

RICHARD WARREN, PRESIDENT
BRENT McCAULLEY, COUNCILPERSON
RACHEL COTTON, BOARD MEMBER
CHUCK ENGELKEN, COUNCILPERSON



DANNY EARP, BOARD MEMBER
JOHN BLAKEMORE, 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 December 13, 2021, at the City Hall Council Chamber, 604 West Fairmont Parkway, La Porte, Texas, beginning at 5:00 pm to consider the following items of business:

Remote participation is available, also. Attend via a screen using this link:

<https://us02web.zoom.us/j/83450073043?pwd=VDRqNG5mNlplBQVV0Y2V6TiswUXpWdz09>

Join by phone at 888.475.4499 or 877.853.5257. The meeting ID is 834 5007 3043. The passcode is 335324.

1. **CALL TO ORDER**
2. **CITIZEN COMMENT** (Generally limited to five minutes per person; in accordance with state law, the time may be reduced if there is a high number of speakers or other considerations.)
3. **CONSENT AGENDA** (*Approval of Consent Agenda items authorizes each to be implemented in accordance with staff recommendations provided. An item may be removed from the consent agenda and added to the Statutory Agenda for full discussion upon request by a member of the Committee present at this meeting.*)
 - (a) Approve the minutes of the regular meeting of the La Porte Development Corporation held on October 25, 2021. [President Warren]
4. **PUBLIC HEARING AND ASSOCIATED MATTERS**
 - (a) The La Porte Development Corporation Board of Directors will hold a public hearing to receive comment on consideration to authorize the following projects of the La Porte Development Corporation: Downtown Lighting & Enhancements - \$150,000.00; Enhancement Grant Program - \$100,000.00; Fairmont Park Splash Pad (1/3 Funding) - \$200,000.00; Dog Park at Fairmont Park - \$72,275.00; Broadway Street Trail Lighting Phase II - \$390,156.00; Signage Project Phase I - \$350,000.00; Fairmont Park Improvements (Exercise Shade Structure) - \$52,600.00; and Pecan Park Parking Lot Improvements - \$336,000.00; followed by discussion and possible action to authorize the following projects of the La Porte Development Corporation: Downtown Lighting & Enhancements - \$150,000.00; Enhancement Grant Program - \$100,000.00; Fairmont Park Splash Pad (1/3 Funding) - \$200,000.00; Dog Park at Fairmont Park - \$72,275.00; Broadway Street Trail Lighting Phase II - \$390,156.00; Signage Project Phase I - \$350,000.00; Fairmont Park Improvements (Exercise Shade Structure) - \$52,600.00; and Pecan Park Parking Lot Improvements - \$336,000.00. [Corby Alexander, City Manager]

- (b) The La Porte Development Corporation Board of Directors will hold a public hearing to hear comment on proposed 116 S. Broadway Street Project - 'Battleground Saloon', a project to promote and develop new and expanded business enterprises, specifically for site, infrastructure, and related improvements for construction of facilities at 116 S. Broadway Street, to be operated as restaurant bar and grill, which location is legally described as Lots 22, 23, 24, & 25 & south 1/2 Lot 26, Block 37, Town of La Porte Subdivision, in a total amount not to exceed \$27,308.00; followed by discussion and possible action to authorize the following project of the La Porte Development Corporation: 116 S. Broadway Street Project - 'Battleground Saloon', in an amount not to exceed \$27,308.00. [Corby Alexander, City Manager]

5. AUTHORIZATIONS

- (a) Consider approval or other action authorizing the City Manager to sign a thirty-six (36) month economic development services agreement with Bay Area Houston Economic Partnership, in the amount of \$20,000.00 per year, beginning January 1, 2022 and ending December 31, 2024. [Corby Alexander, City Manager]

6. SET NEXT MEETING

- 7. BOARD COMMENTS** *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Committee members and City staff, for which no formal action will be discussed or taken.*

8. ADJOURN

If, during the course of the meeting and discussion of any items covered by this notice, the La Porte Development Corporation Board determines that a Closed or Executive Session of the Board is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 - consultation with counsel on legal matters; Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.074 - personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; Section 551.076 - implementation of security personnel or devices; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the La Porte Development Corporation Board will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (281-470-5019), two working days prior to the meeting for appropriate arrangements.

Pursuant to Texas Government Code Sec. 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members will be physically present at the location noted above on this agenda.

CERTIFICATE

I, Lee Woodward, City Secretary, do hereby certify that a copy of the December 13, 2021, La Porte Development Corporation Board agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.LaPorteTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF
POSTING

TIME OF
POSTING
TAKEN DOWN

Lee Woodward

Lee Woodward, City Secretary

RICHARD WARREN
PRESIDENT

BRENT MCCAULLEY COUNCILPERSON

RACHEL COTTON
BOARD MEMBER

CHUCK ENGELKEN
COUNCILPERSON



DANNY EARP
BOARD MEMBER

JOHN BLAKEMORE
BOARD MEMBER

NANCY OJEDA,
VICE-PRESIDENT

MINUTES OF THE LA PORTE DEVELOPMENT CORPORATION BOARD MEETING OF OCTOBER 25, 2021

The City of La Porte Development Corporation Board met on Monday, October 25, 2021, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at 5:00 p.m., with the following in attendance:

Board members present: Richard Warren, Nancy Ojeda, Chuck Engelken, Danny Earp, John Blakemore, Brent McCaulley, Rachel Cotton

Board members attending remotely: None

Board members absent: None

Council-appointed members present: Corby Alexander, City Manager, Lee Woodward, City Secretary; Clark Askins, Assistant City Attorney

1. **CALL TO ORDER** – President Warren called the meeting to order at 5:00 p.m.
2. **CITIZEN COMMENT** (*Generally limited to five minutes per person; in accordance with state law, the time may be reduced if there is a high number of speakers or other considerations.*)

Assistant City Manager Jason Weeks informed the Board that the City had received notice that it was being awarded a \$5,000 San Jacinto Texas Museum District grant towards the La Porte Gold Star Families Monument.

3. AUTHORIZATIONS

- (a) **Presentation, discussion, and possible action to approve the minutes of the regular meeting of the La Porte Development Corporation held on September 27, 2021. [President Warren]**

Member Engelken moved to approve the minutes of the September 27, 2021, meeting; the motion was seconded by Member Blakemore; the motion was adopted, 7-0.

- (b) **Presentation, discussion, and possible action to approve a reimbursement payment in the amount of \$14,140.88 in connection with an April 26, 2021, enhancement grant to Mike Snider for business sign improvements at Snider Transmission, located at 10335 W. Fairmont Parkway in La Porte, Texas. [Jason Weeks, Assistant City Manager]**

Member Earp moved to approve a reimbursement payment in the amount of \$14,140.88 in connection with an April 26, 2021, enhancement grant to Mike Snider for business sign improvements at Snider Transmission, located at 10335 W. Fairmont Parkway in La Porte, Texas; the motion was seconded by Member Engelken; the motion was adopted, 7-0.

- (c) **Presentation, discussion, and possible action to approve a payment of \$45,000.00 to Marty and Vicki Campise in accordance with an economic development incentive agreement for the use of Type B Development Corporation Sales Tax Funds for the refurbishment/renovation of the old bank building located at 100 W. Main Street in La Porte, Texas. [Jason Weeks, Assistant City Manager]**

Member Ojeda moved to approve a payment of \$45,000.00 to Marty and Vicki Campise in accordance with an economic development incentive agreement for the use of Type B Development Corporation Sales Tax Funds for the refurbishment/renovation of the old bank building located at 100 W. Main Street in La Porte, Texas; the motion was seconded by Member Earp. Member Earp suggested that the two part-time employee to one full time employee calculation equivalency be spelled out if it is going to be used on an ongoing basis. The motion was adopted, 7-0.

(d) Presentation, discussion, and possible action to provide administrative staff with direction for long-term strategic planning on the use of La Porte Development Corporation funds. [Jason Weeks, Assistant City Manager]

Member Earp urged that the Council should be the body to decide that it was appropriate to proceed with the Phase II remodel of the Recreation Center, after which the question for the LPDC Board would be to determine whether Type B Development Corporation Sales Tax Funds would be approved. Member Earp moved that staff take the proposal for Phase II of the Recreation Center remodel back to Council for confirmation (then to return to LPDC); the motion was seconded by Member Blakemore; the motion was adopted, 7-0.

A discussion of downtown revitalization was followed with Mr. Weeks saying the City Manager's office would reach out to building and business owners on Main Street.

4. SET DATE FOR NEXT MEETING

The next meeting date was scheduled for December 13, 2021.

5. BOARD COMMENTS *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Committee members and City staff, for which no formal action will be discussed or taken.*

The Board thanked Member Earp for bringing up the documentation of the part-time/full time equalization; noted Snider Transmission's new sign was showing the Astros game recently; expressed appreciation for Mr. Weeks' efforts.

6. ADJOURN – The meeting was adjourned without objection at 5:55 p.m.

Lee Woodward, City Secretary



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

Agenda Date Requested: <u>December 13, 2021</u>
Requested By: <u>Corby Alexander, City Mgr.</u>
Department: <u>Administration/CMO</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>Fund 015 Transfer</u>
Account Number:	<u>038-6030-565-9015</u>
Amount Budgeted:	<u>\$1,791,031</u>
Amount Requested:	<u>\$1,651,031</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: 60-day Notice

SUMMARY & RECOMMENDATIONS

At the September 27, 2021 La Porte Development Corporation Board meeting, approval was given for opening the 60-day public comment period on the fiscal year 2021-2022 CIP expenditures. However, staff made adjustments to the Dog Park at Fairmont Park to remove the dog splash park feature and replaced that feature with some type of watering feature for animals. This reduced the original project from \$212,275 to \$72,275. On October 7th, staff published the 60-day “notice” in the Bay Area Observer and December 6th was the 60th day for comments. To-date staff has received no comments on these projects.

The Board approved the appropriation of \$1,791,031 in CIP projects for fiscal year 2021-2022. However, the Board only approved opening the 60-day comment period to fund \$1,651,031 of the projects due to removal of the dog splash pad related to the new dog park at Fairmont Park. These projects consisted of:

2021-22 Fiscal Year

- Downtown Lighting & Enhancements - \$150,000
- Enhancement Grant Program - \$100,000
- Fairmont Park Splash Pad (1/3 Funding) - \$200,000
- Dog Park at Fairmont Park - \$72,275
- Broadway Street Trail Lighting Phase II - \$ 390,156
- Signage Project Phase I - \$350,000
- Fairmont Park Improvements (Exercise Shade Structure) - \$52,600
- Pecan Park Parking Lot Improvements - \$336,000

Staff request the Board to hold a public hearing to receive feedback on these eight (8) Capital Improvement Projects that were funded by the Board for FY 2021-22. At the conclusion of the public hearing, based on the feedback received during the 60-day comment period, staff recommends approval from the LPDC Board for the FY 2021-22 projects.

ACTION REQUIRED BY LPDC BOARD

Approval of the eight (8) Capital Improvement Projects: Downtown Lighting & Enhancements - \$150,000, Enhancement Grant Program - \$100,000, Fairmont Park Splash Pad (1/3 Funding) - \$200,000, Dog Park at Fairmont Park - \$72,275, Broadway Street Trail Lighting Phase II - \$ 390,156, Signage Project Phase I - \$350,000, Fairmont Park Improvements (Exercise Shade Structure) - \$52,600, Pecan Park Parking Lot Improvements - \$336,000.

Approved for the La Porte Development Corporation Board meeting agenda

Corby D. Alexander, City Manager

Date

Notice of Proposed Projects of the La Porte Development Corporation Board (Type B)

Downtown Lightning & Enhancements: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$150,000.00. The purpose of this project is to fund the installation of lighting fixtures and related enhancements in downtown La Porte.

Fairmont Park West Splash Pad: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$200,000.00. The purpose of the project is to install a splash park at Fairmont Park West in fiscal year 2021-2022.

Dog Park at Fairmont Park: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$72,275.00. The purpose of this project is related to development of a small and large dog park to be located at Fairmont Park, which will include fencing and gates, water fountains, obstacle course, benches, garbage cans, and dog waste stations.

Broadway Street Trail Lighting Phase II: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$390,156.00. This lighting is a continuation of the decorative lighting that was installed in 2020 on Broadway Street from Wharton Weems to Dwire Street. This project will be an extension of Phase I to include decorative lighting from Wharton Weems to Fairmont Parkway.

Signage Project – Phase I: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$350,000.00. The purpose of the project is to rebrand and enhance City of La Porte gateway entrance signs, facility marquees, facility signage, and park signage.

Fairmont Park Improvements (Exercise Shade Structure): Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community facilities, in an amount not to exceed \$52,600.00. The purpose of the project is to fund the installation of a shade structures over outdoor exercise equipment installed at Fairmont Park.

Pecan Parking Lot Improvements: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to recreational or community

facilities, in an amount not to exceed \$336,000.00. The purpose of the project is to provide for the modification of the existing parking lot at Pecan Park. The scope of work is intended to provide additional parking space while addressing safety concerns related to traffic flow within the parking lot.

Enhancement Grant Program: Pursuant to Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project related to infrastructure, site improvements and related improvements to promote or develop new or expanded business enterprises, by providing matching grants to businesses located anywhere in La Porte, in an amount not to exceed \$100,000.00. The purpose of this project is to consider eligible improvements including façade rehabilitation/enhancement, beautification projects, new awnings, canopies, porches, signage, and parking lot improvements.

In accordance with Texas Local Government Code 505.160 the public has the right to gather a petition to object to the proposed projects by requiring an election. The petition must request that an election be held before the project is undertaken and must be signed by more than ten percent (10%) of the registered voters of the City of La Porte. The petition must be received by the City of La Porte not later than the sixtieth (60th) day after publication of this notice.

Please reach out to Jason Weeks, Assistant City Manager at WeeksJ@LaPorteTX.Gov or 281-470-5013 with any questions or comments you may have.



REQUEST FOR LA PORTE DEVELOPMENT CORPORATION BOARD AGENDA ITEM

Agenda Date Requested: <u>December 13, 2021</u>
Requested By: <u>Corby Alexander, City Manager</u>
Department: <u>Administration/CMO</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>038 – EDC Fund</u>
Account Number:	<u>038-6030-565-9997</u>
Amount Budgeted:	<u>\$540,200</u>
Amount Requested:	<u>TBD</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: Application, Public Notice, Scorecard, and Agenda Request from 9/27/21, & Current photos

SUMMARY & RECOMMENDATIONS

On September 27, 2021, staff brought the La Porte Development Corporation Board a project in downtown La Porte. The applicant, Mark Rosado was interested in building “Battleground Saloon” business, which would be located at 116 S. Broadway Street, next to the old Magic Mart (corner of Main Street and Broadway). Rosado is a first-time business owner looking to establish his bar & grill as a staple in the community. Though no kitchen or grill would be installed at his business, the plan is for food to be sold via food truck(s). He provided the Board with a layout for the project, which included an outdoor seating area for customers and three small buildings for another bar, stage and retail area. The main building was planned to be approximately 750 square feet in size, while the other remaining “out” buildings (retail space, storage shed, and live music stage) would be a total of another 750 square feet of space for a total 1,500 square feet. The applicant estimated the project cost of \$143,200 (excluding the cost of the land). Additionally, the applicant indicated that upon opening, he would employ 15 employees. The City receives mixed beverage sales tax receipts issued through the Texas Comptroller of Public Accounts from multiple permittees within La Porte. La Porte has several dozen establishments that contribute monthly mixed beverage sales tax to the City. On average, these establishments average gross receipts of \$30,000 per month. Staff has estimated that the applicant will submit approximately \$4,500 annually to the City for mixed beverage taxes.

Staff provided the Board of an analysis of this project:

Per Harris County Appraisal District, the location Mr. Rosado is building Battleground Saloon, 116 S. Broadway has an assessed valuation as of January 1, 2021 of \$84,000 for this vacant parcel. The applicant plans to sell food and alcohol, which will generate sales and mixed beverage taxes for the City. Based on the projected project cost of \$143,200, the applicant would have investment in the business of \$227,200, which could generate approximately \$1,613 in property taxes annually for the City. Additionally, the applicant would be a water and sewer customer; therefore, the City would receive utility fees from the

applicant. As a reminder, property tax and mixed beverage sales tax are not revenue producers for the La Porte Development Corporation. Only sales tax on non-alcoholic items (food and drinks) would increase the revenue sources for the LPDC. After entering data into the matrix, the applicant would qualify for an incentive of \$27,308. Again, the matrix is subjective based on my assumptions; therefore, this amount could be adjusted slightly up or down.

Though the applicant mentioned to the Board prior to the Board approving an incentive that he'd like to request more funds. The Board approved an incentive amount not to exceed \$27,308. Approval was given for opening the 60-day public comment period on this project for fiscal year 2021-2022 expenditure. On October 7th, staff published the 60-day "notice" in the Bay Area Observer and December 6th was the 60th day for comments. To-date staff has received no comments on these projects.

Staff request the Board to hold a public hearing to receive feedback on this incentive project that was funded by the Board for FY 2021-22. At the conclusion of the public hearing, based on the feedback received during the 60-day comment period, staff recommends approval from the LPDC Board for the Battleground Saloon incentive project.

The applicant has started construction of his project and staff has included current photos of the project, which were taken the week of November 22nd.

Once this item has been approved by the Board, staff will begin working with the Assistant City Attorney and the applicant on an agreeable development agreement. Based on the applicants presentation to the Board on September 27, 2021, staff will be incorporating benchmarks. Staff anticipates the development agreement to be brought to the Board for consideration in January 2022.

ACTION REQUIRED BY LPDC BOARD

Conduct public hearing to receive comments from the public on this project. Consider, discuss, and possible action on a financial incentive of \$27,308 to Mark Rosado, applicant for his construction of Battleground Saloon, located at 116 S. Broadway Street in La Porte, Texas.

Approved for the La Porte Development Corporation Board meeting agenda

Corby D. Alexander, City Manager

Date













Notice of Proposed Project of the La Porte Development Corporation Board (Type B)

116 S. Broadway St. Building Project: Pursuant to the Texas Local Government Code Section 505.160 notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas has proposed an official project and is considering granting an incentive to an eligible business enterprise in an amount not to exceed \$27,308.00. The purpose of the project is to promote and develop new and expanded business enterprises, specifically for site, infrastructure, and related improvements at 116 S. Broadway St., which location is legally described as Lots 22, 23, 24, 25, and the North ½ of Lot 26, Block 37, Town of La Porte Subdivision.

In accordance with Texas Local Government Code 505.160 the public has a right to gather a petition to object to the proposed project by requiring an election. The petition must request that an election be held before the project is undertaken and must be signed by more than ten percent (10%) of the registered voters of the City of La Porte. The petition must be received by the City of La Porte not later than sixtieth (60th) day after the publication of this notice.

Please reach out to Jason Weeks, Assistant City Manager at WeeksJ@LaPorteTX.Gov or 281-470-5012 with any questions or comments you may have.



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

Agenda Date Requested: <u>September 27, 2021</u>
Requested By: <u>Jason Weeks, Asst. City Manager</u>
Department: <u>Administration/CMO</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>038 – EDC Fund</u>
Account Number:	<u>038-6030-565-9997</u>
Amount Budgeted:	<u>\$540,200</u>
Amount Requested:	<u>TBD</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: Application, Conceptual Renderings, Scorecard, Mixed Beverage Tax Info, and FAQ's On Mixed Beverage Tax

SUMMARY & RECOMMENDATIONS

The City Manager's Office has received and reviewed the business plan for the "Battleground Saloon" business that will be located at 116 S. Broadway Street, which is next to the old Magic Mart (corner of Main Street and Broadway). The owner, Mark Rosado, resides at 3527 Bayou Forest Dr. in La Porte. Rosado is a first-time business owner looking to establish his bar & grill as a staple in the community. Though no kitchen or grill will be installed at his business, the plan is for food to be sold via food truck(s). Currently, the proposed building site is vacant; however, Mr. Rosado is requesting a financial incentive to assist with building his new establishment.

According to his business model, he "will provide a safe and friendly gathering place by choosing the right staff to hire and properly training them in customer service and most importantly public safety." Also, he will be taking an initiative to prevent underage drinking and prioritizing serving the customer.

Rosado has indicated that his family-friendly neighborhood bar and grill will sell food, drinks, and provide retail space and live musical entertainment. The layout for the project includes an outdoor seating area for customers and three small buildings for another bar, stage and retail area. The retail area will include logo merchandise, such as hats and shirts, along with toys for kids, jewelry items for women and knickknacks. Mr. Rosado will be purchasing signs, shades, office electronics, point-of-sale equipment, furniture and wood to build additional furniture to assist with the opening of the Battleground Saloon. He anticipates Battleground Saloon opening in December 2021.

Staff has included within the agenda packet renderings, which indicate several patio benches on the outside of the restaurant that could seat up to 36 people. Also, Rosado plans on building a playground for children at a later date. The main building will be approximately 750 square feet in size, while the other remaining "out" buildings (retail

space, storage shed, and live music stage) will be a total of another 750 square feet of space for a total 1,500 square feet. The applicant will not have a walk-in cooler, but the main building will be fully air conditioned.

General Cost to Start Business:

Construction of Main Building	\$79,000**
Concrete work	\$13,500**
Retail, Stage and Bar Buildings	\$19,200**
Refrigeration Equipment	\$16,000**
Furniture and other equipment	\$9,500**
Other Smaller Items*	\$6,000**
Total of Project Cost	\$143,200

*- Miscellaneous/Not Listed

** - All amounts are estimates from owner

Job Creation Breakdown:

Number of Jobs:	Est. Annual Payroll	Year
15-16 jobs created at opening	\$159,000	21'-22'
28 jobs available after 3 yrs.	\$319,000	24'-25'
45 jobs available after 5 yrs.	\$509,000	26'-27'

Also, Mr. Rosado has indicated that there will be 38+ construction jobs that will be created in the construction of the building. Rosado believes this project will last for 35-plus years.

Mr. Rosado provided a copy of his resume within the submitted documents, which indicated he has 21 years of hospitality experience working most recently for Noah’s Ark Bar & Grill in Bacliff. Additional employers included Pipeline Grill, and several establishments in Miami, Florida such as Klutch – South Beach, Martini Bar, Bennigan’s. He began his hospitality career in Austin, Texas working for Light Bar. He is a La Porte High School graduate and earned an Associate’s Degree from Miami Dade Community College. He is a Certified Home Inspector, Blood Borne Pathogens Certified, CPR & TABC Certified. Mr. Rosado has listed that he will be using personal savings and the sale of his home as equity to build his business.

At the time of publication of this agenda item, the applicant has received his TABC license for the establishment and the City’s permitting (including FMO) has approved his building permit. The La Porte ZBOA approved an special exception for this project by waiving on-site parking and the applicant will be allowed to utilize off-site parking along the street.

Mixed Beverage Tax

A mixed beverage is any alcoholic beverage (beer, wine, ale and distilled spirits), or part of an alcoholic beverage, that a permittee sells or serves to be consumed on the permittee's premises. An alcoholic beverage is any beverage containing more than ½ of 1% of alcohol by volume. A permittee is the holder of one or more of the following alcohol permits: mixed beverage, private club, private club exemption certificate, mixed beverage or private club late hours, daily temporary mixed beverage or private club, mixed beverage or private club registration permit holding a food and beverage certificate, caterer's, distiller's and rectifier's permits. According to the applicant, Mr. Rosado, has received his mixed beverage permit from the Texas Alcohol and Beverage Commission. There are two mixed beverage taxes, both based on the sale, preparation or service of alcoholic beverages and mixers. Mr. Rosado would pay the mixed beverage gross receipts tax to the State and his customers would pay him the mixed beverage sales tax, which would be remitted to the State. The mixed beverage gross receipts tax is based on the total amount received from the sale, preparation or service of mixed beverages, ice, and non-alcoholic beverages that are sold, prepared or served to be mixed with an alcoholic beverage and consumed at the Battleground Saloon. A customer will pay the mixed beverage sales tax on each mixed beverage Battleground Saloon sells, prepares or serves, and ice and each non-alcoholic beverage Battleground Saloon sells, prepares or serves that is mixed with an alcoholic beverage and consumed on Battleground Saloon's premises. The mixed beverage gross receipts tax rate is 6.7%, and the mixed beverage sales tax rate is 8.25%. All sales of beer, ale or wine from Battleground Saloon are subject to both mixed beverage taxes. However, this is different than retailer locations that sell beer, ale or wine, which their tax is strictly subject to the sales and use tax. Staff has included two (2) documents within the agenda packet that the Texas Comptroller of Public Accounts discusses "Mixed Beverage Sales Tax" and "the "Mixed Beverage Taxes Frequently Asked Questions."

The City receives mixed beverage sales tax receipts issued through the Texas Comptroller of Public Accounts from multiple permittees within La Porte. La Porte has several dozen establishments that contribute monthly mixed beverage sales tax to the City. On average, these establishments average gross receipts of \$30,000 per month.

Staff Analysis:

Per Harris County Appraisal District, the location Mr. Rosado is building Battleground Saloon, 116 S. Broadway has an assessed valuation as of January 1, 2021 of \$84,000 for this vacant parcel. The applicant plans to sell food and alcohol, which will generate sales and mixed beverage taxes for the City. Based on the projected project cost of \$143,200, the applicant would have investment in the business of \$227,200, which could generate approximately \$1,613 in property taxes annually for the City. Additionally, the applicant would be a water and sewer customer; therefore, the City would receive utility fees from the applicant. As a reminder, property tax and mixed beverage sales tax are not revenue producers for the La Porte Development Corporation. Only sales tax on non-alcoholic items (food and drinks) would increase the revenue sources for the LPDC. After entering data into the matrix, the applicant would qualify for an incentive of \$27,308. Again, the matrix is subjective based on my assumptions; therefore, this amount could be adjusted slightly up or down.

Staff would recommend during the negotiations of any development agreement that benchmarks be spread over several years to guarantee the applicant will still be in

business. Additionally, consideration may need to be given that the first benchmark not be established until one-year after the applicant opens for business.

ACTION REQUIRED BY LPDC BOARD

Consider, discuss, and possible action on a financial incentive to Mark Rosado, applicant for his construction of Battleground Saloon, located at 116 S. Broadway Street in La Porte, Texas.

Approved for the La Porte Development Corporation Board meeting agenda

Corby D. Alexander, City Manager

Date

La Porte Development Corporation Project Scorecard -- PRIORITIES

<u>Project Type</u>		Project's PRIORITY Value (Up to 10) ¹	Project's 10 Year Tax or PILOT Revenue ²	Project's Multiplier Value (Up to 4) ³	# of New Full Time Jobs	Full Time Job Avg. Value ⁴	Project's Existing 10 Year Incentives ⁵	Regression Analysis ⁶	Estimated Incentive Value ⁷	Incentive Value Allowed by Tax Abatement Policy ⁸	% Allowed by Tax Abatement Policy
New Retail/Restaurant Dev. (Higher)	A	10	\$3,420,000	2	0.0	0.0	\$0	342.0	\$2,565,000	\$355,000	50%
Palais Royal	A1	10	\$471,000	2	16	0	\$0	47.1	\$353,250	\$17,750	50%
Retail or Restaurant Re-Development/ Blight Removal/EHG (Higher)	B	9	\$684,000	1	0	0	\$0	30.8	\$230,850	\$71,000	50%
Pipeline Grill	B1	9	\$846,628	2	100	0	\$0	76.2	\$571,474	\$11,657	50%
Fischer's Hardware	B2	9	\$210,500	2	8	0	\$0	18.9	\$142,088	\$17,750	50%
Quality Waterfront Development	C	8	\$1,532,500	2	0	0	\$0	122.6	\$919,500	\$133,125	50%
Main Street Improvements	D	7	\$648,500	3	0	0	\$0	68.1	\$510,694	\$62,125	50%
Bank Building Remodel	D1	7	\$35,500	3	8	0.1	\$0	3	\$22,365	\$8,875	50%
Micro-Brewery (Purchase)	D2	7	\$105,500	2	12	0.1	\$0	9	\$66,465	\$8,875	50%
Battleground Saloon	D3	5	\$64,730	2	15	0.075	\$0	4	\$27,308	\$8,875	50%
New Retail/Restaurant Dev. (Lower) - Rob Johnson/Dollar Tree	E	6	\$826,000	1	0	0	\$0	24.8	\$185,850	\$106,500	50%
Retail or Restaurant Re-Development/ Blight Removal/EHG (Lower)	F	6	\$121,000	1	0	0	\$0	3.6	\$27,225	\$3,550	50%
El Toro	F1	6	\$542,000	2	12	0	\$0	32.5	\$243,900	\$35,500	50%
Industry - NEW Development (Higher) - INEOS Unit #1 - \$250 Million	G	5	\$11,182,500	4	24	0.125	\$4,579,500	396	\$2,971,350	\$2,662,500	10%
INEOS Unit #2 - \$500 Million	G1	5	\$22,365,000	4	60	0.125	\$9,159,000	1981	\$14,856,750	\$2,662,500	10%
Project Regulate	G2	5	\$1,136,000	3	40	0.125	\$0	85	\$639,000	\$56,800	10%

ACT Turbo (New Industry)	G3	5	\$426,000	3	73	0.13	\$0	61	\$454,808	\$21,300	10%
NEW Office/HQ - InterGulf Corporation	H	4	\$142,000	4	30	0.15	\$0	10	\$76,680	\$7,100	10%
NEW Office/Regional - Richard Industrial Group	I	4	\$10,650	4	75	0.15	\$0	2	\$14,378	\$1,775	10%
Industry - NEW Development (Lower) - Sector 23 (Original)	J	3	\$568,000	4	35	0.1	\$0	24	\$178,920	\$28,400	10%
Sector 23 (Latest)	J1	3	\$1,278,000	4	72	0.1	\$0	110	\$828,144	\$28,400	10%
Industry - RETENTION/EXPANSION (Higher) - ACT Turbo (Expansion)	K	3	\$426,000	3	73	0.13	\$0	36	\$272,885	\$21,300	10%
Industry - RETENTION/EXPANSION (Lower)	L	2	\$710,000	3	15	0.075	\$0	5	\$35,944	\$35,500	10%
Airport Re-Development	M	1	\$177,500	2	30	0.1	\$0	1	\$7,988	\$8,875	10%

Notes:

- Staff assigned prioritized values, from a maximum of **10** to a minimum of **1**, based upon his understanding of the City Council and 4B Board's values for various types of projects.
- The values in this column include revenues from property taxes, business personal proeprty taxes, and sales taxes.
- Staff assigned a value, from a maximum of **4** to a minimum of **1**, for each project. A value of **4** means that the project will have a significant multiplier effect to bring new money and/or people into our local economy. A value of **1** means that the project will have little or no multiplier effect to bring new money and/or people into our local economy.
- Staff assigned a value, from a maximum of **0.15** to a minimum of **0.075**, for each type of "primary job" associated with each project type. A value of **0.15** was assigned to higher paying, white collar, engineering, engineering design, or executive positions. A value of **0.125** was assigned to highly skilled positions for a process technician and/or advanced manufacturer. A value of **0.10** was assigned to skilled positions. A value of **0.075** was assigned to unskilled positions.
- Data in this column identifies all other local incentives, like PILOT abatements under an existing IDA or scheduled TIRZ reimbursements, that any project may be entitled to receive.
- The formulas in this column represent staff's best estimate using **regression analysis** to tie together all the columns of data. Important assumptions of the formulas are as follows:
 - x Retail projects are **five** times (5x) more attractive to the community than industrial projects. For reference, please see page #6 of La Porte's enclosed Tax Abatement Policy.
 - x Each "project type" is **not** equal to every other project type. Therefore, each project type's priority value is included in the formula.
 - x The value of incentives that a project is already scheduled to receive, and is shown in the "Project's Existing 10 Year Incentives", must be deducted from the total tax/PILOT revenue that the project is expected to generate, which is shown in "Project's 10 Year Tax or PILOT Revenue".
 - x Each project's value to create a "multiplier effect" on our local economy should be included. See the values listed under "Project's Multiplier Value (Up to 4)" above.
 - x Each value in the column for "Regression Analysis" is divided by 1 million to make the values under "Regression Analysis" smaller, more manageable, and easier to compare.

The two (2) basic formulas used in "Regression Analysis" are as follows:

- (a) For all Retail, Restaurant, Re-Development, and Waterfront Projects, "**Project's PRIORITY Value (Up to 10)**" x 5 times "**Project's 10 Year Tax or PILOT Revenue**" – "**Project's Existing 10 Year Incentives**" times "**Project's Multiplier Value (Up to 4)**" divided by 1 million.
- (b) For all Industry and Office Projects, "**Project's PRIORITY Value (Up to 10)**" x 1 times "**Project's 10 Year Tax or PILOT Revenue**" – "**Project's Existing 10 Year Incentives**" times "**Project's Multiplier Value (Up to 4)**" divided by 1 million.

- The values in this column are simply the value from the column called "Regression Analysis" times **\$7,500**.
- Data in this column shows the value of incentive recommended for each project type, according to the La Porte's current Tax Abatement Policy.

Projects identified in dark green text represent projects that have either already been awarded an incentive grant, or staff has good estimates for the projects. All other projects are completely "hypothetical".

- A. Hypothetical - \$20 million retail/restaurant/mixed use development project with \$10 million in annual retail sales.
- A1. **Palais Royal** - \$1 million property value with \$2 million in annual retail sales.
- B. Hypothetical - \$4 million project with \$2 million in annual retail sales.
- B1. **Pipeline Grill** - \$1.2 million in commercial property with \$4 million in annual retail sales.
- B2. **Fischer's Hardware** - \$1.5 million in commercial property with \$520,000 in additional, annual retail sales.
- C. Hypothetical - \$7.5 million with \$5 million in annual retail sales.
- D. Hypothetical - \$3.5 million with \$2 million in annual retail sales.
- D1. **Micro-Brewery (Lease)** - \$500,000 in commercial property value, \$350,000 in annual retail sales, 12 full time employees, and rent of \$48,000/year for five years.
- D2. **Micro-Brewery (Purchase)** - \$500,000 in commercial property value, \$350,000 in annual retail sales, and 12 full time employees
- E. **Rob Johnson/Dollar Tree** - \$6 million project with \$2 million in annual retail sales.
- F. Hypothetical - \$1 million project with \$250,000 in annual retail sales.
- F1. **El Toro** - \$2 million in new commercial property, plus \$2 million in additional, annual retail sales.
- G. **INEOS USA, LLC** - Unit #1, \$250 million investment, 84 highly skilled, full time jobs, 20% IDA for years #1-6, 63% IDA for years #7-10.
- G1. **INEOS USA, LLC** - Unit #2, \$500 million investment, highly skilled, full time jobs, 20% IDA for years #1-6, 63% IDA for years #7-10
- G2. **Project Regulate** - \$16 million investment, with at least 40 (to 60 within 5 years) highly skilled, advanced manufacturing, full time jobs. **(Note: Project would be in the TIRZ).**
- G3. **ACT Turbo (New Industry)** - \$6 million investment with 73 new, highly skilled, advanced manufacturing, full time jobs.
- H. **InterGulf Corporation** - \$2 million investment with 30 white collar, higher paying, full time jobs.
- I. **Richard Industrial Group** - \$500,000 investment with 75 white collar, higher paying, full time jobs. **(Note: the 10 year PILOT is based on 3 years, equal to the term of the lease, rather than the usual 10 year timeframe.)**
- J. **Sector 23 (Original)** - \$8 million investment and 35 full time, skilled jobs assuming 15 buildings, 3 employees per building, and minus 10 employees per the development agreement.
- J1. **Sector 23 (Latest)** - \$18million investment and est. 72 full time, skilled jobs assuming 18 buildings, 4 employees per building.
- K. **ACT Turbo (Expansion)** - \$6 million investment with 73 new, highly skilled, advanced manufacturing, full time jobs.
- L. Hypothetical - Warehouse/Distribution, \$10 million investment, 15 unskilled, full time jobs.
- M. Hypothetical - Airport expansion, \$2.5 million city participation/investment with 30 skilled, full time jobs.



City of La Porte

ECONOMIC DEVELOPMENT INCENTIVES

APPLICATION

This application must be filed at least 60 days prior to the date the City Council considers the request. Requests for incentives must be approved by the City Council prior to the beginning of construction or installation of equipment. This application will become part of the agreement between the applicant and the City of La Porte. Any knowingly false representations will be grounds for voiding the agreement. This original application must be submitted to the Economic Development Coordinator, City of La Porte 604 W. Fairmont Parkway, La Porte, Texas 77571.

I. APPLICANT INFORMATION

1. Date of Application: 5/4/21
2. Company Name: Battleground Saloon
3. Current Number of Employees: 2 (but we are not open yet)
4. Address: 116 S. Broadway
La Porte, Tx 77571
5. Annual Sales: Not open yet but est. 1M - 2M
6. Type of Ownership: Corporation Partnership
 Proprietorship
7. Names(s) of principal owner(s), partner(s) or director of the company:
Mark Rosado
8. Corporate Headquarters' address: 3527 Bayou Forest Dr.
La Porte, Tx 77571
9. Corporate Telephone: 713-397-3006

10. Other locations and/or places of business owned and operated by the applicant. For each location, please provide the city, state, street address and name(s) under which business is conducted:

None

11. Date Organization Formed: 02/01/19

12. Please attach most recent annual report or financial statement.

II. PROJECT INFORMATION

1. Type of Facility: Manufacturing
 Distribution Center
 Corporate Office or Service Center
 Research and Development Facility
 Regional Entertainment Facility
 Other (please specify)
a family friendly
Bar & Grill
2. Project Description: New Construction Expansion
 Modernization
3. Location address of proposed project: 116 S. Broadway
La Porte, TX 77571
4. County Harris
5. School District La Porte ISD
6. Product(s) or Service: selling food, drinks, retail, live
music entertainment.
7. Attach map and legal description of project location showing proposed improvements.

8. Please describe the proposed use and the specific nature and extent of the project:

Need help with funds for the whole project.
The main building will consist of bathrooms, office,
Bar, grill area. The main building will be for staff
only except for the bathrooms. Customers will have
outdoor seating. there will also be a concrete deck,
3 smaller buildings for another bar, stage,
and retail. I need all of these to properly run
and operate the 2 business as intended.

9. Please list all improvements and equipment for the project:

Improvement Items	Cost
Main Building	\$ 79,000
concrete work	\$ 13,500
Retail, stage & bar buildings	\$ 19,200
refrigeration equip.	\$ 16,000
furniture & other equip.	\$ 9,500
other smaller items	\$ 6,000

10. Please state all sources for financing the improvements:

my personal savings
& sale of my home

11. Please state the time frame or projected date of start and completion:

May 20th - July 15th
if all goes well

12. Improvements will be completed by July 15, 2021 (specify year).

13. Please state the productive life of the proposed improvements:

35+ years

14. Please give a general description of business personal property (property other than buildings, fixed machinery, inventory and supplies) that will be purchased as a result of the project:

signs, shades, office electronics, point of
sale equipment, furniture, wood to build
more furniture, etc...

III. ECONOMIC INFORMATION

1. Number of persons currently employed by applicant: *We are not open yet.*

Full Time _____ Part Time _____

Total Annual Payroll: \$ _____

2. Number of new jobs (full time equivalent) to be created/retained by the proposed improvements:

Number	Estimate Annual Payroll	Year
At Opening <u>28</u>	\$ <u>319,000</u>	<u>2021-22</u>
At 3 years <u>45</u>	\$ <u>509,000</u>	<u>2022-23</u>
At 5 years <u>50+</u>	\$ <u>581,000 +</u>	<u>2023-24</u>

3. Number of new jobs to be filled by persons residing in the City of La Porte or Harris County:

Full Time 23-45+ Part Time 5+

4. Number of Peak Construction Jobs: 38+

5. In the case of modernization, please estimate the economic life of the existing facility: _____ years. Added economic life after modernization: _____ years. *There is currently no standing building*

6. In the case of modernization, please state the assessed value of the facility for the tax year immediately preceding this application: *There is no building yet.*

Real Property \$ _____ Business Personal Property \$ _____

7. Amount of taxable sales currently being generated annually in the City of La Porte (if applicable): \$ N/A.

8. Amount of projected taxable sales that the proposed improvements will generate: \$ 25K-250K monthly. *I know that is a big gap but sales go up drastically months into opening & getting everything smoothly*

9. In the case of application based on job retention, please describe potential to job loss that would occur without economic development incentives: *smoothly*

without this help I would not be able to have a big bar or kitchen at first, or retail shop so employees would be minimal, considering I'm working around the 4 clock and maybe 4-6 others.

Company Representative to be contacted:

Mark Rosado

Name owner / operator


Title 3527 Bayou Forest Dr.

Address La Porte, TX 77571

713-397-3006

Telephone

Authorized Company Official:



Authorized Signature 5/4/21

Date Mark Rosado

Printed Name owner / operator

Title 713-397-3006

Telephone



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

Agenda Date Requested: <u>December 13, 2021</u>
Requested By: <u>Corby Alexander, City Manager</u>
Department: <u>Administration/CMO</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Exhibits: New Agreement and Old Agreement

Appropriation	
Source of Funds:	<u>038 – EDC Fund</u>
Account Number:	<u>038-6030-565-3001</u>
Amount Budgeted:	<u>\$20,000</u>
Amount Requested:	<u>\$20,000</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

SUMMARY & RECOMMENDATION

The current agreement with the Bay Area Houston Economic Partnership (“BAHEP”) expires on December 31, 2021. We’ve received a request to renew the economic development services agreement with BAHEP for thirty-six (36) month period beginning January 1, 2021 and ending December 31, 2024 in the annual amount of \$20,000. La Porte may terminate this agreement at any time by giving thirty (30) days’ written notice to the Alliance. There are no changes other than the date in the renewal agreement.

The annual economic development services agreement includes:

1. Bay Area Houston Economic Partnership will assist the City of La Porte to work within the established framework as outlined in the City of La Porte 2030 Comprehensive Plan.
 - Provide the City of La Porte direct access to Bay Area Houston Economic Partnership’s research capability for information regarding studies, forward planning and research.
 - Attract diversified industry that will contribute to the tax base as well as provide jobs for a variety of diverse workers in the community without conflicting with other land uses in La Porte, while encouraging younger citizens to remain in the community.
 - Work to ensure that all existing and future commercial development is attractive, highly utilized and without negative influence on adjacent residential uses.
 - Facilitate meetings with county and state officials in order to develop a positive working relationship; in regards to mutual goals for development of lands and thoroughfares within the city limits.
 - Assist the City of La Porte to improve the community character of La Porte to make it a more desirable place to live, work and visit.

2. Utilize 2030 Comprehensive Plan objectives to assist the City of La Porte achieve economic development goals.
3. Include the City of La Porte in specific Bay Area Houston Economic Partnership communications, as follows:
 - Inclusion of City La Porte material on the Bay Area Houston Economic Partnership website.
 - Inclusion of the City of La Porte in Bay Area Houston Economic Partnership printed materials and electronic newsletters.
 - Advise the City of La Porte in development of marketing materials for the city website and for print and video distribution.
4. Include the Mayor, other elected officials, or city staff in two site selector visits per year.
5. Coordinate representation of the City of La Porte at two trade shows per year, if held, with Bay Area Houston Economic Partnership staff working with the city staff on the best methods to promote the City of La Porte's economic development objectives.
6. Include the City of La Porte in four business programs each year.
7. Continue to engage industry representatives from the industrial complex, City of La Porte, and Bay Area Houston Economic Partnership to identify constraints and barriers to economic vitality of the petrochemical industry and determine appropriate resolutions.
8. Along with an annual written report documenting progress, Bay Area Houston Economic Partnership representatives will meet every six months with the Mayor of the City of La Porte and/or his/her designated representative(s).

Staff has budgeted this service in the La Porte Development Corporation budget for FY 2021-22. Staff recommends authorizing the City Manager to enter into a 36-month agreement with BAHEP to provide economic development services to the City of La Porte for the period beginning January 1, 2022 and ending December 31, 2024.

ACTION REQUIRED BY BOARD

Consider approval or other action authorizing the City Manager to sign a thirty-six (36) month economic development services agreement in the amount of \$20,000.00 per year with the Bay Area Houston Economic Partnership beginning January 1, 2022 and ending December 31, 2024.

Approved for the La Porte Development Corporation Board meeting agenda

Corby D. Alexander, City Manager

Date



Proposal to the City of La Porte

for

Economic Development Services

Submitted

by

**Bay Area Houston
Economic Partnership**

November 12, 2021



BAY AREA HOUSTON ECONOMIC PARTNERSHIP

Bay Area Houston Economic Partnership is a 501 (c)(6) not for profit organization focusing on the growth of the region through retention, expansion, plus recruitment of high performance jobs and business. The Bay Area Houston Economic Partnership service area includes the City of La Porte and the Bayport Industrial Complex on the east, Ellington Airport and City of Pasadena on the north, the City of Friendswood on the west and the City of Hitchcock on the south. The region encompasses parts or all of 16 cities and parts of Harris and Galveston counties. The 2021 estimated population for people who live and work in the Bay Area Houston region is 800,000.

Bay Area Houston Economic Partnership currently has more than 270 members employing over 130,000 people who reside in Harris and Galveston counties, including the economic partner cities of La Porte, Clear Lake Shores, Dickinson, El Lago, Friendswood, Hitchcock, Houston, Kemah, League City, Morgan's Point, Nassau Bay, Pasadena, Santa Fe, Seabrook, Taylor Lake Village and Webster. Private and public partners include those in the aerospace and specialty chemical industries, as well as real estate brokers and developers, banks, healthcare and education.

PURPOSE

As the City of La Porte continues to focus on diversity and expanding the economy, the Bay Area Houston Economic Partnership looks forward to continuing its partnership with the City of La Porte and assisting in the continued development and implementation of an enhanced economic development strategy.

ECONOMIC DEVELOPMENT SERVICES

Economic Development Goals and Direction

Bay Area Houston Economic Partnership will provide the following services:

- a. Assist the City of La Porte in setting economic development goals and objectives.
- b. Recommend policies, processes, and procedures that enable City of La Porte to successfully compete for new business within our target industries but not limited to Aerospace, , Specialty Chemicals, Healthcare, Maritime, Aerospace and Aviation, and Recreation and Tourism .
- c. Alert City of La Porte of potential loss or addition of business due to changes in policy, State or federal law, or other impacts.
- d. Develop business linkages for City of La Porte, given the city's economic development goals.



- e. Provide opportunities for City of La Porte officials to sit on Bay Area Houston Economic Partnership committees.
- f. Consult with City of La Porte officials or their designees on issues related to economic development.
- g. Create, expand, or nurture partnerships with other municipalities or agencies to promote and enhance the City La Porte's economic development strategy.
- h. Include the City of La Porte in any and all discussions hosted by Bay Area Houston Economic Partnership with its allies that are related to regional economic development issues.

Economic Development Marketing and Sales

Bay Area Houston Economic Partnership will provide the following services:

- a. Organize and conduct coordinated marketing and sales programs that build from the City of La Porte's strengths to influence positively the national and international decision makers who decide where to locate, relocate, or expand.
- b. Target and recruit businesses and companies most likely to result in business location, relocation, and expansion.
- c. Solicit jobs from employers that result in a broader, more diversified tax base.
- d. Assist the City of La Porte in the development of a city plan for economic development.
- e. Provide relevant background information about the City of La Porte, the region, and the State of Texas, as appropriate to the business opportunity.
- f. Invite City of La Porte officials to meetings with executives or site selectors who are interested in business location, relocation, and expansion.
- g. Coordinate City of La Porte in the Bay Area Houston Economic Partnership comprehensive communications program geared to national and international business opportunities and disseminating information about the City of La Porte's business climate and business activities.

Business Assistance Programs

Bay Area Houston Economic Partnership will provide the following services:

- a. Include City of La Porte officials in programs designed to assist the City in promoting new business development, start-up business, entrepreneurship, business expansion, and other business assistance ventures.
- b. Include the City of La Porte representatives in business development activities.

Additional Special Services

Bay Area Houston Economic Partnership will provide the following additional special services at no cost to the city:

- a. BAHEP will continue its efforts to fund and build the Coastal Barrier, a storm surge protection system, for the City of La Porte through its alliances and relationships with elected officials, business groups and other organizations to ensure that action is taken to fund and construct the optimum storm surge protection system.



BAHEP President Bob Mitchell was appointed by the governor to the Gulf Coast Protection District (GCPD) and will work to help ensure protection of the region. The GCPD was created by the 87th Texas Legislature to operate and leverage funding to build the unique flood control and surge protection system for coastal communities.

- b. BAHEP will continue its advocacy for the Coastal Barrier, a coastal storm surge protection system, by working with local, state and federal elected officials, the Gulf Coast Protection District, General Land Office, and the Bay Area Coastal Protection Alliance.
- c. BAHEP will continue its collaboration with the Coalition for Sustainable Flood Insurance to monitor the National Flood Insurance Program and its reauthorization by the U.S. Congress.
- d. BAHEP's International Maritime Advisory Committee will work with the local school districts to develop curriculum for new maritime classes to be offered at the high school level. This initiative is developing an education pipeline that includes San Jacinto College District, Texas A&M Galveston and University of Houston – Clear Lake to meet the growing workforce demand by the region's maritime industry.
- e. Collaborate with the economic development coordinator and other regional organizations to protect and grow the Ellington Airport assets, including the Houston Spaceport, and expand the military presence at Ellington Field. BAHEP will work with the Houston Airport System to market Ellington Airport and perform economic development activities to protect and grow assets related to aerospace. BAHEP, through the Ellington Field Task Force, will work with local businesses and elected officials in a strategic manner focusing on areas which most substantially benefit the military presence at Ellington Field (such as Alert Fighter aircraft, Predator unmanned aerial vehicles, quality of life for Joint Armed Forces Reserve Base, and Regional Homeland Security Defense Operations Center).

FUNDING USES

Funding will be used specifically for the economic development services stated below:

“Deliverables”

1. Bay Area Houston Economic Partnership will assist the City of La Porte to work within the established framework as outlined in the City of La Porte 2030 Comprehensive Plan.



- Provide the City of La Porte direct access to Bay Area Houston Economic Partnership’s research capability for information regarding studies, forward planning, and research.
 - Attract diversified industry that will contribute to the tax base as well as provide jobs for a variety of diverse workers in the community without conflicting with other land uses in La Porte, while encouraging younger citizens to remain in the community.
 - Ensure that all existing and future commercial development is attractive, highly utilized and without negative influence on adjacent residential uses.
 - Facilitate meetings with county and state officials in order to develop a positive working relationship; in regard to mutual goals for development of lands and thoroughfares within the city limits.
 - Assist the City of La Porte to improve the community character of La Porte to make it a more desirable place to live, work and visit.
2. Utilize Comprehensive Plan objectives to assist the City of La Porte achieve economic development goals.
 3. Include the City of La Porte in specific Bay Area Houston Economic Partnership communications, as follows:
 - Inclusion of City La Porte material on the Bay Area Houston Economic Partnership website.
 - Inclusion of the City of La Porte in Bay Area Houston Economic Partnership printed materials and electronic newsletters.
 - Advise the City of La Porte in development of marketing materials for the city website and for print distribution.
 4. Include the mayor, other elected officials, or city staff to participate in site selector visits as they become available.
 5. Coordinate representation of the City of La Porte at two trade shows per year, if held. The Bay Area Houston Economic Partnership staff will work separately with the Economic Development Coordinator and city staff on the best methods to promote the City of La Porte’s economic development objectives.
 6. Include the City of La Porte officials in BAHEP business programs as they become available.
 7. Continue to engage industry representatives from the Bayport Industrial District, City of La Porte, and Bay Area Houston Economic Partnership to identify constraints and barriers to economic vitality of the specialty chemical industry and determine appropriate resolution.
 8. Along with an annual written report documenting progress, Bay Area Houston Economic Partnership representatives will meet every six months with the mayor of the City of La Porte and/or his designated representative(s).



FUNDING REQUEST

Bay Area Houston Economic Partnership is requesting a three-year funding partnership with the City of La Porte, at an investment level of \$20,000 per year for specific economic development services as outlined above, which will directly benefit the City of La Porte and its extra territorial jurisdiction (ETJ). The funding will be paid in semi-annual installments per year.

FY2022	\$20,000
FY2023	\$20,000
FY2024	\$20,000

AGREEMENT

THIS AGREEMENT FOR ECONOMIC DEVELOPMENT SERVICES (“Agreement”), as described in PROPOSAL (Exhibit A) TO THE CITY OF LA PORTE is made effective as of the Effective Date (defined below) between the **City of La Porte** (“City”) and the **Bay Area Houston Economic Partnership** (“Contractor”), a Texas 501 (c)(6) not for profit organization.

Contract Term:

This Agreement is effective on the Effective Date and remains in effect for three (3) years thereafter, unless sooner terminated under this agreement.

Services:

Contractor agrees to provide the services described in Exhibit A.

Payment Term:

The City shall pay \$20,000 per year, in semi-annual installments, for Contractor’s economic development services rendered under this Agreement. Initial payment to Contractor is due within thirty- (30) days of the Effective Date.

Effective Date:

This Agreement shall be effective as of January 1, 2019.

Termination for Convenience by the City:

The City may terminate this Agreement at any time by giving 30 days’ written notice to Contractor. The City’s right to terminate this Agreement for convenience is cumulative of all rights and remedies, which exist now or in the future.

On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice the City shall then honor payment terms for services rendered under this agreement unless the fees exceed the allocated funds remaining under this Agreement.

TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR’S ONLY REMEDIES FOR THE CORPORATION’S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED

IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

Termination for Cause by Contractor:

Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the city manager describing the default and the proposed termination date. The date must be at least 30 days after the city manager receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date. To effect final termination, the contractor must notify the city manager in writing.

Termination for Cause by City:

If Contractor defaults under this Agreement, the city manager may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies, which exist now or in the future. Default by Contractor occurs if:

- (1) Contractor fails to perform any of its duties under this Agreement;
- (2) Contractor becomes insolvent;
- (3) all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or
- (4) a receiver or trustee is appointed for Contractor.

If a default occurs, the city manager may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The city manager, at his or her sole option may extend the termination date to a later date. If the city manager allows Contractor to cure the default and Contractor does so to the city manager's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the city manager may terminate this Agreement on the termination date, at no further obligation of the Corporation.

To effect final termination, the city manager must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

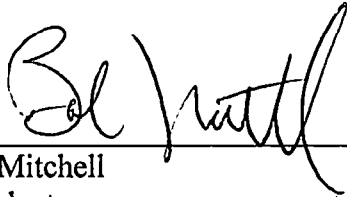
Signatures:

The Parties have executed this Agreement in multiple copies, each of which is an original.

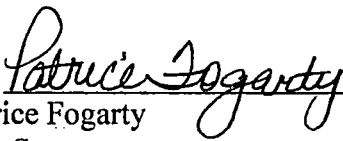
ATTEST/SEAL:

BAY AREA HOUSTON ECONOMIC
PARTNERSHIP

By: _____
Name:
Title:

By:  _____
Bob Mitchell
President

CITY OF LA PORTE

By:  _____
Patrice Fogarty
City Secretary

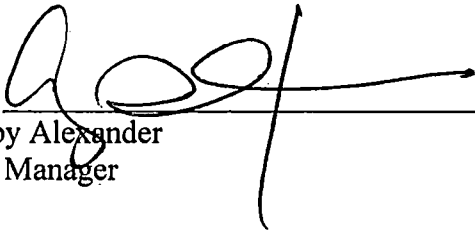
By:  _____
Corby Alexander
City Manager

Exhibit A

1. Bay Area Houston Economic Partnership will assist the City of La Porte to work within the established framework as outlined in the City of La Porte's 2000-2020 Comprehensive Plan.
 - Provide the City of La Porte direct access to Bay Area Houston Economic Partnership's research capability for information regarding studies, forward planning and research.
 - Attract diversified industry that will contribute to the tax base as well as provide jobs for a variety of diverse workers in the community without conflicting with other land uses in La Porte, while encouraging younger citizens to remain in the community.
 - Ensure that all existing and future commercial development is attractive, highly utilized and without negative influence on adjacent residential uses.
 - Facilitate meetings with county and state officials in order to develop a positive working relationship; in regards to mutual goals for development of lands and thoroughfares within the city limits.
 - Assist the City of La Porte to improve the community character of La Porte to make it a more desirable place to live, work and visit.
2. Utilize Comprehensive Plan objectives to assist the City of La Porte achieve economic development goals.
3. Include the City of La Porte in specific Bay Area Houston Economic Partnership communications, as follows:
 - Inclusion of City La Porte material on the Bay Area Houston Economic Partnership Web site.
 - Inclusion of the City of La Porte in Bay Area Houston Economic Partnership printed materials and electronic newsletters.
 - Advise the City of La Porte in development of marketing materials for the city Web site and for print and video distribution.
4. Include the Mayor, other elected officials or city staff in two CEO visits per year.
5. Coordinate representation of the City of La Porte at two trade shows per year, with Bay Area Houston Economic Partnership staff working separately with city staff on the best methods to promote the City of La Porte's economic development objectives.
6. Include the City of La Porte and local businesses in four business workshops, seminars or similar programs each year.
7. Continue to engage industry representatives from the industrial complex, City of La Porte and Bay Area Houston Economic Partnership to identify constraints and barriers to economic vitality of the petrochemical industry and determine appropriate resolution.
8. Along with an annual written report documenting progress, Bay Area Houston Economic Partnership representatives will meet every six months with the Mayor of the City of La Porte and/or his designated representative(s).



PO
20,100

038.6030.565.3001
PR006666

— INVOICE —

Mr. Corby Alexander
City of La Porte
604 West Fairmont Parkway
La Porte, TX 77571

Date: 01/01/2020
Account #: 1371
Invoice #: 31931
Amount Due: \$10,000.00

Amount Remitted: _____

Thank you for your support!

Please remit payment to:
Bay Area Houston Economic Partnership
P.O. Box 58724
Houston, TX 77258-8724

Membership Investment 01/01/2020 - 06/30/2020

\$10,000.00

Invoice Total: \$10,000.00

[Handwritten signature]
[Handwritten signature]
12-10-19



PURCHASE ORDER
CITY OF LA PORTE
604 WEST FAIRMONT PARKWAY
LA PORTE, TX 77571
Telephone (281) 470-5126

P.O. Number P0200172

DATE: 01/08/2020

VENDOR #: V00433284

VENDOR ADDRESS: BAY AREA HOUSTON ECONOMIC
PO BOX 58724
HOUSTON, TX 77258-8724

SHIP TO: CITY MANAGER
604 W. FAIRMONT PKWY
LA PORTE, TX 77571

Purchase Order number MUST appear on ALL Invoices, Packages and Correspondence

DELIVER BY: 01/08/2020
REQUISITION #: PR006666

TERMS: Visit www.laportetx.gov for PO Terms and Conditions
NOTICE: Ask us about www.publicpurchase.com for vendor registration

ITEM No.	QUANTITY/UNIT OF MEASURE	DESCRIPTION	UNIT COST	EXTENDED COST
1	1.00 / EA	Membership Dues for 1/1 - 12/31/2020	\$20,000.0000	\$20,000.00

PURCHASE ORDER TOTAL **\$20,000.00**

Please Send Original Invoice to:
City of La Porte
ACCOUNTS PAYABLE
604 W Fairmont Parkway
La Porte, Texas 77571
Or Email To:
accounting@laportetx.gov

AUTHORIZED SIGNATURE Cherell Daum