

NOTICE: ANY SUBJECT APPEARING ON THIS AGENDA, REGARDLESS OF HOW THE MATTER IS STATED, MAY BE ACTED UPON BY THE BOARD OF DIRECTORS OF TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION.

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS ANNUAL MEETING

AGENDA

OCTOBER 10, 2018 - 3:30 P.M.

CITY HALL CONFERENCE ROOM
1801 9th Ave. N.
Texas City, TX 77590

PLEASE NOTE: Public comments and matters from the floor are generally limited to 3 minutes in length. If you would like to request to speak, please do so in advance of the meeting by filling out a Request To Address Commission form. All in attendance are required to remove hats and/or sunglasses (dark glasses) during meetings and to also silence all cell phones and electronic devices.

1. ROLL CALL

2. NEW BUSINESS
 - a. Consider and take action on election of officers and Oath of Officers.

 - b. Consider and take action on approving the minutes from August 29, 2018, Economic Development Corporation Meeting.

 - c. Consider and take action on Resolution No. 18-15, approving the actions of the board for the 2017 - 2018 fiscal year. (City Secretary)

 - d. Consider and take action on Resolution No. 18-16, approving 2018 - 2019 fiscal year budget. (Finance)

 - e. Consider and take action on Resolution No. 18-17, approving Board Secretary and Alternate. (City Secretary)

 - f. Consider and take action on Resolution No. 18-18, approving the sale of property adjacent to 290 Dike Road to Mark Mckim. (Management Services)

 - g. Consider and take action on Resolution No. 18-19, approving Mark McKim to enter into a Development Agreement for Dike Road property. (Management Services)

 - h. Consider and take action on Resolution No. 18-20, approving the donation of a lot at 1009 25th Avenue North to Habitat for Humanity. (Management Service)

 - i. Consider and take action on Resolution No. 18-21, amending the term sheet with Fetching Lab to increase the reimbursement amount for architect fees. (Management Services)

3. UPDATES
4. BOARD COMMENTS
5. ADJOURNMENT

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT CITY HALL, 1801 9TH AVENUE NORTH, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON OCTOBER 5, 2018, PRIOR TO 3:30 P.M., AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

Texas City Economic Development Corporation

TCEDC Agenda

2. a.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on election of officers and Oath of Officers.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Attachment

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

CHARTER/ FILE NO. 125846501 APPROVED BY SECRETARY OF STATE ON 2/3/93

This Corporation was originally incorporated under the name of City of Texas City Economic Development Corporation; however, the name was changed to TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION on 5/12/93.

PURPOSE: The Corporation is a non-profit corporation pursuant to the Development Corporation Act of 1979, Article 5190.6, Section 4A, et seq, Vernon's Annotated Texas Civil Statutes. The purpose or purposes for which the Corporation is organized is for the promotion and development of new and expanded businesses within the City of Texas City and any activity allowed by the enabling statute. (The above statements are taken from the Articles of Incorporation approved on 2/3/93, and the Amendment to the Articles of Incorporation approved on 5/12/93.)

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION - Five (5) directors will serve three-year (3) staggered terms. No limit on number of terms. Each Director shall hold office for the term for which he is appointed and until his successor shall have been appointed and qualified unless sooner removed. Meetings are held as needed.

Mark Ciavaglia, Chairperson Phone: 409 770-4339 mark.ciavaglia@me.com	Harold Fattig, Vice-Chairperson Phone: 409 739-2744 hfattig@wellnowhealth.net
Randy Dietel, Director	Mayor Mathew T. Doyle, Director
Mitchell Chuoke, Director	City Staff: Russell F. Plackemeier, City Attorney Nicholas Finan, Executive Director of Management Services James Hartshorn, Deputy Director of Management Services Laura Boyd, Director of Finance Justin Herter – Board Secretary

TCEDC Agenda

2. b.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on approving the minutes from August 29, 2018, Economic Development Corporation Meeting.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Minutes

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

MINUTES

WEDNESDAY, AUGUST 29, 2018 - 3:00 P.M.

CITY HALL CONFERENCE ROOM

The Texas City Economic Development Corporation Board of Directors met Wednesday, August 29, 2018, at 3:00 p.m., in the City Hall Conference Room, 1801 9th Avenue North, in Texas City, Texas. A quorum having been met, the meeting was called to order at 3:00 p.m. by Mark Ciaviaglia with the following in attendance:

(1) ROLL CALL

Present: Mark Ciavaglia, Chairperson
Matthew T. Doyle, Mayor / Director
Mitchell Chuoke, Director

Absent: Harold Fattig, Vice-Chairperson
Randy Dietel, Director
Laura Boyd, Ex-Officio Member / Treasurer

Staff Present: Nicholas Finan, Executive Director of Management Services
James Hartshorn, Deputy Director of Management Services
Russell F. Plackemeier, City Attorney
Rhomari Jackson, City Staff
Doug Kneupper, City Engineer
Ryan McClellan, City Staff
George Fuller, City Staff

Attendees: Jenny Senter
Rodney Cavness

(2) NEW BUSINESS

- (a) Consider and take action on approving the minutes from May 10, 2018, Economic Development Corporation Meeting.

Motion by Director Mitchell Chuoke, Seconded by Mayor / Director Matthew T. Doyle to approve the May 10, 2018 EDC Minutes.

Vote: 3 - 0 CARRIED

- (b) Consider and take action on Resolution No. 18-09, approving the purchase of property adjacent to 290 Dike Road from the City of Texas City. (Management Services)

Nicholas Finan, Executive Director of Management Services, explained that the City has been working with Mack McKim to develop cottages, for lease, on Dike Road. This additional property is needed to insure the property is developed in a manner that is attractive and adheres to the Livable Center Plan.

Motion by Mayor / Director Matthew T. Doyle, Seconded by Director Mitchell Chuoke to approve Resolution No. 18-09.

Vote: 3 - 0 CARRIED

- (c) Consider and take action on Resolution 18-10, approving of net proceeds from the sale of property adjacent to 290 Dike Road to pay to Texas City Terminal on the Dike Road and Bay Street property. (Management Services)

Nicholas Finan, Executive Director of Management Services, stated that the TCEDC will purchase this land from the City, as required by State Law, at the appraised value. The funds from the resale of this land to Mark Mckim will leave proceeds that will go to debts owed to the Texas City Terminal.

Motion by Chairperson Mark Ciavaglia, Seconded by Director Mitchell Chuoke to approve Resolution No. 18-10.

Vote: 3 - 0 CARRIED

- (d) Consider and take action on Resolution 18-11, approving of \$2.7 Million for east side wastewater line. (Management Services)

Mayor Doyle stated that this contribution will provide wastewater service to Kranz Junior High School and many other areas as future development continues.

Doug Kneupper, City Engineer, stated that this option is much cheaper than one that was previously brought to the Board. Mr. Kneupper explained that this will not require other lift stations and will help the City better utilize the sewage system the City already has.

Motion by Director Mitchell Chuoke, Seconded by Mayor / Director Matthew T. Doyle to approve Resolution No. 18-11.

Vote: 3 - 0 CARRIED

- (e) Consider and take action on Resolution 18-12, accepting donation of land from Mainland Medical Center of property located on the south east corner of 5th Street N. and 9th Ave. N. (Management Services)

Nicholas Finan, Executive Director of Management Services, stated that Mainland Medical Center was unable to sell the property and has elected to donate it to the City. It is currently unknown if the property will need to be restored or demolished.

Motion by Mayor / Director Matthew T. Doyle, Seconded by Director Mitchell Chuoke to approve Resolution No. 18-12.

Vote: 3 - 0 CARRIED

- (f) Consider and take action on Resolution 18-13, accepting an economic development study performed by the HGAC to highlight the importance and economic impact the City of Texas City has on the county, state and nation including industry, housing, etc. (Management Services)

Nicholas Finan, Executive Director of Management Services, stated that the City is requested information regularly on economic impacts and growth question. The HGAC can produce relevant information and with the assistance of the Chamber of Commerce we can also include information that the industry has to discuss Texas City's importance to the county, the State and the nation.

Jenny Senter, Advisor, explained how this study will be very beneficial when explaining the importance of the City of Texas City on a national level.

Motion by Chairperson Mark Ciavaglia, Seconded by Director Mitchell Chuoke to approve Resolution No. 18-13.

Vote: 3 - 0 CARRIED

- (g) Consider and take action on Resolution 18-14, approving of final payment to Tanger Outlet. (City Secretary)

Mayor Doyle explained that the sales tax generated by Tanger Outlet has far exceeded their initial projection and are on pace to generate \$8.5M in sales tax by the first quarter of 2019. By paying this agreement off early, it will free up some of the FY2018-2019 budget.

Motion by Director Mitchell Chuoke, Seconded by Mayor / Director Matthew T. Doyle to approve Resolution No. 18-14.

Vote: 3 - 0 CARRIED

- (3) UPDATES

Rodney Cavness, Advisor, gave an update on how the first 2 weeks of the TCISD school year has been.

Jenny Senter, Advisor, thanked those that attended the Chamber's Annual Shrimp Boil.

James Hartshorn, Deputy Director of Management Services, gave an update on the 6th Street Garage, Bar & Grill.

- (4) BOARD COMMENTS

- (5) ADJOURNMENT

Having no further business, Matthew Doyle made a Motion to ADJOURN at 3:30 p.m.; the motion was SECONDED by Mitchell Chuoke. The meeting was adjourned.

Board Secretary
Texas City Economic Development Corporation

Date Approved: _____

TCEDC Agenda

2. c.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-15, approving the actions of the board for the 2017 - 2018 fiscal year. (City Secretary)

BACKGROUND

Our City Attorney has recommended this resolution to validate the smaller items not budgetary in nature or that typically do not need the Board's approval in a formal meeting such as a change order under the allowable percentage of advertisement in a newspaper and approved within the budget.

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-15

A RESOLUTION APPROVING THE ACTIONS OF THE OFFICERS OF THE BOARD OF DIRECTORS OF THE CITY OF TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION DURING THE 2017-2018 FISCAL YEAR; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, consideration was given to approving the actions of the Officers of the Board of Directors of the Texas City Economic Development Corporation during the 2017-2018 Fiscal Year.

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

SECTION 1: All of the actions taken by the Officers of the Board of Directors of the Texas City Economic Development Corporation during the 2017-2018 Fiscal Year are hereby approved.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

Justin Herter
BOARD SECRETARY
Texas City Economic Development Corporation

TCEDC Agenda

2. d.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-16, approving 2018 - 2019 fiscal year budget. (Finance)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

Exhibit A

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-16

A RESOLUTION ADOPTING THE TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION 2018-2019 FISCAL YEAR BUDGET; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, a general discussion was held concerning the proposed 2018-2019 budget of the Texas City Economic Development Corporation.

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

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves the 2018-2019 Fiscal Year Budget, for the Texas City Economic Development Corporation, as approved by the City Commission of the City of Texas City.

SECTION 2: A copy of said Fiscal Year 2018-2019 Budget is attached hereto as **Exhibit “A”** and made a part hereof for all intents and purposes.

SECTION 3: This Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

Justin Herter
BOARD SECRETARY
Texas City Economic Development Corporation

**T.C. ECONOMIC DEVELOPMENT CORP
REVENUES & EXPENDITURES**

**CITY OF TEXAS CITY, TEXAS
FY 2018-19 ADOPTED BUDGET**

ACCOUNT	ACCOUNT DESCRIPTION	FY 2016-17 ACTUAL	FY 2017-18 AMENDED BUDGET	FY 2017-18 YEAR END PROJECTION	FY 2018-19 ADOPTED BUDGET
REVENUES: 801-000					
42001	STATE SALES TAX	5,027,106	5,250,000	5,210,535	5,200,000
*OTHER TAXES & ASSESSMENTS		5,027,106	5,250,000	5,210,535	5,200,000
48350	CONTRIBUTIONS	-	-	-	-
48307	DONATIONS	-	-	-	-
*DONATIONS & CONTRIBUTIONS		-	-	-	-
48205	NET CHANGE IN FV INVESTMENTS	-	-	-	-
48111	BUSINESS REINVESTMENT	-	-	15,600	317,100
48113	MISCELLANEOUS RENT INCOME	80,173	30,000	85,122	102,324
48801	MISCELLANEOUS INCOME	-	2,000	-	-
48802	INTEREST INCOME	37,811	25,000	-	-
*OTHER REVENUES		117,984	57,000	100,722	419,424
49103	PROCEEDS FROM SALE OF LAND	91,235	-	4,244	-
*OTHER SOURCES		91,235	-	4,244	-
TOTAL REVENUES		5,236,325	5,307,000	5,315,501	5,619,424
EXPENDITURES: 801-050					
51010	SALARIES	103,032	164,000	157,678	176,086
51030	OVERTIME PAY	-	-	-	-
51070	LIFE & DISABILITY 1.04%	1,099	1,394	1,640	1,831
51080	RETIREMENT 16.70% ; 16.18%	23,735	16,784	26,380	21,368
51090	MEDICARE TAX 1.45%	1,915	1,943	2,286	2,553
51110	INSURANCE-HEALTH/DENTAL/VISION	17,670	26,000	18,649	20,000
*SALARIES & BENEFITS		147,450	210,121	206,633	221,838
53060	EXPENSE-ADMINISTRATIVE	28,206	95,000	12,057	30,000
53061	BUSINESS VISIT EXPENSES	69	5,000	98	3,000
53110	DEMOLITION	236,488	250,000	261,860	250,000
53111	BUSINESS INCENTIVE	159,590	250,000	254,586	250,000
53200	UTILITIES	10,939	12,000	15,048	16,000
53540	MAINTENANCE-BLDG. & GROUNDS	6,794	7,500	36,185	10,000
53560	MAINTENANCE-CONTRACTS	450	1,000	-	1,000
53570	ADVERTISING/MARKETING	41,747	66,713	29,690	50,000
53680	PROFESSIONAL FEES	82,681	25,000	19,439	35,000
53710	RENT EXPENSE	1,200	1,200	1,200	1,200
53860	WORKERS' COMP	122	150	130	135
*CONTRACTUAL SERVICES		568,285	713,563	630,293	646,335
55010	LAND & BUILDING IMPROVEMENTS	315,000	1,176,126	349,834	1,202,292
55650	PARK IMPROVEMENTS	-	50,000	-	457,452
55720	PROCUREMENT OF PROPERTY	638,619	500,000	399,649	500,000
*CAPITAL OUTLAY		953,619	1,726,126	749,483	2,159,744

**T.C. ECONOMIC DEVELOPMENT CORP
REVENUES & EXPENDITURES**

**CITY OF TEXAS CITY, TEXAS
FY 2018-19 ADOPTED BUDGET**

ACCOUNT	ACCOUNT DESCRIPTION	FY 2016-17 ACTUAL	FY 2017-18 AMENDED BUDGET	FY 2017-18 YEAR END PROJECTION	FY 2018-19 ADOPTED BUDGET
59007	TRANSFER TO DEBT SERVICE FUND	595,531	602,777	602,777	613,084
59001	TRANSFER TO GENERAL FUND		200,000	200,000	-
59009	TRANSFER TO UTILITY FUND	-	4,200,000 *	2,700,000 *	-
59801	CAPITAL CONTR. TO PRIMARY GOV'T.	-	-	-	-
59043	SALES TAX REBATE	1,353,050	1,350,000	2,031,480	-
*OTHER USES		1,948,581	6,352,777	5,534,257	613,084
TOTAL EXPENDITURES		3,617,935	9,002,587	7,120,666	3,641,001
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES		1,618,390	(3,695,587)	(1,805,165)	1,978,423
FUND BALANCE-BEGINNING OF YEAR		8,047,344	9,665,734	9,665,734	7,860,569
FUND BALANCE-END OF YEAR		\$ 9,665,734	\$ 5,970,147	\$ 7,860,569	\$ 9,838,992

* Sewer line extension to service northeast Texas City

ECONOMIC DEVELOPMENT CORPORATION - 801
EXPENDITURES-SUPPLEMENTAL REQUESTS DETAIL

ACCOUNT NUMBER	DESCRIPTION	FY 2018-19 ADOPTED BUDGET	
<u>CAPITAL OUTLAY:</u>			
801-050-55010-8010X	CENTRAL PARK PROJECT	** 757,399	
801-050-55010	IMPLEMENT LIVABLE CENTER STUDY	** 418,893	
801-050-55010	AMBURN RD & FM 1764 OVERPASS	26,000	1,202,292
801-050-55650	PARK IMPROVEMENTS	** 50,000	
801-050-55650	RENOVATE GODARD PARK PONY FIELD	22,000	
801-050-55650	ADDITIONAL GODARD PARK IMPROVEMENTS	90,702	
801-050-55650	ROBINSON STADIUM SEATING	285,000	
801-050-55650	WINDSCREENS AT GARZA SPORTS COMPLEX	9,750	457,452
801-050-55720	PROCUREMENT OF PROPERTY	500,000	500,000
<u>TOTAL CAPITAL OUTLAY:</u>		2,159,744	
<u>TOTAL SUPPLEMENTAL REQUESTS-ECONOMIC DEVELOPMENT CORP</u>		\$ 2,159,744	

**FUNDING APPROVED IN PREVIOUS FISCAL YEAR

TCEDC Agenda

2. e.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-17, approving Board Secretary and Alternate.
(City Secretary)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-17

A RESOLUTION TO APPOINT A BOARD SECRETARY AND AN ALTERNATE FOR THE TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, a general discussion was held concerning the need to appoint a new Board Secretary and an Alternate.

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

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves the appointment of Rhomari Jackson as the Board Secretary and Justin Herter as the Alternate Board Secretary.

SECTION 2: This Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

Justin Herter
BOARD SECRETARY
Texas City Economic Development Corporation

TCEDC Agenda

2. f.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-18, approving the sale of property adjacent to 290 Dike Road to Mark Mckim. (Management Services)

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution
contract

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-18

A RESOLUTION RATIFYING THE SALE OF PROPERTY ADJACENT TO 290 DIKE ROAD TO MARK MCKIM; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, a general discussion concerning the sale of property adjacent to 290 Dike Road; and

WHEREAS, it is the charge of Texas City Economic Development Corporation (TCEDC) to economically develop the City of Texas City, and has supported a study (The Livable Center Study) that promotes development near the Texas City Dike. This sale facilitates future opportunities for the property described as 1.34 +/- acres to the west and north of 290 Dike Road; and

WHEREAS, the sale is contingent upon a development agreement with Mark McKim (developer) that is in accordance with the Livable Center Study.

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

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves the sale of property owned by the TCEDC for \$8/sf.

SECTION 2: The Chairperson or Vice Chairperson is hereby authorized to execute any documents necessary for the sale of the above described property.

SECTION 3: This Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

BOARD SECRETARY
Texas City Economic Development Corporation



TEXAS ASSOCIATION OF REALTORS®
COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.
 ©Texas Association of REALTORS®, Inc. 2018

1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

Address: 1801 9th Ave N, , TEXAS CITY, TX 77590

Phone: (409)643-5927 E-mail: _____

Fax: _____ Other: _____

Buyer: MARK MCKIM

Address: P.O. BOX 8655, BACLIFF, TX 77518

Phone: (512)698-9922 E-mail: MCKIM.MARK512@GMAIL.COM

Fax: _____ Other: _____

2. **PROPERTY:**

A. "Property" means that real property situated in GALVESTON County, Texas at

(address) and that is legally described on the attached Exhibit 1A or as follows:

B. Seller will sell and convey the Property together with:

- (1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (2) Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
- (3) Seller's interest in all licenses and permits related to the Property.

*(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)
 (If mineral rights are to be reserved an appropriate addendum should be attached.)*

3. **SALES PRICE:**

A. At or before closing, Buyer will pay the following sales price for the Property:

- (1) Cash portion payable by Buyer at closing \$ 467,300.00
- (2) Sum of all financing described in Paragraph 4 \$ _____
- (3) Sales price (sum of 3A(1) and 3A(2)) \$ 467,300.00

B. Adjustment to Sales Price: (Check (1) or (2) only.)

- (1) The sales price will not be adjusted based on a survey.
- (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of \$ 8.00 per:

- (i) square foot of total area net area.
- (ii) acre of total area net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

- (i) public roadways;
- (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
- (iii) _____

(c) If the sales price is adjusted by more than _____ % of the stated sales price, either party may terminate this contract by providing written notice to the other party within _____ days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$ _____ .
This contract:
 - (1) is not contingent upon Buyer obtaining third party financing.
 - (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TAR-1931).
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TAR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ _____ .
- C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TAR-1931) in the amount of \$ _____ .

5. **EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ \$5,000.00 as earnest money with a Title Company selected by Seller (title company) at _____ (address) _____ (closer).
If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ _____ with the title company to be made part of the earnest money on or before:
 - (i) _____ days after Buyer's right to terminate under Paragraph 7B expires; or
 - (ii) _____ .
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY AND SURVEY:

A. Title Policy:

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
 - (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
 - (a) will not be amended or deleted from the title policy.
 - (b) will be amended to read "shortages in areas" at the expense of Buyer Seller.
- (3) Within 7 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 7 days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer _____ (insert amount) of the cost of the survey at closing, if closing occurs.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, Seller Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 20 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party _____ (insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

- (1) Within _____ days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new

document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: AS IS

B. Feasibility Period: Buyer may terminate this contract for any reason within 30 days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 500.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ _____ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional _____ days by depositing additional earnest money in the amount of \$ _____ with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Buyer must:

- (a) employ only trained and qualified inspectors and assessors;
- (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
- (c) abide by any reasonable entry rules or requirements of Seller;
- (d) not interfere with existing operations or occupants of the Property; and
- (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

(1) Delivery of Property Information: Within 21 days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*

- (a) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- (d) copies property tax statements for the Property for the previous 2 calendar years;
- (e) plats of the Property;
- (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
- (g) _____

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*

- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. **LEASES:**

A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller

must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;
- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

B. Estoppel Certificates: Within _____ days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than _____ by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TAR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

A. The brokers to this sale are:

Principal Broker: _____

Cooperating Broker: _____

Agent: _____

Agent: _____

Address: _____

Address: _____

Phone & Fax: _____

Phone & Fax: _____

E-mail: _____

E-mail: _____

License No.: _____

License No.: _____

Principal Broker: (Check only one box)

- represents Seller only.
- represents Buyer only.
- is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

B. Fees: (Check only (1) or (2) below.)

(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

(1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

(2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:

_____ % of the sales price.

_____ .

Cooperating Broker a total cash fee of:

_____ % of the sales price.

_____ .

The cash fees will be paid in _____ County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

- C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

- A. The date of the closing of the sale (closing date) will be on or before the later of:

(1) _____ days after the expiration of the feasibility period.

_____ (specific date).

30 DAYS AFTER RECEIVING BUILDING PERMIT

(2) 7 days after objections made under Paragraph 6C have been cured or waived.

- B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

- C. At closing, Seller will execute and deliver, at Seller's expense, a general special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

- (1) with no liens, assessments, or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
- (2) without any assumed loans in default; and
- (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

- D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

- (1) tax statements showing no delinquent taxes on the Property;
- (2) an assignment of all leases to or on the Property;
- (3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;
- (4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
- (5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and
- (6) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and issuance of the title policy, all of which must be completed by Seller as necessary.

- E. At closing, Buyer will:

- (1) pay the sales price in good funds acceptable to the title company;
- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in a lease for any part of the Property a written statement that:
 - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
 - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

- F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

See addendum

13. SALES EXPENSES:

A. Seller's Expenses: Seller will pay for the following at or before closing:

- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
- (2) release of Seller's loan liability, if applicable;
- (3) tax statements or certificates;
- (4) preparation of the deed;
- (5) one-half of any escrow fee;
- (6) costs to record any documents to cure title objections that Seller must cure; and
- (7) other expenses that Seller will pay under other provisions of this contract.

B. Buyer's Expenses: Buyer will pay for the following at or before closing:

- (1) all loan expenses and fees;
- (2) preparation of any deed of trust;
- (3) recording fees for the deed and any deed of trust;
- (4) premiums for flood insurance as may be required by Buyer's lender;
- (5) one-half of any escrow fee;
- (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

A. Prorations:

- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
- (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
- (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. **Rent and Security Deposits:** At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or
(Check if applicable)
 enforce specific performance, or seek such other relief as may be provided by law.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
(2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

- A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or
- B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
(1) Seller and the sales price will be reduced by the same amount; or
(2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursal of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. Seller Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TAR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (3) any environmental hazards or conditions that materially affect the Property;
 - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
 - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
 - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
 - (7) any threatened or endangered species or their habitat on the Property;
 - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
 - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
 - (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
 - (1) Property Description Exhibit identified in Paragraph 2;
 - (2) Commercial Contract Financing Addendum (TAR-1931);
 - (3) Commercial Property Condition Statement (TAR-1408);
 - (4) Commercial Contract Addendum for Special Provisions (TAR-1940);
 - (5) Notice to Purchaser of Real Property in a Water District (MUD);
 - (6) Addendum for Coastal Area Property (TAR-1915);
 - (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916);
 - (8) Information About Brokerage Services (TAR-2501);
 - (9) Information About Mineral Clauses in Contract Forms (TAR-2509); and
 - (10) _____

(Note: Counsel for the Texas Association of REALTORS® (TAR) has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by TAR are appropriate for use with this form.)

- E. Buyer may may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you

will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TAR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TAR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- I. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: _____.

26. CONTRACT AS OFFER: The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on September 28, 2018, the offer will lapse and become null and void.

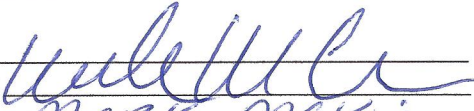
READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.

TEXAS CITY ECONOMIC DEVELOPMENT

Seller: CORPORATION

Buyer: MARK MCKIM

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): 
Printed Name: MARK MCKIM
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay _____ (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

\$ _____, or
 _____ % of the sales price, or
 _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: _____ Cooperating Broker: _____

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

the title company sends to Seller.
 Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

the title company sends to Buyer.
 Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

A. the contract on this day _____ (effective date);
 B. earnest money in the amount of \$ _____ in the form of _____
on _____.

Title company: _____ Address: _____

By: _____ Phone & Fax: _____

Assigned file number (GF#): _____ E-mail: _____

METES AND BOUNDS DESCRIPTION OF 1.3410 ACRE TRACT

A TRACT OR PARCEL OF LAND CONTAINING 1.3410 ACRE OF LAND BEING OUT OF AND A PART OF A CALLED 10.271 ACRE TRACT 14 CONVEYED TO CITY-TEXAS CITY IN THE JAMES B. WELLS SURVEY, ABSTRACT 205, GALVESTON COUNTY, TEXAS, SAID 1.3410 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS TO-WIT:

BEGINNING at an "X" mark set in concrete at the Southeast corner of the herein described tract in the North right-of-way line of Dike Road (80 ft. in width) marking the Southwest corner of a 0.8432 acre tract recorded in Clerk's File No. 2012068403 of the Galveston County Deed Records;

THENCE South 87 degrees 58 minutes 23 seconds West with the North right-of-way line of Dike Road a distance of 110.00 ft. to a 3/8 inch iron rod set marking the Southwest corner of the herein described tract and the Southeast corner of the remainder portion of a called 10.271 acre Tract 14 conveyed to City-Texas City;

THENCE North 02 degrees 01 minutes 36 seconds West with the West boundary line of the herein described tract a distance of 327.16 ft. to a point marking the Northwest corner of the herein described tract;

THENCE North 87 degrees 58 minutes 24 seconds East with the North boundary line of the herein described tract a distance of 110.00 ft. to a point in the North boundary line of the herein described tract;

THENCE South 59 degrees 10 minutes 52 seconds East with the North boundary line of the herein described tract a distance of 4.09 ft. to a point in the North boundary line of the herein described tract;

THENCE South 79 degrees 58 minutes 59 seconds East with the North boundary line of the herein described tract a distance of 79.20 ft. to a point in the North boundary line of the herein described tract;

THENCE North 89 degrees 16 minutes 03 seconds East with the North boundary line of the herein described tract a distance of 69.22 ft. to a point in the North boundary line of the herein described tract;

THENCE South 56 degrees 20 minutes 19 seconds East with the North boundary line of the herein described tract a distance of 51.56 ft. to a point marking the Northeast corner of the herein described tract;

THENCE South 02 degrees 01 minutes 36 seconds East with the East boundary line of the herein described tract a distance of 104.09 ft. to a 3/8 inch iron rod set marking the Northeast corner of said 0.8432 acre tract;

THENCE North 81 degrees 01 minutes 50 seconds West with the North boundary line of said 0.8432 acre tract a distance of 195.57 ft. to a 5/8 inch iron rod found marking the Northwest corner of said 0.8432 acre tract and a re-entrant corner of the herein described tract;

THENCE South 02 degrees 01 minutes 36 seconds East with the West boundary line of said 0.8432 acre tract a distance of 209.98 ft. to the PLACE OF BEGINNING and containing 1.3410 acre of land.

TCEDC Agenda

2. g.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution 18-19, approving Mark McKim to enter into a Development Agreement for Dike Road property. (Management Services)

BACKGROUND

Like the previous item on the agenda, this item specifically outlines Mark McKim's commitment on the development of property on Dike Road. The agreement is attached, but as stated previously, this is for elevated cottages to provide accommodations for tourist to Texas City and the Dike in particular.

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

Development Agreement Draft

Clubhouse 1

Clubhouse 2

San Leon 1

San Leon 2

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-19

A RESOLUTION APPROVING THE DEVELOPMENT AGREEMENT WITH MARK MCKIM FOR REAL PROPERTY LOCATED ADJACENT TO 290 DIKE ROAD; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, a general discussion concerning the sale of property adjacent to 290 Dike Road; and

WHEREAS, the TCEDC owns the property described as 1.34 +/- acres to the west and north of 290 Dike Road; and

WHEREAS, Mark McKim intends to utilize the property to develop seasonal cabin rentals in order to attract tourist; and

WHEREAS, it is proposed that the TCEDC approves the Development Agreement with Mark McKim to convey the property located adjacent to 290 Dike Road.

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

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves the execution of a Development Agreement with Mark McKim for real property located adjacent to 290 Dike Road.

SECTION 2: This Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

BOARD SECRETARY

Texas City Economic Development Corporation

DEVELOPMENT AGREEMENT

This **DEVELOPMENT AGREEMENT** (this "Agreement"), is made and entered into as of August ____, 2018, by and between **THE TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION** (the "TCEDC"), and **MARK McKIM** (the "Developer").

RECITALS:

WHEREAS, Developer intends to acquire an approximately 1.3410 acre tract of real property located in Galveston County, Texas, more fully described on Exhibit "A", attached hereto and incorporated herein (the "Property") from the TCEDC; and

WHEREAS, Developer intends to utilize the Property to develop *seasonal cabin rentals* in order to attract tourists as described in the development plan attached hereto as Exhibit "B" (the "Improvements") and incorporated herein (the "Development"); and

WHEREAS, the TCEDC has determined that conveying the Property to Developer will further the objectives of the City of Texas City's "*Livable Center Study*" attached hereto as Exhibit "C", which will benefit the City and the City's inhabitants, will promote local economic development and stimulate business in the City of Texas City and will generate an appealing recreation-oriented regional destination that utilizes and builds upon the Texas City Dike and Galveston Bay in order to attract tourists.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration and the mutual covenants set forth herein, Developer and the TCEDC contract and hereby agree as follows:

1. Developer shall within the greater of (i) one hundred fifty (150) days of the closing and funding of the real property as more specifically described on attached Exhibit "A" or (ii) ninety (90) days after the City issues Developer a building permit for Developer's development plan, commence construction consistent with the agreed upon development plan of the Property as described on Exhibit "B".
2. Developer covenants and agrees that any and all improvements constructed on the Property shall meet all requirements of the *Bay District*, as well as all other city, state, & federal codes, regulations, requirements, statutes and laws.
3. Developer covenants and agrees that within Eighteen (18) months after starting construction the Improvements shall be Substantially Completed, for the purposes of this section, *Substantial Completion* shall occur when a certificate of occupancy is issued on all units/cabins anticipated to be constructed on the Property. In the event the Improvements have not been Substantially Completed as agreed upon by the parties hereto, the Property shall revert to its original "zoning" designation.

4. Miscellaneous.

4.1 Approvals and consents. Approvals or consents required or permitted to be given under this Agreement shall be evidenced by an ordinance, resolution or order adopted by the governing body of the appropriate party or by a certificate executed by a person, firm or entity previously authorized to give such approval or consent on behalf of the party. Approvals and consents shall be effective without regard to whether given before or after the time required for giving such approvals or consents.

4.2 Address and notice. Any notice to be given under this Agreement shall be given in writing, addressed to the party to be notified as set forth below, and may be given either by depositing the notice in the United States mail postage prepaid, registered or certified mail, with return receipt requested; by messenger delivery; or by telecopy. Notice deposited by mail shall be effective three days after posting. Notice given in any other manner shall be effective upon receipt by the party to be notified. For purposes of notice, the addresses of the parties shall be as follows:

If to the TCEDC, to:

Texas City Economic Development Corporation
1801 9th Avenue North
Texas City, Texas 77590

If to the Developer, to:

Attention; Mark McKim
PO Box 8655
Bacliff, TX 77518
Email: mckim.mark512@gmail.com

The parties shall have the right from time to time to change their respective addressees by giving at least 10 days' written notice of such change to the other party.

4.3 Assignment. This Agreement is assignable. If all or any portion of the Property is transferred, sold or conveyed, the Developer shall give notice immediately to the City of the name, address, phone number and contact person of the person or entity acquiring an interest in the Property. This Agreement shall run with the land and shall be binding on and inure to the benefit of the Developer's successors and assigns.

4.4 Nonwaiver of Rights. By entering this Agreement, neither Developer nor the City waive any rights granted under any laws, nor do they make any admissions regarding the subject matter of this Agreement. Each party specifically reserves any and all rights to pursue any action or remedy to protect its interests and rights

4.5 *Reservation of rights.* All rights, powers, privileges and authority of the parties hereto not restricted or affected by the express terms and provisions hereof are reserved by the parties and, from time to time, may be exercised and enforced by the parties.

4.6 *Venue.* This Agreement shall be construed in accordance with the laws of the State of Texas and shall be performable in Galveston County, Texas.

4.7 *Merger.* This Agreement embodies the entire understanding between the parties and there are no representations, warranties, or agreements between the parties covering the subject matter of this Agreement.

4.8 *Modification; exhibit.* This Agreement shall be subject to change or modification only with the mutual written consent of the City and the Developer. The exhibits attached to this Agreement are incorporated by this reference for all purposes.

4.9 *Captions.* The captions of each section of this Agreement are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the parties hereto or any provisions hereof, or in ascertaining the intent of either party, with respect to the provisions hereof.

4.10 *Interpretations.* This Agreement and the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.

4.11 *Severability.* If any provision of this Agreement or the application thereof to any person or circumstances is ever judicially declared invalid, such provision shall be deemed severed from this Agreement and the remaining portions of this Agreement shall remain in effect.

4.12 *Parties in interest.* This Agreement shall be for the sole and exclusive benefit of the parties hereto and shall not be construed to confer any rights upon any third parties.

4.13 *Counterparts.* This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. Telefaxed or scanned-emailed copies of this signed Agreement shall be binding and effective as an original.

4.14 *Authority to Execute.* The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

4.15 *Incorporation of Recitals.* The Recitals above are incorporated herein as if

repeated verbatim.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date first given above.

**TEXAS CITY ECONOMIC
DEVELOPMENT CORPORATION**

BY: _____
NAME: _____
TITLE: _____

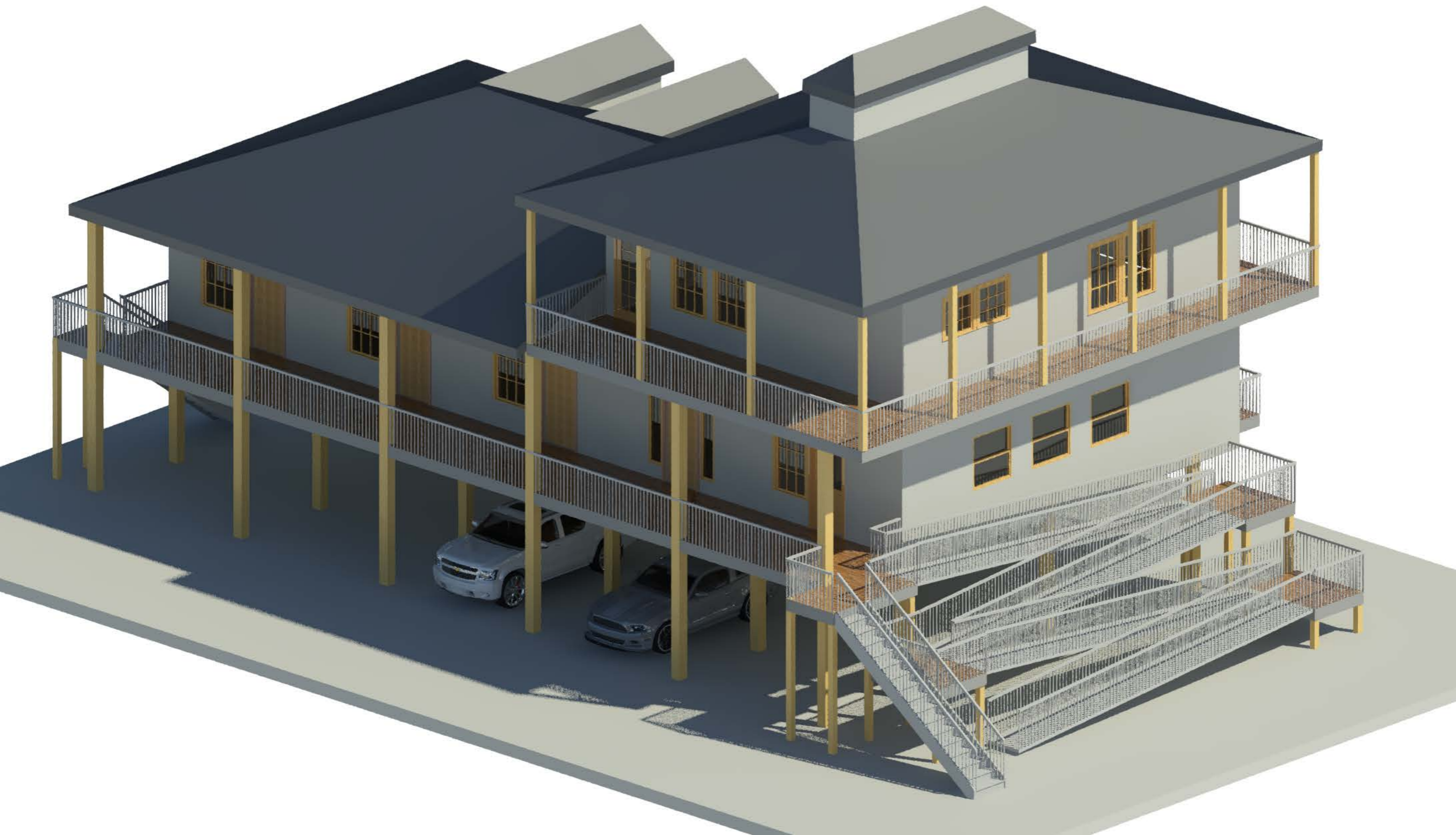
DEVELOPER:

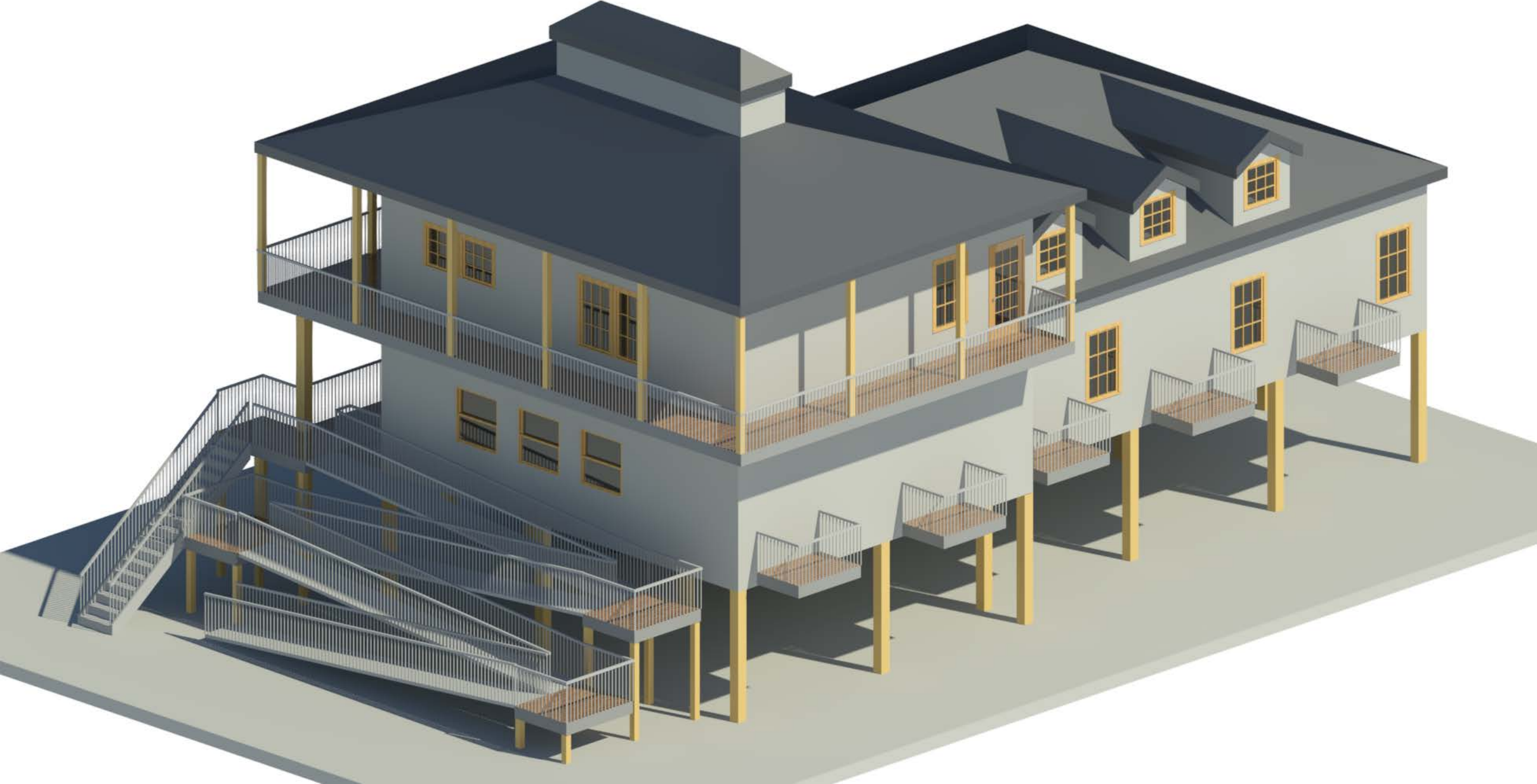
MARK McKIM

EXHIBIT "A" TO DEVELOPMENT AGREEMENT

Legal Description

[to be attached]









TCEDC Agenda

2. h.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-20, approving the donation of a lot at 1009 25th Avenue North to Habitat for Humanity. (Management Services)

BACKGROUND

In the past the TCEDC has provided vacant lots to Habitat to Humanity in exchange that they develop the lot with a residential housing adding to the tax base and providing economic benefit to the city in the form of housing and increased property values.

Attached are maps of the location.

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-20

A RESOLUTION AUTHORIZING PROPERTY LOCATED AT 1009 25TH AVENUE NORTH BE DONATED TO HABITAT FOR HUMANITY; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFETIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 10, 2018, a general discussion was held concerning the authorization of property located at 1009 25th Avenue North be donated to Habitat for Humanity; and

WHEREAS, in exchange for the vacant lot, Habitat for Humanity must develop the lot with residential housing adding to the tax base and providing economic benefit to the City.

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

SECTION 1: The Board of Directors of the Texas City Economic Development Corporation hereby approves authorization of property located at 1009 25th Avenue North to be donated to Habitat for Humanity.

SECTION 2: The Chairperson or Vice Chairperson is hereby authorized to execute any documents necessary for the above listed properties.

SECTION 3: This Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

Justin Herter
BOARD SECRETARY
Texas City Economic Development Corporation

TCEDC Agenda

2. i.

Meeting Date: 10/10/2018

Submitted By: Rhomari Jackson-Glover, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 18-21, amending the term sheet with Fetching Lab to increase the reimbursement amount for architect fees. (Management Services)

BACKGROUND

On October 11, 2017, under Resolution 17-31, the TCEDC approved a term sheet with Fetching Lab which included the TCEDC reimbursing Fetching lab up to \$3,500 for architect fees in regards to the proposed project at 909 9th Street. However, the final amount paid by Fetching Lab for architect fees was \$4,058.50. It is proposed that the TCEDC amends the term sheet and increases the reimbursement amount from \$3,500 to \$4,058.50.

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution
Term Sheet
Invoice
Plans

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 18-21

**A RESOLUTION AMENDING THE TERM SHEET WITH
FETCHING LABS BREWERY TO INCREASE THE
REIMBURSEMENT AMOUNT FOR ARCHITECT FEES; AND
PROVIDING THAT THIS RESOLUTION SHALL BECOME
EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.**

WHEREAS, on October 11, 2017, under Resolution No. 17-31, the Texas City Economic Development Corporation (TCEDC) approved a term sheet with Fetching Lab Brewery; and

WHEREAS, TCEDC agreed to reimburse Fetching Lab Brewery up to \$3,500 for architect fees in regards to the proposed project at 909 9th Street; and

WHEREAS, the final amount paid by Fetching Lab Brewery was \$4,058.50. It is proposed that the TCEDC amends the term sheet and increases the reimbursement amount from \$3,500.00 to \$4,058.50.

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

SECTION 1: the Board of Directors of the Texas City Economic Development Corporation approves to amend Fetching Labs term sheet and reimbursement amount.

SECTION 2: That this Resolution shall be in full force and effect from and after its passage and adoption.

PASSED AND ADOPTED this 10th day of October 2018.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

Justin Herter
BOARD SECRETARY
Texas City Economic Development Corporation

Fetching Lab Term Sheet

TCEDC's Obligations

- TCEDC will Paint the Fetching Lab Logo on the exterior façade of the building.
- TCEDC will investigate the need for power washing the exterior façade or a portion to be painted with logo.
- TCEDC will provide up to \$250K as described below for remodeling/renovations and improvements to the building at 901 (also, known at times as 902 9th Ave N) (to become 911) 9th Street N as displayed on Exhibit A. Anything less than \$400K, the TCEDC will pay a Pro Rata Share based upon the \$250K for \$400K (62.5%). In no instance will the TCEDC pay over \$250K.
- TCEDC will repair roof up to \$3,000 in value.
- TCEDC will pay up to \$3,000 in repairs to exterior of building.
- TCEDC will reimburse up to \$3,500 for Architect's fees for schematics, bid documents, construction plans and drawings for final approval of proposal by TCEDC and the City for permits.
- TCEDC will charge a rent of \$5,000/month for the first 5 years. After 5 years, the lease will be renegotiated not to exceed a 5% increase.
 - The TCEDC will provide 3 months of no rent after FLB begins operations in new facility. The rent charges will start three months from the time Fetching Lab receives its Certificate of Occupancy.
- TCEDC will offer to sell 911 9th Street N. at the end of 5 years for no more than \$600,000. At its own discretion, the TCEDC may agree to sell the property prior to the 5-year period if Fetching Lab requests an earlier buyout.
 - \$1000/month of the \$5000/month rent to be applied towards the purchase of the building if FLB wishes to purchase the building.
- TCEDC will re-asphalt the portion of the current parking lot currently asphalted and indicated on Exhibit B.
- TCEDC will provide a shared parking easement with the property known as 901 9th Street N as indicated on Exhibit B.

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④

- TCEDC will work with the City of Texas City to provide public parking on a portion property owned by the City and to the north of Fetching Lab across 10th Ave. N. from Fetching Lab's brewery on an as-needed basis. If Fetching Lab would like to improve the parking, it may approach the City and present plans. The City may revoke the use of the parking at any time.
- TCEDC agrees to grant Fetching Lab the first right of refusal for the one-story building at 901 (and to remain 901) 9th Street N. for \$75,000 for up to one year from the time Fetching Lab begins operations (Obtains a Certificate of Occupancy).
- TCEDC to be responsible for repair of external structural damages to include main structural and utility integrity. (ex. Roof, utilities from meter to building) during the term of the lease not caused by the tenants or its customers, vendors, or clients, etc.

Fetching Lab Obligations

- Fetching Lab will invest in the remodeling/renovations and improvements of 911 9th St. N. to become a brewery with a Tap Room.
- Fetching Lab will obtain its own financing for the remodeling/renovations and improvements not provided by the TCEDC (TCEDC agrees to provide a landlord waiver to the property in order to obtain a loan if necessary).
- Fetching Lab will provide construction oversight.
- Fetching Lab will provide a budget, plans and specifications for the entire buildout before construction begins – TCEDC must approve.
- Fetching Lab agrees to remain a brewery with the Fetching Lab name for the duration of 5 years or to pay a portion of the TCEDC's original investment pro-rata share based upon the number of years remaining on the 5 year commitment.
- Fetching Lab agrees to host events open to the general public and be involved in City events, particularly 6th Street events when appropriate.
- Fetching Lab agrees to be a member of the Texas City 6th Street Downtown Association.
- Fetching Lab will be responsible for any and all taxes and permit fees including state, city, federal, property taxes (if applicable), sales taxes, etc.

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Other Terms

- Fetching Lab must be open within 6 months or later with notification to TCEDC informing of expected delays, from the date of the agreement to include selling of beer.
 - Fetching Lab is unable to ensure that the government requirements to include TTB and TABC licensing changes will be processed in a timely manner. Additionally, any building, health code, or occupancy requirements that may be discovered during the build out process have the potential to cause delays.
- TCEDC may provide at its expense an independent contractor to review the expenditures.
- Fetching Lab will provide the first 37.5% of the cost, plus any cost over the \$400,000. TCEDC will provide the remaining cost up to \$250,000. Fetching Lab will provide a Mechanics and Material Lien release from each vendor prior to TCEDC making any payments.
- TCEDC will pay directly to each vendor its portion of the costs.
- TCEDC retains ownership of building and all improvements, fixed equipment, fixed furnishings, etc. not to include Brewing Equipment, inventory, supplies, data and anything listed in a landlord waiver; subject to buyout.
- Due to the age of the facility, if during construction a significant previously undetected building, structural, safety, or utility flaw is identified, Fetching Lab and TCEDC will meet to negotiate and agree to go forward with plans and cost solutions. TCEDC is under no obligation to pay any additional funds over those committed to in this agreement including the \$250,000.
- Fetching Lab will provide a security deposit of one month's rent (minus the \$1,000 that goes toward the purchase) of \$4,000.
- Insurance:
 - FLB will be responsible for utilities, and damages inside of the building (maintain insurance coverage at 80% of the value of the interior of the building, equipment and facilities).
 - FLB will maintain business general liability insurance to cover damages and accidents inside the facility (\$1 million separate liquor liability, \$1 million general liability per occurrence, and \$2 million

MEC
B

general liability aggregate and the City and TCEDC shall be named as additionally insured).

- TCEDC will maintain Insurance to cover Fire and Flood for the duration of the leasing period.
- If Fetching Lab wants Windstorm coverage, it will do so at its own expense.

Butt Burg

Fetching Lab Authorized
Representative

Date 10/16/17

Mark E Ciavaglia

Mark Ciavaglia
TCEDC President

Date 10/3/17

The terms outlined above are valid for 90 days from the date of the signatures or until an earnest money contract is signed, whichever is the lesser time period.

INVOICE

INVOICE NO: MI173047-1

DATE: 6/21/2017

CLIENT

PROJECT: Fetching Lab Brewery
PROJECT NO: MI173047
ADDRESS: 901 9th Street
Texas City

CLIENT

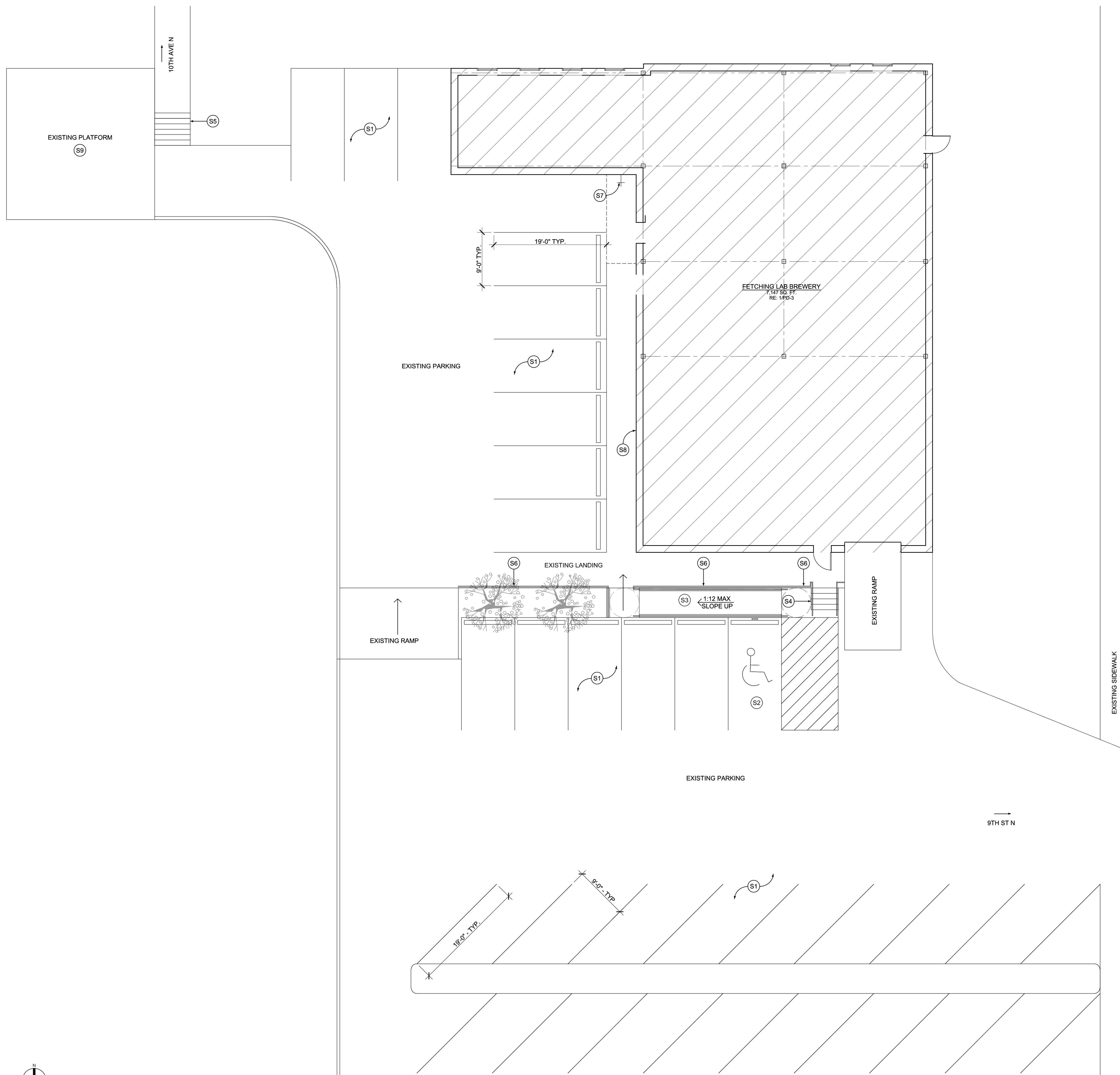
Fetching Lab Brewery
Brett Bray

SERVICES RENDERED	AMOUNT
Existing Conditions	1,500.00
Schematic Design Package (site plan, floor plan, and code analysis)	2,500.00
Reimbursable Expenses - Mileage	58.50

TOTAL AMOUNT DUE: \$4,058.50

THANK YOU FOR YOUR BUSINESS!

TOTAL AMOUNT SHOWN ABOVE IS DUE UPON RECEIPT OF THIS INVOICE. IF PAYMENT IS NOT RECEIVED WITHIN 30 DAYS FROM THE INVOICE DATE, A LATE FEE SHALL BE ASSESSED UPON THE TOTAL INVOICE AMOUNT AND WILL CONTINUE TO ACCRUE UNTIL PAYMENT IS RECEIVED. FOR INVOICE INQUIRIES, PLEASE CONTACT ACCOUNTING@METHODARCHITECTURE.COM.



PARKING CALCULATIONS - TEXAS CITY

ASSEMBLY AREA: 1 SPACE / 100 SF
CALC: 1,150 / 100 = 11.5 PARKING SPACES

BUSINESS AREA: 1 SPACE / 300 SF
CALC: 1,493 / 300 = 5.0 PARKING SPACES

STORAGE & MANUFACTURING: 1 SPACE / 1,000 SF
CALC: 4,504 SF / 1,000 = 4.5 PARKING SPACES

TOTAL PARKING SPACES REQUIRED = 21
TOTAL PARKING SPACES PROVIDED = 23

TOTAL ACCESSIBLE PARKING SPACES REQUIRED = 1
TOTAL ACCESSIBLE PARKING SPACES PROVIDED = 1

PARKING ANALYSIS 4

- SITE KEY NOTES**
- (S1) RE-STRIPE EXISTING PARKING SPACES AS SHOWN - PROVIDE CURB STOPS IF NOT EXISTING
 - (S2) PROVIDE NEW ADA PARKING SPACE WITH REQUIRED SIGNAGE AND STRIPED LOADING ZONE AND PATHWAY AS SHOWN
 - (S3) PROVIDE NEW 24'-0" LONG CONCRETE ADA RAMP WITH 36" TALL HANDRAILS ON BOTH SIDES - TO COMPLY WITH ALL TAS STANDARDS - RE: STRUCTURAL
 - (S4) PROVIDE NEW CONCRETE STAIR WITH 36" TALL HANDRAILS ON BOTH SIDES - RE: STRUCTURAL
 - (S5) PROVIDE NEW CONCRETE STAIR TO SLAB - FIELD VERIFY EXISTING SLAB HEIGHT AND SLOPE - RE: STRUCTURAL
 - (S6) PROVIDE NEW 42" GUARD RAIL WHERE NOTED
 - (S7) PROVIDE NEW HOSE BIB WHERE NOTED
 - (S8) PROVIDE NEW 30 AMP 4-PRONG TWIST LOCK OUTLET WHERE NOTED
 - (S9) PROVIDE (4) NEW EXTERIOR CONVENIENCE OUTLETS IN AREA WHERE NOTED - CONFIRM EXACT LOCATION WITH TENANT

KEY NOTES 3

MECH NOTES

ROOF MOUNTED A/C UNITS TO BE PLACED IN A LOCATION SO THAT THEY ARE NOT VISIBLE FROM THE STREET

FINISH NOTES

PER THE IBC, WALLS WITHIN TWO (2) FEET OF URINALS AND WATER CLOSETS SHALL HAVE A SMOOTH, HARD, NONABSORBENT SURFACE TO A HEIGHT OF FOUR (4) FEET A.F.F., AND EXCEPT FOR STRUCTURAL ELEMENTS, THE MATERIALS USED IN SUCH WALLS SHALL BE OF A TYPE THAT IS NOT ADVERSELY AFFECTED BY MOISTURE. ACCESSORIES SUCH AS GRAB BARS, TOWEL BARS, PAPER DISPENSERS AND SOAP DISHES PROVIDED ON OR WITHIN SUCH WALLS SHALL BE INSTALLED AND SEALED TO PROTECT STRUCTURAL ELEMENTS FROM MOISTURE.

WHEN GYPSUM BOARD IS USED AS A BASE FOR TILE OR WALL PANELS FOR TUBS, SHOWER OR WATER CLOSET COMPARTMENT WALLS, WATER-RESISTANT GYPSUM BACKING BOARD SHALL BE USED AS A SUBSTRATE

ALL IMPROVEMENTS SHALL BE BUILT IN ACCORDANCE WITH LANDLORD'S SPECIFICATIONS

PROVIDE PORCELAIN TILE TO 48" A.F.F. ON ALL WET WALLS, WALLS ADJACENT TO WET WALLS AND WALLS WITHIN TWO (2) FEET OF URINALS AND WATER CLOSETS

SEAL EXISTING CONCRETE SLAB

CLEAN AND PAINT ALL WALLS THROUGHOUT ENTIRE SPACE

CLEAN EXPOSED DECK THROUGHOUT ENTIRE SPACE

PROVIDE R30 INSULATION AT ROOF DECK OVER AIR CONDITIONED AREAS

GLAZING SUBJECT TO HUMAN IMPACT LOADS AND IN ALL HAZARDOUS LOCATIONS SHALL COMPLY WITH I.B.C. SECTION 2406 (INCLUDING 2406.1, 2406.2, & 2406.3). STOREFRONT GLASS DOORS AND ADJACENT GLASS PANELS SHALL BE SAFETY/IMPACT RESISTANT GLASS.

GENERAL NOTES

ANY CONSTRUCTION INDICATED AS NEW MUST CONFORM TO ALL APPLICABLE CODES, INCLUDING BUT NOT LIMITED TO THE IBC AND THE TAS STANDARDS

CONTRACTOR SHALL VISIT SPACE BEFORE PRICING. HE IS RESPONSIBLE FOR CHECKING FIELD CONDITIONS AND DIMENSIONS FOR ACCURACY AND CONFIRM THAT WORK IS BUILDABLE BEFORE SUBMITTING BID PRICE. HE IS TO REPORT ANY DISCREPANCIES IMMEDIATELY TO THE ARCHITECT. THE LACK OF SPECIFIC INFORMATION OR A DISCREPANCY WITH THE EXISTING CONDITIONS SHALL NOT RELIEVE THE CONTRACTOR OF ANY RESPONSIBILITY.

PROVIDE A MINIMUM OF 1 FOOT-CANDLE IN ALL AREAS ON A BATTERY BACK-UP IN THE EVENT OF POWER FAILURE, TO PROPERLY ILLUMINATE THE PATH OF EGRESS.

PRICING DRAWING
NOT FOR CONSTRUCTION

THIS DRAWING IS ONLY INTENDED FOR USE A PRELIMINARY DESIGN TO ASSIST WITH CONTRACTOR PRICING AND SHOULD NOT BE USED FOR REGULATORY APPROVAL, PERMITTING, OR CONSTRUCTION. UPON OWNER APPROVAL, CONSTRUCTION DRAWINGS WHICH DESCRIBE THE WORK IN MORE DETAIL SHOULD BE PREPARED.

TENANT FURNITURE

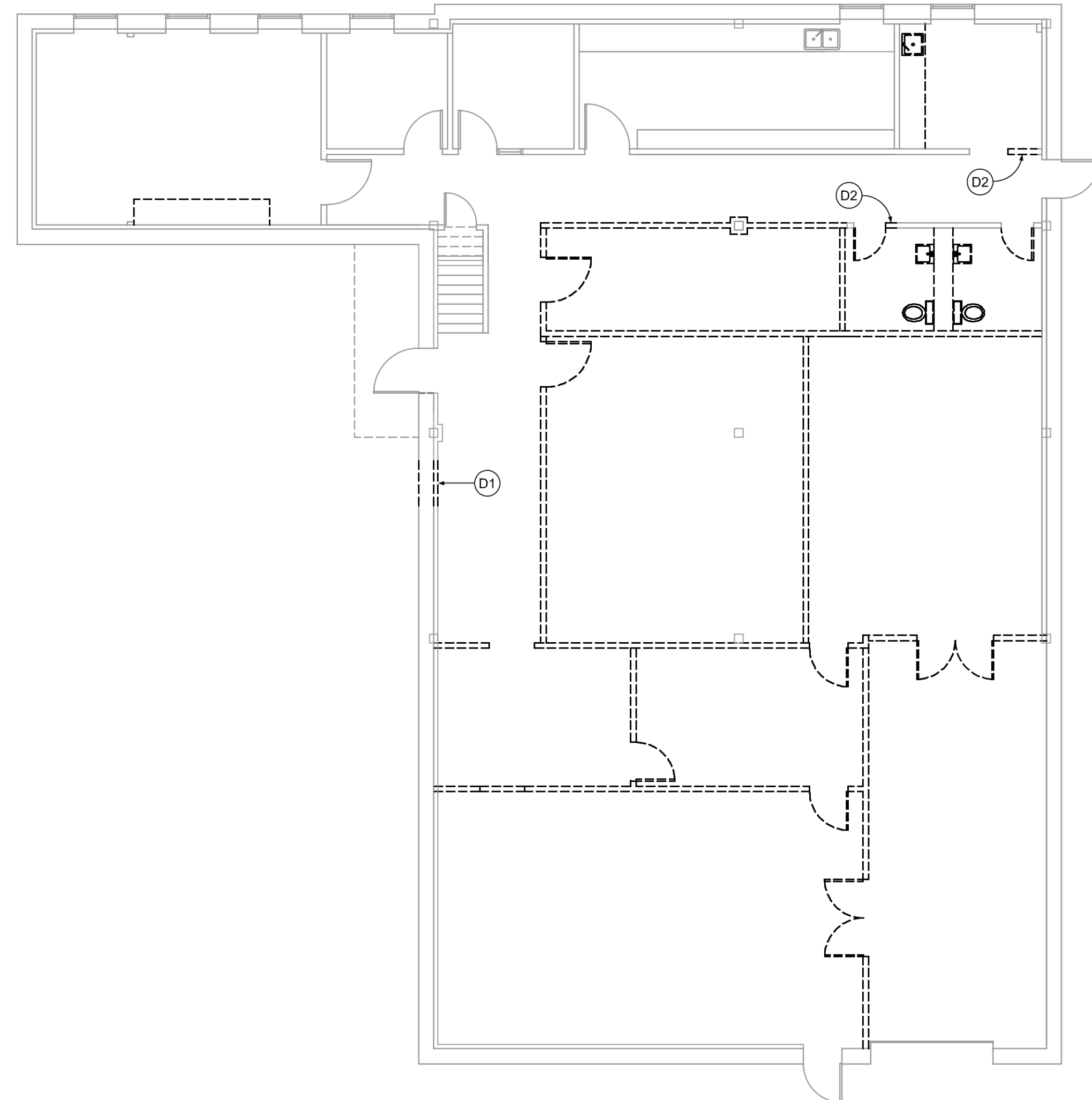
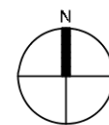
ALL FURNITURE AND EQUIPMENT IS SHOWN FOR TENANT REFERENCE ONLY. FURNITURE AND EQUIPMENT TO BE PROVIDED AND INSTALLED BY TENANT. ELECTRICAL REQUIREMENTS TO BE VERIFIED AND APPROVED BY FURNITURE PROVIDER.

BREWERY SITE AND FLOOR PLAN - LEVEL 1 5
1/8" = 1'-0"

NOTES 1

REVISIONS:

1	03/20/17 REVISED PER TENANT COMMENTS
2	04/05/17 REVISED PER TENANT COMMENTS
3	07/11/17 REVISED PER TENANT COMMENTS
4	07/11/17 REVISED PER TENANT COMMENTS



DEMOLITION PLAN 5
1/8" = 1'-0"

DEMO KEY NOTES

D1 SAW-CUT 3'-0" WIDE x 7'-0" TALL OPENING FOR NEW DOOR WHERE SHOWN - RE-STRUCTURAL

D2 DEMO EXISTING 3'-0" WIDE x 7'-0" TALL OPENING FOR NEW INTERIOR DOORS WHERE SHOWN

KEY NOTES 3

DEMOLITION NOTES

DEMOLISH EXISTING WALLS, DOORS, FLOORING, ELECTRICAL, MILLWORK, DROP CEILING AND PLUMBING AS SHOWN - EXISTING CONCRETE SLAB TO REMAIN

DEMO EXISTING CEILING AND LIGHTS THROUGHOUT ENTIRE SPACE

CAP EXISTING PLUMBING AS NEEDED

WHEN APPLICABLE, PROTECT ALL EXISTING LIGHTS, FIXTURES, MILLWORK, FLOORING, AND FINISHES DURING DEMOLITION

GENERAL CONTRACTOR SHALL CONSULT WITH STRUCTURAL ENGINEER PRIOR TO MODIFICATION OF ANY MASONRY WALLS, INCLUDING NEW OPENINGS OR DEMOLITION

GENERAL CONTRACTOR IS RESPONSIBLE FOR THE SAFETY AND INTEGRITY OF THE STRUCTURE AND JOB SITE DURING DEMOLITION - MEANS AND METHODS OF DEMOLITION AND CONSTRUCTION ARE THE SOLE RESPONSIBILITY OF THE CONTRACTOR

NOTES 2

DEMO WALL LEGEND

———— INDICATES EXISTING WALL

----- INDICATES EXISTING WALL TO BE DEMOLISHED

LEGENDS 1

REVISIONS:

1	03/20/17 REVISED PER TENANT COMMENTS
2	04/03/17 REVISED PER TENANT COMMENTS
3	07/12/17 REVISED PER TENANT COMMENTS
4	07/13/17 REVISED PER TENANT COMMENTS

STUD SCHEDULE

STUD SIZE	WALL HEIGHT (MAXIMUM)	NOTES (1,2,7)
2 1/2" X 25 GAUGE X 1 1/4"	13'-0"	3.5
2 1/2" X 20 GAUGE X 1 1/4"	16'-0"	3.5
3 5/8" X 25 GAUGE X 1 1/4"	19'-0"	3.5
3 5/8" X 20 GAUGE X 1 1/4"	22'-0"	3.5
4" X 25 GAUGE X 1 1/4"	17'-0"	3.5
4" X 20 GAUGE X 1 1/4"	23'-0"	3.5
6" X 25 GAUGE X 1 1/4"	19'-6"	4.5
6" X 20 GAUGE X 1 1/4"	25'-6"	4.6
6" X 18 GAUGE X 1 5/8"	28'-0"	4.6
6" X 16 GAUGE X 1 5/8"	30'-0"	4.6
8" X 18 GAUGE X 1 5/8"	32'-0"	4.6

NOTES:
1. ALL STUDS ARE AT 16" O.C. AND ARE TO BE FULLY BRACED AT TOP AND BOTTOM
2. ALL LIMITING HEIGHTS ARE FOR A CODE HORIZONTAL LOADING OF 5 PSF
3. DEFLECTION CRITERIA: HEIGHT/120 FOR 2 1/2", 3 5/8", AND 4" STUDS
4. DEFLECTION CRITERIA: HEIGHT/240 FOR 6" STUDS
5. HEIGHT BASED ON A COMPOSITE WALL SYSTEM WITH FULL HEIGHT GYPSUM WALL BOARD ON BOTH SIDES OF STUDS. MINIMUM ATTACHMENTS ARE W #6 SCREWS @ 12" O.C. (2 1/2", 3 5/8", 4", AND 6" 25 GAUGE STUDS)
6. HEIGHT BASED ON A NON-COMPOSITE WALL SYSTEM FOR 6" STUDS, 20 GAUGE OR THICKER
7. THESE MAXIMUM HEIGHTS DO NOT APPLY TO WALLS WITH CERAMIC TILE, PLASTER, OR WALLS SUPPORTING DECK ABOVE

STUD SCHEDULE 7

LAVATORY CALCULATIONS - IBC TABLE 2902.1

ASSEMBLY (A-2): 1 LAV / 75 OCCUPANTS
MENS CALC: 32 OCCUPANTS / 75 = 0.4 LAVATORIES
WOMENS CALC: 32 OCCUPANTS / 75 = 0.4 LAVATORIES

OFFICE AREA (B): 1 LAV / 40 OCCUPANTS (FOR THE FIRST 80), 1 PER 80 FOR THE REMAINDER
MENS CALC: 7.5 OCCUPANTS / 40 = 0.2 LAVATORIES
WOMENS CALC: 7.5 OCCUPANTS / 40 = 0.2 LAVATORIES

STORAGE (S-2) & FACTORY (F-2): 1 LAV / 100 OCCUPANTS
MENS CALC: 7 OCCUPANTS / 100 = 0.07 LAVATORIES
WOMENS CALC: 7 OCCUPANTS / 100 = 0.07 LAVATORIES

TOTAL MEN'S LAVATORIES REQUIRED = 0.67
TOTAL MEN'S LAVATORIES PROVIDED = 2

TOTAL WOMEN'S LAVATORIES REQUIRED = 0.67
TOTAL WOMEN'S LAVATORIES PROVIDED = 3

WATER CLOSET CALCULATIONS - IBC TABLE 2902.1

ASSEMBLY (A-2): 1 WC / 40 OCCUPANTS
MENS CALC: 32 OCCUPANTS / 40 = 0.8 WATER CLOSETS
WOMENS CALC: 32 OCCUPANTS / 40 = 0.8 WATER CLOSETS

OFFICE AREA (B): 1 WC / 25 OCCUPANTS (FOR THE FIRST 50), 1 PER 50 FOR THE REMAINDER
MENS CALC: 7.5 OCCUPANTS / 25 = 0.3 WATER CLOSETS
WOMENS CALC: 7.5 OCCUPANTS / 25 = 0.3 WATER CLOSETS

STORAGE (S-2) & FACTORY (F-2): 1 WC / 100 OCCUPANTS
MENS CALC: 7 OCCUPANTS / 100 = 0.07 WATER CLOSETS
WOMENS CALC: 7 OCCUPANTS / 100 = 0.07 WATER CLOSETS

TOTAL MEN'S WATER CLOSETS REQUIRED = 1.2
TOTAL MEN'S WATER CLOSETS PROVIDED = 3

TOTAL WOMEN'S WATER CLOSETS REQUIRED = 1.2
TOTAL WOMEN'S WATER CLOSETS PROVIDED = 3

PLUMBING CALCULATIONS 3

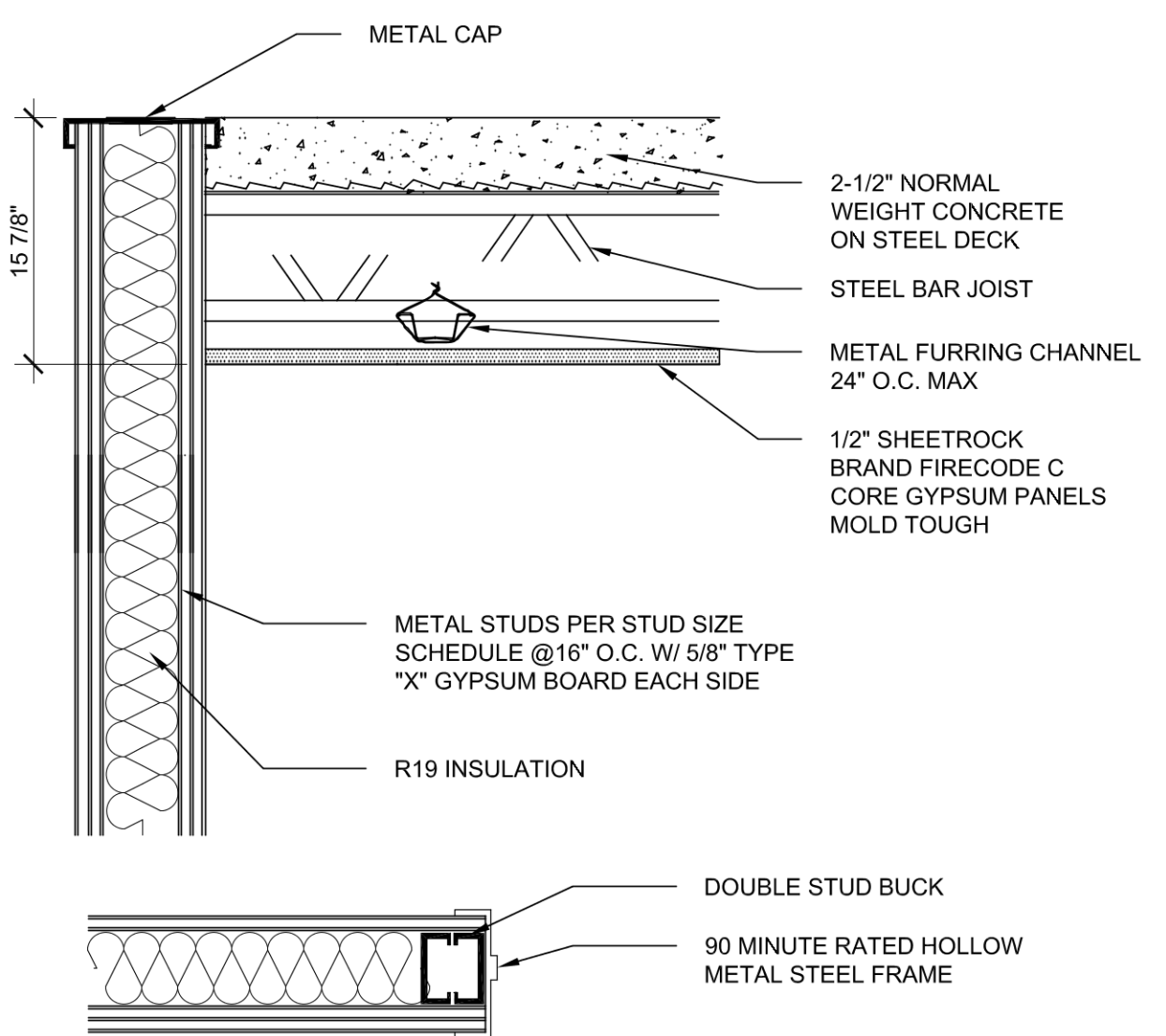
CODE ANALYSIS - FIRE AREA #2

<p>PROJECT DESCRIPTION S-2: 2,473 S.F. THE AREAS LABELED AS STORAGE AND BARREL AGING WILL SERVE A LOW-HAZARD STORAGE GROUP S-2 OCCUPANCY WHERE THE TENANT SPECIFIC USE WILL BE STORAGE OF BEER AND ALES AND BREWING SUPPLIES.</p> <p>F-2: 1,652 S.F. THE AREAS LABELED AS BREWHOUSE WILL SERVE A LOW-HAZARD FACTORY GROUP F-2 OCCUPANCY WHERE THE TENANTS SPECIFIC USE WILL BE THE BREWING OF BEER AND ALES (LESS THAN 12% ALCOHOL.)</p> <p>OCCUPANCY CALCULATIONS S-2: 2,473/500 = 5 OCCUPANTS PER TABLE 1004.1.1 F-2: 1,652/200 = 8 OCCUPANTS PER TABLE 1004.1.1</p> <p>CONSTRUCTION TYPE TYPE IIB - NON SPRINKLERED</p> <p>DISCLAIMER ALL OCCUPANCY/USE DESCRIPTION IS BASED ON INFORMATION PROVIDED BY THE TENANT. METHOD ARCHITECTURE IS NOT RESPONSIBLE FOR ANY FALSIFIED INFORMATION</p>	<p>ALLOWABLE AREA MOST RESTRICTIVE PROVISIONS: SINGLE FIRE AREA IS CREATED, BOUNDED BY THE EXTERIOR WALLS OF THE BUILDING - F-2 OCCUPANCY, 3 STORY HEIGHT LIMIT, TYPE IIB CONSTRUCTION AND AREA LIMITATIONS AS NOTED BELOW:</p> <p style="text-align: right;">BASE AREA: 23,000 S.F. FRONTAGE INCREASE: 7,125 S.F.</p> <p style="text-align: right;">TOTAL ALLOWABLE AREA: 30,125 S.F. ACTUAL BUILDING AREA: 4,125 S.F.</p> <p>PER SECTIONS 302.3.1, THE TOTAL AREA (4,125 S.F.) IS LESS THAN THE ALLOWABLE AREA LIMITATIONS FOR THE MOST RESTRICTIVE OCCUPANCY TYPE (F-2, 30,125 S.F.) AND THEREFORE QUALIFIES FOR NON-SEPARATED USE.</p> <p>ALL OTHER APPLICABLE CODES REQUIREMENTS ARE ADDRESSED IN THE PLAN AND ARE APPLIED, INCLUDING, BUT NOT LIMITED TO: CHAPTER 6 - TYPES OF CONSTRUCTION, CHAPTER 8 - INTERIOR FINISHES, CHAPTER 10 - MEANS OF EGRESS, ETC.</p>
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CODE ANALYSIS - FIRE AREA #1

<p>PROJECT DESCRIPTION A-2: 1,150 S.F. THE AREAS LABELED AS TAP ROOM WILL SERVE AN ASSEMBLY GROUP A-2 OCCUPANCY WHERE THE TENANT'S SPECIFIC USE WILL BE THE GATHERING OF PERSONS FOR THE PURPOSE OF DRINK CONSUMPTION.</p> <p>B: 1,493 S.F. THE AREAS LABELED AS OFFICE AND YEAST LAB WILL SERVE A BUSINESS GROUP B OCCUPANCY WHERE THE TENANT'S SPECIFIC USE WILL BE OFFICE, PROFESSIONAL TRANSACTIONS, AND STORAGE AND PRODUCTION OF YEAST.</p> <p>S-2: 379 S.F. THE AREAS LABELED AS COLD BOX, BARREL AGING, AND STORAGE WILL SERVE A LOW-HAZARD STORAGE GROUP S-2 OCCUPANCY WHERE THE TENANT SPECIFIC USE WILL BE STORAGE OF BEER AND ALES AND BREWING SUPPLIES.</p> <p>OCCUPANCY CALCULATIONS A-2: 955/115 = 84 OCCUPANTS PER TABLE 1004.1.1 B: 1,493/100 = 15 OCCUPANTS PER TABLE 1004.1.1 S-2: 379/500 = 1 OCCUPANTS PER TABLE 1004.1.1</p> <p>CONSTRUCTION TYPE TYPE IIB - NON SPRINKLERED</p> <p>DISCLAIMER ALL OCCUPANCY/USE DESCRIPTION IS BASED ON INFORMATION PROVIDED BY THE TENANT. METHOD ARCHITECTURE IS NOT RESPONSIBLE FOR ANY FALSIFIED INFORMATION</p>	<p>ALLOWABLE AREA MOST RESTRICTIVE PROVISIONS: SINGLE FIRE AREA IS CREATED, BOUNDED BY THE EXTERIOR WALLS OF THE BUILDING - A-2 OCCUPANCY, 3 STORY HEIGHT LIMIT, TYPE IIB CONSTRUCTION AND AREA LIMITATIONS AS NOTED BELOW:</p> <p style="text-align: right;">BASE AREA: 9,500 S.F. FRONTAGE INCREASE: 7,125 S.F.</p> <p style="text-align: right;">TOTAL ALLOWABLE AREA: 16,625 S.F. ACTUAL BUILDING AREA: 3,022 S.F.</p> <p>PER SECTIONS 302.3.1, THE TOTAL AREA (3,022 S.F.) IS LESS THAN THE ALLOWABLE AREA LIMITATIONS FOR THE MOST RESTRICTIVE OCCUPANCY TYPE (A-2, 16,625 S.F.) AND THEREFORE QUALIFIES FOR NON-SEPARATED USE.</p> <p>ALL OTHER APPLICABLE CODES REQUIREMENTS ARE ADDRESSED IN THE PLAN AND ARE APPLIED, INCLUDING, BUT NOT LIMITED TO: CHAPTER 6 - TYPES OF CONSTRUCTION, CHAPTER 8 - INTERIOR FINISHES, CHAPTER 10 - MEANS OF EGRESS, ETC.</p>
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CODE ANALYSIS 1



B TWO HOUR WALL/ TWO HOUR CEILING - UL GA-FC-2030
WALL SECTION 5



SHEET:
PRICING DRAWING

REVISIONS:

1	03/20/17 REVISED PER TENANT COMMENTS
2	04/05/17 REVISED PER TENANT COMMENTS
3	07/11/17 REVISED PER TENANT COMMENTS
4	07/13/17 REVISED PER TENANT COMMENTS

TL: JRH / DE: KAC
DATE: 03/20/17
PROJECT:
M1173047
SHEET: