

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 MEETING

AGENDA
FEBRUARY 12, 2020 - 4:00 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. Approve the Minutes from the January 8, 2020, Texas City Economic Development Corporation Meeting.
 - b. Consider and take action on Resolution No. 20-04, approving the sale of property located with the IBD District to Blanchard Refining Company, LLC (Marathon).
 - c. Consider and take action on Resolution No. 20-05, approving a Development Agreement with the Fuller Center for property located at 100 25th Street North, Texas City, Texas, Galveston County.
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 FEBRUARY 7, 2020, PRIOR TO 4:00 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: 02/12/2020

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Approve the Minutes from the January 8, 2020, Texas City Economic Development Corporation Meeting.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Minutes

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

MINUTES

JANUARY 8, 2020 - 4:30 P.M.

CITY HALL CONFERENCE ROOM

The Texas City Economic Development Corporation Board of Directors met January 8, 2020, at 4:30 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 4:31 p.m. by Mark Ciavaglia with the following in attendance:

(1) ROLL CALL

Present: Mark Ciavaglia, Chairperson
Matthew T. Doyle, Mayor / Director
Randy Dietel, Director
Laura Boyd, Ex-Officio Member / Treasurer

Absent: Mitchell Chuoke, Director

Staff Present: Nicholas Finan, Executive Director of Management Services
Russell F. Plackemeier, City Attorney
Rhomari Leigh, Board Secretary
Justin Herter, City Staff
George Fuller, City Staff

Attendees: Jenny Senter

(2) NEW BUSINESS

- (a) Approve the Minutes from the December 12, 2019, Texas City Economic Development Corporation Meeting.

Motion by Mayor / Director Matthew T. Doyle, Seconded by Director Randy Dietel

Vote: 3 - 0 CARRIED

- (b) Consider and take action on Resolution No. 20-01, approving the final payment to the Texas City Terminal Railway for Bay Street Property and Budget Amendment.

Nicholas Finan, Executive Director of Management Services, stated that the budget allows for the Board to make a final payment to Texas City Terminal Railway in the amount of \$768,938.98.

Motion by Mayor / Director Matthew T. Doyle, Seconded by Director Randy Dietel

Vote: 3 - 0 CARRIED

- (c) Consider and take action on Resolution No. 20-02, approving the payment to U.S. Army Corps of Engineers for the Shoal Point Permit Extension and Budget Amendment.

Nicholas Finan, Executive Director of Management Services, stated that this will be the 3rd extension request for the Shoal Point project.

Motion by Director Randy Dietel, Seconded by Mayor / Director Matthew T. Doyle to approve Resolution 20-02 and change the amount listed to \$39,500.00.

Vote: 3 - 0 CARRIED

- (d) Consider and take action on Resolution No. 20-03, amending Resolution No. 19-44 to adjust the HDR Agreement scope and fees.

Motion by Director Randy Dietel, Seconded by Mayor / Director Matthew T. Doyle

Vote: 3 - 0 CARRIED

(3) UPDATES

(4) BOARD COMMENTS

Randy Dietel gave Kudos to Doug Kneupper, City Engineer, on his I-45 Freeway Presentation for the Rotary Club.

Jenny Senter announced that Russell Plackemeier has been appointed as the new Chairman of the Chamber.

(5) ADJOURNMENT

Having no further business, Mark Ciavaglia made a Motion to ADJOURN at 4:46 p.m. The meeting was adjourned.

Board Secretary
Texas City Economic Development Corporation

Date Approved: _____

TCEDC Agenda

2. b.

Meeting Date: 02/12/2020

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 20-04, approving the sale of property located with the IBD District to Blanchard Refining Company, LLC (Marathon).

BACKGROUND

Blanchard Refining Company LLC's offer is \$2.45 per square foot. The refinery real estate contact requested we provide a formal but very simple Letter of Intent (LOI) which has been included.

The property listings for sale, to Marathon, is about 31 properties with total square feet of 185,355 and 4.2552 acres.

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution
LOI

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 20-04

A RESOLUTION APPROVING THE SALE OF THIRTY-ONE (31) PROPERTIES LOCATED IN TEXAS CITY, GALVESTON COUNTY TEXAS TO BLANCHARD REFINING COMPANY LLC (MARATHON); 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 February 12, 2020, a general discussion was held concerning the sale of thirty-one (31) properties located in Texas City, Galveston County, Texas, to Blanchard Refining Company LLC (Marathon); and

WHEREAS, the TCEDC assists the local industries in the Industrial Buffer District (IBD) to acquire property in front of their respective plants or as part of a trade for land; and

WHEREAS, these properties are properties the EDC acquired either through the IKE Program, PIT sale or other means; and

WHEREAS, they are of no interest in the future to the TCEDC, and Marathon has an interest and is willing to pay the cost land value and any demolition costs for each property.

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 in **Exhibit “A”** attached hereto and incorporated herein.

SECTION 2: The Chairperson or Vice Chairperson is hereby authorized to execute any documents necessary for the sale of said property from the Texas City Economic Development Corporation to Marathon Petroleum Company.

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

PASSED AND ADOPTED this 12th day of February 2020.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

BOARD SECRETARY
Texas City Economic Development Corporation



Kevin D. Bogard
Vice President Refining

Blanchard Refining Company LLC
d/b/a Galveston Bay Refinery
Room: CCB 122
2401 5th Avenue South
Texas City, TX 77590
(409) 945-1141

VIA EMAIL TRANSMITTAL

February 7, 2020

Mr. Nick Finan
Executive Director of Management Services
City of Texas City
1801 9th Avenue North
Texas City, TX 77592

Re: Letter of Intent to Purchase

Dear Mr. Finan:

On behalf of Blanchard Refining Company LLC, I am pleased to present this Letter of Intent ("Letter") with the following proposed purchase terms and conditions for the properties described herein.

Property: This Letter is applicable to the thirty-one (31) properties identified in Exhibit A

Seller: Texas City Economic Development Corporation (TCEDC)

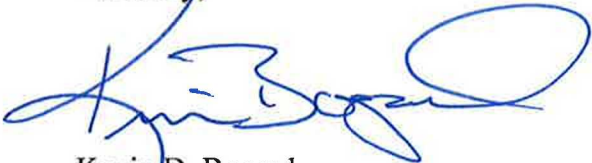
Purchaser: Blanchard Refining Company LLC

Purchase Price: \$2.45 per square foot

This Letter of Intent is for the sole purpose of expressing interest to discuss the basic terms and conditions of a proposed purchase of the Properties. Except for the condition of Confidentiality, the parties do not intend to create any contractual obligations between them with respect to the subject matter of this Letter until a Land Purchase Agreement (LPA) is agreed upon, executed and delivered to both parties, and neither party shall act in reliance on any of the terms hereof. It is understood that future negotiations will be needed and that this Letter is a broad outline and does not cover all items that will be addressed in the LPA.

If the terms of this Letter are acceptable, please acknowledge below and we will proceed.

Sincerely,



Kevin D. Bogard
Vice President Refining

ACKNOWLEDGED AND AGREED this _____ day of _____, 2020

SELLER:

By: _____

Title: _____

EXHIBIT A

EDC properties for sale to Blanchard Refining Company LLC

<u>Parcel ID</u>	<u>Square Feet</u>	<u>Abstract</u>
1. 225071	6,250	abst 77 page 2 lots 8&9 Blk 175 Texas City
2. 225070	6,250	abst 77 page 2 lots 6&7 Blk 175 Texas City
3. 225080	9,375	abst 77 page 2 lots 9-11 Blk 173 Texas City
4. 225043	3,750	abst 77 N Hurd Sur E17 FT of lot 2 and W 13 ft lot 3 Blk 172
5. 225094	3,750	abst 77 page 2 lots 15&16 Blk 181
6. 225054	6,250	abst 77 page 2 lots 1&2 Blk 173 Texas City
7. 225029	2,730	abst 77 page 2 s pt of lots 1&2 Blk 171 Texas City
8. 225021	6,250	abst 77 page 2 lots 10&11 Blk 170 Texas City
9. 225081	6,250	abst 77 page 2 lots 15&16 Blk 180 Texas City
10. 225077	6,250	abst 77 page 2 lots 7&8 Blk 180 Texas City
11. 225079	3,125	abst 77 page 2 lot 11 Blk 180 Texas City
12. 225092	6,250	abst 77 page 2 lots 1&2 Blk 181 Texas City
13. 225084	3,125	abst 77 page 2 lot 4 Blk 181 Texas City
14. 225083	3,125	abst 77 page 2 lot 3 Blk 181 Texas City
15. 225103	3,125	abst 77 page 2 lot 10 Blk 182 Texas City
16. 225102	6,250	abst 77 page 2 lots 8&9 Blk 182 Texas City
17. 225101	3,125	abst 77 page 2 lot 7 Blk 182 Texas City
18. 225098	3,125	abst 77 page 2 lot 4 Blk 182 Texas City
19. 225379	9,375	abst 77 page 2 lots 14-16 Blk 219 Texas City
20. 225376	9,375	abst 77 page 2 lots 10-12 Blk 219 Texas City
21. 225378	3,125	abst 77 page 1 lot 13 Blk 279 Texas City
22. 225390	12,500	abst 77 page 1 lots 13-16 Blk 220 Texas City
23. 225388	6,250	abst 77 page 1 lots 11&12 Blk 220 Texas City
24. 225387	6,250	abst 77 page 1 lots 9&10 Blk 220 Texas City
25. 225386	9,375	abst 77 page 1 lots 6 thru 8 Blk 220 Texas City
26. 225381	5,500	abst 77 page 1 lots 1&2 Blk 220 Texas City
27. 225402	7,125	abst 77 page 1 S 95 FT of lots 14 thru 16 Blk 221 Texas City
28. 225797	3,125	abst 77 page 1 N ½ of lots 10&11 Blk 221 Texas City
29. 225439	6,250	abst 77 page 1 lots 10&11 Blk 230 Texas City
30. 225438	6,250	abst 77 page 1 lots 8&9 Blk 230 Texas City
31. 182086	12,500	abst 72 page 3 lot 1 & 2 blk 29 Kohfeldts 1 st Add Texas City

Total Square Feet: 185,355

4.2552 acres

TCEDC Agenda

2. c.

Meeting Date: 02/12/2020

Submitted By: Rhomari Jackson, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider and take action on Resolution No. 20-05, approving a Development Agreement with the Fuller Center for property located at 100 25th Street North, Texas City, Texas, Galveston County.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

Resolution

Exhibit A

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 20-05

A RESOLUTION AUTHORIZING THE CHAIRPERSON OR VICE-CHAIRPERSON TO ENTER INTO A DEVELOPMENT AGREEMENT WITH THE FULLER CENTER FOR PROPERTY LOCATED AT 100 25TH STREET NORTH, TEXAS CITY, GALVESTON COUNTY, TEXAS; 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 (TCEDC), duly held on January 12, 2020, a general discussion was held in concerning authorizing the Chairperson or Vice-Chairperson to enter into a Development Agreement with The Fuller Center for property located at 100 25th Street North, Texas City, Galveston County, Texas; and

WHEREAS, the developer intends to utilize the property to build a single-family residence for the purpose of relocating a qualified family/individual out of the Industrial Buffer District (IBD).

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 Development Agreement with The Fuller Center.

SECTION 2: The Chairperson or Vice-Chairperson is hereby authorized to execute any documents necessary for the agreement with The Fuller Center.

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

PASSED AND ADOPTED this 12th day of January 2019.

CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

BOARD SECRETARY
Texas City Economic Development Corporation

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT ("Agreement") is entered into this ____ day of January, 2020, between the Texas City Economic Development Corporation, ("TCEDC") and The Fuller Center, a Texas non-profit corporation ("Developer") located at _____, 77590.

RECITALS:

WHEREAS, at a meeting of the Board of Directors of the Texas City Economic Development Corporation, duly held on October 30, 2019, a general discussion was held concerning the authorization to provide the unimproved property located at 100 25th Street North Texas City, Texas, 77590 and more specifically described on Exhibit "A" attached hereto ("the Property") to The Fuller Center; and

WHEREAS, Developer intends to utilize the Property to build a single-family residence (the "Improvements") for the purpose of relocating a qualified individual/family that is currently residing in the Industrial Buffer District located within City of Texas City, Texas (the "IBD-Residence"); and

WHEREAS, Developer covenants and agrees to develop/improve the Property by constructing a single-family residential housing unit with an appraised value equal to or greater than \$125,000.00, thus adding to the tax base and providing economic benefit to the City of Texas City; and

WHEREAS, upon the issuance of a Certificate of Occupancy of the contemplated Improvements as described herein, Developer and/or said current owner(s) shall convey the IBD-Residence to the TCEDC and the TCEDC shall convey the Property pursuant to the terms of this Agreement hereinbelow.

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the mutual covenants set forth herein, Developer and the TCEDC hereby agree as follows:

1. Developer shall within thirty (30) days of execution of this Agreement submit building plans to the City of Texas City Building Dept. in order to obtain a building permit for the aforesaid Improvements.
2. Developer shall commence construction on the Property within thirty (30) days of receiving the aforesaid building permit.
3. Developer covenants and agrees that the Improvements constructed on the Property shall be in compliance with any and all applicable city, state, & federal codes, regulations, requirements, statutes and laws.

MEC

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY
5408 S. UNIVERSITY AVENUE
CHICAGO, ILLINOIS 60637

RECEIVED
JAN 15 1964

TO THE DIRECTOR
FROM THE DEPARTMENT OF CHEMISTRY

RE: [Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

[Illegible text]

31

4. Developer covenants and agrees that within one hundred eighty (180) days of the issuance of the building permit, shall apply and obtain a Certificate of Occupancy for the single-family home anticipated to be constructed on the Property. In the event a Certificate of Occupancy has not been obtained within the timeframe as referenced above and as agreed upon by the parties hereto, the Improvements constructed on the Property shall become that of the TCEDC if the delay is caused by the Developer.
5. Upon the issuance of the Certificate of Occupancy, Developer shall notify the TCEDC in writing of such issuance, and within forty-five (45) days of said notice, the family identified by Developer to receive the aforesaid housing assistance, shall execute, deliver and convey good marketable title to the Residence, including any improvements thereon, to the TCEDC by General Warranty Deed; contemporaneously therewith, upon the TCEDC's acceptance of said General Warranty Deed, the TCEDC shall execute, deliver and convey the good marketable title to the Property to the Developer and/or its assigns by Special Warranty Deed.
6. The parties hereto agree that in the event current owner of the IBD-Residence does not convey said property to the TCEDC within forty-five (45) days of Developer's notice of the Certificate of Occupancy, and the Developer is unable to locate another qualified individual/family within the IBD or another acceptable location, approved by the TCEDC, within forty-five (45) days after receiving the Certificate of Occupancy, the TCEDC covenants and agrees to convey the Property to the Developer for a purchase price of Five Thousand and 00/100 Dollars (\$5,000.00). Notwithstanding anything to the contrary, in the event the Developer does not purchase the Property from the TCEDC within said forty-five (45) days after receiving the Certificate of Occupancy, then the Property and all Improvements thereon shall be that of the TCEDC and no other compensation shall be due to the Developer for said Improvements.
7. In the event of death of the current owner and/or owners of the IBD-Residence during the construction phase of the contemplated Improvements and the Developer is unable to locate another qualified individual/family within the IBD or another acceptable location, approved by the TCEDC, within forty-five (45) days after receiving the Certificate of Occupancy, the TCEDC covenants and agrees to convey the Property to the Developer for a purchase price of Five Thousand and 00/100 Dollars (\$5,000.00). Notwithstanding anything to the contrary, in the event the Developer does not purchase the Property from the TCEDC within said forty-five (45) days after receiving the Certificate of Occupancy, then the Property and all Improvements thereon shall be that of the TCEDC and no other compensation shall be due to the Developer for said Improvements.

NO WAIVER OF IMMUNITY

It is expressly understood and agreed that under this Agreement the TCEDC neither waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

VENUE

Each party to this Agreement agrees that in any legal action brought hereunder, venue shall lie in Galveston County, Texas. The validity of this Agreement and of its terms and provision, as well as the rights and duties of the parties, shall be governed by the laws of the State of Texas.

SEVERABILITY

In case any one or more of the provisions contained in the Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such fact shall not affect any other provision thereof and this Agreement shall be construed as if the stricken provision had never been contained herein.

MODIFICATION

This Agreement may be amended or modified by the mutual agreement of both parties hereto in writing, such writing to be attached hereto and incorporated unto this Agreement. The exhibits attached to this Agreement are incorporated by this reference for all purposes.

ENTIRE AGREEMENT

This Agreement contains all commitments and obligations of the parties and represents the entire agreement of said parties. Verbal or written conditions not contained herein shall not have any force or effect to alter any term of this Agreement. 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.

TERMINATION/FORCE MAJEURE

This Agreement may be terminated at any time before its expiration with mutual consent of both parties. Neither party shall be responsible for damages or expected to fulfill its obligations under this Agreement should an act of God or other unforeseen catastrophe occur and cause such damage or prevent the performance of such obligation. In the event of such act of God and/or unforeseen catastrophe, the parties shall attempt in good faith mutually agree to extend this Agreement.

EXECUTION

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.

PARAGRAPH HEADINGS

The captions, numbering sequences, titles, paragraph headings, punctuation, and organization used in this Agreement are for convenience only and shall in no way define, limit, or describe the scope or intent of this Agreement or any part of it.

UNDERSTANDING/FAIR CONSTRUCTION

By execution of this Agreement, the parties acknowledge that they have read and understand each provision, term, and obligation contained in this Agreement. This Agreement, although drawn by one party, shall be construed fairly and reasonably and not more strictly against the drafting party than the non-drafting party.

NOTICES

Any notices due under the provisions of this Agreement shall be made in writing and shall be addressed to the following:

TCEDC:

TCEDC Manager
City of Texas City
1801 - 9th Avenue North
Texas City, Texas 77590
(409) 643-5916 Phone
(409) 653-5952 - Facsimile

THE FULLER CENTER:

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties to these presents have executed this Agreement on the date first above written.

**TEXAS CITY ECONOMIC
DEVELOPMENT CORPORATION**

By: Mark Ciavaglia
Printed Name: Mark Ciavaglia
Title: Chairman

THE FULLER CENTER

By: _____
Printed Name: _____
Title: _____