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

NOVEMBER 4, 2026 - 3:30 P.M.

DOYLE MEDIA ROOM
2010 5th Avenue North
Texas City, TX 77590

PLEASE NOTE: Public comments 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. DECLARATION OF QUORUM

2. ROLL CALL

3. CONFLICT OF INTEREST DECLARATION

4. PUBLIC COMMENTS

5. Consider Approval of the September 2, 2026 Meeting Minutes.

6. NEW BUSINESS

   a. Consider and take action on the election of Officers and the Oath of Officers.

   b. Discussion and possible action on Resolution No. 2026-27, approving the action of the board for the 2025-2026 fiscal year.

   c. Discussion and possible action on Resolution No. 2026-28, executing a letter of intent from Meritage Homes of Texas, LLC for property purchase.

d. Discussion and possible action on Resolution No. 2026-29, ratifying the dissolution of a Lease-to-Own agreement for property owned by the Texas City Economic Development Corporation (TCEDC).

e. Discussion and possible action on Resolution No. 2026-30, approving a Business Improvement Grant (BIG Grant) for exterior improvements to SABA Automotive Services in an amount not to exceed $15,000.

7. UPDATES AND REPORTS

a. Small Business Development Center Update
Texas City-La Marque Chamber of Commerce Update
Texas City ISD Update
Industrial Update

b. City of Texas City Staff Update

8. REQUEST AGENDA ITEMS FOR FUTURE MEETINGS

9. ADJOURNMENT

I, THE UNDERSIGNED AUTHORITY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE BULLETIN BOARDS AT INTERIM CITY HALL, 2000 TEXAS AVENUE, TEXAS CITY, TEXAS, AT A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AND ON THE CITY'S WEBSITE ON OCTOBER 29, 2026, PRIOR TO 3:30 P.M., AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 3 BUSINESS DAYS PRECEDING THE SCHEDULED TIME OF SAID MEETING.

_____
Texas City Economic Development Corporation

TCEDC Agenda **5.**

Meeting Date: 11/04/2026

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Consider Approval of the September 2, 2026 Meeting Minutes.

BACKGROUND

ANALYSIS

ALTERNATIVES CONSIDERED

Attachments

draft minutes

D R A F T

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING

MINUTES

SEPTEMBER 2, 2026 - 4:00 P.M.

DOYLE CONVENTION CENTER
2010 5th Ave. N.
Texas City, TX 77590

The Texas City Economic Development Corporation Board of Directors met Wednesday, September 2, 2026, at 4:00 P.M., in the Doyle Convention Center, 2010 5th Ave. N. Texas City, Texas. A quorum having been met, the meeting was called to order at 4:01 P.M. by Mark Ciavaglia with the following in attendance:

(1) DECLARATION OF QUORUM

(2) ROLL CALL

Present:	Mark Ciavaglia, Chairperson
	Randy Dietel, Vice-Chairperson
	Phil Roberts, Director
Absent:	Matthew Doyle
	Laura Boyd, Ex-Officio Member / Treasurer
Staff Present:	Jeff Lubritz, City Attorney
	Kristin Edwards, Executive Director of Economic Development
	Joe Tumbleson, Chief of Staff
	Jack Haralson, Public Works Director
	George Fuller, Director of Municipal Services
	Rhomari Leigh, Board Secretary
	Ariel Callis, Economic Project Manager
	Renee Edgar, Records Manager
	Jazmine McDade, Administrative Assistant

(3) CONFLICT OF INTEREST DECLARATION
There were none.

(4) PUBLIC COMMENTS
There were none.

(5) Consider Approval of the July 29, 2026, Meeting Minutes.

Motion by Chairperson Mark Ciavaglia, Seconded by Vice-Chairperson Randy Dietel

Vote: 3 - 0 CARRIED

(6) EXECUTIVE (CLOSED) SESSION
The Executive (Closed) Session was postponed by Mark Ciavaglia.

Motion by Vice-Chairperson Randy Dietel, Seconded by Director Phil Roberts

Vote: 3 - 0 CARRIED

(a) Convene for Executive (Closed) Session pursuant to the Texas Open Meetings Act, Chapter 551, Texas Government Code to discuss the following:

§ 551.072 – Deliberations about Real Property; 551.087 – Deliberations Regarding Economic Development Negotiations

Pursuant to § 551.102 no final action, decision, deliberation, or vote may be conducted in Executive Session. When the Board of Directors reconvenes in open session, action may be taken on any item discussed in Executive/Closed session.

(7) RECONVENE FROM EXECUTIVE (CLOSED) SESSION

(8) NEW BUSINESS

(a) Discussion and possible action on a matter involving real property transaction, as discussed in Executive Session.
Deferred

Motion by Director Phil Roberts, Seconded by Vice-Chairperson Randy Dietel

Vote: 3 - 0 CARRIED

(b) Discussion and possible action on Resolution No. 2026-23, approving the purchase of approximately 0.9 acres located along 5th Street North between 8th Avenue North and 9th Avenue North.

Kristin Edwards, Executive Director of Economic Development, recommends that the board approve the purchase of approximately 0.9 acres located along 5th Street North between 8th Avenue North and 9th Avenue North.

Motion by Vice-Chairperson Randy Dietel, Seconded by Director Phil Roberts

Vote: 3 - 0 CARRIED

(c) Discussion and possible action on Resolution No. 2026-24, authorizing a Business Improvement Grant (BIG Grant) for Handyman Home Services in an amount not to exceed $7,605.50.
Deferred

Motion by Director Phil Roberts, Seconded by Vice-Chairperson Randy Dietel

Vote: 3 - 0 CARRIED

(d) Discussion and possible action on Resolution No. 2026-25, rejecting all bids received for Bid No. 2026-027 Bar Operator/General Management Services, and consider alternative means of finding potential operators.

Kristin Edwards, Executive Director of Economic Development, recommended that the Board reject all bids received for Bid No. 2026-027, Bar Operator/General Management Services, and pursue additional prospects through a commercial real estate agency.

Motion by Vice-Chairperson Randy Dietel, Seconded by Director Phil Roberts

Vote: 3 - 0 CARRIED

(e) Discussion and possible action Resolution No. 2026-26, approving an Engineering Agreement with HDR Engineering, Inc. for services related to the proposed industrial development at Shoal Point.

Kristin Edwards, Executive Director of Economic Development, recommended that the Board approve an engineering agreement with HDR Engineering, Inc. for services related to the proposed industrial development at Shoal Point, in an amount not to exceed $109,500.

Motion by Director Phil Roberts, Seconded by Vice-Chairperson Randy Dietel

Vote: 3 - 0 CARRIED

(9) UPDATES AND REPORTS

(a) **Small Business Development Center Update**
No updates or reports.

Texas City-La Marque Chamber of Commerce Update
Kristin Edwards, Executive Director of Economic Development, spoke on behalf of the Texas City-La Marque Chamber of Commerce and announced that the Chamber's Education Committee will host a strategic planning session on September 15 and continue work on the Pipelines Program. The program connects high schools, colleges, local businesses, and nonprofit organizations to help students develop the skills necessary to obtain entry-level employment.

Texas City ISD Update
No updates or reports.

Industrial Update
Jack Haralson, Public Works Director, discussed three projects for which the City will receive funding from the County and requested that the Economic Development Corporation assist with funding the projects. The three projects include: (1) relocating Central Park Boulevard; (2) replacing the culvert crossing at 25th Avenue and 9th Street; and (3) strengthening Monticello Drive and Amburn Road, which will consist of three phases.

(b) City of Texas City Staff Update
No updates.

(10) REQUEST AGENDA ITEMS FOR FUTURE MEETINGS
There were none.

(11) ADJOURNMENT

Having no further business, Mark Ciavaglia, Chairperson, made a Motion to ADJOURN at 4:26 P.M. The meeting was adjourned.

_____
Board Secretary
Texas City Economic Development Corporation

Date Approved: _____

TCEDC Agenda **6. b.**

Meeting Date: 11/04/2026

Action of the Board 2025-2026

Submitted By: Rhomari Leigh, City Secretary

Department: City Secretary

ACTION REQUEST (Brief Summary)

Discussion and possible action on Resolution No. 2026-27, approving the action of the board for the 2025-2026 fiscal year.

BACKGROUND

Our City Attorney has recommended this Resolution to validate the smaller items not budgetary in nature or that typically do not need the Boards 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. 2026-27

A RESOLUTION APPROVING THE ACTIONS OF THE OFFICERS OF THE BOARD OF DIRECTORS OF THE CITY OF TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION DURING THE 2025-2026 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 November 4, 2026, consideration was given to approving the actions of the Officers of the Board of Directors of the Texas City Economic Development Corporation during the 2025-2026 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 2025-2026 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 4th day of November 2026.

_____
CHAIRPERSON/VICE CHAIRPERSON
Texas City Economic Development Corporation

ATTEST:

_____

BOARD SECRETARY
Texas City Economic Development Corporation

TCEDC Agenda **6. c.**

Meeting Date: 11/04/2026

Execute a letter of intent from Meritage Homes of Texas, LLC for property purchase.

Submitted For: Kristin Edwards, Economic Development

Submitted By: Kristin Edwards, Economic Development

Department: Economic Development

ACTION REQUEST (Brief Summary)

Execute a letter of intent from Meritage Homes of Texas, LLC for the purchase of approximately 215 acres of property owned by the Texas City Economic Development Corporation (TCEDC).

BACKGROUND

TCEDC staff have been approached by Meritage Homes of Texas, LLC (“Meritage”) with a letter of intent to purchase approximately 215 acres of TCEDC-owned property above Mall of the Mainland.

The property, a portion of GCAD ID 228658 (northern portion), is located immediately above two existing Meritage residential developments. The property is zoned Single Family Residential, and the intent of the agreement is to develop residential property.

With the approval of the letter of intent, Meritage will begin to draft the purchase contract for consideration. Given approval of the contract, the proposed purchase price is $4.3 million. Two important notes to consider: First, the purchaser will pursue the development of a Municipal Utility District (MUD) at their own expense. The purchaser also proposes to work with the City of Texas City on a drainage study of the property, at purchaser’s expense.

ANALYSIS

Execute a letter of intent from Meritage Homes of Texas, LLC for the purchase of approximately 215 acres of TCEDC-owned property.

ALTERNATIVES CONSIDERED

Attachments

LOI - Meritage

October 1, 2026

Texas City Economic Development
ATTN: Kristin Edwards
1801 9th Avenue North
Texas City, Texas 77590

Re: Letter of Intent for ±215 AC located West on Century Boulevard in Texas City, TX

Dear Ms. Kristin Edwards:

This letter is intended to summarize the general terms upon which **Meritage Homes of Texas, LLC** (hereinafter referred to as "Purchaser") intends to purchase from **Texas City Economic Development** (collectively hereinafter referred to as "Seller") ±215 AC located West on Century Boulevard in Texas City, TX, herein by reference for all purposes (the "Property").

Purchaser: Meritage Homes of Texas, LLC

Property: ±215 AC (Exhibit A, attached)

Purchase Price & Terms: Property to be purchased via three equal installments over 36 months. Seller to take back a promissory note secured by a deed of trust. Schedule of payments is as follows:

Timing	Acreage	Price/Acre	Purchase Price
Initial Closing	±71.5	$20,000	$1,433,333
18 Months Following Closing	±71.5	$20,000	$1,433,333
36 Months Following Closing	±71.5	$20,000	$1,433,333
Total	**$215**		**$4,300,000**

Feasibility Period: Feasibility will expire the later of:

1. 180 days;
2. Creation of a Municipal Utility District (at Purchaser's expense); or
3. Approval of drainage study by City of Texas City (at Purchaser's expense).

Closing: Closing will occur the later of:

1. 60 days after expiration of Feasibility Period; or
2. 15 days after City of Texas City's approval of construction plans to serve the first phase of development (at Purchaser's expense).

Earnest Money: $150,000, to be applied to the Initial Closing

Conveyance: Special Warranty Deed

Closing Costs: All closing costs are pro-rated from the date of closing.

Title Company: Charter Title, Attn: Sari Lagrone

The above general terms and conditions are obviously not fully exhaustive. Additional issues will need to be addressed in the formal Purchase and Sale Agreement. Also, neither party shall be bound or obligated to perform under the above terms unless a formal Purchase and Sale Agreement is executed.

Should the above general terms and conditions be acceptable, please indicate by executing this letter in the space provided below and returning same to my attention no later than 5:00 p.m. October 16, 2026. Upon receipt of same, we shall promptly submit the subject terms under a formal Purchase and Sale Agreement to you for final approval.

Sincerely,



Anthony Perez
Land Acquisition Manager
Meritage Homes of Texas, LLC
936-648-2161
Anthony.Perez@MeritageHomes.com

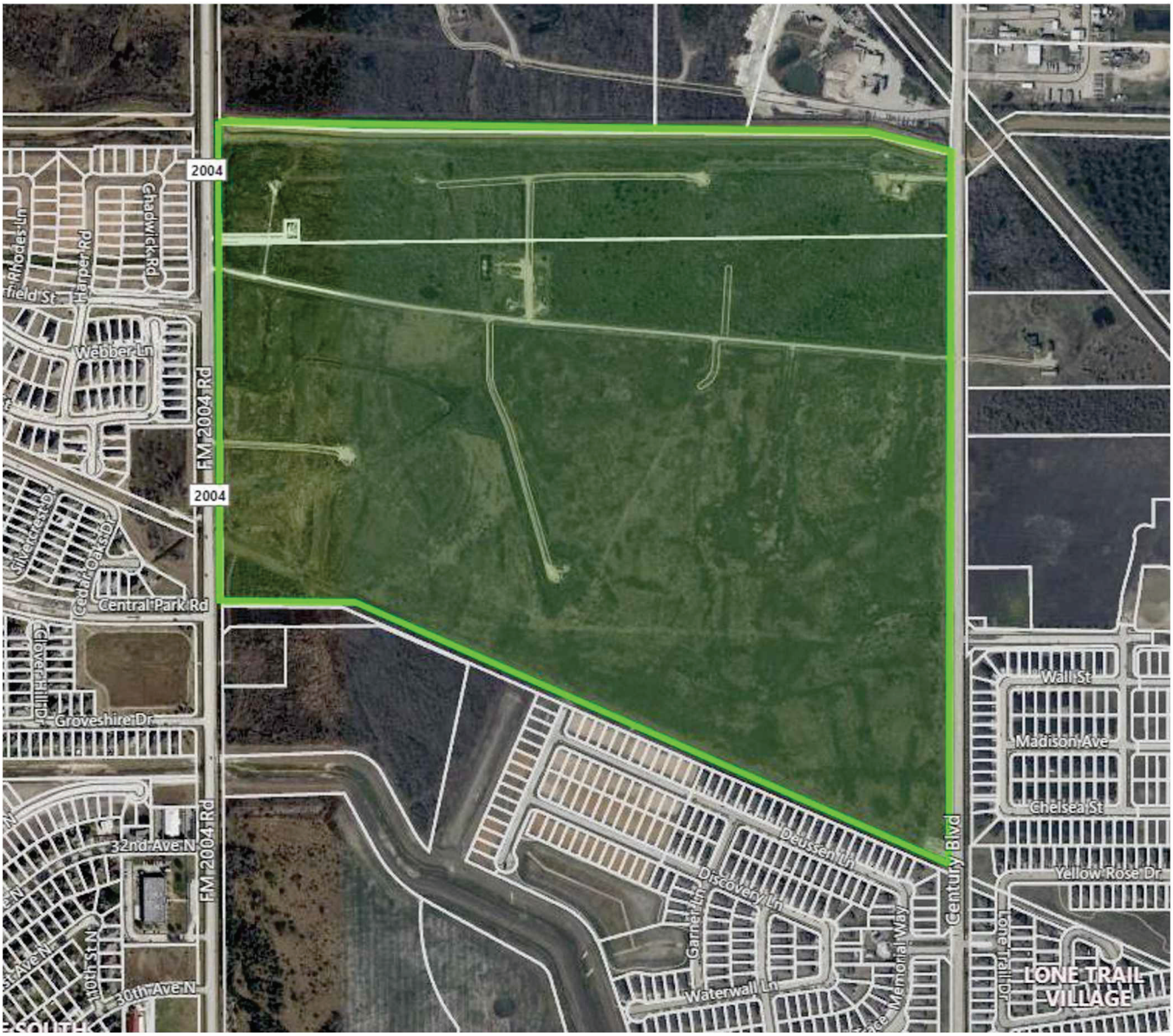
Agreed and accepted this _____ day of _____ 2026.

By:_____

Name:_____

Email:_____

Exhibit A


2004
Chadwick Rd
Harper Rd
Webber Ln
F.M. 2004 Rd
2004
Central Park Rd
Groveshire Dr
32nd Ave N
F.M. 2004 Rd
30th Ave N
Century Blvd
Wall St
Madison Ave
Chelsea St
Yellow Rose Dr
Lone Trail Dr
LONE TRAIL VILLAGE
Waterwall Ln
Discovery Ln
Memorial Way

TCEDC Agenda **6. d.**

Meeting Date: 11/04/2026

Ratify dissolution of a Lease-to-Own agreement for TCEDC-owned property.

Submitted For: Kristin Edwards, Economic Development

Submitted By: Kristin Edwards, Economic Development

Department: Economic Development

ACTION REQUEST (Brief Summary)

Ratify the dissolution of a Lease-to-Own agreement for property owned by the Texas City Economic Development Corporation (TCEDC).

BACKGROUND

In October 2026, Robert Bouvier – who held a Lease-to-Own agreement with the TCEDC for property located at 613 6th Street – approached staff with a request to exit the agreement. The family had operated Hey Mikey's – an ice cream parlor and bulk production location – until the beginning of 2024. Since that time, operations have ceased, and the last rent payment received came in February 2024.

In working with the City's Finance Department, staff determined that the total amount that had been paid on the agreement since its commencement was $65,615.19. The amount of rent payment owed on the property (since payments ceased in early 2024) was $64,000.

Prior to and since the meeting, Inspections staff walked the property and found no significant damage inside or on the exterior of the building.

Staff met with Mr. Bouvier in early October 2026, and determined that dissolving the agreement – therefore keeping the property in the hands of the TCEDC – was a fair option to both parties. The Bouvier family is donating several high-dollar pieces of equipment to the TCEDC for use by a future tenant.

ANALYSIS

Ratify the decision to dissolve the Lease-to-Own agreement between Robert Bouvier and TCEDC for property located at 613 6th Street.

ALTERNATIVES CONSIDERED

Attachments

Original Mikey's Agreement

Inspection report

COMMERCIAL LEASE

1. **Parties.** This COMMERCIAL LEASE ("Lease") is entered into by Texas City Economic Development Corporation ("Landlord") and Michael Bouvier, Kathy Bouvier, Robert Bouvier and Hey Mikey's Ice Cream LLC, a Texas limited liability company (collectively referred to as "Tenant").

2. **Premises.** Landlord leases to Tenant, and Tenant leases from Landlord, for the term, at the rental rate, and on all the conditions in this Lease, the real property located in the City of Texas City, County of Galveston, State of Texas, containing approximately 2,720 square feet and commonly known as 613/615 6th Street North, Texas City, Galveston County, Texas 77590 and more specifically described as:

> ABST 205 PAGE 6, THE NORTH ½ OF LOT 13 AND ALL OF LOTS 14-16, BLK 154, TEXAS CITY, GALVESTON COUNTY, TEXAS.

The real property, including the land and all improvements on it, is called the "Premises" in this Lease.

3. **Term.**

(a) Term. The term of this Lease shall be for Ten (10) Years, commencing on February 1, 2017 and ending on January 31, 2028 unless terminated earlier under any provision of this Lease.

(b) Delay in Commencement. Intentionally Deleted.

(c) Early Possession. If Landlord permits Tenant to occupy the Premises before the commencement date of the term, the occupancy will be subject to all the provisions of this Lease. The early possession will not advance the termination date of this Lease.

(d) Delivery of Possession. Tenant will be deemed to have taken possession of the Premises when Landlord delivers possession of the Premises to Tenant.

4. **Rent.** G/L Acct # 801-000-48113

(a) Monthly Rent. On or before the first day of each month during this Lease, Tenant pay will Landlord base monthly rent as follows:

from	2/1/2017	to	1/31/2020:	$543.33
from	2/1/2020	to	1/31/2023:	$1,100.00
from	2/1/2023	to	1/31/2028:	$2,000.00

Rent for any period during the term that is for less than one month will be a prorated portion of the monthly installment. Rent will be payable without notice or demand and without any deduction, offset, or abatement in U.S. currency to Landlord at the address stated

in Section 18 or to other persons or at other places as Landlord may designate in writing.

(b) Additional Charges. This Lease is what is commonly called a "net lease," which means that Landlord will receive the rent stated in Subsection 4(a) free and clear of any and all impositions, taxes, liens, charges, or expenses in connection with the ownership and operation of the Premises. In addition to the rent under Subsection 4(a), Tenant will pay to the appropriate parties all impositions, insurance premiums, operating charges, maintenance charges, construction costs, and any other charges, costs, and expenses that arise or may be contemplated under any provisions of this Lease during the term. All of these charges, costs, and expenses will constitute additional charges, and if Tenant fails to pay any of the additional charges, Landlord will have the same rights and remedies as otherwise provided in this Lease for the failure to pay rent. It is the intention of the parties that this Lease will not be terminable for any reason by Tenant and that Tenant will not be entitled to any abatement of or reduction in rent, except as expressly provided. Any present or future law to the contrary will not alter this agreement of the parties.

5. **Security Deposit.** Intentionally Deleted.

6. **Use.**

(a) Use. The Premises will be used and occupied only for the retail, manufacturing, distribution and storing of *Ice Cream* and other products associated with *"Hey Mikey's Ice Cream"*.

(b) Compliance with Law. Tenant will, at its expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, and requirements in effect during the term regulating the use by Tenant of the Premises. Tenant will not use or permit the use of the Premises in any manner that will tend to create waste or a nuisance or tend to unreasonably disturb any other tenants.

(c) Condition of Premises. Tenant accepts the Premises in their condition as of the date of possession under this Lease, subject to all applicable zoning, municipal, county, and state laws, ordinances, and regulations governing and regulating the use of the Premises, and accepts this Lease subject to the same terms. Tenant acknowledges that neither Landlord nor Tenant's agent has made any representation or warranty about the suitability of the Premises for the conduct of Tenant's business.

(d) Insurance Cancellation. Despite the provisions of Subsection 6(a), no use will be made or permitted to be made of the Premises that will cause the cancellation of any insurance policy covering the Premises or any building on the Premises, and if Tenant's use of the Premises causes an increase in insurance rates, Tenant will pay the increase.

(e) Landlord's Rules and Regulations. Tenant will faithfully observe and comply with the rules and regulations that Landlord makes. A copy of the rules and regulations is attached to this Lease. Landlord reserves the right to make all reasonable modifications to the rules and regulations, which will be binding once a copy of them is delivered to Tenant. Landlord will not be responsible to Tenant for the nonperformance of any of the rules and

regulations by any other tenants or occupants.

7. **Maintenance Repairs and Alterations.**

(a) Tenant's Obligations. Tenant will keep in good order, condition, and repair the Premises and every part of them, structural or nonstructural, and all adjacent sidewalks, landscaping, driveways, parking lots, fences, and signs located in the areas adjacent to and included with the Premises. Landlord will incur no expense and have no obligation of any kind in connection with the maintenance of the Premises except for the repair and maintenance of the roof, and Tenant expressly waives the benefits of any statute now or later in effect that would otherwise give Tenant the right to make repairs at Landlord's expense or to terminate this Lease because of Landlord's failure to keep the Premises in good order, condition, and repair.

(b) Surrender. On the last day of the term or on any earlier termination, Tenant will surrender the Premises to Landlord in good condition, broom clean, except for ordinary wear and tear. Tenant will repair any damage to the Premises occasioned by its use or by the removal of Tenant's trade fixtures, furnishings, and equipment under Subsection 7(d)(3), which will induce the patching and filling of holes and repair of structural damage.

(c) Landlord's Rights. If Tenant fails to perform its obligations under this Article, Landlord may at its option enter the Premises, after ten (10) days' written notice to Tenant, and put the Premises in good order, condition, and repair. The cost of doing so plus interest at the rate of ten percent (10%) per year will become due and payable as additional rent to Landlord together with Tenant's next rent installment.

(d) Alterations and Additions.

(1) Tenant will not, without Landlord's written consent, make any alterations, additions, or improvements in, on, or about the Premises, except for nonstructural alterations costing less than One Thousand Dollars ($1,000.00). As a condition of giving its consent, Landlord may require that Tenant remove any alterations, additions, improvements, or utility installations at the expiration of the term and to restore the Premises to their previous condition.

(2) Before commencing any work relating to alterations, additions, and improvements affecting the Premises, Tenant will notify Landlord in writing of the expected date of commencement. Landlord will then have the right to post and maintain on the Premises any notices to protect the Premises and Landlord from mechanics' liens, materialmen's liens, or any other liens. Tenant will pay, when due, all claims for labor or materials furnished to or for Tenant at or for use on the Premises. Tenant will not permit any mechanics' or materialmen's liens to be levied against the Premises for any labor or material furnished to Tenant or claimed to have been furnished to Tenant or to Tenant's agents or contractors in connection with any work performed or claimed to have

been performed on the Premises by or at the direction of Tenant.

(3) Unless Landlord requires their removal under Subsection 7(d)(1), all alterations, improvements, additions, machinery, equipment, and trade fixtures made on the Premises will become the property of Landlord and remain on and be surrendered with the Premises at the expiration of the term, with the exception of Tenant's ***Two (2) Emery Thompson 24 Quart Batch Freezers.***

8. **Insurance and Indemnity.**

(a) Insuring Party. As used in this Article, the term "insuring party" means the party who has the obligation to obtain the insurance required under this Lease. The insuring party will be Hey Mikey's Ice Cream LLC. Whether the insuring party is Landlord or Tenant, Tenant will, as additional rent for the Premises, pay the cost of all required insurance. If Landlord is the insuring party, Tenant will, within ten (10) days after demand by Landlord, reimburse Landlord for the cost of the insurance.

(b) Liability Insurance. Tenant will obtain and maintain during the term of this Lease a policy of comprehensive public liability insurance insuring Landlord and Tenant against any liability arising from the ownership, use, occupancy, or maintenance of the Premises and all-areas insurance insuring Landlord and Tenant against any liability arising from the ownership, use, occupancy, or maintenance of the Premises and all appurtenant areas. The insurance will be in an amount of at least One Million and 00/100 Dollars ($1,000,000.00) for injury to or death of one person in any one accident or occurrence and in an amount of at least Five Hundred Thousand Dollars ($500,000.00) for injury to or death of more than one person in any one accident or occurrence. The insurance will further insure Landlord and Tenant against liability for property damage of at least Five Hundred Thousand and 00/100 Dollars ($500,000.00). The limits of the insurance will have a Landlord's Protective Liability endorsement attached. If Tenant fails to obtain and maintain the insurance, Landlord may, but is not required to, obtain and maintain it at Tenant's expense.

(c) Property Insurance. The insuring party will obtain and maintain during the term of this Lease a policy or policies of insurance covering loss or damage to the Premises, in the amount of their full replacement value, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk), and sprinkler leakage. The insurance will provide for payment for loss to Landlord or to the holder of a first mortgage or deed of trust on the Premises. If the insuring party fails to obtain and maintain the insurance, the other party may, but is not required to, obtain and maintain it at Tenant's expense.

(d) Insurance Policies. Insurance required under this Lease will be in companies rated A+ AAA or better in "Best's Insurance Guide." The insuring party will deliver before possession to the other party copies of insurance policies or certificates evidencing the existence and amounts of the insurance with loss-payable clauses satisfactory to Landlord. No policy will be cancelable or subject to reduction of coverage or other modification except after ten (10) days' written notice to Landlord. If Tenant is the insuring party, Tenant will, at

least ten (10) days before any policies expire, provide Landlord with renewals or "binders," or Landlord may order the insurance and charge the cost to Tenant, which will be payable by Tenant on demand. Tenant will not do or permit to be done anything that will invalidate the insurance policies referred to in Subsection 8(c). Tenant will immediately, on Landlord's demand, reimburse Landlord for any additional premiums attributable to any act, omission, or operation of Tenant causing an increase in the cost of insurance. If Landlord is the insuring party, and if the insurance policies maintained under this Lease cover other improvements in addition to the Premises, Landlord will deliver to Tenant a written statement specifying the amount of any insurance cost increase and showing in reasonable detail how it has been computed.

(e) Waiver of Subrogation. Tenant and Landlord each waive any and all rights of recovery against the other, or against the officers, employees, agents, and representatives of the other, for loss of or damage to the waiving party or its property or the property of others under its control, where the loss or damage is insured against under any insurance policy in force at the time of the loss or damage. Tenant and Landlord will, on obtaining the insurance policies required under this Lease, give notice to the insurance carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

(f) Hold Harmless. Tenant will indemnify, defend, and hold Landlord harmless from any and all claims arising from Tenant's use of the Premises or from the conduct of its business or from any activity, work, or things that may be permitted or suffered by Tenant on or about the Premises. Tenant will also indemnify, defend, and hold Landlord harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under this Lease or arising from any negligence of Tenant or any of its agents, contractors, employees, or invitees and from any and all costs, attorney fees, expenses, and liabilities incurred in the defense of any such claim or any action or proceeding. Tenant assumes all risk of damage to property or injury to persons on or about the Premises from any cause, and Tenant waives all claims for such damage or injury against Landlord, except where it arises from the negligence of Landlord.

(g) Exemption of Landlord from Liability. Tenant agrees that Landlord will not be liable for injury to Tenant's business or any loss of income or for damage to the goods, wares, merchandise, or other property of tenant, Tenant's employees, invitees, customers, or any other person on or about the Premises. Unless it is negligent, Landlord will not be liable for injury to the person of Tenant, Tenant's employees, agents, contractors, or invitees. These exemptions of Landlord from liability apply whether the damage or injury is caused by or results from fire, steam, electricity, gas, water, or rain, or from the breakage, leakage, obstruction, or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures, or from any other cause, whether the damage or injury results from conditions arising on the Premises or on other parts of the building of which the Premises are a part, or from other sources or places, and regardless of whether the cause of the damage or injury or the means of repairing it is inaccessible to Landlord or Tenant. Landlord will not be liable for any damages arising from any act or neglect of any other tenant of the building in which the Premises are located.

9. **Damage or Destruction.** If the improvements on the Premises are damaged or destroyed, partially or totally, from any cause, whether or not the damage or destruction is covered by any insurance required to be maintained under Section 8, Tenant will repair, restore, and rebuild the Premises to their condition existing immediately before the damage or destruction, and this Lease will continue in full force and effect. This repair, restoration, and rebuilding (all of which are called the "repair") will be commenced within a reasonable time after the damage or destruction and will be diligently prosecuted to completion. There will be no abatement of rent or of any other obligation of Tenant by reason of the damage or destruction. The proceeds of any insurance maintained under Subsection 8(c) will be made available to Tenant for payment of the cost and expense of the repair; however, the proceeds may be made available to Tenant subject to reasonable conditions, including but not limited to architect's certification of costs and retention of a percentage of the proceeds pending final notice of completion. If the proceeds are not made available to Tenant within ninety (90) days after the damage or destruction, Tenant will have the option for thirty (30) days, commencing on the expiration of the ninety-day (90-day) period, of canceling this Lease. If Tenant exercises this option, Tenant will have no further obligation under this Lease and will have no further claim against Landlord; however, Landlord will return to Tenant as much of Tenant's security deposit as has not been applied by Landlord. Tenant will exercise the option by written notice to Landlord within the thirty-day (30-day) period. If the insurance proceeds are insufficient to cover the cost of the repair, any excess amount required to complete the repair will be paid by Tenant.

(a) Damage near End of Term. If the Premises are partially destroyed or damaged during the last six (6) months of the term of this Lease, Landlord may, at its option, cancel and terminate this Lease as of the date the damage occurred by giving written notice to Tenant within thirty (30) days.

(b) Prorations. On termination of this Lease under this Section, a prorated adjustment of rent based on a thirty-day (30-day) month will be made. Landlord will also return to Tenant as much of Tenant's security deposit as has not been applied by Landlord.

10. **Real Property Taxes.**

(a) Payment of Taxes. Tenant will pay all real property taxes applicable to the Premises during the term of this Lease. All payments will be made at least ten (10) days before their delinquency date. Tenant will promptly provide Landlord with satisfactory evidence that the taxes have been paid. If any taxes paid by Tenant cover any time period before or after the term expires, Tenant's share of the taxes will be equitably prorated to cover only the time period within the tax fiscal year during which this Lease is in effect, and Landlord will reimburse Tenant to the extent required. If Tenant fails to pay any such taxes, Landlord will have the right to pay them, and Tenant will repay the amount to Landlord with Tenant's next rent installment plus interest at the rate of ten percent (10%) per year.

(b) Definition of "Real Property Taxes." The term "real property taxes" includes any form of assessment, license fee, rent tax, levy, penalty, or tax (other than inheritance or estate taxes) imposed by any authority having the direct or indirect power to tax, including any city, county, state, or federal government, or any school, agricultural, lighting, drainage,

or other improvement district, as against any legal or equitable interest of Landlord in the Premises or in the real property of which the Premises are a part, as against Landlord's right to rent or other income from the Premises, or as against Landlord's business of leasing the Premises. In addition, Tenant will pay any and all charges and fees that may be imposed by the Environmental Protection Agency or other similar government regulations or authorities.

(c) Joint Assessment. If the Premises are not separately assessed, Tenant's liability will be an equitable proportion of the real property taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Landlord from the respective valuations assigned in the assessor's work sheets or other reasonably available information. Landlord's reasonable determination of the proportion, in good faith, will be conclusive.

(d) Personal Property Taxes.

(1) Tenant will pay before delinquency all taxes assessed against and levied on leasehold improvements, trade fixtures, furnishings, equipment, and all other personal property of Tenant contained on the Premises or elsewhere. Tenant will ensure that all of its personal property is assessed and billed separately from the real property of Landlord.

(2) If any of Tenant's personal property is assessed with Landlord's real property, Tenant will pay Landlord the taxes attributable to Tenant within ten (10) days after receiving a written statement specifying the taxes applicable to Tenant's property.

11. **Common Areas.** When there are Common Areas, the following will apply:

(a) Definitions. The term "Common Areas" means all areas and facilities outside the Premises that are provided and designated for general use and convenience of Tenant and other tenants and their respective officers, agents, employees, customers, and invitees. Common Areas include (but are not limited to) any pedestrian sidewalks, landscaped areas, roadways, parking areas, and railroad tracks. Landlord reserves the right to make changes in the shape, size, location, number, and extent of the land and improvements constituting the Common Areas. Landlord may designate additional parcels of land for use as a part of the Common Areas, and any additional land so designated will be included until the designation is revoked by Landlord.

(b) Maintenance. Landlord will operate, manage, and maintain the Common Areas so that they are clean and free from accumulations of debris, filth, rubbish, and garbage. The manner in which the Common Areas are maintained, and the expenditures for the maintenance, will be at the sole discretion of Landlord, and the use of the Common Areas will be subject to reasonable regulations made by Landlord, including (but not limited to) the right to close all or part of the Common Areas to the extent legally sufficient, in the opinion of Landlord's counsel, to prevent a dedication or the accrual of rights of any person or of the public in the Common Areas.

Tenant _____ Landlord _____

(c) Tenant's Rights and Obligations. Landlord grants to Tenant, during the term of this Lease, the license to use, for the benefit of Tenant and its officers, agents, employees, customers, and invitees, in common with the others entitled to such use, the Common Areas, subject to the rights, powers, and privileges reserved to Landlord. Storage, either permanent or temporary, of any materials, supplies, or equipment in the Common Areas is strictly prohibited. If Tenant violates this provision of the Lease, Landlord may, at its option, either terminate the Lease or, without notice to Tenant, remove the materials, supplies, or equipment from the Common Areas and place them in storage, the cost to be reimbursed by Tenant within ten (10) days after receiving a statement submitted by Landlord. All later costs in connection with the storage will be paid to Landlord by Tenant as accrued. Tenant's failure to pay these charges within ten (10) days after receiving a statement will constitute a breach of this Lease. Tenant and its officers, agents, employees, customers, and invitees will park their motor vehicles only in areas designated by Landlord for that purpose. Within five (5) days after a request from Landlord, Tenant will give Landlord a list of the license numbers assigned to its motor vehicles and those of its officers, agents, and employees. Tenant will not at any time park or permit the parking of motor vehicles, belonging to it or to others, so as to interfere with the pedestrian sidewalks, roadways, and loading areas, or in any part of the parking areas not designated by Landlord for such use by Tenant. Tenant agrees that receiving and shipping of goods and merchandise and all removal of refuse will be made only by way of the loading areas constituting part of the Premises. Tenant will repair, at its cost, all deteriorations or damages to the Common Areas caused by its lack of ordinary care.

(d) Construction. Landlord, while engaged in constructing improvements or making repairs or alterations on or about the Premises or in their vicinity, will have the right to make reasonable use of the Common Areas.

12. **Utilities.** Tenant will pay for all water, gas, heat, light, power, telephone, and other utilities and services supplied to the Premises, together with any taxes. If any of those services are not separately metered to Tenant, Tenant will pay a reasonable proportion to be determined by Landlord of all charges jointly metered with other premises.

13. **Assignment and Subleasing.**

(a) Landlord's Consent Required. Tenant will not voluntarily or by operation of law assign, transfer, mortgage, sublease, or otherwise transfer or encumber all or any part of Tenant's interest in this Lease or in the Premises without Landlord's written consent, which Landlord will not unreasonably withhold. Any attempted assignment, transfer, mortgage, encumbrance, or subleasing without consent will be void and will constitute a breach of the Lease. Any transfer of Tenant's interest in this Lease or in the Premises from Tenant by merger, consolidation, or liquidation, or by any later change in the ownership of thirty percent (30%) or more of *Hey Mikey's Ice Cream* to any individual or entity who is not an original party to this Lease shall be deemed a prohibited assignment within the meaning of this Section.

(b) No Release of Tenant. Regardless of Landlord's consent, no assignment or subleasing will release Tenant of its obligation to pay the rent and to perform all of its other obligations for the term of this Lease. The acceptance of rent by Landlord from any other

person will not be deemed a waiver by Landlord of any provision of this Lease. Consent to one assignment or subleasing will not be deemed consent to any later assignment or subleasing.

14. **Defaults and Remedies.**

(a) Defaults. The occurrence of any one or more of the following events will constitute a default and breach of this Lease by Tenant:

(1) The vacating or abandonment of the Premises by Tenant.

(2) The failure by Tenant to make any payment of rent or any other required payment when due, if such failure continues for three (3) days after written notice from Landlord.

(3) The failure by Tenant to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by Tenant, other than described in Subsection 14(a)(2) above, if such failure continues for thirty (30) days after written notice from Landlord to Tenant; however, if the nature of Tenant's default is such that more than thirty (30) days are required for performance, Tenant will not be in default if Tenant commences performance within the thirty-day (30-day) period and diligently prosecutes the cure to completion.

(4) (i) The making by Tenant of any general assignment or general arrangement for the benefit of creditors, (ii) the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, it is dismissed within sixty (60) days), (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, if possession is not restored to Tenant within thirty (30) days, or (iv) the attachment, execution, or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, if the seizure is not discharged within thirty (30) days.

(b) Remedies in Default. If there is any default or breach by Tenant, Landlord may at any time, with or without notice or demand and without limiting Landlord in the exercise of any other right or remedy that Landlord may have, do any of the following:

(1) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease will terminate and Tenant will immediately surrender possession of the Premises to Landlord. Landlord will be entitled to recover from Tenant all damages incurred by Landlord because of Tenant's default, including but not limited to the cost of recovering possession of the Premises; the expense of re-leasing,

including necessary renovation and alteration of the Premises, reasonable attorney fees, and any real estate commission actually paid; the worth at the time of award by the court having jurisdiction of the amount by which the unpaid rent for the balance of the term after the time of the award exceeds the amount of the rental loss for the same period that tenant proves could be reasonably avoided; and the part of the leasing commission paid by Landlord applicable to the unexpired term of this Lease. Unpaid installments of rent or other amounts will bear interest from the date due at the rate of ten percent (10%) per year. If Tenant abandons the Premises, Landlord will have the option of (i) retaking possession of the Premises and recovering from Tenant the amount specified in this Section, or (ii) proceeding under Subsection 14(b)(2).

(2) Maintain Tenant's right to possession, in which case this Lease will continue in effect whether or not Tenant has abandoned the Premises. Landlord will be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due.

(3) Pursue any other remedy now or later available to Landlord under the laws or judicial decisions of the State in which the Premises are located.

(c) Default by Landlord. Landlord will not be in default unless Landlord fails to perform its obligations within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address will have been furnished to Tenant in writing, specifying how Landlord has failed to perform its obligation; however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, Landlord will not be in default if Landlord commences performance within the thirty-day (30-day) period and diligently prosecutes the cure to completion.

(d) Late Charges. Tenant acknowledges that late payment of rent and other amounts will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. These costs include but are not limited to processing and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or any other amount due from Tenant is not received by Landlord or Landlord's designee within ten (10) days after written notice that the amount is past due, Tenant will pay to Landlord a late charge equal to ten percent (10%) of the overdue amount. The parties agree that the late charge will not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of its other rights and remedies.

15. **Condemnation.** If the Premises or any part of them are taken under the power of eminent domain or sold by Landlord under the threat of the exercise of that power (all of which is referred to as "condemnation"), this Lease will terminate for the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If more

than twenty-five percent (25%) of the floor area of any buildings on the Premises, or more than twenty-five percent (25%) of the land area of the Premises not covered with buildings, is taken by condemnation, either Landlord or Tenant may terminate this Lease as of the date the condemning authority takes possession by written notice within twenty (20) days after Landlord notifies Tenant of the taking or, in the absence of notice, within twenty (20) days after the condemning authority takes possession. If this Lease is not terminated by either Landlord or Tenant, it will remain in full force and effect for the rest of the Premises, except that the rent will be reduced in proportion to the floor area of the building taken within the Premises as to the total floor area of all buildings located on the Premises. If this Lease is not terminated, Landlord, at its sole cost, will as soon as reasonably possible restore the Premises to a complete unit of like quality and character as existed before the condemnation. All awards for the taking of any part of the Premises or any payment made under the threat of the exercise of power of eminent domain will be the property of Landlord, whether made as compensation for diminution of value of the leasehold or for the taking of the fee or as severance damages; however, Tenant will be entitled to any award for loss of or damage to Tenant's trade fixtures and removable personal property.

16. **General Provisions.**

(a) Offset Statement.

(1) Tenant will at any time on at least ten (10) days' written notice from Landlord execute, acknowledge, and deliver to Landlord a written statement (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of the modification and certifying that this Lease, as modified, is in full force and effect) and the date to which the rent, security deposit, and other charges are paid in advance, and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord, or specifying any defaults that are claimed. The statement may be conclusively relied on by any prospective purchaser or encumbrancer of the Premises.

(2) Tenant's failure to deliver the statement on time will be conclusive on Tenant (i) that this Lease is in full force and effect, without modification except as may be represented by Landlord, (ii) that there are no uncured defaults in Landlord's performance, and (iii) that not more than one (1) month's rent has been paid in advance.

(3) If Landlord wants to finance or refinance all or any part of the Premises, Tenant will deliver to any lender designated by Landlord any financial statements of Tenant reasonably required by the lender. The statements will include the past three (3) years of Tenant's financial statements. All financial statements will be received by Landlord in confidence and will be used only for the purposes stated in this Article.

(b) Landlord's Interests. The term "Landlord" as used in this Lease means only the owner or owners at the time in question of the fee title or a tenant's interest in a ground lease

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of the Premises. If there is any transfer of the title or interest, Landlord (and in case of any later transfers, the grantor) will be relieved from and after the date of the transfer of all liability for Landlord's obligations to be performed, provided that any funds in the hands of Landlord or the grantor at the time of the transfer, in which Tenant has an interest, will be delivered to the grantee. The obligations contained in this Lease to be performed by Landlord will be binding on Landlord's successors and assigns only during their respective periods of ownership.

(c) Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, will in no way affect the validity of any other provision.

(d) Interest on Past-Due Obligations. Except as expressly provided in this Lease, any amount not paid to Landlord when due will bear interest at ten percent (10%) per year from the due date. Payment of interest will not excuse or cure any default by Tenant under this Lease.

(e) Time of Essence. Time is of the essence in this Lease.

(f) Headings. Article and paragraph headings are not a part of this Lease's terms.

(g) Entire Agreement; Amendment. This Lease contains the entire agreement between the parties. All understandings, discussions, and agreements previously made between the parties, written or oral, are superseded by this Lease, and neither party is relying on any warranty, statement, or representation not contained in this Lease. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification.

(h) Waivers. No waiver by Landlord of any provision of this Lease will be deemed a waiver of any other provision or of any later breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act will not be deemed to make unnecessary the obtaining of Landlord's consent to or approval of any later act by Tenant. The acceptance of rent by Landlord will not be a waiver of any preceding breach by Tenant, other than Tenant's failure to pay the particular rent accepted, regardless of Landlord's knowledge of the preceding breach when the rent was accepted.

(i) Recording. Tenant will not record this Lease in any public records. Any such recordation will be a breach of this Lease.

(j) Holding Over. If Tenant remains in possession of the Premises or any part of them after the term expires with Landlord's express written consent, the occupancy will be a tenancy from month to month at a rental rate in the amount of the last monthly rent plus all other charges payable, and on the terms applicable to month-to-month tenancy.

(k) Cumulative Remedies. No remedy or election under this Lease will be deemed exclusive, but instead will, wherever possible, be cumulative with all other remedies at law or in equity.

(l) Covenants and Conditions. Each provision of this Lease performable by Tenant

will be deemed both a covenant and a condition.

(m) Binding Agreement; Governing Law. Subject to any provisions restricting assignment or subleasing by Tenant and subject to the provisions of Subsection 16(b), this Lease and all of its terms, provisions, and covenants will apply to, be binding on, and inure to the benefit of the parties and their respective successors and assigns. This Lease will be governed by and interpreted under the laws of the state where the Premises are located, regardless of any conflict-of-law rules.

(n) Subordination.

(1) At Landlord's option, this Lease will be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation for security now or later placed on the real property of which the Premises are a part and to any and all advances made on the security and to all renewals, modifications, consolidations, replacements, and extensions. Despite this subordination, Tenant's right to quiet possession of the Premises will not be disturbed if Tenant is not in default and as long as Tenant pays the rent and observes and performs all the provisions of this Lease, unless this Lease is otherwise terminated under its terms. If any mortgagee, trustee, or ground lessor elects to have this Lease prior to the lien of its mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this Lease will be deemed prior to the mortgage, deed of trust, or ground lease, whether this Lease is dated before or after the date of the mortgage, deed of trust, or ground lease or the date of its recording.

(2) Tenant will execute any documents required to effectuate the subordination or to make this Lease prior to the lien of any mortgage, deed of trust, or ground lease, and failing to do so within ten (10) days after written demand will make, constitute, and irrevocably appoint Landlord as Tenant's attorney in fact and in Tenant's name, place, and stead to do so.

(o) Attorney Fees. If either party brings an action to enforce the terms of this Lease or declare rights under it, the prevailing party in the action, at trial or on appeal, will be entitled to reasonable attorney fees to be paid by the losing party as fixed by the court. The term "prevailing party" means the party that has succeeded on a significant issue in the litigation and achieved a benefit with respect to the claims at issue, taken as a whole, whether or not damages are actually awarded to that party.

(p) Landlord's Access. Landlord and its agents will have the right to enter the Premises at reasonable times for the purpose of inspecting them, showing them to prospective purchasers or lenders, and making alterations, repairs, improvements, or additions to the Premises or to the building of which they are a part as Landlord may deem necessary or desirable. Landlord may at any time during the last one hundred twenty (120) days of the term place on or about the Premises any ordinary "For Sale or Lease" signs, all without rebate of rent or liability to Tenant.

Tenant _____ Landlord _____

(q) Auctions. Tenant will not place any auction sign on the Premises or conduct any auction on the Premises without Landlord's written consent.

(r) Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation of the Lease, will not cause a merger and will, at Landlord's option, terminate any or all existing subtenancies or may, at Landlord's option, operate as an assignment to Landlord of any or all subtenancies.

(s) Corporate Authority. If Tenant is a corporation, each individual executing this Lease on behalf of the corporation represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of the corporation in accordance with a duly adopted resolution of its board of directors or in accordance with its bylaws, and that this Lease is binding on the corporation.

(t) Landlord's Liability. If Landlord is a limited partnership, the liability of the partners under this Lease will be limited to the assets of the partnership. Tenant and its successors and assigns waive all rights to proceed against any of the partners, or the officers, shareholders, or directors of any corporate partner of Landlord except to the extent of their interest in the partnership. The term "Landlord," as used in this Article, means only the owners at the time in question of the fee title or its interest in a ground lease of the Premises, and if there is any transfer of the title or interest, Landlord (and in case of any later transfer, the grantor) will be relieved from all liability for Landlord's obligations to be performed, provided that any funds in the hands of Landlord or the grantor at the time of the transfer, in which Tenant has an interest, will be delivered to the grantee. The obligations contained in this Lease to be performed by Landlord will be binding on Landlord's successors and assigns only during their respective periods of ownership.

17. **Performance Bond.** At any time Tenant either wants to or is required to make any repairs, alterations, improvements, or utility installation, under Subsection 7(d) or Section 9 or otherwise, Landlord may at its sole option require Tenant, at Tenant's sole cost and expense, to obtain and provide to Landlord a lien and completion bond in an amount equal to one and one-half (1½) times the estimated cost of the improvements, to insure Landlord against liability for mechanic's and materialmen's liens and to insure completion of work.

18. **Special Provisions**

(a) Option to Purchase. See the attached Option to Purchase attached hereto and made apart hereof.

(b) Patio Space. The vacant lot located at the Southwest corner of 7th Avenue N. and 6th Street N. may be leased by Tenant at no added expense or cost to Tenant provided that said patio space is improved and utilized by Tenant in conjunction with Tenant's business to the sole satisfaction of Landlord. Furthermore, in the event Tenant exercises its option to purchase the Premises as defined in the Options to Purchase attached hereto, said patio space shall be included in the conveyance at no added expense or coast.

(c) Monument Plaque. At any time during the primary term or any renewal term

thereof, Landlord, at Landlords sole cost and expense shall have the unrestricted right to place a "Monument Plaque" on or within the Premises. The location/placement of said "Monument Plaque" shall be determined in the sole and absolute discretion of Landlord.

(d) Retail. During the term of this Lease, Tenant covenants and agrees that the Premises shall be open to the general public during normal business operating hours for the retail and distribution of Ice Cream and/or other-related products customarily sold or offered in Tenant's normal course of business.

19. **Tenant Improvements.**

(a) Tenant Improvement Allowance. Landlord agrees to pay Tenant for completion of certain Tenant improvements to the Premises (collectively, "Tenant Improvements") up to a maximum amount of Three Hundred and Fifteen Thousand and No/100 Dollars ($315,000.00) (the "Tenant Improvement Allowance"). All costs and fees of the Tenant Improvements shall be collectively the "Tenant Improvement Costs". The Tenant Improvement Costs may include architectural and engineering fees. Any Tenant Improvement Costs in excess of the Tenant Improvement Allowance shall be paid by Tenant as and when due. Failure of Tenant to pay the excess costs shall be an event of default by Tenant under the Lease. Tenant shall not be entitled to any unused portion of the Tenant Improvement Allowance not used in the construction of the Tenant Improvements and requested by Tenant to be funded by Landlord. Landlord's payment of the Tenant Improvements (or portion thereof) shall not become due until thirty (30) days after Tenant submits to Landlord (i) an invoice from Tenant's contractor or sub-contractor itemizing the scope of work, materials used, cost(s) of labor and any equipment and other indebtedness connected with the subject portion of the Tenant Improvements for which Landlord or its property might in any way be responsible; (ii) the certificate by Tenant or its architect that the subject portion of the Tenant Improvements is complete in accordance with the Approved Plans and Specifications (as defined below); and (iii) other data establishing the final Tenant Improvement Costs, together with reasonable evidence that Tenant has satisfied all of its construction obligations including receipts, releases and waivers of liens (both from the general contractor and all subcontractors) arising out of the construction of the Tenant Improvements to the extent and in such form as may be reasonably designated by Landlord. Notwithstanding anything contained herein to the contrary, all moving and storing expenses shall be at the sole cost of Tenant.

(b) Contractor; Plans and Specs. Tenant may contract with any architect/designer as reasonably approved by Landlord, including those whose names have been supplied by Landlord. Landlord makes no representation or guarantee with respect to fees, services schedules or other items to be provided by the architect/designer and shall in no way be responsible for such architect/designer's work product. Tenant's consultant shall prepare plans and specifications for the Tenant Improvements to be completed in the Premises (the "Plans and Specifications"). All Plans and Specifications (and any changes to the same) shall be subject to reasonable review and approval by Landlord and Landlord's architect and/or consultant prior to commencement of construction of the Tenant Improvements. All costs of preparation, review and approval by Landlord shall be borne by Tenant. Landlord

shall, within ten (10) business days after receipt of the Plans and Specifications by Landlord for its review and approval, submit to Tenant the Plans and Specifications with the required approvals noted thereon, or submit comments to Tenant setting forth changes to be made in the Plans and Specifications. If changes are required by Landlord, Tenant shall have the Plans and Specifications modified and resubmitted to Landlord for approval and such process shall be repeated until Landlord, Landlord's architect, and/or Landlord's consultant have approved the Plans and Specifications for the Premises (hereinafter referred to as "Approved Plans and Specifications"). Changes to the Approved Plans and Specifications shall be made only upon prior written approval of Landlord and at Tenant's sole cost and expense. Landlord may, if it is so inclined, take a supervisory role in the completion of the Tenant Improvements. Landlord makes no representation that any plans, specification or working drawings are in compliance with any applicable laws.

(c) Work. Tenant shall contract directly for the Tenant Improvements to be completed in accordance with the Approved Plans and Specifications. Furthermore, Tenant covenants and agrees that any and all of the Tenant Improvements shall be completed no later than One Hundred Eighty (180) days from the commencement of this lease, in the event said Tenant Improvements are not completed and Tenant has not received a certificate of occupancy and/or has not opened for business within the timeframe provided hereinabove, Tenant shall be in default. Tenant's contractor shall bill Tenant and Tenant shall submit to Landlord contractor/sub-contractors invoice payment. All Tenant Improvements shall (i) be performed pursuant to written contracts with workmen and mechanics who shall be reasonably acceptable to Landlord; (ii) comply with all reasonable restrictions and requirements as Landlord may impose with respect to the Tenant Improvements; (iii) conform to the standards of the property or building; (iv) be done in a good, workmanlike, safe and lawful manner in compliance with applicable laws, governmental regulations, and requirements; and (v) be done so as not to interfere with any other tenants, occupants, their employees or invitees in the property or building. Tenant shall cause such contractor to take all steps necessary to cooperate in the coordination of the construction of the Tenant Improvements with the work of Landlord or Landlord's contractors in the Premises (if any).

(d) Indemnity. Tenant and Tenant's contractor shall indemnify Landlord from any mechanic's or materialman's lien against Landlord's interest in the property, building or Premises filed in relation to work performed or materials supplied to the building or Premises by or at the request of Tenant, Tenant's agents, employees or Tenant's contractors. If a lien is filed, Tenant or Tenant's contractor shall, at Landlord's option, either, (i) remove the lien by paying it in full, or (ii) furnish Landlord a bond sufficient to discharge the lien, or (iii) deposit in an escrow account approved by Landlord the sum that represents 150% of the amount of such lien. In the event Tenant or Tenant's contractor shall fail to remove the lien, provide a bond or cash escrow within ten (10) days after notice of such lien, such failure shall be an immediate event of default by Tenant under the Lease without the necessity of further notice from Landlord and Landlord shall be entitled to take such action at law, in equity or under the Lease as Landlord deems appropriate and Tenant shall be responsible for all monies Landlord may pay in discharging any lien including all costs and reasonable attorneys' fees incurred by Landlord in settling, defending against, appealing or in any manner dealing with lien. This indemnity obligation shall survive any termination of the

Lease.

20. **Notices.** Any notice or demand under this Lease will be in writing and either served personally or sent by U.S. mail, postage prepaid, to the following addresses:

Landlord:
Texas City Economic Development Corporation
Attn: Nick Finan
1809 9th Ave. N.
Texas City, Texas 77590
Tel: (409) 948-3111

Tenant:
Hey Mikey's Ice Cream LLC
4221A Surf Drive
Galveston, Texas 77554-8820

The parties have executed this Lease at the place and on the dates specified below.

LANDLORD:

Texas City Economic Development Corporation

By: _____
Name: ~~Mark~~ Ciavaglia
Title: Chairman
Effective Date: 1/26/17
Executed at: _____

TENANT:

Hey Mikey's Ice Cream LLC, a Texas limited liability company

By: _____
Name: Michael Bouvier
Title: Owner
Effective Date: 1/26/17
Executed at: _____

_____
Michael Bouvier, individually

_____
Kathy Bouvier, individually

_____
Robert Bouvier, individually

OPTION TO PURCHASE

Date: _____

Optionor: **Texas City Economic Development Corporation**
Attn: Nick Finan
1809 9th Ave. N.
Texas City, Texas 77590
Tel: (409) 948-3111

Optionee: **Hey Mikey's Ice Cream LLC**
4221A Surf Drive
Galveston, Texas 77554-8820

Option: Optionor, in consideration of the sum paid by Optionee to Optionor, receipt of which is acknowledged, grants to Optionee the exclusive right and option to purchase, on the following terms and conditions, the Franchise as described herein below.

Consideration: Ten and 00/100 Dollars ($10.00) and other good and valuable consideration

Property: **See attached Exhibit "A"**

Option Period: **February 1, 2022 to December 31, 2027.**

Purchase Price: **The purchase price shall be Two Hundred Thirty-Eight Thousand and 00/100 Dollars ($332,700.00), less any base monthly rental payments and any sums paid above and beyond the stated base monthly rent received for the then current rental term as described in that one certain Commercial Lease attached hereto.**

Application of Consideration: If Optionee purchases the Property as described in this option in accordance with its terms and conditions, the consideration paid for this option will apply to the purchase price.

Closing Costs: Optionor shall pay for the title policy. Each party shall pay for their own attorney fees. Optionor and Optionee shall equally (50/50) share in any and all additional closing costs, fees and expenses in the event Optionee exercises this Option to Purchase.

Title Company: South Land Title Company
609 9th Ave N.
Texas City, TX 77590

Optionor_____ Optionee MEC

Exercise of Option: Optionee may exercise this option by giving Optionor a signed written notice at any time during the Option Period. Within ten (10) days after receipt of the written notice, Optionor and Optionee shall enter into a Commercial Real Estate Earnest Money Contract with a closing date to be within Ninety (90) days of the effective date of said Commercial Real Estate Earnest Money Contract.

Termination By Optionee: If at any time before the consummation of the purchase and sale under this option it appears from laws, regulations, or ordinances, either national, state, or local, or for any other reason, that Optionee is unable to obtain necessary consents and/or permits or that the Property cannot for any reason be used for Optionee's purpose, Optionee may terminate this option and be under no obligation to complete the purchase by written notice to Optionor.

Failure to Exercise Option: If Optionee does not exercise this option in accordance with its terms and within the option period, this option and the rights of Optionee will automatically and immediately terminate without notice. In the event Optionee fails to exercise this option, Optionor will retain the sum paid in consideration of granting this option.

Notices: All notices provided for in this agreement will be deemed to have been given if and when deposited in the United States mail, certified mail, receipt requested, properly stamped and addressed to the party for whom intended at the party's address listed above, or when delivered personally in writing to such party.

Binding Effect: This option will be binding on and inure to the benefit of the parties to it and to their respective heirs, personal representatives, successors and assigns.

OPTIONOR:

Texas City Economic Development Corporation

By: _____
Name: Mark Ciavaglia
Title: Chairman

OPTIONEE:

Hey Mikey's Ice Cream LLC

By: _____
Name: Michael Bouvier
Title: _____

MODIFICATION OF LEASE

This MODIFICATION OF LEASE ("Modification") is entered into by Texas City Economic Development Corporation ("Landlord"), and Michael Bouvier, Kathy Bouvier, Robert Bouvier and Hey Mikey's Ice Cream LLC, a Texas limited liability company (collectively "Tenant").

RECITALS

Landlord and Tenant executed and entered into the Lease Agreement dated January 1, 2017, (as amended, the "Lease"), under which Landlord leased to Tenant the space containing, containing approximately 2,720 square feet and commonly known as 613/615 6th Street North, Texas City, Galveston County, Texas 77590("Premises") and more specifically described as:

ABST 205 PAGE 6, THE NORTH ½ OF LOT 13 AND ALL OF LOTS 14-16, BLK 154, TEXAS CITY, GALVESTON COUNTY, TEXAS

Landlord and Tenant now want to modify the Lease in certain respects, on the terms and conditions outlined in this Modification.

AGREEMENT

In consideration of the facts mentioned above, the mutual promises set forth below, and other good and valuable consideration, the sufficiency and receipt of which is acknowledged, the parties agree as follows:

1. **Capitalized Terms.** All capitalized terms used in this Modification that are not defined in this Modification have the meanings given to them in the Lease.

2. **Modifications.** The commencement date for Tenant to deposit with Landlord the base monthly rent in the amount of Five Hundred Forty-Three and 33/100 Dollars ($543.33) shall commence on August 1, 2017.

3. **No Further Modifications.** Except as amended by this Modification, the terms and conditions of the Lease remain unchanged and in full force and effect.

4. **Entire Agreement.** This Modification contains the entire agreement of the parties. All understandings, discussions, and agreements previously made between the parties, written or oral, are superseded by this Modification, and neither party is relying on any warranty, statement, or representation not contained in this Modification.

5. **Counterparts.** This Modification may be executed in two or more counterparts, each of which will be deemed an original and all of which together will constitute one agreement.

EXECUTED as of the dates written below.

LANDLORD:

Texas City Economic Development Corporation

By: _____
Name: Mark Ciavaglia
Title: Chairman
Effective Date: 8/1/17

TENANT:

Hey Mikey's Ice Cream LLC, a Texas limited liability company

By: _____
Name: Michael Bouvier

Title: Owner
Effective Date: 8-14-17

_____
Michael Bouvier, individually

_____
Kathy Bouvier, individually

_____
Robert Bouvier, individually

Outlook

RE: 613 6th St. N.

From Joe Tumbleson <jtumbleson@texascitytx.gov>
Date Mon 10/26/2026 2:37 PM
To George Fuller <gfuller@texascitytx.gov>; Kristin Edwards <kedwards@texascitytx.gov>
Cc Jennifer Hendershot <jhendershot@texascitytx.gov>

Thanks, George!

From: George Fuller <gfuller@texascitytx.gov>
Sent: Monday, October 26, 2026 2:23 PM
To: Kristin Edwards <kedwards@texascitytx.gov>
Cc: Joe Tumbleson <jtumbleson@texascitytx.gov>; Jennifer Hendershot <jhendershot@texascitytx.gov>
Subject: Fw: 613 6th St. N.

FYI

George

George Fuller
Director of Municipal Services
City of Texas City
1801 9th Avenue North
P.O. Drawer 2608
Texas City, TX 77590-2608
P: 409.643-5905
Gfuller@texascitytx.gov | www.texascitytx.gov

From: David Kinchen <dkinchen@texascitytx.gov>
Sent: Monday, October 26, 2026 2:22 PM
To: George Fuller <gfuller@texascitytx.gov>
Cc: Casey Bennett <cbennett@texascitytx.gov>
Subject: 613 6th St. N.

Inspection Report
Address: 613 6th St. N., Texas City, TX
Inspector: David Kinchen, Deputy Building Official
Date of Inspection: 10-26-2026

Summary:
The facility located at 613 6th St. N. was inspected and found to be in very good overall condition. The building appears to have been well maintained, and this is evident throughout the interior and exterior spaces.

HVAC System:
The HVAC system is operational and functioning as intended. No significant defects were observed. Minor items may not meet current specifications, but they do not affect performance.

Electrical System:
The electrical system is in working order. No serious deficiencies or hazards were identified. A few components may not fully meet current code specifications, but they remain functional and safe based on the inspection.

Plumbing System:
The plumbing system is functioning properly with no leaks, blockages, or defects observed. All visible components appear to be in serviceable condition.

Interior and Structural Condition:
The interior of the building is clean, orderly, and well maintained. No serious structural or cosmetic defects were found during the inspection. General condition is above average for a building of its age and type.

Conclusion:
In my professional opinion, this building is ready for occupancy by most business types. Depending on the intended use, particularly for businesses involving food service, the addition of certain cooking appliances or equipment may be necessary. No issues were found that would prevent a business from moving in immediately.

Thank You,

David M. Kinchen
Deputy Building Official
TSBPE #4345
Building Inspections
City of Texas City
7800 Emmett F. Lowry Expy
Texas City, TX 7759
Cell: (409) 502-5129
www.texascitytx.gov

TCEDC Agenda **6. e.**

Meeting Date: 11/04/2026

Consider Business Improvement Grant (BIG Grant) in an amount not to exceed $15,000.

Submitted For: Kristin Edwards, Economic Development

Submitted By: Kristin Edwards, Economic Development

Department: Economic Development

ACTION REQUEST (Brief Summary)

Consider Business Improvement Grant (BIG Grant) in an amount not to exceed $15,000.

BACKGROUND

In October 2023, the Texas City Economic Development Corporation established the Business Improvement Grant (BIG Grant) to assist local businesses with a range of improvements.

Staff has received a completed application from SABA Automotive Services for property located at 3102 1st Avenue S., Texas City, TX 77590.

The applicant is requesting assistance privacy fencing and installation ($14,000), landscaping/site beautification ($5,000), concrete/driveway improvements ($4,500) and exterior lighting ($1,000), per the attached estimates.

The total cost of the proposed exterior renovations is $24,500.00. A 50% match for this project would be $12,250.00

Funds are available in the City of Texas City's FY2026-27 annual budget from the Texas City Economic Development Corporation, Fund 801.

ANALYSIS

Approve Business Improvement Grant (BIG Grant) for exterior improvements to SABA Automotive Services in an amount of $12,250.00.

ALTERNATIVES CONSIDERED

Attachments

BIG Grant - SABA

Resolution

Texas City Economic Development Corporation

Business Incentive Grant Program

The TCEDC Business Incentive Grant Program aims to provide existing businesses within the City of Texas City with up to $15,000 in grant assistance for exterior improvements. Eligible businesses must provide proof of operation of at least one (1) year, as well as demonstrate the need for assistance and meet eligibility requirements listed below.

Business Name and Submittal Date:

SABA Automotive Services - Wash & Tint | September 15, 2026

Business Address: 3102 First Ave S, Texas City, TX 77590

Business Contact: Subhi Awashreh

Number of full-time or part-time employees: 4 full-time employees

Annual operating budget: $225,000 projected

Eligibility requirements:

Is your property located within the City limits of Texas City? [X] Yes [ ] No

Is your property in a non-residential zone? [X] Yes [ ] No

Have all owed property taxes been paid for this property? [X] Yes [ ] No

Is the property subject to any liens held by the City? [ ] Yes [X] No

Can you provide sufficient proof of ownership of the property? [X] Yes [ ] No

Is the property in violation of any provisions of the Texas City Code of Ordinances?

[ ] Yes [X] No

Have you received a grant for this property within the last 12 months? [ ] Yes [X] No

If awarded, can you provide a current W-9 for the business? [X] Yes [ ] No

Application continues on Page 2.

Program parameters: Applicants shall identify exterior improvements needed at their facility, and provide vendor estimates for the work/materials. Please note: as the City of Texas City is a tax-exempt entity, reimbursements will not include any tax already paid to vendors.

The following is not an exhaustive list, but examples improvement options for the BIG Grant:

Landscaping	Code Compliance (City/IBC/Energy)
Tree Removal	Fire Suppression Systems
Fencing	Exterior/Façade Materials
Parking/Driveway reconstruction/resurfacing	Exterior Lighting
Demolition	Pavers/sidewalk improvements

Please provide a brief description of your business, services provided, etc.:

SABA Automotive Services - Wash & Tint is a locally owned automotive appearance and protection business serving Texas City. Services include professional detailing, hand washing, window tinting, paint correction, ceramic coating, and related vehicle appearance services.

Please describe the project/effort or expansion to be supported by this grant:

Grant funding will support exterior rehabilitation at 3102 First Ave S, including new privacy fencing, landscaping and site beautification, concrete/driveway improvements, and exterior lighting to improve the property's appearance, safety, functionality, and long-term use.

Please provide a summary of the costs/expenses associated with this event:

Privacy fencing and installation: $14,000; landscaping/site beautification: $5,000; concrete/driveway improvements: $4,500; exterior lighting: $1,000.

Total estimated project cost: $24,500. Grant amount requested: $15,000.

Amount approved per TCEDC: _____

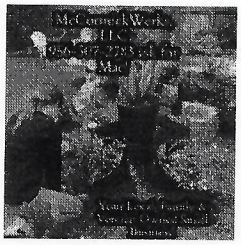
*The TCEDC reserves the right to limit grant assistance depending on need and available funds. The TCEDC may choose to issue full grants or matching grants. Application for grant assistance does not guarantee that funds will be issued.

**Recipient businesses cannot be publicly affiliated with any political party.

ESTIMATE

McCormickWerks, LLC
1925 Lori Ct
Seabrook, TX 77586-2815

whackymac@gmail.com
+1 (956) 307-2783
www.mccormickwerks.com



Bill to
Mr James Saba
Saba
3102 First Ave North
Texas City, TX 77590
United States

Estimate details
Estimate no.: 1074
Estimate date: 08/27/2026
Expiration date: 09/25/2026

#	Product or service	Description	Qty	Rate	Amount
1.	**Bloom & Root Landscape Designs by McCormickWerks, L&D**	Project Description Bloom & Root Landscape Designs proposes to provide a complete commercial landscape installation inspired by the Warm Modern architectural concept selected for the property. The completed landscape will combine structured evergreen plantings, ornamental grasses, a feature tree, architectural entry planters, premium planting soils, clean commercial edging, drip irrigation and professionally positioned low-voltage lighting to complement the building's contemporary exterior. Scope of Work Site Preparation & Excavation Existing soil within designated landscape areas will be excavated to approximately 6 inches below proposed finished landscape grade. Excavated material will be mechanically removed, loaded, hauled from the property and disposed of at an appropriate facility. Landscape beds will be re-established using premium 50/50 planting/flowerbed soil mix, graded for drainage and finished to appropriate planting elevations. Landscape Installation Provide and professionally install approximately: • One commercial-size feature ornamental evergreen tree • Six large evergreen foundation shrubs • Ten architectural foliage plants • Twelve ornamental grasses • Eighteen low border plants • Eight flowering accent plants • Two premium evergreen	1	$16,995.00	$16,995.00

		equipment, and installation requirements necessary to complete the project. Applicable Sales Tax Applicable state and local sales tax for commercial/nonresidential work will be assessed according to the project location. Using an estimated combined tax rate of 8.25%: Project Price: $15,995.00 Estimated Sales Tax: $1,319.59			
2.	**Sales Tax Item**	Tax: 1319.59	1	$1,319.59	$1,319.59
3.	**Notes**	Optional Upgrades The following items are not included unless specifically selected and added to the project scope: Adjust-A-Gate 3-Rail Contractor Anti-Sag Gate System Single Swing Gate: $300.00 each Double Swing Gate: $600.00 Coated Exterior Deck Screw Upgrade Add $4.69 per Linear Foot 2x6 Pressure-Treated Rot Board Quoted at current market price. Steel Post Reinforcement Add $57.99 each Fence Capping / Top Cap Add $8.89 per Linear Foot Solar Post Cap Lights Add $35.99 each Solar Fence Up-Lighting Add $16.49 each Hard-Wired Fence Lighting Available upon request. Fence Staining / Sealing Available upon request. Char & Scar / Antiqued Finish One-Sided: $42.49 per LF Double-Sided: $69.98 per LF Fence-Line Grading & Leveling Starting at $599.99 per 200 LF, subject to site conditions.	1	$0.00	$0.00
			Total		**$17,314.59**

Note to customer

Deposit: $8657.30
Payment 1: $6492.97
Balance: $2164.32

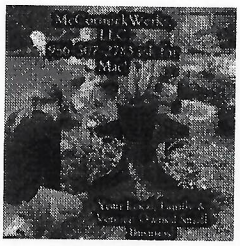
Accepted date

Accepted by

ESTIMATE

McCormickWerks, LLC
1925 Lori Ct
Seabrook, TX 77586-2815

whackymac@gmail.com
+1 (956) 307-2783
www.mccormickwerks.com



Bill to
Mr James Saba
Saba
3102 First Ave North
Texas City, TX 77590
United States

Estimate details
Estimate no.: 1073
Estimate date: 08/27/2026

#	Product or service	Description	Qty	Rate	Amount
1.	**Fencing Scope of Work com**	Scope of Work McCormickWerks, LLC proposes to provide the labor, materials, equipment, demolition, installation, delivery, disposal, and standard jobsite cleanup necessary to replace approximately 325 linear feet of existing privacy fencing. The new fence system will consist of: • Demolition and removal of the existing fence. • Loading, haul-off, and disposal of standard existing fence debris. • Fence-line preparation and layout. • Pressure-treated pine 4x4 ground-contact posts. • Posts properly set and secured in concrete. • Pressure-treated pine three-rail framing system. • Simpson Strong-Tie H3 connectors or comparable exterior-rated structural ties at applicable framing connections. • Premium 1x6x6 cedar privacy pickets. • Exterior-rated hot-dipped galvanized fasteners. • Proper alignment, plumbing, leveling, fastening, and installation of the completed fence system. • Standard material procurement and delivery. • Fuel and project mobilization. • Standard equipment and rental requirements necessary to complete the stated scope. • Final jobsite cleanup and removal of ordinary construction debris. Commercial Project Price $15,995.00 Approximately $49.22 per Linear Foot This pricing represents the complete commercial fence replacement scope described above and includes the ordinary materials, labor, demolition, disposal, deliveries, mobilization,	325	$49.21539	$15,995.00

		entry topiaries Plant material will be arranged in coordinated groups to maintain the clean, modern and upscale architectural character of the property. Architectural Entry Planters Provide and install two oversized matte-black contemporary planters at the building entrance, complete with premium container soil, evergreen specimen plants, fertilizer, drainage preparation and dedicated irrigation. Bed Finishing Provide approximately: • 7 cubic yards premium planting mix • 3.5 cubic yards premium hardwood mulch • Commercial black steel landscape edging • Soil amendments • Fertilizer and root establishment products • Finished grading and site cleanup Drip Irrigation Provide a dedicated drip-irrigation system serving installed landscape material and entrance planters, including necessary tubing, distribution components, emitters, filtration/regulation and final system testing. Landscape Lighting Provide and install a warm-white low-voltage landscape lighting system consisting of approximately six strategically positioned fixtures, transformer, wiring and associated connections. Fixtures will be positioned to accentuate the feature tree, architectural planting and building entrance after dark. Mobilization & Project Completion Pricing includes standard project mobilization, labor, equipment, material handling, deliveries, fuel, rentals, excavation, haul-off, disposal, installation, final grading, cleanup and applicable tax allowances.			
2.	**Mobil N Admin**	Tax: $1402.09	1	$1,402.09	$1,402.09
3.	**Notes**	This quote does not include labor or materials for concealed conditions or work outside the described scope. For QuickBooks, I would add this concise note: UNFORESEEN CONDITIONS & ADDITIONAL WORK: Pricing is based upon visible site conditions and the stated scope of work. McCormickWerks, LLC / Bloom & Root Landscape Designs is not responsible for concealed or unforeseen conditions, including but not limited to underground utilities, buried concrete/debris, excessive roots, unsuitable soils, drainage conflicts, irrigation/electrical deficiencies, rock or other subsurface obstructions. Boring, saw-cutting, utility relocation, additional trenching, electrical work, plumbing/backflow modifications, permits, repairs to unidentified systems, or work beyond the stated scope is excluded and will be performed only upon additional authorization and may result in additional charges.		$0.00	$0.00
4.					

Notes	CHANGE ORDERS: Any client-requested additions, substitutions, design modifications, quantity changes, or work required beyond the original scope shall constitute additional work and will be separately priced and authorized prior to completion whenever reasonably practicable. UNDERGROUND UTILITIES: Client/property owner is responsible for identifying and disclosing all privately installed or undocumented underground utilities, irrigation, drainage, electrical, plumbing, communication lines and other improvements not located by public utility marking services.	$0.00	$0.00

Total **$18,397.09**

Expiry date 09/25/2026

Note to customer

30% Project Deposit: $4,798.50
40% Following Excavation, Soil & Infrastructure: $6,398.00
20% Following Landscape Installation: $3,199.00
10% Final Completion Balance: $1,599.50

Accepted date

Accepted by

TEXAS CITY ECONOMIC DEVELOPMENT CORPORATION

RESOLUTION NO. 2026-30

A RESOLUTION AUTHORIZING A BUSINESS IMPROVEMENT GRANT (BIG GRANT) TO SABA AUTOMOTIVE SERVICES; 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 November 4, 2026, a general discussion was held concerning the application of a Business Improvement Grant (BIG Grant) to SABA Automotive Services for an amount not to exceed $15,000; and

WHEREAS, staff received a completed application for the BIG Grant from SABA Automotive Services, located at 3102 1st Avenue South, Texas City, TX 77590. The applicant is requesting assistance for privacy fencing and installation, landscaping/site beautification, concrete/driveway improvements, and exterior lighting; and

WHEREAS, staff is proposing an allocation of funds not to exceed $15,000. Funds from the Texas City Economic Development Corporation, Fund 801, are available in the City of Texas City's FY2026-27 annual budget.

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

SECTION 1: The Texas City Economic Development Corporation hereby approves a Business Improvement Grant (BIG Grant) to SABA Automotive Services, located at 3102 1st Avenue South, Texas City, TX 77590, for a maximum allocation not to exceed $15,000.

SECTION 2: The Chairman of Texas City Economic Development Corporation or designee is hereby authorized to execute the documents necessary for said grant on behalf of the Texas City Economic Development Corporation.

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

PASSED AND ADOPTED this 4th day of November 2026.

_____
CHAIRMAN/VICE-CHAIRMAN
Texas City Economic Development Corporation

ATTEST:

_____

BOARD SECRETARY/ALTERNATE
Texas City Economic Development Corporation