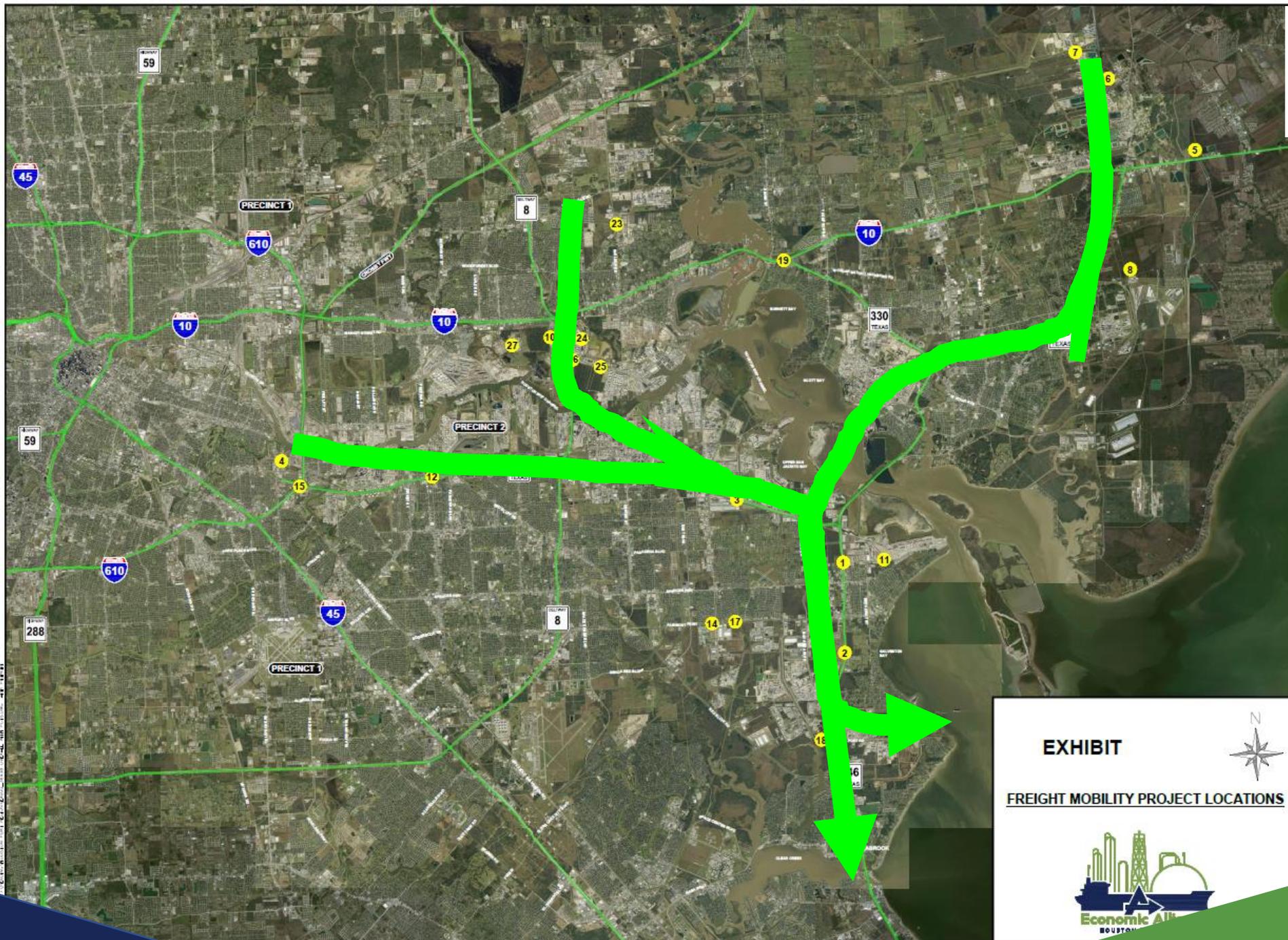
Why the Urgency

1. \$50B in projects in the petrochemical industry over the last 4 years, the first production comes online in 2017
2. Combined with Port of Houston trade via the Panama Canal and increased resin production, container volumes will grow from 2 million TEU to 3 million TEU in 3-5 years
3. Houston Ship Channel activity accounts for 16% of states GDP
4. The state needs to invest in this critical freight infrastructure to avoid congestion & maintain global competitiveness.

Houston Port Region Freight Improvement Strategic Plan



#	Project	Priority	Info & Updates
1	Barbours Cut Direct Connectors	H/S	<ul style="list-style-type: none"> Attempting to get in call for projects in September 2017 TxDOT is working with Texas A&M Transportation Institute to study Origin/Destinations between the Barbour's Cut Terminal and the SH 146/SH 225 interchange to determine the impacts of a direct connector
2	SH-146 Widening - Spencer Highway to Port Road	H/S	<ul style="list-style-type: none"> TxDOT is currently preparing detailed design plans for the project Anticipated letting for construction in FY 2023 scheduled for 2018
3	SH-225 expansion/improvement (8-East 146)	H/S	<ul style="list-style-type: none"> TxDOT is working on a feasibility study for SH 225 from I-610 to SH 146. completion Q3 2018
4	Broadway Double Track Project	H/S	
5	Grand Parkway NE Segments	H/S	
6	FM-1942 from Hatcherville Road to SH-146 – road improvement	H/S	
7	Hatcherville Rd from FM-1942 to Liberty/Chambers Co.Line – road widening	H/S	<ul style="list-style-type: none"> No improvements are currently planned
8	FM 565 from SH-146 to SH-99 – widening and addition of turning lanes	H/S	<ul style="list-style-type: none"> Project from FM 1409 to SH 99: Reconstruct and realign roadway is anticipated to let for construction in FY 2018
9	BW-8 Direct Connectors @ SH-225: Westbound on 225 to 8 N, Northbound on 8 to E/W 225, Eastbound on 225 to 8S SH146 from I10 to Business 146 (Alexander Drive)	H/M	<ul style="list-style-type: none"> TxDOT is working with the Harris County Tollroad Authority to advance the construction of an interchange The grade separation/freeway starts at Alexander and continues all the way to Red Bluff. There probably needs to be some work on SH146 North of 110 through Mont Belvieu also
10	Penn City Connector	H/M	
11	Barbours Cut Blvd expansion to 6 lanes	H/M	No discussions yet of who champions this effort
12	SH-225 expansion/improvement (8-West 610)	H/M	
13	I-69 Bypass	H/M	<ul style="list-style-type: none"> TxDOT is procuring a design –build contract for SH 99 Seg. H and I from I-69 to SH 146 which would make up the northern section of an I-69 Bypass with conditional award anticipated Spring 2017 Southern Section of an I-69 Bypass is being discussed through H-GAC
14	Fairmont Parkway (Turning improvements)	H/M	County and La Porte funded through TxDOT Grant
15	SH-225 and I-610 Interchange	H/L	<ul style="list-style-type: none"> TxDOT is working with H-GAC to begin a feasibility study for SH 225 from I-610 to SH 146
16	I-610 bridge at HSC	H/L	<ul style="list-style-type: none"> Additional meetings with the Economic Alliance are requested to identify the needs and project scope at this location
17	Fairmont Parkway (Widening)	H/L	
18	Port Road Phase 3 & Drainage	M/M	County roadway / POHA Drainage
19	SH-330 (improve northbound connectivity to I-10 - 2 lanes or direct connect)	M/M	<ul style="list-style-type: none"> TxDOT has prepared the Preliminary Engineering and Environmental for additional ramp access to I-10 and is working to secure construction funding
20	Independence Parkway (improve Northbound connectivity to SH-225)	M/M	<ul style="list-style-type: none"> Additional meetings with the Economic Alliance are requested to identify the needs and project scope at this location
21	Spencer Highway Bridge (Bayport Rail Mainline)	M/L	
22	Bayport Mainline Rail Track	M/L	
23	Sheldon Road expansion	M/L	
24	Applet Road (Sheldon to Market)	M/L	
25	Jacintoport Road Improvement	L/L	
26	Jacintoport Direct Connectors	L/L	Direct Connect makes it a TxDOT/HCTRA discussion
27	Haden Rd (extension to Penn City Rd)	L/L	County roadway/POHA
TxDOT Projects shaded			Priority Level: Time Frame Required:
Harris County Projects			H - HIGH Priority / S - SHORT Term 0-5 yrs
			M - MEDIUM Priority / M - MID Term 5-10 yrs
			L - LOW Priority / L - LONG Term 10+ yrs



EXHIBIT



FREIGHT MOBILITY PROJECT LOCATIONS



Workforce Development

Workforce Development



Inspiring & Preparing the Next Generation Workforce

Filling the pipeline of potential workers in the petrochemical, manufacturing, maritime and logistics industries.



Leveraging **partnerships** with the East Harris County Manufacturers Association and 9 community colleges to **recruit a qualified workforce**



Providing **career paths and job opportunities** to our community to address **attrition, skill enhancement and hiring**



2017 Year to date **41 presentations and 4762 engagements**



4,800 students in 2016





Member Involvement

Connections & Networking



A Member-Driven and Member-Service Organization

Members are invited to attend a Taskforce meeting, luncheon, or other events so that you can maximize your networking opportunities

QUICKVIEW



250 Private Sector Members



15 Annual Events



2,500 Participants



4 Exhibiting Opportunities

MAKE THE ECONOMIC ALLIANCE A PRIORITY

Task Forces



Provide Your Voice, Contribute and Connect

8 Task Forces - Member education/growth, along with setting a public policy agenda, event planning, workforce enhancement and marketing the region through Q of L and economic development initiatives



Business Growth

Provide mechanisms for the education and development of business - **1st Wed 9am**



Public Policy

Info sharing to set a public policy agenda for the region - **4th Tues 3pm**



Gulf Coast Industry Forum

Input and planning of our largest signature event- **3rd Tues 3pm**



Economic Development

Promote job creation and capital investment in the region - **4th Wed 3pm**



Transportation

Prioritize and support local transportation projects - **Invite**



Women's Leadership

Showcasing and empowering women's leadership



Quality of Life

Enhance our regions marketable image – **Bi-monthly**



Workforce Development

Promotion of workforce development initiatives - **3rd Thurs 3pm**

Signature Event

Gulf Coast Industry Forum

2-day Conference Brings Together Industry Leaders focused in Petrochemicals, Energy and Logistics

Attendance – Sponsorship – Exhibitor Opportunities

Networking & Connections



- **800+** Attendees
- **40** Exhibiting Companies & Institutions

Industry & Market Insight



- Global Chemicals Outlook
- Plant Managers Panel
- Global Shipping Panel
- Regulations & Policy Update
- Port Houston Update



Gulf Coast Industry Forum

AN ECONOMIC ALLIANCE HOUSTON PORT REGION EVENT





Thank You
For Your Commitment

www.allianceportregion.com

REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA ITEM

Agenda Date Requested: <u>July 17, 2017</u> Requested By: <u>Traci Leach</u> Department: <u>Administration</u> Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	<u>Appropriation</u> Source of Funds: _____ Account Number: _____ Amount Budgeted: _____ Amount Requested: _____ Budgeted Item: <input checked="" type="radio"/> YES <input type="radio"/> NO
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Exhibits:

1. [Request for extension](#)
2. [Development Agreement](#)
3. [Denial Letter](#)
4. [Tiemline of Action](#)

SUMMARY & RECOMMENDATIONS

On February 22, 2016, the Board approved a development agreement with Fischer’s Hardware for a major renovation of the business located at 1010 S. Broadway. The total value of the agreement is \$120,000, which is paid to Fischer’s upon successful completion of specified benchmarks.

The first incentive payment of \$50,000 requires that Fischer’s show proof of a minimum capital investment of \$600,000, photos of all improvements, and copies of all required permits for the work. This benchmark also has language that provides some flexibility on the capital expenditure amount and allows Fischer’s to qualify for a pro-rata share of the first incentive payment if a threshold of \$550,000 is met. Anything less than \$550,000 would disqualify Fischer’s from this payment.

Fischer’s submitted an initial packet of documentation to the City on February 20, 2017, which was 8 days in advance of the contractual deadline for materials. Since that time, staff has been working with Fischer’s to clarify information included in this packet of documentation. On June 8, 2017 staff emailed Fischer’s to set a deadline for final submission of clarifying documentation for June 19, 2017. No additional materials were provided by the deadline and staff emailed the denial letter to Fischer’s on June 20, 2017. The validated capital expenditure amount at that time was \$386,264.03 and staff had not received the required photos.

On June 21, Fischer’s requested that an extension be considered. Should the Board like to consider granting an extension, an amendment to the existing agreement will be drafted based on any parameters the Board would like to see included.

Action Required by the La Porte Development Corporation:

Provide staff with direction regarding request from Fischer’s Hardware for an extension and take appropriate action.

Approved for the La Porte Development Corporation Agenda

Corby D. Alexander, City Manager

Date

June 22, 2017

City of La Porte
604 W. Fairmont Pkwy
La Porte, Texas 77571
281-471-5020

RE: Economic Development Incentive Program

Dear Board Members:

We received an email on June 20 regarding a denial letter for Payment Request, the reason for this was that we missed our deadline on June 19. We were not aware we had missed a deadline until Renee Paradeaux requested the information from Traci Leach. There was an email sent to Frank Herrera that was overlooked on his behalf.

We would still appreciate the opportunity to resubmit our invested amount to be included in the incentive program.

Sincerely,

Fischers Hardware
1012 S. Broadway
La Porte, Texas 77571

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND FISCHER'S HARDWARE, INC., A TEXAS CORPORATION, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS

THIS AGREEMENT made by and entered into this 22nd day of February 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 Fischer's Hardware, Inc., a Texas 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 Texas based retail hardware outlet with stores located in Baytown, Texas, Pasadena, Texas, and La Porte, Texas; and

WHEREAS, Recipient wishes to renovate the exterior and interior of its existing hardware store known as "Fischer's Do It Best Hardware" and located at 1010 S. Broadway St., La Porte, Texas, and make associated site improvements, and which would 1) result in the expenditure by Recipient of at least \$600,000.00 in capital improvements; 2) employ an additional four (4) full time and three (3) part-time personnel; and 3) increase annual retail sales tax revenues attributable to the 1010 S. Broadway store site by 20%.

WHEREAS, Recipient has requested that LPDC provide financial incentives to Recipient to contribute towards the cost of renovation of the property at 1010 S. Broadway St., under a qualifying project of the LPDC for infrastructure, site and 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 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 renovating the existing structure at 1010 S. Broadway St., and continuing to operate a "Fischer's Hardware" store at the 1010 S. Broadway St site ("Store" herein), which proposal 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 11 November 2015, LPDC agrees to provide Recipient an incentive package consisting of cash payments in a total sum not to exceed \$120,000.00, to be distributed in five separate payments of \$50,000.00, \$10,000.00, \$20,000.00, \$20,000.00, and \$20,000.00, with each distribution conditioned upon 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:

- 1) Proof of minimum capital investment in the amount of at least \$600,000 applied towards eligible and approved improvements of the Store and related infrastructure and site work. The renovation to the Store and related infrastructure for which the required capital investment is made, must, at a minimum, include the scope of work identified in Exhibit A,
- 2) Copies all applicable invoices and receipts of payment for the same invoices for all projects listed in Exhibit A, which were previously approved by the LPDC Board, and have been completed,
- 3) Pictures showing proof of completion of each of the projects identified in Exhibit A, which were previously approved by the LPDC Board,
- 4) Copies of all applicable certificates, permits, and final inspection reports required by the City of La Porte, Texas, to the Recipient for completion of the renovated Store;
- 5) In no case will the sum of \$50,000.00 be made by LPDC if all the required items listed in Article I above are not delivered to and received by LPDC by 28 February 2017. In the case that proof of all the required items listed in Article I above are presented to LPDC on or before said 28 February 2017 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 items listed in Article I, 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.
- 6) Notwithstanding the foregoing requirements, Recipient will be entitled to receive a pro-rata portion of the \$50,000.00 incentive payment in the

event that it should, by the 28 February 2017 deadline, provide proof of all the required items listed in Article I towards renovation of the Store and related infrastructure and site work for an amount less than \$600,000.00. However, in this case Recipient shall be entitled to payment of a pro rata share of the \$50,000.00 incentive grant only in the instance that Recipient provides proof of all the required items listed in Article I towards renovation of the Store and related infrastructure and site work, in an amount no less than \$550,000.00. Where Recipient fails to provide proof of all the required items listed in Article I towards renovation of the Store and related infrastructure and site work in an amount of at least \$550,000.00, it shall be disqualified from receiving any portion of the \$50,000.00 incentive payment.

In the case that Recipient provides proof of all the required items listed in Article I towards renovation of the Store and related infrastructure and site work in an amount of at least \$550,000.00, but less than \$600,000.00, to LPDC on or before said 28 February 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 total taxable retail sales from Recipient. Upon verification of Recipient's submission of proof of all the required items listed in Article I towards renovation of the Store and related infrastructure and site work for all the items listed in Exhibit A in an amount of at least \$550,000.00, but less than \$600,000.00, 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 a pro rata share of the \$50,000.00 amount 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 of total capital expenditure for the Store in the amount of \$545,000.00 by the 28 February 2017 deadline, the incentive payment under this agreement would be \$0.

Example 2: If Recipient provides evidence of total capital expenditure for the Store in the amount of \$575,000.00 by the 28 February 2017 deadline, the incentive payment under this agreement would be calculated at $\$575,000/\$600,000$, or 96% of the \$50,000.00 incentive payment, for a total payment of \$48,000.00.

- B. A cash incentive payment in an amount equal to \$10,000.00 will be distributed to Recipient by LPDC, upon submission to LPDC of an employment roster evidencing that Recipient employs an additional four (4) full time and three (3) part-time individuals as employees at the Store, above the ten (10) full time and six (6) part-time individuals employed at the La Porte store as of 15 October 2015, no later than 30 June 2018. In order to qualify as a full time position, a minimum of 1600 cumulative hours must be performed by the person(s) holding

each full time position for the twelve month period ending 30 June 2018. In order to qualify as a part time position, a minimum of 960 cumulative hours must be performed by the person(s) holding each part time position for the twelve month period ending 30 June 2018. Proof of employment, for purposes of this agreement, shall require Recipient to produce:

- 1) 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),
- 2) Copies of each new employee's cumulative payroll record or record of payment for the past twelve months, and
- 3) A notarized statement executed by Recipient's Board of Directors affirming that an additional four (4) full time and three (3) part-time employees have been and are employed by Recipient for positions permanently located at the 1010 S. Broadway St. site for at least the past twelve months,

Where Recipient fails to make capital investment towards renovation and related infrastructure and site work at the Store in completion of all the items listed in Article I in an amount of at least \$550,000.00 by the 28 February 2017 deadline for submission of an employment roster, then Recipient shall be disqualified from receiving any portion of the \$10,000.00 payment. In no case will Recipient be entitled to a pro rata portion of the \$10,000.00 incentive.

C. A cash incentive payment in an amount equal to \$60,000.00 will be distributed to Recipient by LPDC, in three annual installments of \$20,000.00 each, based on the following criteria:

- 1) If during the 12 month period ending 30 June 2018 (Year 1 of operation) the Recipient generates sales tax revenue from the La Porte store that meets or exceeds by 20% the amount of sales tax revenue generated from the beginning of the 3rd Quarter of 2014 through and including the 2nd Quarter of 2015 ("Baseline Sales Tax Revenue Amount" herein) as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #2 of 2015), Recipient shall be entitled to a \$20,000.00 installment payment at the end of Year 1 of operation.
- 2) If during the 12 month period ending 30 June 2019 (Year 2 of operation) Recipient generates sales tax revenue from the La Porte store that meets or exceeds by 20% the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #2 of 2015), Recipient shall be entitled to a \$20,000.00 installment payment at the end of Year 2 of operation.
- 3) If during the 12 month period ending 30 June 2020 (Year 3 of operation) Recipient generates sales tax revenue from the La Porte store that meets or exceeds by 20% the Baseline Sales Tax Revenue Amount as reflected

in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #2 of 2015), Recipient shall be entitled to a \$20,000.00 installment payment at the end of Year 3 of operation.

- 4) Notwithstanding the foregoing, if in any Year of Operation, as that term is defined in this Section, Recipient generates sales tax revenue that does not meet or exceed the Baseline Sales Tax Revenue Amount by 20%, but does meet or exceed the Baseline Sales Tax Revenue Amount by at least 15%, then in that case Recipient shall be entitled to a pro rata share of the \$20,000.00 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 15% in a given Year of Operation, then Recipient shall be entitled to no portion of the \$20,000.00 installment, for that Year of Operation.

If after the conclusion of a Year of Operation, but no later than 90 days after the conclusion of the Year of Operation, the Recipient submits proof that it met or exceeded by 20% the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #2 of 2015), 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, 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 \$20,000.00 to Recipient within a period not to exceed thirty (30) days.

If after the conclusion of a Year of Operation, but no later than 90 days after the conclusion of the Year of Operation, the Recipient submits proof that it met or exceeded the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report for Quarter #2 of 2015) by at least 15% but less than 20%, 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 \$20,000.00 amount 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 of total sales tax revenue for a Year of Operation that exceeds the Baseline Sales Tax Revenue Amount by 7%, the incentive payment under this agreement would be \$0.

Example 2: If Recipient provides evidence of total sales tax revenue for a Year of Operation that exceeds the Baseline Sales Tax Revenue Amount by 17%, the incentive payment under this agreement would be calculated at 17/20, or 85% of the \$20,000.00 incentive payment, for a total payment of \$17,000.00.

ARTICLE II

All funds received as herein provided shall be solely for the purpose of contributing towards Recipient's costs in the renovation of the exterior and interior of the existing hardware store known as "Fischer's Hardware", located at 1010 S. Broadway St., La Porte, Texas and for the making of associated site and infrastructure improvements, to operate hardware store. 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 \$120,000.00, 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 LPDC funds previously paid to 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 is for a period beginning on the date of approval by LPDC and ending 30 September 2020.

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, 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 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, 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 Recipient on the dates indicated below.

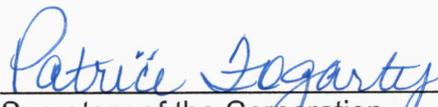
LA PORTE DEVELOPMENT CORPORATION



Richard Warren, President

2-22-16
Date

ATTEST



Secretary of the Corporation

FISCHER'S HARDWARE, INC.

By:



2/4/16

Date

ATTEST







City of La Porte

Established 1892

City Manager's Office

The City of La Porte embraces our heritage, community values and opportunities, while enhancing the quality of life for our citizens.

June 20, 2017

Mr. Frank Herrera
Managing Partner, Fischer's Hardware
1010 S. Broadway
La Porte, TX 77571

Dear Mr. Herrera:

This letter will serve as official denial for Payment Request No. 1 under the Development Agreement between the La Porte Development Corporation and Fischer's Hardware. At this time, Fischer's has not met the minimum capital expenditure amount stipulated in the development agreement (Article I-A). While Fischer's did meet the initial deadline for submission of receipts, four months have elapsed and there has not been resolution of the \$360,000 in inventory and construction expenditures that were comingled. No response was received to the email dated June 8, which outlined a final submission deadline of June 19, 2017. No additional documentation was received by this deadline.

At this time, the validated amount for capital expenditures is \$386,264.03, as outlined in the enclosure attached herein.

Fischer's Hardware remains eligible for the remaining incentive payments, assuming the performance targets specified in the development agreement are met within the timeline specified.

I have enjoyed working with you, Renee, and Mr. Rothermel on this project. I look forward to working with you again as we continue to progress through the future benchmarks.

If you have any questions, please do not hesitate to contact me.

Respectfully,

Traci E. Leach
Assistant City Manager

cc: Corby Alexander
La Porte Development Corporation Board

Enclosure: Expenditure Validation Spreadsheet

	Contractor	Scope of Work	Contract Amount	Payment Verification
A	Daniel St. John	Remove roof, gutter, front building facial sign and frame and install new	\$ 9,538.96	\$ 9,538.96
	Rodrigo Mora	Roof work?		\$ 900.00
	Ricardo Mora	Roof Replacement		\$ 800.00
	Rodrigo Mora	Roof		\$ 900.00
	Rodrigo Mora	Roof		\$ 600.00
	Fischer's Do It Best	Roofing		\$ 1,200.00
B	Daniel St. John	Install Gutter downspouts/elbows	\$ 400.00	\$ 400.00
	Daniel St. John	Equipment rental, haul off, gutter install for 6" drain pipe	\$ 5,190.00	\$ 5,190.00
	Daniel St. John	signage removal, removing wood at entry, renovate Lil'Jack's castle façade	\$ 8,000.00	\$ 8,000.00
C	Fischer's Do It Best	Interior Signage	\$ 15,433.28	\$ 15,433.28
	Fischer's Do It Best	Sport Graphics	\$ 8,582.60	\$ 8,582.60
	RS Graphics	Paint existing sign; new vinyl graphics	\$ 13,877.65	\$ 13,877.65
	Harmon Sign Inc/Fischers	Building letters	\$ 16,896.04	\$ 16,896.04
	Louis Pina	Lettering	\$ 2,760.00	\$ 2,760.00
	Louis Pina	Banner Install	\$ 4,600.00	\$ 4,600.00
D	Bernardo's Paving	Parking Lot Re-surfacing	\$ 5,724.16	\$ 5,724.16
E	Ricardo Mora	Painting		\$ 1,000.00
	Rodrigo Mora?	Painting gates		\$ 400.00
	Tony Santos	Painting interior	\$ 3,445.34	\$ 3,445.34
F	Creekside Nursery	Roses	\$ 1,575.00	\$ 1,575.00
	Roberto Mora?	Landscaping (labor?)		\$ 800.00
	Rodrigo Mora?	Landscaping and labor		\$ 2,500.00
G	Hardware Express	LED Flood Lights	\$ 1,128.45	\$ 1,128.45
H	Jose Ortega	Floor Clean up- strip and wax	\$ 1,100.00	\$ 1,100.00
	Jose Ortega	Floor Clean up- strip and wax	\$ 1,100.00	\$ 1,100.00
	Jose Ortega	Floor Clean up- strip and wax	\$ 1,000.00	\$ 1,000.00

I	Luis Lucio	Electrical work- relocating circuits	\$	390.00	\$	390.00
	Luis Lucio	Install light fixtures, circuits, outlets	\$	4,400.00	\$	4,400.00
	Luis Lucio	Emergency Lights, conduit for front door power, circuit for AC in warehouse	\$	640.00	\$	640.00
	Luis Lucio	Remove lights in carport & install new, install receptacles/lights in store	\$	2,700.00	\$	2,700.00
	Luis Lucio	Removed conduit, relocated existing circuits, install lighting (back storage), install wiring for future registers	\$	1,970.00	\$	1,970.00
	Luis Lucio	Conduit for parking lot, install flood on building, flood on pole	\$	1,190.00	\$	1,190.00
	Fischer's Do It Best	Electrical supplies	\$	409.98	\$	409.98
J	Marco Santos	Floor repair, fence repair	\$	1,700.00	\$	1,700.00
	Marco Santos	Installation of VCT tiles (labor)	\$	6,000.00	\$	6,000.00
	Marco Santos	Replace VCT tiles	\$	525.00	\$	525.00
	Marco Santos	Floor prep for tiles, repair broken floor in rear, repair back door	\$	700.00	\$	700.00
	Fischer's Do It Best	Tiles	\$	3,096.15	\$	3,096.15
K	Daniel St. John	Labor/Remodel	\$	2,500.00	\$	2,500.00
	Joe/Jose	Labor- gondolas?	\$	235.00	\$	235.00
	Juan Gonzalez	Clean up	\$	75.00	\$	75.00
	Jose Gonzalez	pallet fixture, garden, pegboard, cleanup	\$	2,375.00	\$	2,375.00
	David Garcia	Clean up	\$	216.00	\$	216.00
	Nathan Herrera	Labor for gondola install	\$	1,123.10	\$	1,123.10
L	Joey's Glass Inc	Door	\$	2,212.52	\$	2,212.52
	Lohman Glass	Door	\$	3,548.00	\$	3,548.00
M	Marco Santos	Demo AC in storage room, remove carpet, grind down pipe	\$	1,500.00	\$	1,500.00
	Sam vargas	Remove carpet			\$	500.00
N	Daniel St. John	Welding fence			\$	500.00
	Marco Santos	Install of two chain link rolling gates	\$	1,200.00	\$	1,200.00
	Dow Pipe & Fence Supply	Roller	\$	381.04	\$	381.04

O	Tony Santos	Storefront	\$	55,000.00	\$	6,000.00
	Tony Santos	Storefront			\$	6,000.00
	Tony Santos	Storefront			\$	4,000.00
	Tony Santos	Storefront			\$	4,000.00
	Marco Santos	Storefront			\$	15,000.00
	Marco Santos	Exterior			\$	10,000.00
	Marco Santos	Exterior			\$	10,000.00
P	Sam Vargas	Wall removal			\$	1,059.00
	Claridata Corp	Move network and phone to new service desk	\$	540.00	\$	540.00
	Lowe's	Glue for tile floor	\$	162.29	\$	162.29
	Glynn's Contracting Service	Install two roll up overhead doors	\$	53,000.00	\$	53,000.00
Q	Fischer's Do It Best	Store development design fees	\$	10,492.80	\$	6,737.42
	Fischer's Do It Best	Shelving	\$	678.46	\$	678.46
R	Davis and Associates	Architectural/Engineering Plans	\$	18,880.00	\$	16,000.00
S	Fischer's Do It Best					
T	Handy Hardware	Interior light bulbs	\$	349.78	\$	349.78
U	Fischer's Do it Best	??	\$	61,024.15	\$	60,820.94
V	Stihl	Store display	\$	26,118.23	\$	26,118.23
W	Gate House	Fire Access Box	\$	69.32	\$	69.32
X	Outdoor heaven	Planters and pedestals	\$	3,990.00	\$	3,990.00
Y	Fischer's Do It Best	Divider Arm and Bar	\$	649.05	\$	649.05
	Fischer's Do It Best	Inventory infrastructure	\$	217.16	\$	217.16

Z	Xcess Security Services	Fire Alarm add on	\$	10,318.18	\$	11,334.11
			\$	370,609.51	\$	386,264.03

Timeline of Action

February 20: Initial packet of documentation delivered to City Hall

February 21: I met with Frank Herrera to discuss the submitted documents

March 9: I emailed Frank confirming an initial validated amount that appeared to meet the minimum requirements. It became clear as additional review was conducted that there were additional documents that were needed to validate some of the initial documentation. I also indicated that we still needed photos and permit documents.

March 10: I met with Frank and Rod onsite to follow up on the outstanding documentation needs.

March 30: I met with Frank and Rod again to review materials.

April 7: I emailed to document the key pieces of information that needed clarification, specifically additional information on \$360,000 in submitted invoices. These invoices contained a comingled listing of expenditures that were a combination of inventory and construction related expenses. In discussion with Fischer's, it was explained that corporate office required that certain inventory be purchased, knowing that it would never sell in order to approve the additional floor space. Fischer's does not consider these purchases "inventory." However, staff's perspective is that if a price tag is on it and a customer could buy it, then it is inventory and thus not eligible for capital investment calculation purposes.

April 18: Email exchange regarding capital expenditure validation for the invoices with comingled expenditures

April 27: I met with Frank, Rod, and Renee to go over the co-mingled stack of invoices.

June 8: I emailed Frank to request an update and set a final documentation submission deadline of June 19 for the capital expenditure validation.

June 19: No documentation was received.

June 20: Denial letter emailed to Frank

Approved for the La Porte Development Corporation Agenda

Corby D. Alexander, City Manager

Date

City of La Porte
La Porte Development Corporation (038) Fund Summary
(Section 4B Sales Tax)

Beginning Fund Balance 9/30/16		\$	5,715,659
Plus Estimated 16-17 Revenues			2,272,500
Less Estimated 16-17 Expenditures and Commitments			
Economic Development Operations	620,734		
Debt Payments	685,247		
Capital Projects/Transfers	1,340,200		
Reservation for Debt Service	1,083,817		
Total Expenditures			3,729,998
Estimated Fund Balance 9/30/17			4,258,161
Plus 17-18 Revenues:			
1/2 Cent Sales Tax	2,250,000		
Interest Income	25,000		
Total Revenues			2,275,000
Equals Total Resources			6,533,161
Less 17-18 Expenditures:			
Economic Development Operations	755,314		
Debt Service Transfer *	1,014,012		
Transfer to General CIP Fund:			
Wave Pool Upgrades	410,000		
Main Street Lighting	180,000		
Northwest Pool Renovations	800,000		
Design for New Recreation Center	500,000		
Main Street Lighting	15,000		
Spencer Highway Sidewalks	340,200		
Total Expenditures			4,014,526
Ending Fund Balance 9/30/18		\$	2,518,635

		Estimated 2016-17		Projected 2017-18
Revenues	\$	2,272,500	\$	2,275,000
Expenditures & Commitments		3,729,998		4,014,526
Revenues over Expenditures	\$	(1,457,498)	\$	(1,739,526)

*Debt Service Payments for Library, Bay Area Boulevard & Canada Road and Ballfields.

PREPARED 07/03/17, 14:12:32

Approved in FY17

Estimated expenditures for FY17

Initial budget request for FY18

Budget review with CM

Proposed budget for FY18

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
<p>FUND 038 SECTION 4B SALES TAX DEPT 60 ADMINISTRATION DIV 30 SECTION 4B SALES TAX</p>							
038-6030-565.10-10	REGULAR EARNINGS	53,168	72,689	39,377	51,615	8,789	60,404
038-6030-565.10-12	SICK BUY BACK	0	0	0	0	0	0
038-6030-565.10-20	OVERTIME	18	0	0	0	0	0
038-6030-565.10-30	CERTIFICATION	0	0	0	0	0	0
038-6030-565.10-35	LONGEVITY	186	180	45	180	0	180
038-6030-565.10-55	TERMINATION PAY (S/V)	2,850	0	0	0	0	0
038-6030-565.10-60	FICA	4,165	5,385	2,898	3,898	723	4,621
038-6030-565.10-65	RETIREMENT	8,960	11,485	6,238	8,331	1,418	9,749
038-6030-565.10-80	INSURANCE - MEDICAL	10,423	10,423	10,423	10,423	2,605	13,028
038-6030-565.10-81	INSURANCE - LIFE	32	20	32	32	0	32
038-6030-565.10-90	OTHER BENEFITS	950	0	0	0	0	0
038-6030-565.20-01	OFFICE	118	200	100	200	0	200
038-6030-565.20-02	POSTAGE	113	1,000	250	200	0	200
LEVEL 17ES	TEXT NOTE: \$750 WAS TO BE RE-ALLOCATED TO HELP FUND PURCHASE OF 1218 S. BROADWAY POSTAGE			250 250			
038-6030-565.20-15	OTHER SUPPLIES	1,636	1,000	600	600	0	600
LEVEL 17ES	TEXT DINNER FOR BOARDS (TIRZ AND EDC)			600 600			
LEVEL 18CM	TEXT DINNER FOR ED BOARDS (TIRZ AND EDC)			600 600			

T P ART... CITY MANAGER

PAGE 1

BUDGET PREPARATION WORKSHEET
RESULTS OF DEPARTMENT REVIEW WITH CITY MANAGER

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
FUND 038 SECTION 4B SALES TAX DEPT 60 ADMINISTRATION DIV 30 SECTION 4B SALES TAX 038-6030-565.30-01 MEMBERS & SUBSCRIPTIONS		40,960	43,500	42,500	45,000	0	45,000
LEVEL 17ES	TEXT BAHEP BAYTRAN ECONOMIC ALLIANCE			TEXT AMT 20,000 2,500 20,000 42,500			
LEVEL 18CM	TEXT BAHEP ECONOMIC ALLIANCE BAYTRAN MISCELLANEOUS RELATED MEMBERSHIPS FOR NEW PERSON			TEXT AMT 20,000 20,000 2,500 2,500 45,000			
038-6030-565.30-20 TRAINING/SEMINARS		7,210	4,500	3,000	4,500	0	4,500
LEVEL 17ES	TEXT DALLAS ICSC SHOW 1 STAFF/1 BOARD MEMBER MISCELLANEOUS AD HOC TRAINING NOTE: \$1,500 IN TRAINING WAS DELETED DUE TO VACANCY. THESE FUNDS ARE TO BE RE-ALLOCATED TO PURCHASE 1218 S. BROADWAY			TEXT AMT 1,816 1,184 3,000			
LEVEL 18CM	TEXT MISCELLANEOUS TRAINING FOR NEW PERSON			TEXT AMT 4,500 4,500			
038-6030-565.40-11 BUILDING		0	0	0	0	0	0
038-6030-565.40-55 COMPUTER SOFTWARE		0	0	0	0	0	0
038-6030-565.40-60 TECHNOLOGY LEASE FEES		0	0	0	0	0	0
038-6030-565.40-65 COMPUTER MAINTENANCE FEES		0	0	0	0	0	0
038-6030-565.50-01 ACCOUNTING		5,000	5,000	5,000	5,000	0	5,000
LEVEL	TEXT			TEXT AMT			

BUDGET PREPARATION WORKSHEET
RESULTS OF DEPARTMENT REVIEW WITH CITY MANAGER

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
FUND 038 SECTION 4B SALES TAX DEPT 60 ADMINISTRATION DIV 30 SECTION 4B SALES TAX 17ES ANNUAL AUDIT				5,000 5,000			
LEVEL 18CM	TEXT ED SHARE OF CITY AUDIT			TEXT AMT 5,000 5,000			
038-6030-565.50-03	LEGAL	7,671	10,000	4,899	10,000	0	10,000
LEVEL 17ES	TEXT LEGAL BILLED THROUGH APRIL ESTIMATED LEGAL TO BE BILLED MAY THROUGH SEPT AVERAGING \$264 PER BILLING CYCLE CONTINGENCY FOR UNEXPECTED HIGH MONTHLY BILLING NOTE: \$5,111 WAS RE-ALLOCATED TO FUND LAND AT 1218 S. BROADWAY			TEXT AMT 1,581 1,318 2,000 4,899			
LEVEL 18CM	TEXT ED RELATED LEGAL COSTS			TEXT AMT 10,000 10,000			
038-6030-565.50-05	PERSONNEL SERVICES	0	0	0	0	0	0
038-6030-565.50-07	OTHER PROFESSIONAL SERVICE	12,742	36,500	6,500	36,500	72,000	108,500
LEVEL 17ES	TEXT CITY WIDE WEBSITE MAINTENANCE FEE SUTA/STARS FEES NOTE: DUE TO VACANCY, WE DELETED FUNDING FOR AEDO CERTIFICATION AND STRATEGIC PLAN. THESE FUNDS ARE TO BE RE-ALLOCATED TO 99-97 FOR INCENTIVE PAYMENT TO FISCHER'S			TEXT AMT 4,500 2,000 6,500			
LEVEL 18CM	TEXT MAIN STREET STRATEGIC PLAN ITEM WAS DELETED IN FY17 DUE TO VACANCY SUTA AND STARS FEES CITY WIDE WEBSITE MAINTENANCE- ED SHARE			TEXT AMT 30,000 2,000 4,500			

BUDGET PREPARATION WORKSHEET
RESULTS OF DEPARTMENT REVIEW WITH CITY MANAGER

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
FUND 038 SECTION 4B SALES TAX DEPT 60 ADMINISTRATION DIV 30 SECTION 4B SALES TAX BUS SERVICE (1/2 MOVED UP FROM 9997 ACCOUNT & OTHER 1/2 MOVED FROM COMMUNITY INVESTMENT FUND)				72,000			
			108,500				
038-6030-565.50-12	PROPERTY RESALE MAINT	0	0	0	0	0	0
038-6030-565.60-02	PRINTING & REPRODUCTION	361	500	0	5,000	8,000	13,000
LEVEL 18CM	TEXT NEW ED COLLATERAL NOTE: ALL MATERIALS CURRENTLY HAVE SCOTT'S INFO ON IT. NEW PERSON WILL NEED ALL NEW STUFF. COUPON BOOK			TEXT AMT 5,000			
				8,000			
				13,000			
038-6030-565.60-05	ADVERTISING	41,301	25,000	5,000	5,300	0	5,300
LEVEL 17ES	TEXT XCELI GENT TEXAS REAL ESTATE BUSINESS (ALREADY COMMITTED) MISCELLANEOUS ADS NOTE: \$20,000 WAS ELIMINATED DUE TO VACANCY. FUNDS TO BE RE-ALLOCATED TO 99-97 TO FUND INCENTIVE FOR FISCHER'S			TEXT AMT 1,800 2,150 1,050			
				5,000			
LEVEL 18CM	TEXT EXCELI GENT MISCELLANEOUS ADS			TEXT AMT 1,800 3,500 5,300			
038-6030-565.60-10	JANITORIAL SERVICES	0	0	0	0	0	0
038-6030-565.60-40	TRADE SHOWS	2,482	8,000	0	5,000	0	5,000
LEVEL 18CM	TEXT TRADE SHOWS TO BE DETERMINED BY NEW PERSON NOTE: PERHAPS THIS IS NOT NEEDED DEPENDING ON WHAT HAPPENS WITH THE ED STAFF POSITION			TEXT AMT 5,000			
				5,000			

BUDGET PREPARATION WORKSHEET
RESULTS OF DEPARTMENT REVIEW WITH CITY MANAGER

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
FUND 038 SECTION 4B SALES TAX DEPT 60 ADMINISTRATION DIV 30 SECTION 4B SALES TAX							
038-6030-565.70-01	ELECTRICAL	0	0	0	0	0	0
038-6030-565.70-02	NATURAL GAS	0	0	0	0	0	0
038-6030-565.70-04	WATER	0	0	0	0	0	0
038-6030-565.70-05	MISC UTILITIES	0	0	0	0	0	0
038-6030-565.80-31	LAND ACQUISITIONS	0	0	0	0	0	0
038-6030-565.90-50	CONTINGENCY	0	0	0	250,000	0	250,000
LEVEL 18CM	TEXT UNFORESEEN LAND ACQUISITION, PROJECTS, INCENTIVES			TEXT AMT 250,000 250,000			
038-6030-565.99-97	REQ FOR SPECIAL PROGRAMS	215,500	385,352	493,872	256,000	36,000-	220,000
LEVEL 17ES	TEXT ACT TURBO INCENTIVE PAYMENTS NOS. 2 AND 3 HARRIS COUNTY TRANSIT (50% OF TOTAL) FISCHER'S HARDWARE INCENTIVE PAYMENT NO. 1 LAND ACQUISITION FOR 1218 S. BROADWAY			TEXT AMT 351,000 35,500 50,000 57,372 493,872			
LEVEL 18CM	TEXT PIPELINE GRILL NOTE: INCENTIVE BASED ON SALES TAX RECEIPTS OF AT LEAST \$4M FISCHER'S HARDWARE NOTE: INCENTIVE BASED ON TWO TARGETS- SALES TAX AND EMPLOYEE COUNT NORTHERN SAFETY NOTE: INCENTIVE BASED ON TWO TARGETS- SALES TAX AND EMPLOYEE COUNT HARRIS COUNTY TRANSIT BUS SERVICE NOTE: OTHER 50% FUNDED IN COMMUNITY INVESTMENT HARRIS COUNTY TRANSIT BUS SERVICE TO 5007 ACCOUNT			TEXT AMT 100,000 30,000 90,000 36,000 36,000- 220,000			
038-6030-565.99-99	REQ FOR NEW POSITION	0	0	0	0	0	0

BUDGET PREPARATION WORKSHEET
RESULTS OF DEPARTMENT REVIEW WITH CITY MANAGER

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	LAST YEARS ACTUALS	BUDGET 2016-17	ESTIMATE 2016-17	REQUESTED 2017-18	CITY MANAGER ADJUSTMENTS	CITY MANAGER REVIEW
FUND 038 SECTION 4B SALES TAX							
DEPT 60 ADMINISTRATION							
DIV 30 SECTION 4B SALES TAX							
038-6030-680.90-03	ADMN TRANS TO FUND 003	0	0	0	0	0	0
038-6030-680.90-04	ADMN TRANS TO FUND 004	680,668	685,247	685,247	0	1,014,012	1,014,012
038-6030-680.90-15	ADMN TRANS TO FUND 015	0	1,340,200	1,340,200	2,338,000	92,800-	2,245,200
LEVEL	TEXT			TEXT AMT			
18CM	WAVE POOL UPGRADES			410,000			
	MAIN STREET LIGHTING			180,000			
	DESIGN FOR NEW RECREATION CENTER			500,000			
	NORTHWEST POOL RENOVATIONS			800,000			
	SPENCER HIGHWAY SIDEWALKS			340,200			
	MAIN STREET SIDEWALKS			15,000			
				2,245,200			
038-6030-680.90-33	TRANSFER TO ST MAINT FUND	0	0	0	0	0	0
*	SECTION 4B SALES TAX	1,096,514	2,646,181	2,646,181	3,035,779	978,747	4,014,526
**	ADMINISTRATION	1,096,514	2,646,181	2,646,181	3,035,779	978,747	4,014,526
***	SECTION 4B SALES TAX	1,096,514	2,646,181	2,646,181	3,035,779	978,747	4,014,526
		1,096,514	2,646,181	2,646,181	3,035,779	978,747	4,014,526

REQUEST FOR LA PORTE DEVELOPMENT CORPORATION AGENDA ITEM

Agenda Date Requested: <u>July 17, 2017</u> Requested By: <u>Traci Leach</u> Department: <u>Administration</u> Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	<p style="text-align: center;"><u>Appropriation</u></p> Source of Funds: _____ Account Number: _____ Amount Budgeted: _____ Amount Requested: _____ Budgeted Item: <input checked="" type="radio"/> YES <input type="radio"/> NO
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Exhibits:

1. [Incentive Scorecard](#)
2. [Port Theater Proposal](#)

SUMMARY & RECOMMENDATIONS

At the May 22, 2017 Board meeting, Horace Leopard for LPH Properties provided an update on the newly purchased Port Theater located at 430 W. Main Street. Since that time, staff has been working with LPH to develop an incentive agreement for the renovation of the facility.

The theater is envisioned to function as a multi-purpose facility that would host a variety of events, such as screenings of movies (not first run films), musical events, wedding venue, and meeting space for the community and businesses. LPH has provided preliminary information regarding the intended uses of the facility, as well as initial estimates on issues such as capital expenditures, job creation, and taxable sales.

In order to host these events and to improve the exterior/interior appearance of the facility, LPH is projecting to spend over \$400,000 in renovations to both interior and exterior of the building. Improvements will include: Renovating exterior marquee sign to replace it with blade sign reminiscent of the former Port Theater signage; replacing exterior doors; interior/exterior painting; resurfacing existing parking to east of building and construct small courtyard; replacing/upgrading all A/V equipment; renovating restrooms; constructing green room for musical acts behind stage; replacing carpeting, lighting; and renovating concession area.

LPH has requested that the ED Board consider funding 100% of the capital costs associated with the renovation of the facility, \$309,195. LPH indicates that an additional \$110,000 will be spent on additional improvements and repairs that are not included in the \$309,195 requested amount. In order to capture some of the “intangible value” that a vibrant theater could bring to Main Street, staff included a total of \$419,195 in the scorecard calculation to account for this added “value.” The initial assessment of the project yields an incentive amount between \$104,798.75 (25% of total capital investment amount of \$419,195) and \$200,643, which has a 10-year payback based on revenue projections.

The Board has provided staff with a guide for evaluating projects requesting incentives. This guide provides a starting point for discussion of the merits of projects and allows the Board flexibility to adjust based on other factors not included in the evaluation matrix.

LPH will be available to answer specific questions about the project and staff will be available to answer any other questions. Once direction from the Board is received, a development agreement will be drafted and brought to the Board for consideration.

Action Required by the La Porte Development Corporation:

Provide staff with direction regarding incentive request from LPH Properties for renovation of the theater located at 430 W. Main Street and take appropriate action.

Approved for the La Porte Development Corporation Agenda

Corby D. Alexander, City Manager

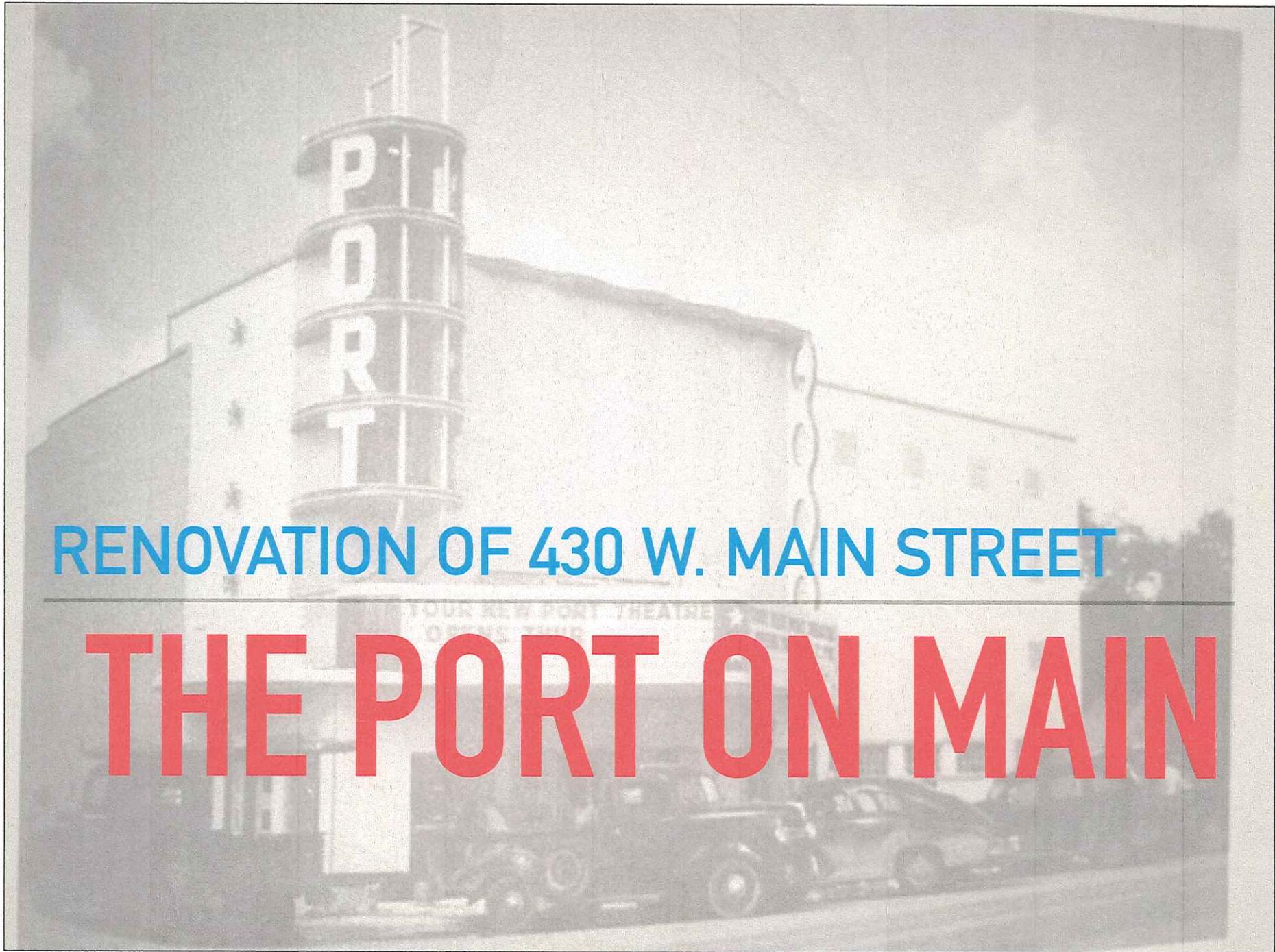
Date

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 Coop Positions</u>	<u>Grant Award</u>	<u>Raw Payback Period (Years)</u> ⁶	<u>Adj. Payback Period for # of Jobs (Years)</u>	<u>Raw 10 Year ROI</u> ¹⁰	<u>Adj. 10 Year ROI for # of Jobs</u>
Project Nebula, Unit #1	\$250 million	\$6,603,000	24	0	\$300,000	0.85	-2.75	2101%	2461%
Project Nebula, Unit #2	\$500 million	\$13,206,000	60	0	\$700,000	0.99	-8.01	1787%	2687%
InterGulf Corporation	\$2.1 million	\$149,100	30	0	\$500,000	33.53	29.03	-70%	380%
Rob Johnson	\$6 million	\$843,750	² 10	0	\$106,000	1.26	1.26	696%	696%
Project Gantstein, LLC	\$656,728	\$846,628	¹⁵ 100	0	\$300,000	3.56	3.56	182%	182%
Richard Industrial Group	\$500,000	\$10,650	³ 75	0	\$15,000	4.23	-7.02	-29%	¹¹ 1096%
Sector 23	\$12 million ¹	\$852,000	35	⁴ 0	\$362,457	4.25	0.75	135%	485%
Port Theater Renovation	\$419,195	\$200,643	1	7	\$200,643	10.00	10.00	0%	0.00
ACT Independent Turbo	\$6 million	\$426,000	60	5	⁵ \$426,000	10.00	0.25	0%	975%

Notes:

1. Based upon estimated from information provided, so far, by Alton Ogden.
2. Estimated sales of \$2 million results in estimated sales tax of \$2 million x 2%, or \$40,000. Annual sales tax of \$40,000 is included in the figure.
3. The term for this project is three (3) years as opposed to ten (10) years.
4. This assumption is based upon **15** buildings (from info provided by Alton Ogden), and **3** employees per building, minus **10** employees for a development agreement estimate.
5. Staff's estimate of the number of "Career Preparation" (i.e. Coop) positions to be offered by ACT to LPISD students. ACT will provide additional information in late September 2014.
6. Grant Award/Annual PILOT or Tax Revenue.
7. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0.15) - (# of Coop Positions x 0.15), because the arbitrary assigned value for each full time job is "0.15".
8. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0) - (# of Coop Positions x 0), because the arbitrary assigned value for each full time job is "0".
9. Grant Award/Annual PILOT or Tax Revenue - (# of Full Time Positions x 0.1) - (# of Coop Positions x 0.1), because the arbitrary assigned value for each full time job is "0.1".
10. ((Annual Property Tax Revenues - Grant Award)/Grant Award) x 100
11. The term and ROI for this project is three (3) years as opposed to ten (10) years, because it was an industrial "attraction" project rather than an "expansion" or "relocation".
12. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0.15) + (# of Coop Positions x 0.15)) x 100
13. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0) + (# of Coop Positions x 0)) x 100
14. ((Annual PILOT or Tax Revenue - Grant Award)/Grant Award + (# of Full Time Positions x 0.10) + (# of Coop Positions x 0.10)) x 100
15. ((\$4 million x 2%) + \$4,662.77) x 10



RENOVATION OF 430 W. MAIN STREET

THE PORT ON MAIN

PORT ON MAIN RENOVATION

HORACE LEOPARD DBA LPH PROPERTIES

- ▶ LPH Properties is a Real Estate investment entity.
- ▶ LPH Properties (as the developer) wishes to renovate the existing Port Theater at 430 W. Main Street
- ▶ We (LPH Properties/developer) want to begin work immediately, with completion in Fall 2017.
- ▶ We believe the renovation and restoration of this historical property will be well received by citizens of La Porte. This will be an enhancement to Main Street and be of benefit to businesses in La Porte.

PORT ON MAIN RENOVATION

- ▶ Developer requests assistance from La Porte to fund the following (All costs presented are estimates) :
 - ▶ Renovate the existing marquee and add identifying blade sign to front of building (20% added to cover sales tax, unknown electrical and structural work) \$86,400
 - ▶ Replace existing three double doors with solid wood with glass windows (to look like original doors) and replace ticket window with new, secure glass \$27,566
 - ▶ Paint brick exterior wall above marquee and repaint front entrance \$2524
 - ▶ Clearing and resurfacing the existing parking area east of the building and adding a small courtyard & furniture \$35,027

PORT ON MAIN RENOVATION

- ▶ Repair terrazzo sidewalk area in front of theater \$4,872
- ▶ Purchase & install video projection and sound equipment, lighting, and acoustic panels for showing movies, for musical acts, and other events \$82,270
- ▶ Repair two restrooms and adjoining room in balcony area (needed for extra restroom capacity) \$17,772
- ▶ Install one restroom and "green" room behind stage \$52,764

PORT ON MAIN RENOVATION

▶ Current taxable value per HCAD	\$363,871
▶ Estimated taxable values to be added in La Porte	
▶ Value of new equipment	\$87,270
▶ Value of improvements to be added to building (addition of restrooms, "green" room; new carpet/flooring; lighting; signage)	\$320,000
▶ Taxable value of new construction	-0-
▶ Taxable inventory to relocated/added	\$1,500
▶ Taxable retail sales to be added (yearly)	\$1,206,360
▶ Taxable value of improved parking lot w/ courtyard	\$35,618

PORT ON MAIN RENOVATION

- ▶ Number of existing employees relocated to La Porte -0-
- ▶ Number of new employees to be hired (Number of employees will be dependent on type of usage. Some to be provided by renting groups.) 10
- ▶ Number of paid and/or intern positions we are willing to reserve for LPHS. It is anticipated most of the workers will be part-time, student age workers. 7
 - ▶ Full-time employees (management) 1 person (\$2500-\$3000 per month)
 - ▶ Part-time employees - concession, ticket window, cleaning (\$7.50-\$9.00 hourly); sound/projection/lighting technicians (\$15.00-\$20.00 hourly); security personnel (\$30-\$35 hourly)

PORT ON MAIN RENOVATION

In addition to the amount requested from the City, it is estimated that over \$110,000 will be spent by owners to make the needed repairs: repair water damage, clean up facility, repaint, replace carpet/flooring, replace lighting, renovate the concession area and re-equip, etc. With the funds being requested it is felt we can provide a first class facility that will be something the city of La Porte can be proud of and will be of benefit to other local businesses. Without these funds we will be forced to try to operate the facility without the ability to attract greater performers, corporate clientele, or other rentals.

We respectfully request that the city provide the funds to allow the renovations mentioned previously (marquee, sign, exterior paint, parking lot, sidewalk repair/replacement, projection/sound/lighting equipment). The projection/sound equipment would be of the quality entertainers and musical groups are looking for. The marquee and signage will draw attention to Main Street. The marquee could be made available to promote city, school and other activities in La Porte.

Funds requested: \$309,195