

RESOLUTION NO. 2024-176

A RESOLUTION AUTHORIZING A WAIVER OF RIGHT TO TERMINATE PROVISION 16.6 OF THE 312 TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF TEXAS CITY AND GULF COAST AMMONIA LLC., FOR FAILURE TO PLACE THE IMPROVEMENT IN SERVICE BY DECEMBER 31, 2024; AND PROVIDING THAT THIS RESOLUTION SHALL BECOME EFFECTIVE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, each of the requirements of the agreement have been fulfilled except for being in service by December 31, 2024. Due to unforeseen issues with equipment, the start-up of the facility will not meet the deadline of being in service December 31, 2024. As a result of this delay, Gulf Coast Ammonia LLC., is requesting a waiver of provision 16.6 of the 312 agreement. It is anticipated the plant will start up within the next six (6) months; and

WHEREAS, Gulf Coast Ammonia LLC., is in compliance with all other terms of the agreement and has exceeded \$450,000,000 in infrastructure improvement on the ground and is current on all payments to the City for the 380 Economic Development Agreement and the Charitable Contribution requirement. The proposed action has no negative financial impacts on the City of Texas City.

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

SECTION 1: That the City Commission authorizes a Waiver of Right to Terminate provision 16.6 of the 312 Tax Abatement Agreement between the City of Texas City and Gulf Coast Ammonia LLC.

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

PASSED AND ADOPTED this 18th day of December 2024.

Dedrick D. Johnson, Sr., Mayor
City of Texas City, Texas

ATTEST:

APPROVED AS TO FORM:

Rhomari D. Leigh
City Secretary

Kyle L. Dickson
City Attorney