

RESOLUTION NO. 11-001

APPROVAL OF RESOLUTION APPROVING AMENDMENT AND RESTATEMENT OF BYLAWS OF CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION AND APPROVING THE ISSUANCE OF CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION INDUSTRIAL REVENUE BONDS (DEL PAPA REALTY HOLDINGS, LP PROJECT) SERIES 2011.

WHEREAS, the City of Texas City Industrial Development Corporation (the “*Issuer*”) was created by the City Commission (the “*City Commission*”) of the City of Texas City, Texas (the “*Unit*”) pursuant to the provisions of the Development Corporation Act of 1979, Article 5190.6, Vernon’s Annotated Texas Civil Statutes (recodified as the Development Corporation Act, Chapter 501, Texas Local Government Code), as amended from time to time (the “*Act*”); and

WHEREAS, the Board of Directors of the Issuer (the “*Issuer Board*”) desires to amend the Bylaws of the Issuer to update certain provisions thereof as provided in the “Resolution Authorizing Amendment of Bylaws of City of Texas City Industrial Development Corporation and Other Matters in Connection Therewith” attached hereto as **Exhibit A** and made part hereof for all purposes, adopted by the Issuer Board at its January 4, 2011 meeting (the “*Resolution Amending Bylaws*”), and the City Commission desires hereby to approve such Resolution Amending Bylaws and the amendments to the Issuer’s Bylaws in the form of the Amended and Restated Bylaws attached as Attachment A to such Resolution Amending Bylaws; and

WHEREAS, the Issuer desires to (i) issue its Industrial Revenue Bonds (Del Papa Realty Holdings, LP Project) Series 2011 in the aggregate principal amount not to exceed \$25,000,000 (the “*Bonds*”), pursuant to the terms and provisions of a bond indenture (the “*Indenture*”), (ii) provide for the sale of the Bonds pursuant to the terms of a contract of purchase, (iii) provide for the payment of the principal of, premium, if any, and interest on the Bonds with revenues derived from the loan of proceeds of the sale of the Bonds to Del Papa Realty Holdings, LP (the “*User*”), (iv) finance and refinance, pursuant to the terms and provisions of a loan agreement to be entered into between the Issuer and the User, the Project described in the resolution attached hereto as **Exhibit B** (the “*Issuer Bond Resolution*”); and (v) take and authorize certain other actions in connection with the foregoing by adopting the Issuer Bond Resolution; and

WHEREAS, Section 501.204 of the Act requires that the governing body of the Unit approve the resolution of the Issuer providing for the issuance of the Bonds no more than 60 days prior to the delivery of the Bonds; and

WHEREAS, the City Commission is the governing body of the Unit and deems it necessary and advisable that this Resolution be adopted; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “*Code*”), requires that the Bonds be approved by the “applicable elected representative” (the

“AER”) of the governmental unit in which the Project is located after a public hearing following reasonable public notice (the “AER Approval”); and

WHEREAS, with respect to the issuance of the Bonds and the Project, the City Commission is an AER; and

WHEREAS, a public hearing with respect to the issuance of the Bonds was held on December 21, 2010 by the Issuer on behalf of the Unit, notice of such public hearing having been published not less than 14 days before the day of such hearing in a newspaper of general circulation available to residents within the boundaries of the Unit; and

WHEREAS, the City Commission desires hereby to approve and ratify the holding of such public hearing by the hearing officer designated in the publication of notice of such hearing (the “Hearing Officer”) and the publication of such notice.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF CITY OF TEXAS CITY, TEXAS THAT:

SECTION 1. All of the above recitals are found and determined to be true and correct and are incorporated into the body of this Resolution as if copied in their entirety, including the terms defined therein.

SECTION 2. The City Commission hereby approves the Resolution Amending Bylaws adopted by the Issuer Board on January 4, 2011, a copy of which is attached hereto as **Exhibit A** and the Amended and Restated Bylaws attached as Attachment A to such Resolution Amending Bylaws.

SECTION 3. The City Commission hereby approves the Issuer Bond Resolution, a copy of which is attached hereto as **Exhibit B**.

SECTION 4. The programs and expenditures authorized and contemplated by the Issuer Bond Resolution are hereby in all respects approved.

SECTION 5. The Public Hearing with respect to the Bonds and the Facilities was held on behalf of the Unit on December 21, 2010, at 10:00 a.m. by the Hearing Officer, and the minutes of such hearing which are attached hereto as **Exhibit C** are hereby approved. Notice of such public hearing, a copy of which is attached to **Exhibit C** attached hereto and is hereby approved, was published not less than 14 days before the date of such hearing in one or more newspapers of general circulation available to the residents within the boundaries of the Unit. Such notice included the date, time and place of the public hearing, the location, general nature and the initial owner and operator of the Project and the maximum aggregate principal amount of the Bonds. All comments from interested persons, if any, were taken at such public hearing.

SECTION 6. All actions taken by or on behalf of the Unit and the Issuer with respect to the appointment of the Hearing Officer, the publication of the Notice of the Public Hearing and the conducting of such Public Hearing are hereby authorized, approved and ratified.

SECTION 7. For the sole purpose of satisfying the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, and the requirements of the Act, the Bonds in an amount not to exceed \$25,000,000 and the Project to be financed and refinanced with the proceeds of the Bonds, all as described in the published notice of public hearing presented to the City Commission, are approved; PROVIDED, HOWEVER, THAT THE APPROVALS HEREIN GRANTED ARE SOLELY FOR PURPOSES OF SATISFYING THE REQUIREMENTS OF THE ACT AND THE CODE, AND SHALL NOT BE CONSTRUED AS A REPRESENTATION, WARRANTY OR OTHER UNDERTAKING OF ANY KIND BY THE UNIT IN RESPECT TO THE BONDS OR THE PROJECT. THE BONDS SHALL NOT CONSTITUTE OBLIGATIONS OF THE UNIT OR A PLEDGE OF ITS FAITH AND CREDIT, AND THE UNIT SHALL NOT BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON OR OTHERWISE INCUR ANY LIABILITY IN RESPECT THEREOF.

SECTION 8. The Mayor, City Commissioners and City Secretary of the Unit and the other officers of the Unit are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution.

PASSED AND ADOPTED THIS 5TH DAY OF JANUARY, 2011.

Matthew T. Doyle, Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Nicholas J. Finan
City Secretary

Ronald F. Plackemeier
City Attorney

EXHIBIT A

Resolution Amending Bylaws

Attached

CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION

RESOLUTION NO. 11-01

A RESOLUTION AUTHORIZING AMENDMENT OF BYLAWS OF CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, on October 5, 1979, the City of Texas City, Texas (the "*Unit*") created the City of Texas City Industrial Development Corporation (the "*Corporation*") pursuant to the Development Corporation Act of 1979, Article 5190.6, Vernon's Annotated Texas Civil Statutes, as amended (recodified as the Development Corporation Act, Chapter 501, Texas Local Government Code, as amended) (the "*Act*"), for the purpose of issuing bonds to finance the cost of projects be inside the Unit's boundaries to promote the development and expansion of manufacturing and industrial facilities to promote and encourage employment and the public welfare; and

WHEREAS, the Corporation has determined that it is necessary to amend the Corporation's bylaws (the "*Bylaws*") in order to update certain provisions thereof, as set forth in the amended and restated bylaws (the "*Amended and Restated Bylaws*") presented to the Board of Directors of the Corporation (the "*Board*") for its review and consideration; and

WHEREAS, the necessity and convenience of so amending and restating the Bylaws have been fully examined and discussed, copies of the Amended and Restated Bylaws in substantially the form attached hereto as **Attachment A** have been provided to each member of this Board and presented for its consideration at this meeting, the provisions of amendments to the Bylaws have been described to this Board and fully discussed at this meeting and the Board finds that it is in the best interest of the public and the Corporation and assists in carrying out the purpose of the Corporation and of the Act to authorize the execution and delivery of such Amended and Restated Bylaws.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION THAT:

SECTION 1. All of the above recitals are found and determined to be true and correct and are incorporated into the body of this Resolution as if copied in their entirety.

SECTION 2. The Amended and Restated Bylaws in the form attached hereto as **Attachment A** are hereby approved and such Amended and Restated Bylaws are hereby adopted as the bylaws of the Corporation effective as of the date hereof.

SECTION 3. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 4. The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the

subject matter hereof were discussed, considered and formally acted upon, all as required by Chapter 551, Texas Government Code, and the Act.

SECTION 5. This Resolution shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED this 4th day of January, 2011.

PRESIDENT/VICE PRESIDENT
City of Texas City Industrial Development Corporation

ATTEST:

SECRETARY/TREASURER
City of Texas City Industrial Development Corporation

Attachment A

Amended and Restated Bylaws of the
City of Texas City Industrial Development Corporation

**AMENDED AND RESTATED
BYLAWS OF
CITY OF TEXAS CITY
INDUSTRIAL DEVELOPMENT CORPORATION**

(As of January 4, 2011)

ARTICLE I

POWERS AND PURPOSES

Section 1. Financing of Projects. In order to implement the purposes for which the Corporation was formed as set forth in the Articles of Incorporation, the Corporation shall issue obligations to finance all or part of the cost of one or more “projects” as defined in the Development Corporation Act, Chapter 501, Texas Local Government Code (the “Act”) (formerly Article 5190.6, Vernon’s Annotated Texas Civil Statutes, as amended).

Section 2. Conditions Precedent to Issuance of Obligations. The Corporation shall not issue any obligations unless:

- 1) The City Commission (the “*Governing Body*”) of the City of Texas City, Texas (the “*Unit*”) has approved by resolution, adopted no more than sixty (60) days prior to the date of delivery of the obligations, the resolution of the Corporation providing for the issuance of the obligations;
- 2) When required by law, the Texas Economic Development and Tourism Office, or its successor, or an authorized official thereof has approved the contents of any lease, sale or loan agreement made by the Corporation under the Act in connection with the issuance of obligations; and
- 3) The Attorney General of the State of Texas has approved the obligations and the record of proceedings of the Corporation relating to authorization of the obligations, to the extent required by Chapter 1202, Texas Government Code, as amended, or other applicable law.

Section 3. Books and Records; Approval of Programs and Financial Statements. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors (the “*Board of Directors*”) and committees having any of the authority of the Board of Directors. All books and records of the Corporation shall be kept at the principal office of the Corporation where they shall be available to the public in accordance with the Public Information Act, Chapter 552, Texas Government Code, as amended. The Unit shall be entitled to approve all programs and expenditures of the Corporation and annually review any financial statements of the Corporation.

Section 4. Nonprofit Corporation. The Corporation shall be a nonprofit corporation, and no part of its net earnings remaining after payment of its expenses shall inure to the benefit of any individual, firm or corporation, except that in the event the Board of Directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation issued to finance all or part of the cost of a project, then any net earnings of the Corporation thereafter accruing with respect to said project shall be paid to the Unit.

Section 5. Audits. The Corporation shall provide for an annual financial audit of all its books and records by an independent certified public accountant. The Corporation shall submit or provide for the submittal of a copy of each such audit to the Unit.

Section 6. Political Activities. The Corporation shall not carry on propaganda or otherwise attempt to influence legislation and shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

Section 7. Compensation. The Corporation shall conduct its affairs and activities so as to assure that none of its officers or directors receive any compensation in connection with the financing of any industrial development project, except reasonable actual expenses incurred in the performance of the director's duties as approved by the Board of Directors of the Corporation.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Powers, Number and Term of Office. The property and affairs of the Corporation shall be managed and controlled by the Board of Directors and, subject to the restrictions imposed by law, the Articles of Incorporation and these Bylaws, the Board of Directors shall exercise all of the powers of the Corporation.

The Board of Directors shall consist of five (5) directors, each of whom shall be appointed by the Governing Body.

The directors constituting the first Board of Directors shall be those directors named in the Articles of Incorporation, each of whom shall serve for six (6) years or until his or her successor is appointed as hereinafter provided. Subsequent directors shall hold office for a term of three (3) years or until their successors are appointed as hereinafter provided.

Any director may be removed from office, by the Governing Body, for cause or at will.

Section 2. Meetings of Directors. The directors may hold their meetings within the City of Texas City as the Board of Directors may from time to time determine; *provided, however,* in the absence of any such determination by the Board of Directors, the meetings shall be held at the registered office of the Corporation in the State of Texas. Every regular or special meeting of the Board of Directors shall be open to the public, except as otherwise permitted by

the Constitution of the State of Texas, the Open Meetings Act, Chapter 551, Texas Government Code, as amended, or other applicable law.

Section 3. Regular Meetings. Regular Meetings of the Board of Directors shall be held at such times and places as shall be designated, from time to time, by resolution of the Board of Directors and with such notice as may be required from time to time by law.

Section 4. Special Meetings. Special Meetings of the Board of Directors shall be held whenever called by the president, by the secretary, by a majority of the directors for the time being in office or upon advice of or request by the Governing Body and with such notice as may be required from time to time by law.

Section 5. Public Notice. Written notice of the date, hour, place and subject of each meeting of the Board of Directors shall be posted at such times and in such places as notice of each meeting of the Governing Body of the Unit is posted, all as prescribed by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

Section 6. Quorum. A majority of the directors fixed by the Articles of Incorporation shall constitute a quorum for the consideration of matters pertaining to the purposes of the Corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board of Directors, unless the act of a greater number is required by law.

Section 7. Conduct of Business. At the meetings of the Board of Directors, matters pertaining to the purposes of the Corporation shall be considered in such order as from time to time the Board of Directors may determine.

At all meetings of the Board of Directors, the president shall preside, and in the absence of the president, the vice president shall exercise the powers of the president.

The secretary of the Corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 8. Public Hearings. Public hearings required under Section 147(f) of the Internal Revenue Code of 1986, as amended, may be called and conducted by any officer or director of the Corporation or the City Attorney or the City Secretary of the Unit or their designee, and such person may establish the date, place and time of the hearing and may give notice of the hearing.

Section 9. Executive Committee. The Board of Directors, by resolution passed by a majority of the directors in office, may designate two or more directors to constitute an executive committee, which committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation, except where action of the Board of Directors is specified by law. The executive committee shall act in the manner provided in such resolution. The executive committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be

recorded in books kept for that purpose in the office of the Corporation, and shall report the same to the Board of Directors from time to time.

Section 10. Compensation of Directors. Directors as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 11. Indemnification. The Corporation shall have the power to indemnify any director or officer or former director or officer of the Corporation for expenses and costs (including attorneys' fees) actually and necessarily incurred by such director or officer in connection with any claim asserted against such director or officer by action in court or otherwise by reason of such director's or officer's being or having been a director or officer, except in relation to matters as to which such director or officer shall have been guilty of negligence or misconduct in respect of the matter in which indemnity is sought. If the Corporation has not fully indemnified such director or officer, the court in the proceeding in which any claim against such director or officer has been asserted or any court having the requisite jurisdiction of an action instituted by such director or officer on such director's or officer's claim for indemnity may assess indemnity against the Corporation, its receiver, or trustee for the amount paid by such director or officer (including attorneys' fees) in satisfaction of any judgment or in compromise of any such claim (exclusive in either case of any amount paid to the Corporation), actually and necessarily incurred by such director or officer in connection therewith to the extent that the court shall deem reasonable and equitable; *provided, nevertheless*, that indemnity may be assessed under this Section 11 only if the court finds that the person indemnified was not guilty of negligence or misconduct in respect of the matter in which indemnity is sought.

ARTICLE III

OFFICERS

Section 1. Titles and Term of Office. The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board of Directors may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall not exceed three years.

All officers shall be subject to removal from office, with or without cause, at any time by a vote of a majority of the entire Board of Directors.

A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. Powers and Duties of the President. The president shall be a member of the Board of Directors of the Corporation, shall be the chief executive officer of the Corporation and, subject to the Board of Directors, shall be in general charge of the properties and affairs of the Corporation; shall preside at all meetings of the Board of Directors; and in furtherance of the

purposes of this Corporation, may sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the Corporation.

Section 3. Vice President. The vice president shall be a member of the Board of Directors of the Corporation; shall have such powers and duties as may be assigned by the Board of Directors; and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. Treasurer. The treasurer shall have custody of all the funds and securities of the Corporation which come into such treasurer's hands. When necessary or proper, the treasurer may endorse, on behalf of the Corporation, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Corporation in such bank or banks or depositories as shall be designated in the manner prescribed by the Board of Directors; may sign all receipts and vouchers for payment made to the Corporation, either alone or jointly with such other officer as is designated by the Board of Directors; whenever required by the Board of Directors, shall render a statement of the cash account; shall enter or cause to be entered regularly in the books of the Corporation to be kept by the treasurer for that purpose full and accurate accounts of all monies received and paid out on account of the Corporation; shall perform all acts incident to the position of treasurer subject to the control of the Board of Directors; and shall, if required by the Board of Directors, give such bond for the faithful discharge of his or her duties in such form as the Board of Directors may require.

Section 5. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors in books provided for that purpose; shall attend to the giving and serving of all notices; in furtherance of the purposes of this Corporation, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation; shall have charge of the corporate books, records, documents and instruments, except the books of account and financial records and securities of which the treasurer shall have custody and charge, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection upon application at the office of the Corporation during business hours; and shall in general perform all duties incident to the office of secretary subject to the control of the Board of Directors.

Section 6. Compensation of Officers. Officers as such shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

ARTICLE IV

PROVISIONS REGARDING ARTICLES OF INCORPORATION AND BYLAWS

Section 1. Effective Date. These Bylaws shall become effective only upon the occurrence of the following events:

- (1) the approval of these Bylaws by the Governing Body; and
- (2) the adoption of these Bylaws by the Board of Directors.

Section 2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation may at any time and from time to time be amended, provided that the Board of Directors files with the Governing Body a written application requesting that the Governing Body approve such amendment to the Articles of Incorporation, specifying in such application the amendment or amendments proposed to be made. If the Governing Body by appropriate resolution finds and determines that it is advisable that the proposed amendment be made, authorizes the same to be made and approves the form of the proposed amendment, the Board of Directors shall proceed to amend the Articles as provided in the Act.

The Articles of Incorporation may also be amended at any time by the Governing Body at its sole discretion by adopting an amendment to the Articles of Incorporation of the Corporation by resolution of the Governing Body and delivering the Articles of Amendment to the Secretary of State as provided in the Act.

These Bylaws may be amended by majority vote of the Board of Directors. To the extent required by law, such amended bylaws shall be approved by the Governing Body.

Section 3. Interpretation of Bylaws. These Bylaws and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein. If any word, phrase, clause, sentence, paragraph, section or other part of these Bylaws, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of these Bylaws and the application of such word, phrase, clause, sentence, paragraph, section or other part of these Bylaws to any other person or circumstance shall not be affected thereby.

ARTICLE V

GENERAL PROVISIONS

Section 1. Principal Office. The principal office of the Corporation shall be located in Texas City, Texas.

The Corporation shall have and continuously maintain in the State of Texas (the “State”) a registered office, and a registered agent whose business office is identical with such registered office, as required by the Act. The registered office may be, but need not be, identical with the principal office in the State, and the address of the registered office may be changed from time to time by the Board of Directors, pursuant to the requirements of the Act.

Section 2. Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 3. Seal. The seal of the Corporation shall be as determined by the Board of Directors.

Section 4. Notice to Board of Directors and Waiver of Notice. Whenever any notice whatsoever is required to be given to a director under the provisions of the Act, the Articles of Incorporation or these Bylaws, said notice shall be deemed to be sufficient if given by depositing the same in a post office box in a sealed postpaid wrapper addressed to the person entitled thereto at his post office address, as it appears on the books of the Corporation, and such notice shall be deemed to have been given on the day of such mailing. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any Regular or Special Meeting of the Board of Directors need be specified in the notice given to a director or waiver of notice of such meeting, unless required by the Board of Directors. A waiver of notice in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 5. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the president or secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 6. Approval or Advice and Consent of the Governing Body. To the extent that these Bylaws refer to any approval by the Unit or refer to advice and consent by the Unit, such advice and consent shall be evidenced by a certified copy of a resolution, ordinance or motion duly adopted by the Governing Body.

Section 7. Organizational Control. The Unit may, at its sole discretion, and at any time, alter or change the structure, organization, programs or activities of the Corporation (including the power to terminate the Corporation), subject to any limitation on the impairment of contracts entered into by such Corporation.

Section 8. Dissolution of the Corporation. Upon dissolution of the Corporation, title to or other interests in any funds or property owned by the Corporation at such time shall vest in the Unit.

EXHIBIT B

Issuer Bond Resolution

Attached

CERTIFICATE OF RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

I, the undersigned officer of the Board of Directors of the CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION (the “Corporation”), hereby certify as follows:

1. In accordance with the Bylaws of the Corporation, the Board of Directors of the Corporation (the “Board”) held a meeting on January 4, 2011 (the “Meeting”) of the duly constituted officers and members of the Board, to-wit:

C. J. Schmitz	President
Jason Hayley	Vice President
Laura Boyd	Secretary/Treasurer
Randy Dietel	Board Member
Robert Florance	Board Member

and all of such persons participated in the Meeting, except _____, thus constituting a quorum. Whereupon, among other business transacted at the Meeting, a written:

RESOLUTION AUTHORIZING ISSUANCE OF CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION INDUSTRIAL REVENUE BONDS (DEL PAPA REALTY HOLDINGS, LP PROJECT) SERIES 2011 AND OTHER MATTERS IN CONNECTION THEREWITH

(the “Resolution”) was introduced for the consideration of the Board. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by vote of ____ Ayes, ____ Noes and ____ Abstentions.

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board’s minutes of the Meeting; each of the officers and members of the Board was duly and sufficiently notified of the time, place, and purpose of the Meeting in accordance with the Bylaws, and that the Resolution would be introduced and considered for adoption at the Meeting; and the Meeting was held and conducted in accordance with the Articles of Incorporation and Bylaws of the Corporation.

3. Said Meeting was open to the public as required by law; and public notice of the date, time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CORPORATION, this 4th day
of January, 2011.

Secretary/Treasurer

[SEAL]

Secretary's Certificate
Bond Resolution

CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION

RESOLUTION NO. 11-02

RESOLUTION AUTHORIZING ISSUANCE OF CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION INDUSTRIAL REVENUE BONDS (DEL PAPA REALTY HOLDINGS, LP PROJECT) SERIES 2011 AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, pursuant to the Development Corporation Act, Chapter 501, Texas Local Government Code, as amended (the "*Act*"), the City of Texas City Industrial Development Corporation (the "*Corporation*"), on behalf of the City of Texas City, Texas (the "*Unit*"), is empowered to issue bonds to finance the cost of projects to promote the development and expansion of manufacturing and industrial facilities to promote and encourage employment and the public welfare by the issuance of obligations of the Corporation, which projects will be inside the Unit's boundaries; and

WHEREAS, on September 16, 2010, the Corporation adopted a "Resolution Regarding Request of Del Papa Distributing Company, Inc. for the Issuance of One or More Series of Revenue Bonds; Authorizing the Filing of an Application for Allocation of Private Activity Bonds With the Texas Bond Review Board; Authorizing Application to the State of Texas for Recovery Zone Facility Bond Allocation and Qualified Hurricane Ike Disaster Area Allocation; Authorizing A Public Hearing Regarding Bonds; Approving Publication of Notice of Public Hearing and Appointing Hearing officers; and Authorizing Other Action Related Thereto" (the "*Intent Resolution*"), authorizing and agreeing to issue up to \$25,000,000 in revenue bonds for the purpose of financing the hereinbelow described Project; and

WHEREAS, the Corporation has determined, based on representations of Del Papa Realty Holdings, LP, a Texas limited partnership (the "*User*"), that: (i) the Project constitutes a "project" within the meaning of the Act and is an undertaking the costs of which are eligible to be paid from the proceeds of qualified Hurricane Ike disaster area bonds under Section 704, Heartland Disaster Tax Relief Act of 2008 (the "*Disaster Relief Act*") and (ii) the issuance of the Bonds and the loan of the proceeds thereof to the User to finance the costs of the Project will be in furtherance of the corporate purposes of the Corporation and the public purposes of the Act; and

WHEREAS, the Unit is located in the Hurricane Ike disaster area, as defined by Section 704 of the Disaster Tax Relief Act, as required under Section 501.451 of the Act; and

WHEREAS, on October 6, 2010, the Bonds were designated by the Governor of Texas as "qualified Hurricane Ike disaster area bonds" and the Corporation received a reservation for \$24,750,000 of bonds to be issued in connection with a project of the User, such project consisting of the financing of the costs of acquisition of land and construction of improvements, including a two story office building, an air conditioned warehouse, a vehicle maintenance facility and related parking facilities, and purchase and installation of fixed improvements thereto, all located on an approximately 26.42 acre site at the southwest corner of the intersection of Century Blvd. and Emmet F. Lowry Expressway in Texas City, Galveston County, 77591, as

further described in the Agreement (as defined herein), such Project to be initially owned by the User or one or more affiliates and which may be leased to Del Papa Distributing Co. or other affiliates of the User (collectively, the “*Project*”); and

WHEREAS, the User has requested that the Corporation issue its limited obligation revenue bonds hereinafter described and loan the proceeds of the sale thereof to the User to be used to finance the Project, and to such end the User has offered to enter into a Loan Agreement (the “*Agreement*”) with the Corporation by which the User will agree to make loan payments sufficient to pay the principal of, premium, if any, and interest on such bonds and certain other amounts due under the Agreement; and

WHEREAS, a Bond Indenture (the “*Indenture*”), between the Corporation and Regions Bank, as trustee, together with the Agreement, have been presented for consideration by this Board, which Indenture would establish terms for and provide for the issuance of and security for the Corporation’s Industrial Revenue Bonds (Del Papa Realty Holdings, LP Project) Series 2011, as therein described (the “*Bonds*”) in the aggregate principal amount not to exceed \$25,000,000; and

WHEREAS, a bond purchase agreement (the “*Bond Purchase Agreement*”), among Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “*Underwriter*”), the Corporation, and the User, which provides for the purchase of the Bonds by the Underwriter at a price of 100% of the principal amount thereof, has been presented for consideration; and

WHEREAS, the Bonds when issued will be limited obligations of the Corporation payable solely from revenues provided under the Agreement; none of the State of Texas (the “*State*”), the Unit, nor any other political corporation, subdivision, or agency of the State is obligated to pay principal or interest on the Bonds; and neither the faith and credit nor the taxing power of the State, the Unit or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of or interest on the Bonds; and

WHEREAS, a preliminary official statement (the “*Preliminary Official Statement*”) relating to the Bonds has been presented for consideration; and

WHEREAS, the necessity and convenience of financing the Project have been fully examined and discussed, copies of the above-described proposed instruments have been provided to each member of this Board and presented for its consideration at this meeting, the material provisions of such documents have been described to this Board and fully discussed at this meeting and the Board finds that it is in the best interest of the public and the Corporation and assists in carrying out the purpose of the Corporation and of the Act to authorize the execution and delivery of such documents and the issuance of the Bonds.

THE BOARD THEREFORE FINDS AND DETERMINES THAT:

A. The Project is comprised of equipment, facilities, and improvements which are required or suitable for the promotion of development and expansion of industrial facilities and are in furtherance of the public purposes of the Act.

B. The financing of the Project by means of the issuance of the Bonds and the loan of the proceeds thereof will promote commerce within the Unit and the State and encourage employment and the public welfare, by increasing or stabilizing employment opportunities and significantly increasing or stabilizing the property tax base, in furtherance of, and is necessary and convenient to accomplish, the corporate purposes of the Corporation.

C. The Project constitutes a “project” within the meaning of the Act and is an undertaking the costs of which are eligible to be paid from the proceeds of qualified Hurricane Ike disaster area bonds under the Disaster Relief Act.

D. The terms and conditions of the Bonds and the above-described instruments are advisable and acceptable to the Board.

BE IT THEREFORE RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION THAT:

Section 1. All of the above recitals and findings are found and determined to be true and correct and are incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The terms of the Agreement, the Indenture and the Bond Purchase Agreement, in the forms and to the effect presented to the Board, are hereby approved.

Section 3. The President and Vice President, or either of them, and the Secretary/Treasurer are authorized and directed to execute and deliver, or to accept, as appropriate, and to effect performance by the Corporation of its obligations under, the Agreement, the Indenture and the Bond Purchase Agreement, to execute and deliver any and all certificates and other instruments described in the Agreement, the Indenture and the Bond Purchase Agreement upon the conditions therein described, all in the name and as the act of the Corporation, all upon the terms herein approved, and the President (and, in the event of the absence or disability of such officer, the Vice President) and the Secretary/Treasurer are authorized to negotiate and approve such changes in the terms of each such instruments (prior to the execution and delivery thereof), as such officers shall deem necessary or appropriate, and approval of the terms of each such instrument by such officers shall be conclusively evidenced by their execution and delivery thereof.

Section 4. The Board hereby authorizes and approves the preparation and distribution of the Preliminary Official Statement and the final Official Statement relating to the Bonds, all in accordance with the terms of the Bond Purchase Agreement.

Section 5. The issuance, sale and delivery of the Bonds, in substantially the form and substance set forth in the Indenture, with a maximum maturity not to exceed 40 years, are hereby approved and the President and Vice President, or either of them, and the Secretary/Treasurer are hereby authorized and directed, for and on behalf of the Corporation, to execute the Bonds or have their manual or facsimile signatures placed upon the Bonds, and such officers are hereby authorized and directed to deliver the Bonds, and the seal of the Corporation is hereby authorized and directed to be affixed or placed in facsimile on the Bonds. Registration of the Bonds upon the terms and conditions and in the manner described in the Indenture, as the same may be modified as authorized by this Resolution, and the delivery thereof pursuant to the Bond

Purchase Agreement at the price set forth therein, as approved by the officers executing the same, are hereby authorized.

Section 6. Regions Bank is hereby appointed as Trustee under the Indenture, thereby serving as Paying Agent and Tender Agent for the Bonds under the terms of the Indenture.

Section 7. The President and Vice President, or either of them, and the Secretary/Treasurer are hereby authorized to execute and deliver to the Trustee the written request of the Corporation for the delivery of the Bonds by the Trustee in accordance with the Indenture.

Section 8. This Board hereby authorizes Vinson & Elkins L.L.P., Bond Counsel, to submit to the Attorney General of Texas, for approval as required under Texas Government Code Section 1202.003, a transcript of legal proceedings relating to the issuance, sale and delivery of the Bonds.

Section 9. This Board hereby determines that the Bonds shall bear interest at the rates and for the periods to be determined as set forth in the Indenture, the Bond Purchase Agreement, and the Bonds; provided, however, the Bonds shall not bear interest at a rate greater than the interest rate set forth in Texas Government Code, Section 1204.006.

Section 10. The actions and obligations authorized in Section 1 through 9 of this Resolution shall be subject to and conditioned upon the receipt by the Corporation, at the date of delivery and payment for the Bonds (the "*Issue Date*") of (i) the purchase price for the Bonds; (ii) evidence, satisfactory to Bond Counsel, of approval of the Bonds by the Mayor or City Commission of the Unit; (iii) a copy of the approving opinion of the Attorney General of the State and registration certificate of the Comptroller of Public Accounts of the State; and (iv) such opinions, evidences, certificates, instruments or other documents as shall be requested by the Corporation's Counsel or by Bond Counsel, to evidence due performance or satisfaction by the User at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

Section 11. All action (not inconsistent with provisions of this Resolution) heretofore taken by this Board and the officers of the Corporation directed toward the financing of the Project and the issuance of the Bonds shall be and the same hereby is ratified, approved, and confirmed. The officers of this Board, or any of them, are authorized to take any and all action necessary to carry out and consummate the transactions described in or contemplated by the instruments approved hereby or otherwise to give effect to the actions authorized hereby and the intent hereof.

Section 12. After any of the Bonds are issued, this Resolution shall be and remain irrevocable until the Bonds or interest thereon shall have been fully paid or provisions for payment shall have been made pursuant to the Indenture.

Section 13. The officers, employees and agents of the Corporation, and each of them, shall be and each is expressly authorized, empowered and directed from time to time and at any time to do and perform all acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Corporation all certificates, financing

statements, instruments and other papers, whether or not herein mentioned, as they may determine to be necessary or desirable in order to carry out the terms and provisions of this Resolution and of the Bonds to be issued hereunder, as well as the terms and provisions of the Indenture, the Agreement and the Bond Purchase Agreement hereby authorized and approved, such determination to be conclusively evidenced by the performance of such acts and things and the execution of any such certificate, financing statement, instrument or other paper.

Section 14. If any section, paragraph, clause, or provisions of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution. In case any obligations of the Corporation authorized or established by this Resolution or the Bonds is held to be in violation of law as applied to any person or in any circumstance, such obligation shall be deemed to be the obligation of the Corporation to the fullest extent permitted by law.

Section 15. The Board hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by Chapter 551, Texas Government Code, and the Act.

Section 16. This Resolution shall take effect and be in full force and effect upon and after its passage.

PASSED AND APPROVED this 4th day of January, 2011.

PRESIDENT/VICE PRESIDENT
City of Texas City Industrial Development Corporation

ATTEST:

SECRETARY/TREASURER
City of Texas City Industrial Development Corporation

EXHIBIT C
Minutes of Public Hearing

Attached

MINUTES OF PUBLIC HEARING

CITY OF TEXAS CITY INDUSTRIAL DEVELOPMENT CORPORATION
INDUSTRIAL REVENUE BONDS
(DEL PAPA REALTY HOLDINGS, LP PROJECT)
SERIES 2011

I, the undersigned, the duly appointed Hearing Officer of the City of Texas City Industrial Development Corporation (the "*Hearing Officer*") called to order on December 21, 2010 a public hearing in the City of Texas City, Galveston County, Texas at the time and place as set forth in the Notice of Public Hearing published in the *Galveston County Daily News*, a newspaper of general circulation available to the residents of Galveston County, Texas on December 7, 2010, as evidenced by the affidavit of publication attached hereto as Schedule 1.

I hereby certify that I conducted such public hearing by declaring as follows:

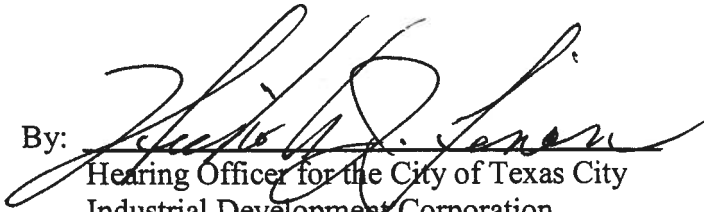
"The public hearing required under Section 147(f) of the Internal Revenue Code of 1986, as amended, in connection with the issuance of the City of Texas City Industrial Development Corporation Industrial Revenue Bonds (Del Papa Realty Holdings, LP Project) Series 2011 (the "*Bonds*"), is now open for the purpose of discussing the Bonds and the facilities to be financed with the proceeds of the Bonds (the "*Facilities*")."

"The required notice of the public hearing for the Bonds and the Facilities was published at least 14 days prior to the date hereof in the *Galveston County Daily News*, a newspaper of general circulation available to the residents of Galveston County, Texas, where the Facilities are located.

"All persons present at the public hearing are now invited to comment on the proposed issuance of the Bonds and the Facilities. Please limit your comments to 10 minutes.

"Sufficient time having been given for members of the public to appear and make their comments with respect to the Bonds and the Facilities, I hereby declare the public hearing closed."

The results of the public hearing, including names of and comments made by members of the public who attended, are attached hereto as Schedule 2. I hereby certify that the contents of these Minutes of Public Hearing and the attached Schedules are true, correct and complete.

By: 
Hearing Officer for the City of Texas City
Industrial Development Corporation

Schedule 1

**Affidavit of Publication of Notice of Public Hearing
Published in the *Galveston County Daily News***

[Attached]

A F F I D A V I T

Attachment

County of Galveston §
§
State of Texas §

Before me, the undersigned authority, on this day personally came and appeared Lois Colvin, to me well known (or proved to me on the basis of satisfactory evidence), and who after being duly sworn (affirmed) did depose and say that she is an AGENT for THE GALVESTON COUNTY DAILY NEWS, a newspaper of general circulation, which has been continuously and regularly published for a period of not less than one year, in the County of Galveston, and that the NOTICE, a copy of which is hereto attached was published in said newspaper on the following days, to wit:

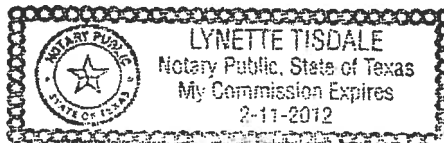
December 7, 2010

Lois Colvin
Agent Signature

Sworn and subscribed before me

On this the 7th day of Dec, 2010

Lynette Tisdale
Notary for the State of Texas



NOTICE OF PUBLIC
HEARING

CITY OF TEXAS CITY
INDUSTRIAL DEVELOPMENT
CORPORATION
INDUSTRIAL REVENUE
BONDS (DEL PAPA REALTY
HOLDINGS, LP PROJECT)
SERIES 2011

Notice is hereby given of a public hearing to be held on Tuesday, December 21, 2010, at 10:00 a.m., at 1801 9th Avenue North, Texas City, Texas 77590 in the Mayor's Conference Room with respect to the issuance of a series of tax-exempt qualified Hurricane Ike disaster area bonds by the City of Texas City Industrial Development Corporation in a par amount not to exceed \$25,000,000 (the "Bonds").

The proceeds of the Bonds will be loaned to Del Papa Realty Holdings, LP, a Texas limited partnership or a subsidiary or affiliate thereof (the "Borrower") to be used to pay the costs of the following project (the "Project"): (a) acquisition of an approximately 26.42 acre tract of land located at the southwest corner of the intersection of Century Blvd. and Emmet F. Lowry Expressway in Texas City, Galveston County, Texas 77591, construction of improvements thereon including an approximately 55,000 square foot, two-story office building, an approximately 123,000 square foot, air-conditioned warehouse and an approximately 8,300 square foot vehicle maintenance facility and related parking facilities, and purchase and installation of fixed improvements thereto; (b) payment of all or a portion of the costs of issuance of the Bonds; and (c) payment of capitalized interest on the Bonds. The owner and operator of the Project will initially be the Borrower and/or one or more affiliates or subsidiaries thereof and the lessee of the Project will initially be Del Papa Distributina Co.

The public hearing will be conducted by the City Secretary or his authorized designee (the "Hearing Officer"). All interested persons are invited to attend such public hearing to express their views with respect to the above-described project and the Bonds. Questions or requests for additional information may be directed to Jonathan Freis (telephone: (713) 758-2222). Any interested persons unable to attend the hearing may submit their views in writing to Jonathan Freis, 1001 Fannin Street Suite 2500, Houston, Texas 77002 or (713) 615-5369 (fax), prior to the date scheduled for the hearing.

This notice is published and the above-described hearing is to be held in satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, regarding the public approval prerequisite to the exemption from federal income taxation of the interest on the Bonds.

Published: Dec. 7, 2010
00258871

Schedule 2

Names and Comments of Attendees

<u>Names</u>	<u>Comments</u>