

LOUIS R. RIGBY
Mayor
JOHN ZEMANEK
Councilmember At Large A
DOTTIE KAMINSKI
Councilmember At Large B
DANNY EARP
Councilmember District 1
CHUCK ENGELKEN
Councilmember District 2



DARYL LEONARD
Councilmember District 3
KRISTIN MARTIN
Councilmember District 4
JAY MARTIN
Mayor Pro-Tem
Councilmember District 5
MIKE CLAUSEN
Councilmember District 6

CITY COUNCIL MEETING AGENDA

Notice is hereby given of a Regular Meeting of the La Porte City Council to be held January 25, 2016, beginning at 6:00 PM in the City Hall Council Chambers, 604 W. Fairmont Parkway, La Porte, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

1. **CALL TO ORDER**
2. **INVOCATION** – The invocation will be given by Clark Askins.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance will be led by Councilmember Chuck Engelken.
4. **PRESENTATIONS, PROCLAMATIONS, and RECOGNITIONS**
 - (a) Recognition - Retirement of Burnett "Burnie" Willis (City of La Porte Finance Department) - Mayor Rigby
5. **PUBLIC COMMENTS** (Limited to five minutes per person.)
6. **CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
 - (a) Consider approval or other action regarding the minutes of the City Council meeting held on January 11, 2016 - P. Fogarty
 - (b) Consider approval or other action regarding a professional services agreement with HDR Engineering, Inc., for on-going GIS technical services - B. Sterling
 - (c) Consider approval or other action authorizing expenditure by the La Porte Development Corporation for an enhancement grant in an amount not to exceed \$42,057.86, payable to Brotamonte Asset 1, LLC., for infrastructure improvements to apartment building complex located at 315 N. 2nd Street - S. Livingston
 - (d) Consider approval or other action authorizing expenditure by the La Porte Development Corporation for an incentive grant in an amount not to exceed \$152,889.82, payable to Fischer's Hardware, Inc., for infrastructure improvements to property located at 1010 S. Broadway Street - S. Livingston
 - (e) Consider approval or other action regarding a Resolution requesting financial assistance from the Texas Water Development Board - D. Pennell
 - (f) Consider approval or other action regarding a Resolution designating the City of La Porte as the management agency for wastewater collection and treatment - D. Pennell
 - (g) Consider approval or other action regarding purchase of Neptune meters from HD Supply-Houston - M. Dolby

- (h) Consider approval or other action regarding a Resolution adopting an Anti-NIMBYism (Not in my Backyard) Action Plan for the City of La Porte - T. Tietjens
- (i) Consider approval or other action regarding an Ordinance amending Chapter 50 "Parks and Recreation" of the Code of Ordinances of the City of La Porte by adding rules for renters and open riding users utilizing the Livestock and Rodeo Arena - R. Epting

7. AUTHORIZATIONS

- (a) Consider approval or other action regarding a Resolution adopting proposed amendments made by the La Porte Development Corporation Board of Directors to the by-laws of the La Porte Development Corporation - S. Livingston
- (b) Consider approval or other action regarding an Ordinance authorizing and ordering the issuance, sale and delivery of City of La Porte, Texas, general obligation refunding bonds, series 2016 - M. Dolby
- (c) Consider approval or other action regarding RFP No. 16503 for Lifeguard services at City pools/recreation facilities - R. Epting

8. DISCUSSION AND POSSIBLE ACTION

- (a) Discussion and possible action regarding designs for the Main Street and Fairmont elevated water tanks - T. Leach
- (b) Discussion and possible action regarding adoption of policy regulating carrying of handguns by handgun license holders at government meetings in city - C. Alexander

9. ADMINISTRATIVE REPORTS

- La Porte Development Corporation Board Meeting, Monday, February 8, 2016
- City Council Meeting, Monday, February 8, 2016
- Planning and Zoning Commission Meeting, Thursday, February 18, 2016
- City Council Meeting, Monday, February 22, 2016
- Zoning Board of Adjustment Meeting, Thursday, February 25, 2016

10. COUNCIL COMMENTS regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers Engelken, Earp, Clausen, J. Martin, K. Martin, Kaminski, Zemanek, Leonard and Mayor Rigby

11. EXECUTIVE SESSION

The City Council reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, in accordance with the authority contained in:

Texas Government Code, Section 551.072 – For the purpose of deliberating the purchase, exchange, lease or value of real property: Meet with City Manager and City Attorney to discuss a Joint Ordinance and Boundary Adjustment Agreement and Joint Ordinance and Revenue Sharing Agreement with the City of Morgan's Point regarding a 4.42 acre tract of land currently within the City of La Porte's corporate boundary and proposed to be annexed with the City of Morgan's Point corporate boundary.

Texas Government Code, Section 551.071(2) – Consultations with Attorney: Meet with City Attorney to discuss Joint Ordinance and Boundary Adjustment Agreement and Joint Ordinance and Revenue Sharing Agreement with the City of Morgan's Point.

12. **RECONVENE** into regular session and consider action, if any, on item(s) discussed in executive session.
13. **ADJOURN**

The City Council reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code (the Texas open meetings laws).

In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodations for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meeting. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.

CERTIFICATION

I certify that a copy of the January 25, 2016, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on January 19, 2016.

Patrice Fogarty



**Council Agenda Item
January 25, 2016**

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5. **PUBLIC COMMENTS** (Limited to five minutes per person.)

Recognition of Burnett Willis' Retirement – 30 Years

Burnett Willis began her career as a Meter Reader with the City of La Porte on January 27, 1986 and will retire with 30 years of service on January 27, 2016.

Burnie transferred into the office and has been a Customer Service Clerk in the Utility Billing division since June 25, 1992. Until she moved to the window in the front lobby, Burnie was a well-known face by customers who utilized the drive through to make their payments.

Burnie has been a dedicated, dependable and valued member of the Finance team. While we wish her the best as she begins a new chapter in her life, the City of La Porte is going to miss her greatly.

Please join me in thanking Ms. Burnett Willis for her 30 years of dedicated service to our community.



Council Agenda Item January 25, 2016

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MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LA PORTE JANUARY 11, 2016

The City Council of the City of La Porte met in a regular meeting on **Monday January 11, 2016**, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at **6:00 p.m.** to consider the following items of business:

Mayor Rigby called the meeting to order at 6:00 p.m. Members of Council present: Councilmembers Engelken, Earp, Zemanek, Kaminski, K. Martin, J. Martin, and Clausen. Absent: Councilmember Leonard. Also present were City Secretary Patrice Fogarty, City Manager Corby Alexander, and Assistant City Attorney Clark Askins.

2. **INVOCATION** – The invocation was given by Don Hill, La Porte InterChurch Council.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was led by Mayor Rigby.
4. **PUBLIC COMMENTS** (Limited to five minutes per person.)

Bill Scott, 1722 Lomax School Rd., addressed Council with concerns regarding notices to abate he received from Code Enforcement.

5. **CONSENT AGENDA** *(All consent agenda items are considered routine by City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember requests an item be removed and considered separately.)*
 - (a) Consider approval or other action regarding the minutes of the Regular City Council Meeting held on December 14, 2015 and Special Called Meeting held on December 21, 2015 – P. Fogarty
 - (b) Consider approval or other action regarding an Ordinance ordering the May 7, 2016, General Election of the City of La Porte – P. Fogarty
 - (c) Consider approval or other action regarding an Interlocal Agreement between the City of La Porte; La Porte Independent School District and La Porte Fire Control, Prevention and Emergency Medical Services District for Joint Elections – P. Fogarty
 - (d) Consider approval or other action ratifying the appointment of Lawrence Stockham to the Planning and Zoning Commission – P. Fogarty

- (e) Consider approval or other action regarding Vehicle Replacements for Fiscal Year 2015-2016 – D. Pennell
- (f) Consider approval or other action regarding a Resolution of the City of La Porte, Texas seeking designation as a Management Agency for Wastewater Collection and Treatment – D. Pennell
- (g) Consider approval or other action regarding a Resolution adopting a revised Official Zoning Map for the City of La Porte – E. Ensey
- (h) Consider approval or other action awarding Bid No. 16007 for Demolition of Property located at 330 Bayside Dr. – R. Davidson
- (i) Consider approval or other action authorizing the City Manager to execute a Water Service Agreement and a Sanitary Sewer Service Agreement with Air Liquide Large Industries U.S., LP located at 11426 Fairmont Parkway in the Bayport industrial District – T. Tietjens
- (j) Consider approval or other action authorizing the Planning and Development Director to execute a Pipeline Permit to Down Hydrocarbons and Resources, LLC for the final phase of construction of a 12” Ethan pipeline within in the City of La Porte – T. Tietjens
- (k) Consider approval or other action regarding an Ordinance vacating, abandoning, and closing a portion of the West Madison Street Right-of-Way - T. Tietjens

City Manager Corby Alexander requested Item F be removed from consideration.

Regarding Item J, Councilmember Zemanek asked the timeline for construction of the project. Planning and Development Director Tim Tietjens responded the permit issued is for 6 months.

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2015-3616: AN ORDINANCE ORDERING THE REGULAR ANNUAL ELECTION OF THE CITY OF LA PORTE; PROVIDING FOR A RUN-OFF ELECTION, IF NECESSARY; DESIGNATING ELECTION PRECINCTS AND POLLING PLACES; PROVIDING FOR A JOINT ELECTION WITH THE LA PORTE INDEPENDENT SCHOOL DISTRICT AND THE LA PORTE FIRE CONTROL, PREVENTION AND EMERGENCY MEDICAL DISTRICT; PROVIDING FOR THE USE OF VOTING MACHINES; APPOINTING ELECTION OFFICIALS; PROVIDING FOR METHOD AND DATES OF EARLY VOTING; PROVIDING FOR AN EARLY VOTING BALLOT BOARD; PROVIDING FOR RETURN AND CANVASS OF VOTES OF SAID ELECTION; PROVIDING FOR NOTICE; PROVIDING A SAVINGS CLAUSE; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.**

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2015-3617: AN ORDINANCE VACATING, ABANDONING AND CLOSING A PORTION OF THE WEST MADISON STREET RIGHT-OF-WAY; RETAINING EASEMENTS FOR EXISTING UTILITIES; AUTHORIZING THE EXECUTION AND DELIVERY OF A DEED TO THE ADJOINING LANDOWNER, FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.** Unanimously

Councilmember Engelken moved to approve the Consent Agenda items pursuant to staff recommendations. Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 8/0. Councilmember Leonard was absent.**

6. PUBLIC HEARINGS AND ASSOCIATED ORDINANCES

- (a) Public hearings to receive comments regarding the recommendation by the Planning and Zoning Commission to approve an amendment to the Future Land Use Map component of the

La Porte Comprehensive Plan for a 20-acre tract of land located on State Highway 146, a quarter of a mile north of Wharton Weems Blvd., to change use designation from “Low Density Residential;” to 1) “Commercial,” 2) “Mixed Use,” and 3) “Mid to High-Density Residential;” consider approval or other action regarding an Ordinance amending the Future Land Use Map component of the La Porte Comprehensive Plan for a 20-acre tract of land located on State Highway 146, a quarter of a mile north of Wharton Weems Blvd., to change use designation from “Low Density Residential;” to 1) “Commercial,” 2) “Mixed Use,” and 3) “Mid to High-Density Residential;” – E. Ensey

The public hearing opened at 6:15 p.m.

City Planner Eric Ensey presented a summary and recommendation.

David Janda, 3601 E. Desert Run, addressed Council and spoke in favor of the proposed La Porte Town Center.

Billy Hardcastle, 1504 Cedar Cove, addressed Council and spoke in favor of the proposed La Porte Town Center.

Paula Wohnoutke, 9919 Rocky Hollow Rd., addressed Council and spoke in favor of the proposed La Porte Town Center.

Maggie Anderson, 909 Garden Walk, addressed Council and spoke in favor of the proposed La Porte Town Center.

Joan Geigel, 906 Garden Walk, addressed Council and spoke in opposition of the proposed La Porte Town Center.

Douglas Anderson, 821 S. Virginia St., addressed Council and spoke in favor of the proposed La Porte Town Center.

Janie Quarles, 911 Garden Walk, addressed Council and spoke in favor of the proposed La Porte Town Center.

Aubry Sartori, 215 S. Broadway, addressed Council and spoke in favor of the proposed La Porte Town Center.

George Sanders, 1311 Nantucket Dr., Houston addressed Council in favor of the proposed La Porte Town Center project.

David Klingman, 3810 Pecan Circle, addressed Council and spoke in favor of the proposed La Porte Town Center.

Rene Garrett, 1001 Garden Walk, addressed Council and spoke in favor of the proposed La Porte Town Center.

Norma Elliott, 11621 North D Street, addressed Council and spoke in favor of the proposed La Porte Town Center.

Maggie Allen, 2306 Eagle Ln., addressed Council and spoke in favor of the proposed La Porte Town Center.

Kathy Gilley, 4919 Rainwater Dr., Pasadena addressed Council and spoke in favor of the proposed La Porte Town Center.

Chuck Rosa, 812 S. Virginia St., addressed Council and spoke in favor of the proposed La Porte Town Center if there are not any grants to be awarded.

Vincent Worley, addressed Council and spoke in favor of the proposed La Porte Town Center and advised of Doug Sanders' irreplaceable collections.

The public hearing closed at 7:12 p.m.

Councilmember Engelken moved to approve an Ordinance amending the Future Land Use Map component of the La Porte Comprehensive Plan for a 20-acre tract of land located on State Highway 146, a quarter of a mile north of Wharton Weems Blvd., to change use designation from "Low Density Residential;" to 1) "Commercial," 2) "Mixed Use," and 3) "Mid to High-Density Residential." Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 8/0. Councilmember Leonard was absent.**

Prior to council action, Assistant City Attorney Clark Askins read the caption of **Ordinance 2016-3618: AN ORDINANCE ADOPTING AN UPDATE TO THE FUTURE LAND USE MAP COMPONENT OF THE COMPREHENSIVE PLAN OF THE CITY OF LA PORTE, TEXAS UPON RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF LA PORTE, TEXAS; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE.**

- (b) Public hearing to receive comments regarding the recommendation by the Planning and Zoning Commission to approve Special Conditional Use Permit # 15-91000007, to allow construction of an entertainment, commercial and residential mixed use development on a 20-acre tract located on the east side of State Highway 146, a quarter of a mile north of Wharton Weems Blvd., in a PUD zone; consider approval or other action regarding an Ordinance approving Special Conditional Use Permit Request # 15-91000007, to allow construction of an entertainment, commercial and residential mixed use development on a 20-acre tract located on the east side of State Highway 146, a quarter of a mile north of Wharton Weems Blvd., in a PUD zone – E. Ensey

The public hearing opened at 7:13 p.m.

There being no additional public comments, the public hearing closed at 7:13 p.m.

Councilmember Earp moved to approve an Ordinance and Special Conditional Use Permit Request #15-91000007, to allow construction of an entertainment, commercial and residential mixed use development on a 20-acre tract located on the east side of State Highway 146, a quarter of a mile north of Wharton Weems Blvd., in a PUD zone. Councilmember Engelken seconded.

Councilmember Martin made an amendment to the main motion to limit the number of extensions of the Special Conditional Use Permit after issuance to only one extension and for additional extension of time granted after application to come back before City Council instead of the Planning and Zoning Commission.

Assistant City Attorney advised the extension will have to go before the Planning and Zoning Commission.

Councilmember Martin amended his amendment to allow the applicant one extension for one year and an additional extension of time granted after application to come back before the Planning and Zoning Commission.

City Engineer Eric Ensey spoke and advised there is not a limit to the length of time of the extension, and it will have to be approved by the Planning and Zoning Commission.

When Mayor Rigby asked if there is a second to the amendatory motion, there was no second forthcoming. Councilmember Martin's amendatory motion died for a lack of a second.

MAIN MOTION PASSED UNANIMOUSLY 8/0. Councilmember Leonard was absent.

Assistant City Attorney Clark Askins read the caption of **Ordinance 2016-3619: AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF LA PORTE, CHAPTER 106, MORE COMMONLY REFERRED TO AS THE ZONING ORDINANCE OF THE CITY OF LA PORTE, BY GRANTING SPECIAL CONDITIONAL USE PERMIT NO. 15-9100007 FOR THAT CERTAIN PARCEL OF LAND HEREIN DESCRIBED FOR THE PURPOSE OF CONSTRUCTING AN ENTERTAINMENT, COMMERCIAL AND MIXED USE DEVELOPMENT CENTER ON STATE HIGHWAY 146 NORTH OF WHARTON WEENS BOULEVARD, IN A PLANNED UNIT DEVELOPMENT (PUD) DISTRICT; MAKING CERTAIN FINDINGS OF FACT RELATED TO THE SUBJECT; CONTAINING A SEVERABILITY CLAUSE; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.**

7. REPORTS

(a) Receive report of the La Porte Development Corporation Board – Councilmember Engelken.

Councilmember Engelken provided a report of the La Porte Development Corporation Board meeting held prior to the City Council Meeting.

(b) Receive report on the Carriage House Project – Councilmembers Zemanek, K. Martin and Kaminski

Councilmember Zemanek reported the item has still not be brought to City Council even after funds have been allocated. However, he has spoken to City Staff and the Heritage Society and some wishes may have changed on both sides. A meeting has been scheduled, and this item will come to City Council in the future.

8. ADMINISTRATIVE REPORTS

City Manager Corby Alexander reminded Council of the Martin Luther King Day Celebration on January 17, 2016, at 3:00 p.m. at the Jennie Riley Center hosted by the La Porte Civic Club. Mr. Alexander also reported the focus of the celebration will be on the legacy of the late Councilmember Tommy Moser.

9. COUNCIL COMMENTS regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information.

Councilmember Engelken congratulated the La Porte Town Center; thanked everyone that spoke on behalf of the project that shows unified support within the community and wished everyone a Happy New Year; Councilmembers Earp and Clausen thanked the citizens for their input on the

La Porte Town Center Project; thanked everyone who came out and showed support for the project; Councilmember J. Martin thanked Mr. Sanders for coming out and attending the meeting and commented he wishes Mr. Sanders' museum will be the centerpiece of the development; he also thanked the citizens for coming out and commented it is up to City Council and City Staff to assure the project is a quality development; Councilmember K. Martin thanked the citizens for their input on the La Porte Town Center Project and commented she cannot wait to take her boys to the center; Councilmember Kaminski thanked the developers and Mr. Sanders and the citizens for their input; Councilmember Zemanek welcomed the La Porte Town Center; thanked everyone for coming out and commented it is a pleasure to serve the community; and Mayor Rigby commented he is looking forward to the La Porte Town Center and thanked everyone for their input.

10. **ADJOURN** - There being no further business, Councilmember Engelken made a motion to adjourn the meeting at 7:25 p.m. Councilmember Zemanek seconded. **MOTION PASSED UNANIMOUSLY 8/0. Councilmember Leonard was absent.**

Patrice Fogarty, City Secretary

Passed and approved on January 25, 2015.

Mayor Louis R. Rigby

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested:	<u>January 25, 2016</u>	Appropriation	
Requested By:	<u>Tim Tietjens</u>	Source of Funds:	<u>General Funds</u>
Department:	<u>Planning & Development</u>	Account Number:	<u>001.9091.519.5007</u>
Report: <input checked="" type="radio"/>	Resolution: <input type="radio"/>	Ordinance: <input type="radio"/>	Amount Budgeted: <u>\$65,000.00</u>
Other: <input type="radio"/>			Amount Requested: <u>\$65,000.00</u>
Attachments :		Budgeted Item:	<input checked="" type="radio"/> YES <input type="radio"/> NO

1. Proposal for GIS Technical Services

SUMMARY & RECOMMENDATIONS

The City has utilized the services of HDR Engineering, Inc. for technical support in many of its GIS-related projects.

Planning & Development Staff has identified six (6) priorities for which the technical assistance of HDR will be required in the current budget year:

1. Address Management Project
2. Subdivisions and Easements Feature Class Completion
3. ArcGIS for Server Software License Installation
4. Fire Department Grid Book Development
5. Silverlight to Javascript Template Development
6. Technical Support & Training

A detailed description of each of these current priorities is further described in the attached proposal.

Action Required of Council:

Consider approval or other action of a professional services agreement with HDR Engineering, Inc. for on-going GIS technical services.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date



December 22, 2015

Mr. Brian Sterling, GIS Manager
City of La Porte
604 W. Fairmont Parkway
La Porte, Texas 77571

Re: On-Going GIS Technical Services Proposal
Fiscal Year FY1516
City of La Porte

Dear Mr. Sterling:

HDR Engineering Inc. is pleased to offer the City of La Porte (the "Owner") this proposed agreement for GIS Technical Services. Such services would be provided by HDR Engineering, Inc. (the "Engineer") on an on-call basis, as ordered by the Owner. It is anticipated that the Engineer will perform GIS Technical Services for the Owner within the framework of the following six (6) categories:

1. Address Management - These services will consist of the following tasks:
 - a. Complete the comparative analysis of existing site addresses contained in the following three data sources:
 - 1) Harris County Appraisal District parcels data
 - 2) Exported data from City of La Porte Utility Billing database
 - 3) City of La Porte OSSI Computer Aided Dispatching address database (feature points)
 - b. Complete research of non-matching address numbers from the comparative analysis (item 1.a above) to verify actual existence, location, and necessary changes to allow for matches between the three sources.
 - c. Support for use and/or changes to mobile application (Esri Collector) to be used in gathering individual suite numbers, apartment numbers, etc. to supplement the development of existing and modified address points feature class created as a part of the comparative analysis and research listed above (item 1.a and 1.b above).
 - d. Use consolidated address feature class (created merging data from items 1.a, 1.b, and 1.c above), along with guidance from City Staff, to rectify addresses currently existing in NaviLine database. This step will begin with onsite training from Tax Office Department Head then continue via a remote connection to same to be established by City of La Porte IT Department.

hdrinc.com

4635 Southwest Freeway, Suite 1000, Houston, TX 77027-7139
(713) 622-9264
Texas Registered Engineering Firm F-754

2. Subdivision and Easements Feature Class Completion - These services will consist of the following tasks:
 - a. Create additional subdivision and block features contained in new subdivision plats furnished to HDR by the City of La Porte.
 - b. Create additional easement features using:
 - 1) Subdivision plats obtained as a part of item 2.a above.
 - 2) Easements granted by separate documents as provided to HDR by the City of La Porte staff containing adequately detailed metes and bounds descriptions to enable the use of COGO tools in ArcGIS software for creation
3. ArcGIS for Server License Installation – HDR GIS and IT Professionals will complete the deployment and testing of the existing City of La Porte ArcGIS for Server license on the virtual server created for that purpose by City IT staff.
4. Fire Department Grid Book Development – Development of a booklet containing gridded pages of fire hydrant locations complete with building footprints (supplied by City), street names, block ranges or individual address numbers, apartment complex, school, and public facilities names, as well as an indexed listing of street page locations for use by City’s Fire Department personnel.
5. Silverlight to Javascript Template Development – Development of a JavaScript online GIS application template to transition existing sites to newer version consumable on desktop computers, tablet (iPhone, Android, windows based) and smartphones.
6. Technical Support and Training - These services will consist of the following tasks:
 - a. Group and/or individual training and technical support on use of the City of La Porte ArcGIS Online subscription account.
 - b. Technical support and training for GIS staff in the use of the ArcGIS for Server software.
 - c. Create mosaic of 2016 aerial imagery as well as add same to hosted online GIS applications using files licensed by City through H-GAC.
 - d. Add new layer of building footprints using data purchased by City through HCAD (Harris County Appraisal District)
 - e. General GIS support (as needed) for technical, data, and troubleshooting issues

The services provided in response to the Owner's request would be identified under a basic job/activity number to be assigned to this agreement at the fee rate cited hereinafter. It is proposed that the fee to be paid for all services provided under this agreement will be computed as described in Attachment "A", which is a part of this letter agreement. We will bill you monthly for services and reimbursable expenses. Actual hourly rates are subject to change by Engineer in the normal conduct of Engineer's Business. Hourly rates, multiplier, salary cost markups and mileage rate are subject to adjustment upward or downward over time and the Engineer reserves the right to offer, at any future date, a revised multiplier rate, salary cost markup and mileage rate as a substitute for those previously in force, such action to be accomplished by an endorsement to this agreement and executed by both parties. However, each General GIS Services request, as described in the preceding paragraphs, shall be carried to completion using the multiplier schedule in effect at its initiation. The amount of this proposed agreement is for a NTE amount of \$65,000.

Services of specialized vendors such as reproduction companies, computer programmers, etc. will be accomplished by subcontract and billed to the Owner at cost plus ten percent (10%) as indicated in Attachment "A" or such services may be contracted for directly by the Owner if desired. If these services are contracted directly by the Owner, the Engineer assumes no responsibility for the adequacy of these services.

The "General Conditions of Agreement Between Owner and Engineer" are attached (Attachment B) and shall be a part of this letter agreement.

Our services will be available immediately upon the Owner's acceptance of this proposed letter agreement. Please indicate Owner acceptance of this letter agreement, by affixing your signature or that of your authorized representative in the space below and returning one copy to our office.

We appreciate the opportunity to serve the City of La Porte and look forward to continuing a successful relationship.

Sincerely,

HDR ENGINEERING, INC.

Proposed and Agreed to:

Accepted By:
City of La Porte, Texas
Signature:



DAVID WESTON
Vice President/Department Manager

Name: Tim Tietjens
Title: Director of Planning
Date: _____

ATTACHMENT "A"

FEE BASIS - MULTIPLIER SCHEDULE

The charge for services invoiced on an hourly basis will be the sum equal to 2.35 times salary costs of employees assigned to and working on the Project. The multiplier covers general overhead, professional development and profit.

"Salary Cost" is defined as the cost of actual salaries of engineers, technicians, draftsmen, clerks, etc. for time directly chargeable to the Project, plus thirty percent (30%) for social security contributions, unemployment and payroll taxes, workmen's compensation insurance, retirement benefits, medical and insurance benefits, sick leave, jury duty, vacation and holiday pay applicable thereto. The actual salary rates shall include premium for overtime, when premium rates are actually paid.

"Subcontract Expense" is that incurred by the Engineer in employment of outside firms for services such as computer programming, data acquisition, and similar services. "Direct Non-Labor Expense" is that incurred by the Engineer for supplies, transportation, equipment, travel, communications, copies, prints of maps, postage, subsistence and lodging away from home, and similar non-labor expense will be invoiced at direct invoice cost plus ten percent (10%) service charge. Reimbursable travel in the Engineer's vehicles will be invoiced at the published IRS rate per mile at the time of service.

The range of Labor Rates currently in effect by the Engineer is presented on the following table. This range may change depending upon raises and personnel changes. The fee basis multiplier presented in this Attachment will not change without authorization from the Owner.

Labor Rates

Project Manager General	\$200.00 - \$220.00
GIS Manager	\$130.00 - \$150.00
GIS Programmer/Application Developer	\$ 95.00 - \$125.00
GIS Analyst	\$ 75.00 - \$100.00
GIS Technician	\$ 50.00 - \$ 75.00
GIS Intern	\$ 30.00 - \$ 55.00

Computer Tech Charge* \$3.70 per billable hour

*HDR's policy is to recover costs incurred from the use of computers and related technology through allocations to External projects. We follow generally accepted accounting principles and comply with Federal Acquisition Regulations (FAR) and Federal Cost Accounting Standards (CAS).

The technology charge is a fixed dollar amount applied to every hour of labor charged to an External Project. This is used to accumulate costs that are incurred in performing services for clients under a contractual agreement.

The cost items are associated with External project production, including, but not limited to the following items: leased personal and laptop computer equipment, servers, software, local and wide-area networks, supplies and support staff.

The technology charge cost pool does not include the following items: plotting, copying and printing, telephone and cell phone charges, faxes, and administrative computer and technology costs.

"ATTACHMENT B"
GENERAL CONDITIONS OF AGREEMENT
BETWEEN OWNER AND ENGINEER

1. COORDINATION WITH THE OWNER:

The Engineer shall hold periodic conferences with the Owner, or his representatives, to the end that the Project, as it progresses, shall have benefit of the Owner's experience and knowledge of existing needs and facilities, and be consistent with current policies. To implement this coordination, the Owner shall make available to the Engineer, for use in planning the Project, all existing plans, maps, field notes, statistics, computations and other data in Owner's possession relative to existing facilities and to the Project. The Owner shall furnish all legal, accounting and insurance counseling services, and other special consultants. The Engineer shall be entitled to rely on the completeness and accuracy thereof. If the Owner observes, or otherwise becomes aware of any fault or defect in the Project, prompt written notice thereof shall be given by the Owner to the Engineer.

2. FEES

For and in consideration of the services to be rendered by the Engineer, the Owner shall pay, and the Engineer shall receive the fees set forth in the attached agreement. Unless otherwise specified, fees shall be paid to the Engineer in accordance with monthly billings based upon work performed and expenses incurred during that month. The Engineer's final payment is due and payable upon completion of the Engineer's services.

3. OWNERSHIP OF DOCUMENTS

Electronic GIS files and correspondence prepared by the Engineer shall be and remain the property of the Owner, provided that the Engineer has received full compensation due. The Engineer may retain copies of such electronic files and correspondence.

4. TERMINATION; SUSPENSION OF WORK

This Agreement may be terminated by either party by thirty days' written notice.

If the Project is terminated, abandoned or suspended, the Engineer shall be equitably paid for services rendered prior to effective termination notice date and for reasonable termination expenses.

5. PROFESSIONAL RESPONSIBILITIES

Services will be performed in accordance with sound and generally accepted principles as expeditiously as is consistent with professional skill and care and the orderly progress of the work. The Engineer shall not be liable for any indirect or consequential loss or damage arising out of the performance of services hereunder, including, but not limited to, loss of profit, or business interruption, unless caused by negligence of the Engineer.

6. FORCE MAJEURE

The Engineer shall not be responsible or liable for any loss, damage, or delay caused by force majeure, which shall include riot, insurrection, embargo, fire or explosion, the elements, act of God, epidemic, war, vandalism or sabotage, earthquake, flood, strike, boycott, picketing, act of any government official or agency - civil or military, unavoidable accident, unlawful act of third parties, or any cause, whether or not similar to the foregoing, which loss, damage or delay is beyond the Engineer's reasonable control.

7. MISCELLANEOUS PROVISIONS

- A. Unless otherwise specified, this Agreement shall be governed by the law of Harris County, Texas.**
- B. The Owner and the Engineer waive all rights against each other and against the employees of the other for damages covered by any property insurance under the Project Construction Specifications.**

8. SUCCESSORS AND ASSIGNMENTS

The Owner and the Engineer each binds itself and its partners, successors, executors, administrators and assigns to the other party of the Agreement and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of the Agreement. Except as above, neither the Owner nor the Engineer shall assign, sublet, or transfer his interest in the Agreement without the written consent of the other and they further agree that the agreement represents the entire understanding of the Owner and the Engineer and cannot be changed, added to or modified in any way except by an instrument in writing signed by the Owner and by the Engineer. The Owner and Engineer agree to the full performance of the covenants contained herein.

REQUEST FOR LA PORTE CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>25 January 2016</u>	Budget
Requested By: <u>Scott D. Livingston</u>	Source of Funds: <u>ED General Funds</u>
Department: <u>Administration/Economic Development</u>	Account Number: <u>CIP #015-9892-993-1100</u>
Report: _____ Resolution: _____ Ordinance: _____	Amount Budgeted: <u>\$275,972.37</u>
	Amount Requested: <u>\$42,057.86</u>
	Budgeted Item: <input checked="" type="radio"/> YES <input type="radio"/> NO

Exhibit: Project Presentation, 11 Jan. 2016

Exhibit: Bidder Sheet Summary

Exhibit: Evaluation Summary

Exhibit: Enhancement Grant Application

Exhibit: La Porte Enhancement Grant Guidelines, Revised 11-11-15

Exhibit: Development Agreement for the Sylvan Beach Apartments, Signed

SUMMARY & RECOMMENDATION

On 11 November 2015, the Board of the La Porte Development Corporation (LPDC) approved a new incentive policy, which increased the size of the LPDC's maximum contribution for any one enhancement grant project from \$25,000 to \$50,000.

On 11 January 2016 the ED Board approved an enhancement grant in the amount of **\$42,057.86** to **Brotamonte Asset 1, LLC**, which owns the Sylvan Beach Apartments at 315 N. 2nd Street in La Porte, TX.

Edwin Brotamonte, collected three bids from contractors to complete each of the following projects: (1) Paint & Wood Repair, (2) Asphalt Repair, (3) Landscaping, and (4) Signage. The sum total of these three, lowest bids is **\$84,115.72**, and 50% of this sum is **\$42,057.86**. Please note the "Bid Sheet Summary" for details.

The lowest bids for each of the project were offered as follows:

- Paint & Wood Repair -- \$35,785.00
- Parking Lot Repair -- \$35,000.00
- Landscaping -- \$10,000.00
- Signage -- \$3,330.72

Mr. Brotamonte has committed to continue installation of improvements to the kitchens, bedrooms, bathrooms, and common areas of the interior of the apartment units. The cost of interior improvements is not included as an eligible reimbursable expense for the project.

Action Required by the La Porte City Council:

Consider approval or other action authorizing expenditure by the La Porte Development Corporation for an enhancement grant in an amount not to exceed \$42,057.86, payable to Brotamonte Asset 1, LLC., for infrastructure improvements to apartment building complex located at 315 N. 2nd Street.

Approved for the La Porte City Council Agenda

Corby D. Alexander, City Manager

Date

January 11, 2015

Gateway Grove Apartments

formerly Sylvan Beach Apartments

315 N. 2nd Street La Porte TX 77571

La Porte Enhancement Grant
Program Presentation

Property Goals

Update the overall appearance with a goal to improve the property's reputation in the community and encourage more families to consider our property as their home. Provide a clean and safe environment for all residents in the area.



Interior Rehab & Infrastructure Improvements

- Interior Updates and Improvements
 - ❖ Flooring
 - ❖ Paint
 - ❖ Appliances
 - ❖ Re-surfaced counters and tubs
 - ❖ New fixtures
 - ❖ Blinds
- Infrastructure and Exteriors
 - ❖ New water heaters
 - ❖ Lighting

2015 Interior Expenses - \$29,255

2016 Interior Budget - \$40,000

Interior Rehab

Kitchen

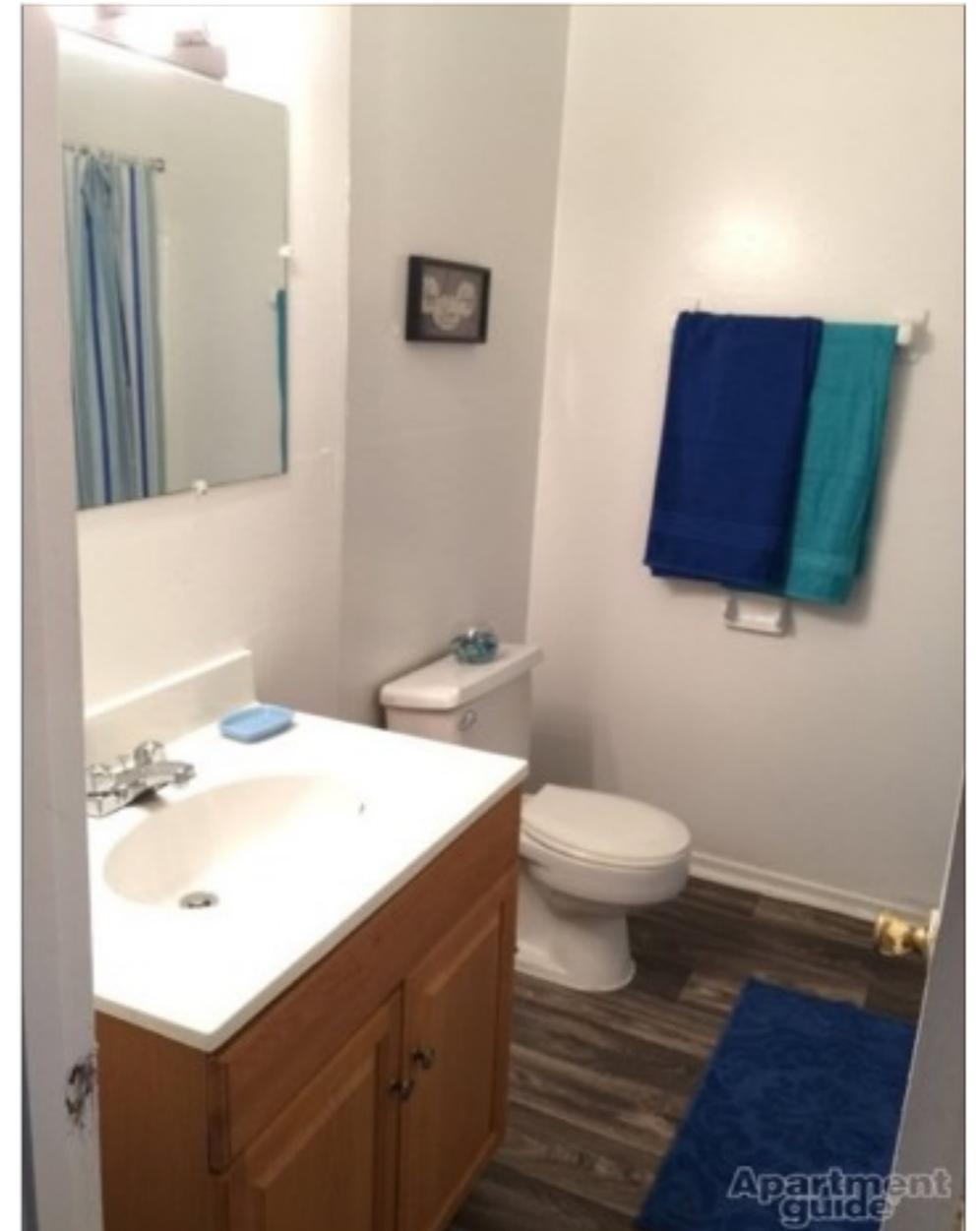
- ❖ New flooring - laminate planks
- ❖ New 2 tone paint - cabinets, trim and sheetrock
- ❖ Resurfaced counters
- ❖ New fixtures



Interior Rehab

Bathroom

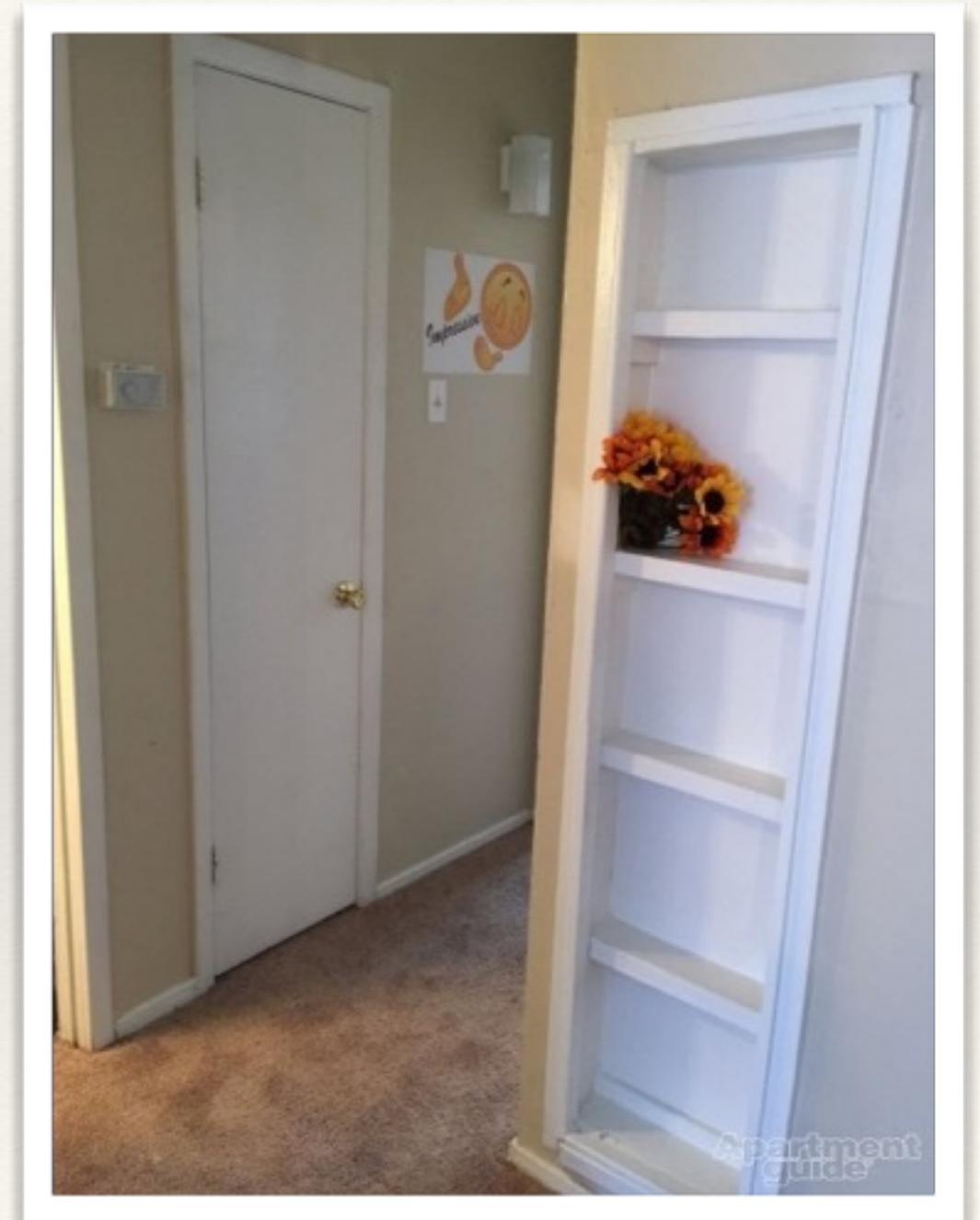
- ❖ New flooring - laminate planks
- ❖ New 2 tone paint - trim and sheetrock
- ❖ New vanity and fixtures
- ❖ Resurfaced tub



Interior Rehab

Hallway

- ❖ New flooring - laminate planks
- ❖ New 2 tone paint - doors, shelves, trim and sheetrock
- ❖ New lights
- ❖ New door knobs



Interior Rehab

Living Room

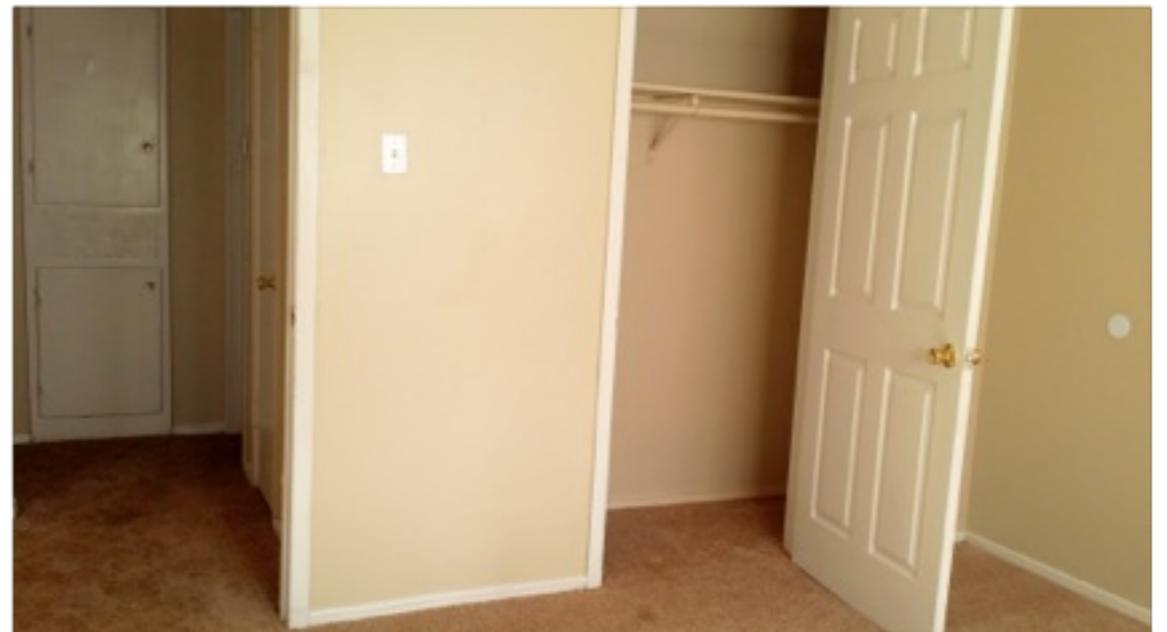
- ❖ New flooring - laminate planks or carpet
- ❖ New 2 tone paint - doors, trim and sheetrock
- ❖ New blinds



Interior Rehab

Bed Room

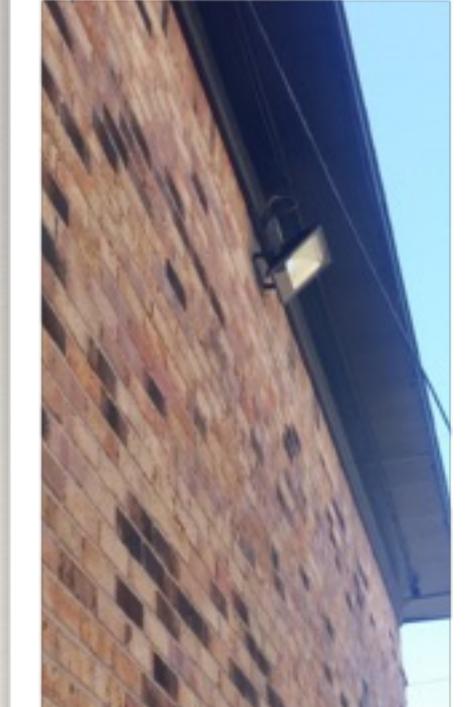
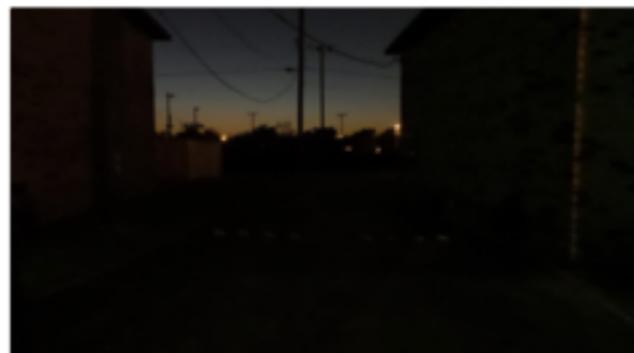
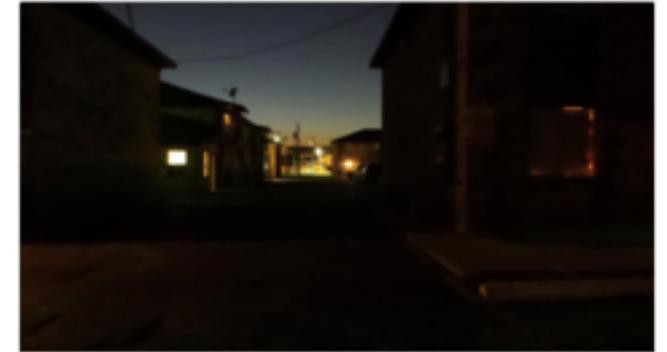
- ❖ New flooring - laminate planks or carpet
- ❖ New 2 tone paint - doors, trim and sheetrock
- ❖ New ceiling fan



Infrastructure Rehab

Lights

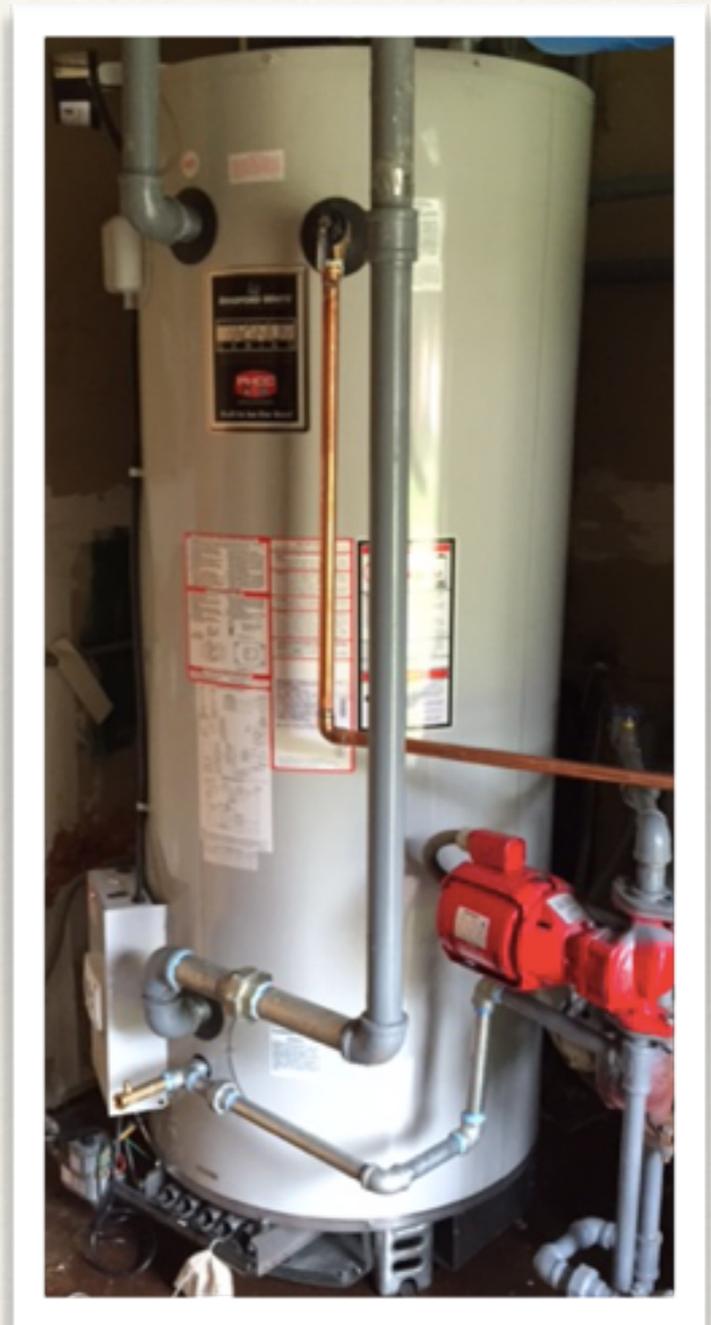
- ❖ All exterior area lighting has been replaced with energy efficient LED fixtures



Infrastructure Rehab

Water Heaters

- ❖ We replaced 2 of the 6 water heaters



Enhancement Projects

- ❖ Paint all wood components and metal rails or exterior structure
- ❖ Repair or replace all water damaged wood
- ❖ Power wash all brick exterior walls
- ❖ Landscaping
- ❖ Asphalt parking lot repairs
- ❖ New Signage

Paint

Paint all wood components and metal rails of exterior structure

- ❖ Wood panels b/w first and second floor
- ❖ Eaves
- ❖ Facia
- ❖ Soffit
- ❖ Vertical Siding
- ❖ Doors
- ❖ Door Trim
- ❖ All steel rails



Wood Repair

Repair or replace all water damaged wood

- ❖ Wood panels b/w first and second floor
- ❖ Eaves
- ❖ Facia
- ❖ Soffit
- ❖ Vertical Siding
- ❖ Doors
- ❖ Door Trim



Power Wash

Power Wash all brick exterior walls



Landscaping

Landscaping

- ❖ Create 2 landscape islands around 2 new property signs
- ❖ Crepe Myrtles in key areas b/w units in front of brick walls
- ❖ Evergreen hedges along property wall below first floor windows



Asphalt Parking Lot Repairs

Asphalt parking repairs

- ❖ Repair areas of concern
- ❖ Re-Seal entire exterior parking lot



New Signage

New Signage

- ❖ Property sign at 2nd and Adams
- ❖ Property sign at 3rd and Adams
- ❖ Lease office signage on 2nd and 3rd street
- ❖ Building identification signage



Project Cost

Paint and Wood Repair	\$35,785.00
Asphalt Repair & Seal	\$35,000
Landscaping	\$10,000
Signage	\$3,330.72
TOTAL	\$84,115.72

	Paint & Wood Repair	Asphalt Repair	Landscaping	Signage
Ed's GC	\$42,010.00			
SR Striping	\$37,500.00			
Liberty Builders	\$35,785.00	\$39,875.00		
Victory Asphalt		\$35,000.00		
ED's General Contract		\$67,500.00		
Texas Groundskeeper			\$10,000.00	
Outdoor Dreams			\$16,876.18	
A Gonzales Landscaping			\$17,070.00	
Signs By Tomorrow				\$3,330.72
4D Signworx				\$4,059.00
Inkflo Print and Design Concepts				\$4,500.00

Total Amount of Lowest Bids

\$84,115.72

Total Amount of LPDC's 50% Contribution, Not to Exceed

\$42,057.86

La Porte Enhancement Grant Program
Application Evaluation Summary

Application Date: 11/19/2015 Initial Review Date: 11/19/2015
 Business Name: **Sylvan Beach Apartments**
 Contact Name: Edwin Brotamonte
 Business Address: 315 N. 2nd Street; La Porte, Texas 77571
 Phone: (713) 253-1736
 Recommendation: Grant to be awarded in an amount not to exceed **\$42,057.86**, based on receipts and completion of work as indicated.

Following is a summary of the evaluations of the La Porte Enhancement Grant Evaluating Committee (EGEC). If you have any questions about the items listed below, please call the Economic Development Office at **(281) 470-5016**.

Criteria	Total Score	# of Evaluators	Average Score
Project Demonstrates a significant improvement over the existing situation.	19	4	4.75
Project will add to the beautification of the City of La Porte.	19	4	4.75
Project will enhance Main Street's appeal to new businesses and visitors.	17	4	4.25
Project will complement the surrounding buildings.	19	4	4.75
Project adds value to the City of La Porte.	19	4	4.75
Total Average Score (out of 25)			4.65

Evaluating Committee Members:

Name	Title
Tim Tietjens	Director of Planning
Scott D. Livingston	Economic Development Coordinator
Monica Rogers	Owner, Bay Port Animal Clinic
Cris Santiago	Resident, Employee of La Car Porte



LA PORTE ENHANCEMENT GRANT PROGRAM

The La Porte Enhancement Grant Program, which is sponsored by the La Porte Development Corporation, offers matching grants to businesses which are located in the City of La Porte.

Eligible improvements of the La Porte Enhancement Grant Program include façade enhancement/rehabilitation, beautification projects, new awnings, canopies, porches, signage, and parking lot improvements. Each program application will be evaluated on a case-by-case basis, and **ALL projects for a matching grant greater than \$25,000 must also be approved by the La Porte City Council.**

Interested business owners are welcome to complete the enclosed application form. Please deliver applications to:

Scott D. Livingston
Economic Development Coordinator
City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571
LivingstonS@laportetx.gov

Please contact Scott D. Livingston at LivingstonS@laportetx.gov or 281/470-5016, if you have any questions about the La Porte Enhancement Grant Program.

Sincerely,

Scott D. Livingston
Economic Development Coordinator
City of La Porte

LA PORTE BY THE BAY
604 W. Fairmont Parkway La Porte, Texas 77571 281/470-5016

ELIGIBLE PROJECTS

Business owners may be eligible for a reimbursement grant of funds which are used to enhance and/or beautify their businesses. The following types of projects are eligible for reimbursement:

- **Façade Rehabilitation/Enhancement**
Eligible projects include work on existing structures, such as removing non-historic/added facades, re-pointing brick or replacing mortar joints, replacing or restoring cornices, removing paint from brick, replacing windows, restoring transom windows, repairing facades, etc.
- **New Awnings, Canopies, Porches, and Signage**
Eligible projects include replacing, adding, or repairing awnings, canopies, porches, and signs. Signs may include signboards, projecting signs, pedestrian signage, window signs, hanging signs, and awning/canopy signs.
- **Beautification Projects**
Eligible projects include public art, landscaping, and other beautification projects as approved by the Enhancement Grant Evaluation Committee (EGEC).
- **Parking Lot Improvements**
Eligible projects include new parking lot construction, parking lot paving, parking lot re-surfacing, parking space striping/painting, new parking blocks, old parking block removal, and other projects as approved by the EGEC.

PROGRAM GUIDELINES

1. Grant funds are available only for exterior work on commercial property and building facades that are visible from public streets.
2. In general, grants offered to businesses are intended to support projects to renovate or convert existing structures to their original historic condition.
3. Grants will be processed and considered for award on a first-come, first-served basis until funds are depleted or until the program ends, whichever comes first.
4. Grants will not be awarded for work that has already been started or completed, or for work that is covered by insurance. If desired work is above and beyond what insurance will pay, and is, therefore, considered an upgrade and enhancement in the opinion of the EGEC, it may be eligible for grant funds.

5. Grants will not be awarded to any Applicant that owes any delinquent indebtedness* to the City of La Porte or the La Porte Development Corporation (LPDC).

** "Delinquent Indebtedness" shall mean any indebtedness due and owing to the City of La Porte or the La Porte Development Corporation, including but not limited to, ad valorem taxes on real and personal property, which property is in fact owned by and is legally subject to taxation, whether or not the same may have been properly rendered to the tax assessor-collector by any person. Such term shall also include, but not be limited to, charges for penalties, interest and costs on any such ad valorem taxes; charges for water, sewer, garbage and other services rendered or goods furnished by the City of La Porte or the La Porte Development Corporation to any person; and any other manner of indebtedness to the City of La Porte or the La Porte Development Corporation, now existing or which may hereafter be created by any person. No such indebtedness shall be considered "delinquent" until the time for its current payment under the various ordinances of the City of La Porte, or state statutes, or contractual agreement, shall have expired, without payment having been made.*

6. Each grant will be awarded on a reimbursement basis once completed work has been verified by the EGEC to be compliant with the plans proposed in the approved application. Any deviation from the approved project may result in the total or partial withdrawal of the grant.
7. Each enhancement grant application will be subject to review by the EGEC, and approval from the Board of the LPDC. The review criteria include the following:
 - The project demonstrates a significant improvement over the existing situation,
 - The project will add to the beautification of the City of La Porte ,
 - The project will enhance the City of La Porte's appeal to new businesses and visitors,
 - The project will complement the surrounding buildings, and
 - The project will add value to the City of La Porte.
8. Grant applications and awards may be made in any of the reimbursable activities described above and may be combined for any single property or project.
9. An applicant is defined as an owner, tenant, or combination thereof, who occupies space in an eligible property. A single owner of multiple properties may apply for grant funds for each property owned, but the matching grant must be for more than \$2,500 and less than \$50,000 per property in a three (3) year period.
10. Preference will be given to all local bids for work that qualify under the current form of the City of La Porte's Local Bidder Preference Policy at the time the project is approved by the Board.
11. Multiple bids are **not** required for each eligible project that is less than a total \$2,000, of which 50% or \$1,000 would be a reimbursable expense, as per the City of La Porte's Purchasing Policy.

APPLICATION PROCESS

1. Determine eligibility: Discuss project plans with the Economic Development Coordinator, and the Coordinator will set up a pre-development meeting with the EGEC.
2. Complete the application and sign the agreement form. Each grant application must include the following:
 - a. A scaled drawing by the project architect or design professional of all the work to be completed.
 - b. Samples -- i.e. paint samples, fabric swatches, sign material, etc. -- that will enable the EGEC to envision the finished project.
 - c. Three (3) itemized work estimates on all project work from contractors or project architects. Self-contracted work will be reimbursed for actual legitimate expenses, excluding labor.
 - d. Photographs of the building's exterior. The Applicant shall be required to provide before and after photographs of the building before the reimbursement grant can be awarded. For the initial application, "before" photographs will suffice, but "after" photographs of the completed project must be submitted before the grant may be considered for reimbursement.
3. Return the completed application form, with all applicable items, to:

Scott D. Livingston
Economic Development Coordinator
City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571
LivingstonS@laportetx.gov

4. The application will undergo an approval process, which includes but is not limited to the following:
 - a. Each project must meet current building standards and codes, as well as building permit requirements.
 - b. The EGEC will only consider applications that have been properly and fully completed, and which contain all information requested in the application and/or by the committee.

- c. All itemized work estimates submitted by the Applicant must be dated no earlier than ninety (90) days prior to the Application request. Bids shall be submitted on the contractor's or project architect's letterhead and shall contain the contractor's name, address, and telephone number and shall itemize the bid in a manner that allows the EGEC to determine the bid components and authenticity of the bid.
- d. Applications receiving approval by the EGEC shall commence construction described in the application within ninety (90) days from the date that the enhancement grant is approved. Each Applicant must complete the construction described in the Application within one (1) year from the date that the grant is approved. If the Applicant cannot meet this timeline, then the Applicant may submit a written request for an extension of the commencement date or completion date provided the extension request is made prior to the ninety (90) day or one (1) year time limit. The EGEC shall not be obligated to grant an extension, but it may do so for good cause determined solely by the members of the Committee. The extensions, if granted, shall be for the term and for the conditions determined exclusively by the EGEC. Denial of an extension request may not be appealed.
- e. As a condition of this grant Application, the Applicant consents, and shall allow, the EGEC to request city inspections to determine that the grant, if awarded, will not be used for construction on any building that is not in compliance with the City Municipal Codes and Ordinances that are applicable to the construction contemplated in the application.
- f. The EGEC and LPDC shall have sole discretion in awarding grants. They shall award grants considering the amount requested, grant funds available, the guidelines of the grant program, condition of the building in which the grant funds will be used, economic impact, other grant requests, the type and nature of the construction, and the proposed construction results considering the grant program.
- g. No Applicant has a proprietary right to receive grant funds. The EGEC shall consider any application within its discretionary authority to determine what grant amount would be in the best interest of the grant program.
- h. The Applicant shall be required to furnish "before" photographs of the building's exterior, and any other site locations that are included as part of the application request. The applicant shall also provide "after" photographs once the construction has been completed, as a condition of final grant disbursement.

- i. The EGEC has the final discretion with regard to funding and reserves the right to recommend modifications or reject any project or elements of any project.
5. Reimbursement. When the entire enhancement grant project has been completed, the Applicant shall present the Economic Development Office with the following:
 - a. Copies of all paid invoices, including copies of cancelled checks and/or credit card receipts for a single payment reimbursement of the approved funding, and
 - b. Photographs of all completed work.
6. When the project has been reviewed and approved by the EGEC, and their recommendations have been presented and approved by the LPDC, a reimbursement check will be issued.

La Porte Enhancement Grant Application

Please print clearly. Please submit a completed application to:

Scott D. Livingston
Economic Development
Coordinator City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571

APPLICANT INFORMATION:

APPLICATION DATE: 11/19/2015

EDWINBROTAMONTE

Applicant Name

GATEWAY GROVE APARTMENTS formerly Sylvan Beach Apartments

Business Name

315 N. 2nd Street La Porte TX 77571

Physical Business Address

Business Owner (if different from applicant)

315 N. 2nd Street La Porte TX 77571

Mailing Address

713-253-1736

ebrotamonte@gmail.com

Contact Phone

Email Address

TYPE OF WORK (check all that apply):

- Façade Awnings/Signage
 Beautification Parking Lot Improvements

DETAILS OF PLANNED IMPROVEMENTS (attach additional pages if necessary):

1. Paint all wood components and metal rails of exterior building structure
2. Repair or replace all damaged wood components to exterior building structure
3. Power wash all brick exterior walls
4. Landscape entire exterior property
5. Repair, re-seal and restripe exterior parking lot
6. Remove old signage and replace with new signage

Please list the name of each Contractor and/or Project Architect and the Total Amount of each bid. Please, also, attach the original proposals and work estimates:

CONTRACTOR/PROJECT ARCHITECT	TOTAL
1. See attached list	\$
2.	\$
3.	\$
4.	\$
5.	\$

BUDGETDETAIL

PROJECT EXPENDITURES	FUNDS	FUNDS APPLIED	TOTAL
Façade Rehab	\$	\$	\$
Awnings/Signage	\$	\$	\$
Beautification	\$	\$	\$
Parking Lot Improvements	\$	\$	\$
Other (list):	\$	\$	\$
TOTAL	\$	\$	\$

Total estimated cost of proposed project: \$

Amount requested (up to 50% of total cost, \$2,500 to \$50,000): \$

Please attach color samples, model numbers (for windows, doors, etc.), photos, scaled drawings, and other illustrations of work to be completed. Please include as much detail as possible.

Your signature on this application certifies that you understand and agree with the following statements: I have met with the EGEC and I fully understand the Enhancement Grant procedures and details established. I intend to use these grant funds for the eligible renovation projects, as spelled out in the application. I have not received, nor will I receive insurance monies for this revitalization project, OR I have disclosed all pertinent insurance information. I understand that if I am awarded an Enhancement Grant, any deviation from the approved project may result in the partial or total withdrawal of the grant funds.



APPLICANT SIGNATURE

11/19/2015

DATE

SYLVAN BEACH APARTMENTS

315 N. 2ND STREET

LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

Planned Improvements

- I. Paint all wood components and metal rails of exterior structure
- II. Repair or replace all water damaged wood
- III. Power wash all brick exterior walls
- IV. Landscaping
- V. Asphalt parking lot repairs
- VI. New Signage

	Paint & Wood Repair	Asphalt Repair	Landscaping	Signage
Ed's GC	\$42,010.00			
SR Striping	\$37,500.00			
Liberty Builders	\$35,785.00	\$39,875.00		
Victory Asphalt		\$35,000.00		
ED's General Contract		\$67,500.00		
Texas Groundskeeper			\$10,000.00	
Outdoor Dreams			\$16,876.18	
A Gonzales Landscaping			\$17,070.00	
Signs By Tomorrow				\$3,330.72
4D Signworx				\$4,059.00
Inkflo Print and Design Concepts				\$4,500.00

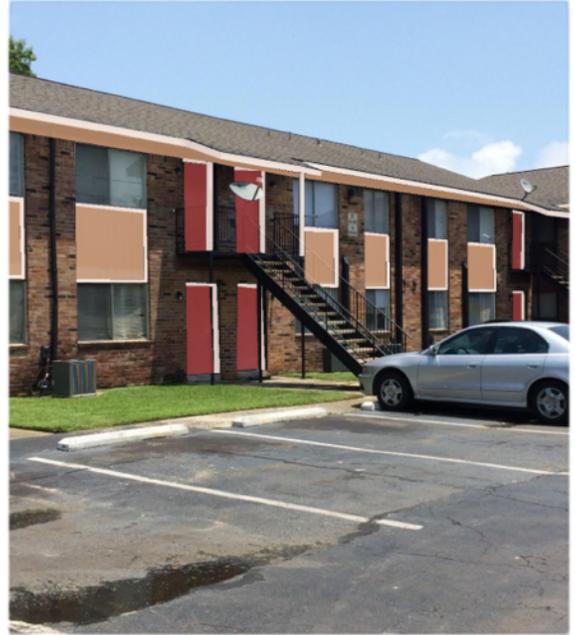
SYLVAN BEACH APARTMENTS

315 N. 2ND STREET

LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

- I. Paint all wood components and metal rails of exterior structure
 - A. Wood panels b/w first and second floor
 - B. Eaves
 - C. Facia
 - D. Soffit
 - E. Vertical Siding
 - F. Doors
 - G. Door Trim
 - H. All steel rails



SYLVAN BEACH APARTMENTS

315 N. 2ND STREET

LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

- II. Repair or replace all water damaged wood
 - A. Wood panels b/w first and second floor
 - B. Eaves
 - C. Facia
 - D. Soffit
 - E. Vertical Siding
 - F. Doors
 - G. Door Trim



SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

III. Power wash all brick exterior walls



SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

III. Landscaping

- A. Create 2 landscape islands around 2 new property signs
- B. Crepe Myrtles in key areas between units in front of brick walls
- C. Evergreen hedges along property wall below first floor windows



SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

- IV. Asphalt parking lot repairs
 - A. Repair asphalt
 - B. Reseal repaired asphalt



SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

- V. New Signage
 - A. Property sign at 2nd and Adams
 - B. Property sign at 3rd and Adams
 - C. Lease office signage on 2nd and 3rd street
 - D. Building Identification signage
 - E. Remove old signage



**SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571**

La Porte Enhancement Grant Program Application

**ED'S GENERAL CONTRACT
281-451-9699**

DATE: 11/09/15

CONTRACT NUMBER: 20011515

SUBMITTED TO:

NAME: Veronica Vlera

**ADDRESS: 315 N. 2nd Street, La Porte TX 77571
11/15/15**

PHONE NO. 281-842-8180

WORK TO BE PERFORMED:

ADDRESS: Same

DATE OF PLANS:

ARCHITECT: EDWIN

WE HEREBY PROPOSE TO FURNISH THE MATERRIALS AND PERFORM THE LABOR NECESSARY FOR THE COMPLETION OF:

1. PREP BUILDINGS FOR PAINT
 - A. CAULK WALLS (WOOD)
 - B. CAULK WINDOWS
 - C. FIX CABLE AND PUT AWAY NEET (PHONE)

II. WORK TO BE DONE

- A. REMOVE ALL 1 X 2 FROM WOOD SQUARE
- B. INSTALL 1 X 4 IN ALL WOOD SQUARE
- C. PRIME. ~~REPAIRE~~ SOME WOOD BY ELECTRIC BOXES
- D. REMOVE FACING OF ROOF 1 X 4 AND REPLACE
- E. INSTALL NEW 1 X 4 ON ROOF

III. PAINT BUILDINGS

- A. PAINT ALL DOORS (RED)
- B. PAINT FACING (WHITE)
- C. PAINT BUILDINGS (BAIGE)
- D. PAINT ALL A/C BOXES, ELECTRICAL BOXES, METERS, PIPES, A/C PIPES COVERS, ALL STAIR CASES

NOTES: OWNER WILL TELL ME ALL COLORS TO USE AND WHAT COLOR TO PAINT STAIR CASES

TOTAL

\$ 42,010

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application



17711 Tower Bluff Lane Cypress, TX 77433
Mobile: (832) 830-1364 Office: (832) 606-0018

Date: November 9th, 2015
To: **Stephanie Graves**
Project: **Sylvan Beach – Property Exterior Repaint.**
Location: **315 North 2nd Street**
La Porte, TX 77571

We propose to furnish all necessary labor, materials, insurance, and equipment for the exterior repainting at **Sylvan Beach Apartments**. The project consists of repainting 88 units within 12 buildings, 1 Leasing Office and 1 Mail Area.

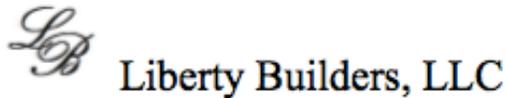
Painting Scope:

- *Pressure-wash all exterior surfaces to be repainted.
 - *Clean & treat any mildew growth on surfaces with bleach and water mixture.
 - *Spot prime any unfinished/bare substrates with an exterior latex primer (Sherwin Williams' Summit Primer).
 - *Caulk gaps & openings to ensure uniform architectural finish with a siliconized acrylic caulking (Sherwin Williams' 40-year caulk NR4000).
 - *Paint all siding, wood/hardie trim, fascia & soffit substrates with full coverage of 100% acrylic **sat**in paint (Sherwin Williams' 5 year warranty Duracraft Paint).
 - *Preparation of metal substrates includes pressure washing, sanding/scraping loose paint, and spot priming of bare metal with Sherwin Williams' Shopcoat alkyd primer.
 - * Paint all existing handrails, stair stringers & rails with full coverage of Alkyd Gloss Industrial Enamel.
- Bid includes a LIMITED 1-year labor and material warranty upon completion (5 year material warranty from Sherwin Williams), covering material failures and craftsmanship. Warranty does not cover exterior substrates such as fascia & soffits due to their current condition.**

Total price for painting = \$ 37,500.00

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application



November 19, 2015

R.3 Proposal #2015-255 Sylvan Beach Painting

Liberty Builders, LLC (“Contractor”) proposes to furnish all labor, materials, and equipment as described below to the “Owner (s)” of the property located at 315 N. 2nd Street La Porte, Texas 77571

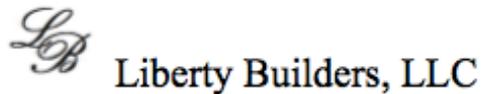
Scope of Work: Painting/Siding

- Power wash the exterior of all buildings
- Caulk as needed
- Paint exterior of all buildings in a 3-tone paint scheme: one (1) siding color, one (1) trim color, one (1) door color
- Paint all metal stairs and handrails in enamel black
- Replace the 1x2s above the 1st floor windows with 1x4 Hardi
- Remove any abandoned communication wiring on the exterior of the build

All of the above mentioned scope of work shall be performed for the budget price of *Thirty-Five Thousand Seven Hundred Eighty-Five and 00/100 dollars (\$35,785.00)*

**SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571**

La Porte Enhancement Grant Program Application



November 19, 2015

Proposal #2015-281 Sylvan Beach Asphalt

Liberty Builders, LLC (“Contractor”) proposes to furnish all labor, materials, and equipment as described below to the “Owner (s)” of the property located at 315 N. 2nd Street La Porte, TX 77571

Scope of Work: All work to be performed on the outside perimeter of the property, approximately 27,500 SF

- Remove and reset the parking stops
- Patch the existing asphalt as needed
- Overlay the existing asphalt with 1 ½” hot asphalt
- Re-stripe the parking lot

All of the above mentioned scope of work shall be performed for the total price of *Thirty-Nine Thousand Eight Hundred Seventy-Five and 00/100 dollars (\$39,875.00)*

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

Victory Asphalt
18565 Huckleberry Ln.
Porter, TX. 77365
www.paverporter.com

Proposal

Description of work.

1. clean areas designed and prep for paving
2. apply ss.1 tack coat adhesive to ensure asphalt will stick
3. lay dot approved hot mix asphalt on areas designed (approximately 15,000.00 sq. ft.) of spot patching and overlaying
4. compact with a two wheel steel drum vibratory roller.
5. power blow entire parking lot
6. apply a double coat of commercial grade asphalt sealer
7. re-stripe entire parking lot

Labor + Materials

\$35,000.00

Thanks for the opportunity to bid on this project for you..

Victor. 832-580-0518

Date. 9-18-15

To. Edwin

pot hole paving

sylvanbeachapartments@gmail.com

SYLVAN BEACH APARTMENTS

315 N. 2ND STREET

LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

ED'S GENERAL CONTRACT

281-451-9699

DATE: 08/29/15

CONTRACT NUMBER: 20011015

SUBMITTED TO:

NAME: Veronica viera

**ADDRESS: 315 N. 2nd Street La Porte 77571
11/20/15**

PHONE NO.

WORK TO BE PERFORMED:

ADDRESS: Same

DATE OF PLANS:

ARCHITECT: EDWIN

WE HEREBY PROPOSE TO FURNISH THE MATERRIALS AND PERFORM THE LABOR NECESSARY FOR THE COMPLETION OF:

- 1. REFINISH PARKING LOT**
 - A. INSTALL NEW BLACK TOP IN APARTMENT**
 - B. INSTALL 1.5 INCH OF ASPHALT**
 - 1. TO COVER HOLES**
 - 2. TO COVER CRACKS**
 - 3. TO FIX LOT**
 - 4. TO PRINT LINES ON LOT**

TOTAL IS

\$ 67,500.00

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

ESTIMATE

A. Gonzalez Landscaping & Lawn Care

You Grow It... We Mow It!

DATE: 11-11-2015

P.O. Box 932
 Baytown, TX 77522
 Phone 832-414-5704 Fax 281-421-5786
 a.gonzalezlawncare@hotmail.com

TO Edwin Brotamonee
 315 N 2nd St.
 La Porte, TX 77571
 713-253-1736

QTY	DESCRIPTION	UNIT PRICE	LINE TOTAL
22 Yds.	Brown Mulch		
96 1Gal.	Jasmine Groundcover (Under Stairs)		
320 3Gal.	Wax Ligastrum Shrubs		
75 15Gal.	Crape Myrtle		
24 1Gal.	Lantana (2 Signs in Corners)		
		TOTAL	\$17,070.00

Quotation prepared by: Christian Gonzalez

**SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571**

La Porte Enhancement Grant Program Application

OutDoor Dreams Inc

Lawn Maintenance and Landscaping

P.O. Box 1100
Highlands TX 77562
(281)827-2778

PROPOSAL

**Proposal # 3399
DATE: 11/11/15**

Bill To:

Sylvan Beach Apartments
315 North 2nd St.
La Porte TX 77571
281- 823-7140 ebrotamonte@gmail.com 713-253-1736

Proposal valid until: 1/11/15
Prepared by: OutDoor Dreams Inc

DESCRIPTION	AMOUNT
<p>Design, install new landscaping in front of H,D,I,J,K,A,E,B, F,G, with cripe myrtles as center piece of landscape and a hedge row of shrubs.</p> <p>Scope of Work for new landscaping will be cutting out grass, adding garden mix for planting, install 20 gallon cripe myrtles and three gallon evergreen shrubs. A layer of mulch will be added to landscape for proper dressing. All shrubs will be fertilized. Spacing between hedge row will be around 18 inches to 24 inches apart. Under staircases dirt will be removed from sections and will be replace with bull rock.</p> <p>Oak tree will be pruned, trimmed as describe and debris hauled away.</p> <p>Note: Landscaping around two signs will have to be quoted after signs are installed.</p>	15590.00
	395.00
Sub-Total	15590.00
Sales Tax	1286.18
TOTAL	16876.18

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application



Proposal

For; Edwin Brotamonte

Landscaping includes

Planting/providing of the following plants described below.

BUILDING	Crape Myrtles	Shrubs
Section K	1	10
Section J	8	40
Section L	4	20
Section D	10	40
Section H	4	20
Section A	4	12
Section G	4	20
Section F	8	20
Section E	1	8

44. Crape Myrtles in 15 gal. size

152. Shrubs in 3 gal. size

Plants around the sign are to be discuss but the planting is included in this proposal.

50% of the total due prior service

The other 50% is due the date of service completed

Total 10,000.

Thank you for choosing Texas Groundskeepers.

SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

Lisa Holder, Signs By Tomorrow

To: Edwin Brotamonte

Apartment complex sign estimate - La Porte

Edwin,

Here are some numbers for your review...

- 2 MDO panels, 48x96, single sided with special shape cut...\$575.66 each + tax
- 4 painted posts...\$45 each + tax
- 4 painted post caps...\$25 each + tax
- 12 DiBond (aluminum composite) 24x24 building signs...\$89.95 each + tax

Removal of 1 post/panel...\$225 (rough estimate since I'm not aware of what your current sign looks like)
 Installation of 2 post/panels, same property, 2 different locations...\$595

Let me know if you have any questions.

Have a nice day!

Many Thanks,

Lisa Holder, Owner
 Signs By Tomorrow, Houston South
 5523 Richmond Ave | Houston, TX | 77056
 P: 713-622-4888 | F: 713-952-7720
www.SBTHoustonSouth.com

Signs By Tomorrow				
MDO Panels	\$575.66	2	\$1,151.32	+ Tax
Posts	\$45.00	4	\$180.00	+ Tax
Post Caps	\$25.00	4	\$100.00	+ Tax
Building Signs	\$89.95	12	\$1,079.40	+ Tax
Remove sign	\$225.00	1	\$225.00	
Install signs	\$595.00	1	\$595.00	
			\$3,330.72	

**SYLVAN BEACH APARTMENTS
315 N. 2ND STREET
LA PORTE, TX 77571**

La Porte Enhancement Grant Program Application



PROPOSAL

P 713-984-2010
F 713-984-8064
sales@4DSignworx.com

Attention: Edwin Brotamonte
Sylvan Beach Apartments
315 N. 2nd Street
La Porte, TX 77571
Date: 11/20/15

2022 Pech Road
Houston, TX 77055

Description	Quantity	Unit Price	Cost
4x8 Feet Full Color MDO signs	2	\$ 800	\$ 1,600
36x24 Inch building signs	12	\$ 100	\$ 1,200
Remove existing property sign	1	\$ 250	\$ 250
Install property signs	2	350	\$ 700
		Subtotal	\$ 3,750
	Tax	8.25%	\$ 309
		Total	\$ 4,059

SYLVAN BEACH APARTMENTS

315 N. 2ND STREET

LA PORTE, TX 77571

La Porte Enhancement Grant Program Application

Scott Collins

To: Edwin Brotamonte

Signage Bid

Edwin Brotamonte or Property Manager,

Please review the bid below regarding your signage needs:

- 4x8 panel signs x 2
- Sign structures x 2 (posts, post caps and panels)
- 24x32 building signs x 12
- Removal of existing sign
- Install of 2 new property signs

Total estimated cost: \$4500

Please contact me with any questions.

Regards,

Scott Collins
Inkflo Print and Design Concepts
281-616-3899 x11
scollins@inkflo.net



LA PORTE ENHANCEMENT GRANT PROGRAM

The La Porte Enhancement Grant Program, which is sponsored by the La Porte Development Corporation, offers matching grants to businesses which are located in the City of La Porte.

Eligible improvements of the La Porte Enhancement Grant Program include façade enhancement/rehabilitation, beautification projects, new awnings, canopies, porches, signage, and parking lot improvements. Each program application will be evaluated on a case-by-case basis, and **ALL projects for a matching grant greater than \$25,000 must also be approved by the La Porte City Council.**

Interested business owners are welcome to complete the enclosed application form. Please deliver applications to:

Scott D. Livingston
Economic Development Coordinator
City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571
LivingstonS@laportetx.gov

Please contact Scott D. Livingston at LivingstonS@laportetx.gov or 281/470-5016, if you have any questions about the La Porte Enhancement Grant Program.

Sincerely,

Scott D. Livingston
Economic Development Coordinator
City of La Porte

LA PORTE BY THE BAY
604 W. Fairmont Parkway La Porte, Texas 77571 281/470-5016

ELIGIBLE PROJECTS

Business owners may be eligible for a reimbursement grant of funds which are used to enhance and/or beautify their businesses. The following types of projects are eligible for reimbursement:

- **Façade Rehabilitation/Enhancement**
Eligible projects include work on existing structures, such as removing non-historic/added facades, re-pointing brick or replacing mortar joints, replacing or restoring cornices, removing paint from brick, replacing windows, restoring transom windows, repairing facades, etc.
- **New Awnings, Canopies, Porches, and Signage**
Eligible projects include replacing, adding, or repairing awnings, canopies, porches, and signs. Signs may include signboards, projecting signs, pedestrian signage, window signs, hanging signs, and awning/canopy signs.
- **Beautification Projects**
Eligible projects include public art, landscaping, and other beautification projects as approved by the Enhancement Grant Evaluation Committee (EGEC).
- **Parking Lot Improvements**
Eligible projects include new parking lot construction, parking lot paving, parking lot re-surfacing, parking space striping/painting, new parking blocks, old parking block removal, and other projects as approved by the EGEC.

PROGRAM GUIDELINES

1. Grant funds are available only for exterior work on commercial property and building facades that are visible from public streets.
2. In general, grants offered to businesses are intended to support projects to renovate or convert existing structures to their original historic condition.
3. Grants will be processed and considered for award on a first-come, first-served basis until funds are depleted or until the program ends, whichever comes first.
4. Grants will not be awarded for work that has already been started or completed, or for work that is covered by insurance. If desired work is above and beyond what insurance will pay, and is, therefore, considered an upgrade and enhancement in the opinion of the EGEC, it may be eligible for grant funds.

5. Grants will not be awarded to any Applicant that owes any delinquent indebtedness* to the City of La Porte or the La Porte Development Corporation (LPDC).

** "Delinquent Indebtedness" shall mean any indebtedness due and owing to the City of La Porte or the La Porte Development Corporation, including but not limited to, ad valorem taxes on real and personal property, which property is in fact owned by and is legally subject to taxation, whether or not the same may have been properly rendered to the tax assessor-collector by any person. Such term shall also include, but not be limited to, charges for penalties, interest and costs on any such ad valorem taxes; charges for water, sewer, garbage and other services rendered or goods furnished by the City of La Porte or the La Porte Development Corporation to any person; and any other manner of indebtedness to the City of La Porte or the La Porte Development Corporation, now existing or which may hereafter be created by any person. No such indebtedness shall be considered "delinquent" until the time for its current payment under the various ordinances of the City of La Porte, or state statutes, or contractual agreement, shall have expired, without payment having been made.*

6. Each grant will be awarded on a reimbursement basis once completed work has been verified by the EGEC to be compliant with the plans proposed in the approved application. Any deviation from the approved project may result in the total or partial withdrawal of the grant.
7. Each enhancement grant application will be subject to review by the EGEC, and approval from the Board of the LPDC. The review criteria include the following:
 - The project demonstrates a significant improvement over the existing situation,
 - The project will add to the beautification of the City of La Porte ,
 - The project will enhance the City of La Porte's appeal to new businesses and visitors,
 - The project will complement the surrounding buildings, and
 - The project will add value to the City of La Porte.
8. Grant applications and awards may be made in any of the reimbursable activities described above and may be combined for any single property or project.
9. An applicant is defined as an owner, tenant, or combination thereof, who occupies space in an eligible property. A single owner of multiple properties may apply for grant funds for each property owned, but the matching grant must be for more than \$2,500 and less than \$50,000 per property in a three (3) year period.
10. Preference will be given to all local bids for work that qualify under the current form of the City of La Porte's Local Bidder Preference Policy at the time the project is approved by the Board.
11. Multiple bids are **not** required for each eligible project that is less than a total \$2,000, of which 50% or \$1,000 would be a reimbursable expense, as per the City of La Porte's Purchasing Policy.

APPLICATION PROCESS

1. Determine eligibility: Discuss project plans with the Economic Development Coordinator, and the Coordinator will set up a pre-development meeting with the EGEC.
2. Complete the application and sign the agreement form. Each grant application must include the following:
 - a. A scaled drawing by the project architect or design professional of all the work to be completed.
 - b. Samples -- i.e. paint samples, fabric swatches, sign material, etc. -- that will enable the EGEC to envision the finished project.
 - c. Three (3) itemized work estimates on all project work from contractors or project architects. Self-contracted work will be reimbursed for actual legitimate expenses, excluding labor.
 - d. Photographs of the building's exterior. The Applicant shall be required to provide before and after photographs of the building before the reimbursement grant can be awarded. For the initial application, "before" photographs will suffice, but "after" photographs of the completed project must be submitted before the grant may be considered for reimbursement.
3. Return the completed application form, with all applicable items, to:

Scott D. Livingston
Economic Development Coordinator
City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571
LivingstonS@laportetx.gov

4. The application will undergo an approval process, which includes but is not limited to the following:
 - a. Each project must meet current building standards and codes, as well as building permit requirements.
 - b. The EGEC will only consider applications that have been properly and fully completed, and which contain all information requested in the application and/or by the committee.

- c. All itemized work estimates submitted by the Applicant must be dated no earlier than ninety (90) days prior to the Application request. Bids shall be submitted on the contractor's or project architect's letterhead and shall contain the contractor's name, address, and telephone number and shall itemize the bid in a manner that allows the EGEC to determine the bid components and authenticity of the bid.
- d. Applications receiving approval by the EGEC shall commence construction described in the application within ninety (90) days from the date that the enhancement grant is approved. Each Applicant must complete the construction described in the Application within one (1) year from the date that the grant is approved. If the Applicant cannot meet this timeline, then the Applicant may submit a written request for an extension of the commencement date or completion date provided the extension request is made prior to the ninety (90) day or one (1) year time limit. The EGEC shall not be obligated to grant an extension, but it may do so for good cause determined solely by the members of the Committee. The extensions, if granted, shall be for the term and for the conditions determined exclusively by the EGEC. Denial of an extension request may not be appealed.
- e. As a condition of this grant Application, the Applicant consents, and shall allow, the EGEC to request city inspections to determine that the grant, if awarded, will not be used for construction on any building that is not in compliance with the City Municipal Codes and Ordinances that are applicable to the construction contemplated in the application.
- f. The EGEC and LPDC shall have sole discretion in awarding grants. They shall award grants considering the amount requested, grant funds available, the guidelines of the grant program, condition of the building in which the grant funds will be used, economic impact, other grant requests, the type and nature of the construction, and the proposed construction results considering the grant program.
- g. No Applicant has a proprietary right to receive grant funds. The EGEC shall consider any application within its discretionary authority to determine what grant amount would be in the best interest of the grant program.
- h. The Applicant shall be required to furnish "before" photographs of the building's exterior, and any other site locations that are included as part of the application request. The applicant shall also provide "after" photographs once the construction has been completed, as a condition of final grant disbursement.

- i. The EGEC has the final discretion with regard to funding and reserves the right to recommend modifications or reject any project or elements of any project.
5. Reimbursement. When the entire enhancement grant project has been completed, the Applicant shall present the Economic Development Office with the following:
 - a. Copies of all paid invoices, including copies of cancelled checks and/or credit card receipts for a single payment reimbursement of the approved funding, and
 - b. Photographs of all completed work.
6. When the project has been reviewed and approved by the EGEC, and their recommendations have been presented and approved by the LPDC, a reimbursement check will be issued.

La Porte Enhancement Grant Application

Please print clearly. Please submit a completed application to:

Scott D. Livingston
Economic Development
Coordinator City of La Porte
604 W. Fairmont Parkway
La Porte, TX 77571

APPLICANT INFORMATION:

APPLICATION DATE: _____

Applicant Name

Business Name

Physical Business Address

Business Owner (if different from applicant)

Mailing Address

Contact Phone

Email Address

TYPE OF WORK (*check all that apply*):

- | | |
|---|---|
| <input type="checkbox"/> Façade | <input type="checkbox"/> Awnings/Signage |
| <input type="checkbox"/> Beautification | <input type="checkbox"/> Parking Lot Improvements |

DETAILS OF PLANNED IMPROVEMENTS (*attach additional pages if necessary*):

Please list the name of each Contractor and/or Project Architect and the Total Amount of each bid. Please, also, attach the original proposals and work estimates:

CONTRACTOR/PROJECT ARCHITECT	TOTAL
1.	\$
2.	\$
3.	\$
4.	\$
5.	\$

BUDGET DETAIL

PROJECT EXPENDITURES	FUNDS	FUNDS APPLIED	TOTAL
Façade Rehab	\$	\$	\$
Awnings/Signage	\$	\$	\$
Beautification	\$	\$	\$
Parking Lot Improvements	\$	\$	\$
Other (list):	\$	\$	\$
TOTAL	\$	\$	\$

Total estimated cost of proposed project: \$ _____

Amount requested (up to 50% of total cost, \$2,500 to \$50,000): \$ _____

Please attach color samples, model numbers (for windows, doors, etc.), photos, scaled drawings, and other illustrations of work to be completed. Please include as much detail as possible.

Your signature on this application certifies that you understand and agree with the following statements: I have met with the EGEC and I fully understand the Enhancement Grant procedures and details established. I intend to use these grant funds for the eligible renovation projects, as spelled out in the application. I have not received, nor will I receive insurance monies for this revitalization project, OR I have disclosed all pertinent insurance information. I understand that if I am awarded an Enhancement Grant, any deviation from the approved project may result in the partial or total withdrawal of the grant funds.

APPLICANT SIGNATURE

DATE

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND BROTAMONTE ASSET 1, LLC, A TEXAS PARTNERSHIP, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS IN CONNECTION WITH THE LA PORTE DEVELOPMENT CORPORATION ENHANCEMENT GRANT PROGRAM

THIS AGREEMENT made by and entered into this 14th day of December, 2015 between the La Porte Development Corporation, a Type B non-profit corporation operating under authority of Texas Local Government Code Chapters 501 and 505, hereinafter "LPDC", and BROTAMONTE ASSET 1, LLC, hereinafter referred to as the "Recipient".

WITNESSETH:

WHEREAS, the voters of the City of La Porte authorized the levying of additional sales tax within the City to promote economic development and the LPDC is authorized to use such tax revenues for certain qualifying projects and other economic development related purposes; and

WHEREAS, the La Porte Development Corporation has established the La Porte Enhancement Grant Program, the purpose of which is to offer financial incentives in the form of matching grants to aid business establishments located in the City of La Porte, Texas; and

WHEREAS qualifying applicants for matching grants under the La Porte Enhancement Grant Program are eligible to use grant funds for building site improvements including façade rehabilitation/enhancement, new awnings, canopies, porches, and signage, beautification projects, and parking lot improvements as outlined in the guidelines of the La Porte Enhancement Grant Program; and

WHEREAS, upon approval as a project of the La Porte Development Corporation, the La Porte Development Corporation will provide to the qualifying applicant a subsidy of one-half (1/2) of the cost of building site enhancements, up to a maximum match amount of \$49,999.99; and

WHEREAS, the Recipient owns and operates a business known as the Sylvan Beach Apartments, located at 315 N. 2nd Street, La Porte, Texas, (the "Business Site" herein) for which Recipient wishes make certain improvements, hereinafter described, under an Enhancement Grant Program application; and

WHEREAS, the Recipient wishes to renovate the Business Site by completing the following projects: 1) Paint & Wood Repair; 2) Parking Lot Repair, 3) Landscaping, and 4) Signage, which would result in the expenditure by Recipient of an estimated **\$84,115.72** in capital improvements and employ no less than TWO (2) full time and TWO (2) part-time employees, with one-half of such capital expenditure being eligible

for reimbursement by the La Porte Development Corporation, up to a maximum of \$49,999.99; and

WHEREAS, the provision of financial incentives to the Recipient in connection with a La Porte Enhancement Grant Program application would qualify as a project of the LPDC for infrastructure, site improvements and other related improvements, as authorized by Texas Local Government Code Chapters 501 and 505, and it is the desire of LPDC to assist in the funding of same, finding that such expenditures will promote or develop new or expanded business enterprises.

WHEREAS, Texas law and the by-laws of the LPDC require that certain expenditures and projects by the LPDC be approved by the governing body of the City; and whereas the LPDC Board has duly approved such project and the expenditures for any project for a contribution of the LPDC Board greater than \$25,000 must also be authorized by the La Porte City Council; and

NOW THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereof, as well as to the citizens of the City of La Porte, Texas, the parties have agreed and do hereby agree as follows:

ARTICLE I

In consideration of the Recipient making eligible and approved improvements to the Business Site at 315 N. 2nd Street; La Porte, TX 77571, in connection with an application under the La Porte Enhancement Grant Program, which program was considered in that certain public hearing authorizing a proposed project for the expenditure of LPDC funds for the promotion or development of new or expanded business enterprises, held before the LPDC on October 28, 2015, LPDC agrees to provide the Recipient with a matching grant payment in an amount not to exceed **\$42,057.86**, as a match for Recipient's capital expenditure, which payment shall be distributed upon the attainment of the following conditions:

- 1) Receipt by the LPDC of copies all applicable invoices and receipts of payment for the same invoices for all projects, which were previously approved by the LPDC Board, and have been completed,
- 2) Receipt by the LPDC of pictures showing proof of completion of each of the projects previously approved by the LPDC Board,
- 3) Receipt by LPDC of copies of all certificates and permits required by the City of La Porte, Texas, if any, to the Recipient for completion of the renovated Business Site;
- 4) Proof of minimum capital investment in the amount of **\$84,115.72** applied towards eligible and approved improvements of the Business Site and related infrastructure and site work. The renovation to the Business Site and related

infrastructure for which the required capital investment is made, must, at a minimum, include the following scope of work:

- a) **Paint & Wood Repair for \$35,785.00**
 - b) **Parking Lot Repair for \$35,000.00**
 - c) **Landscaping for \$10,000.00**
 - d) **Signage for \$3,330.72**
- 5) Submission to LPDC of an employment roster evidencing that the Recipient employs TWO (2) full time and TWO (2) part-time individuals as employees at the Business Site. Proof of employment, for purposes of this agreement, shall require the Recipient to produce either a) copies of the Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with the social security number of each employee redacted), or b) a signed and notarized statement executed by the owner, or another duly authorized representative, of the company affirming that TWO (2) full time and TWO (2) part-time employees are employed by the Recipient for positions permanently located at Business Site.
- 6) Presentation to the Board of the LPDC, during a regularly scheduled Board meeting, regarding all elements of the completed enhancement grant projects.
- 7) In no case will the sum of **\$42,057.86** be made by the LPDC if all the required items listed in Article I are not delivered to and received by LPDC within one (1) year from the date on which this agreement is approved by the La Porte City Council. In the case that all the required items listed in Article I for the Business Site are presented to LPDC on or before said deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days. Upon verification of the completion of all projects previously approved by the LPDC Board to the Business Site, as reflected by formal vote of the LPDC Board of Directors that the Recipient has satisfied the requirements of this paragraph, LPDC will then remit the sum of **\$42,057.86** to the Recipient within a period not to exceed thirty (30) days.

ARTICLE II

All funds received as herein provided shall be solely for the purpose of contributing towards the Recipient's costs in making eligible and approved improvements to the Business Site.

The Recipient further acknowledges that the incentive grant provided for herein is tied to a project of the LPDC for the promotion or development of new or expanded business enterprises, as authorized by Texas Local Government Code chapters 501 and 505.

ARTICLE III

Disbursement and/or retention of the cash incentive identified in Article I of this Agreement shall be made as follows:

- A. Disbursement shall be made to Recipient, subject to the satisfaction of the conditions precedent or conditions subsequent contained within Article I of this Agreement.
- B. LPDC's obligation to Recipient shall not exceed **\$42,057.86**, nor shall LPDC be obligated to reimburse Recipient for requests delivered to LPDC after the termination of this Agreement.

ARTICLE IV

The Recipient understands that the funds paid to the Recipient by the LPDC are derived from tax revenues collected under Texas Local Government Code 505.252, and that LPDC has estimated the tax revenues to be collected during the term of this Agreement. The Recipient further understands, acknowledges, and agrees that if the tax revenue actually collected is less than 90% of the estimated tax revenues to be collected in any fiscal year during the term of this Agreement, LPDC will be under no obligation to provide funding to the Recipient for any payment or payments during or after the fiscal year for which there is a revenue shortfall. Upon execution of the Agreement, funds will be placed in a City of La Porte designated commitment account for purposes of this Agreement.

ARTICLE V

In the event of any default by the Recipient hereunder, including, but not limited to, use of the funds provided herein for purposes other than those stated in Article I of this Agreement, LPDC may cease all future payments hereunder and terminate this Agreement. In addition, LPDC shall have the right to reclaim and recapture, and the Recipient shall refund, any funds that are not spent in accordance with the terms of this Agreement, including 1) LPDC funds spent by the Recipient in contravention of this Agreement and 2) any LPDC funds previously paid to the Recipient but not yet spent by Recipient. In each such case, the previously paid cash payment or payments shall be remitted to the LPDC within sixty (60) of receipt of written demand for same.

Any breach of this covenant shall be grounds for immediate termination of the distribution of funds.

ARTICLE VI

The term of this Agreement will expire one (1) year from the date on which the City Council approved the project.

ARTICLE VII

All funds provided by the LPDC pursuant to this Agreement may be used only for the purposes authorized by this Agreement. Notwithstanding Article I, above, City shall be under no obligation to make any fund disbursements if the reports required under this Article have not been delivered to the LPDC.

ARTICLE VIII

This Agreement does not create any joint venture, partnership, or agency relationship between the LPDC and the Recipient. The Recipient shall have exclusive control of, and the exclusive right to control the details of the work to be performed by the Recipient hereunder and all personnel performing same, and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, subcontractors, program participants, volunteers, licensees, and invitees. In no event shall any person participating in or performing any of the Recipient's duties or responsibilities hereunder be considered an officer, agent, servant, or employee of the LPDC.

ARTICLE IX

The Recipient agrees to assume and does hereby assume all responsibility and liability for damages sustained by persons or property, whether real or asserted, by or from the carrying on of work by the Recipient or in the performance of services performed and to be performed by the Recipient hereunder. The Recipient covenants and agrees to, and does hereby indemnify, defend, and hold harmless LPDC and all their respective officers, agents, and employees from all suits, actions, claims, and expenses of any character, including attorney's fees, brought for or incurred on account of any injuries or damages, whether real or asserted, sustained by any person or property by or in consequence of any intentional or negligent act, omission, or conduct of the Recipient, its agents, servants or employees.

ARTICLE X

This Agreement may be amended by the mutual agreement of the Parties hereto in writing to be attached to and incorporated into this Agreement.

ARTICLE XI

The Recipient shall adhere to all local, state, and federal laws and regulations that may affect its actions made pursuant to this Agreement, and shall maintain in effect during the term of this Agreement any and all federal, state, and local licenses and permits which may be required of Recipients generally.

ARTICLE XII

The Recipient may not assign this Agreement, or any of the benefits provided herein including but not limited to incentive payments identified in Article I, without the written consent of LPDC.

ARTICLE XIII

The waiver by LPDC of any breach of any term, condition, or covenant herein contained shall not be deemed a waiver of any subsequent breach of the same, or any other term, condition, or covenant.

ARTICLE XIV

The obligations of the Parties to this Agreement are performable in Harris County, Texas and if legal action is necessary to enforce same, venue shall lie in Harris County, Texas.

ARTICLE XV

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

ARTICLE XVI

This Agreement may be executed in triplicate, each of which shall be deemed an original and constitute one and the same instrument.

ARTICLE XVII

Neither LPDC nor the Recipient shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, civil riots, floods, and any other cause not reasonably within the control of LPDC or the Recipient except as herein provided, and which by the exercise of due diligence LPDC or the Recipient is unable, wholly or in part, to prevent or overcome.

ARTICLE XVIII

In submitting this application, the applicant whose signature appears below affirms its intent and commitment to comply in full with Section 2264.052 of the Government Code and certifies that it does not and will not knowingly employ an undocumented worker

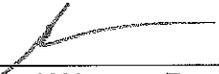
during any time period associated with the public subsidy for which the application is being submitted. The applicant further certifies its understanding and agreement that if it is convicted of a violation of 8 U.S.C. Section 1324a(f), providing for civil and/or criminal penalties for engaging in a pattern or practice of knowingly hiring or continuing to employ unauthorized aliens, it shall repay the amount of the public subsidy with interest, at the rate and according to the terms of the agreement signed under Section 2264.053 of the Government Code, not later than the 120th day after the date the city notifies the business of the violation.

ARTICLE XIX

The Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the Parties, which relate to matters in this Agreement.

SIGNED AND AGREED to by LPDC and the Recipient on the dates indicated below.

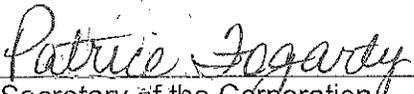
LA PORTE DEVELOPMENT CORPORATION



Richard Warren, President

1-13-16
Date

ATTEST



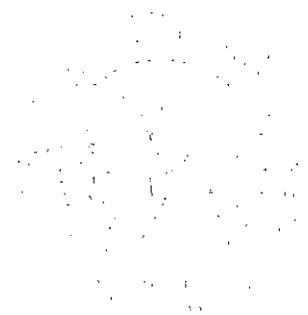
Secretary of the Corporation

Brotamonte Asset 1, LLC

By: Edwin Brotan

11/30/2015
Date

ATTEST



REQUEST FOR LA PORTE CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>25 January 2016</u>
Requested By: <u>Scott D. Livingston</u>
Department: <u>Administration/Economic Development</u>
Report: <u> </u> Resolution: <u> </u> Ordinance: <u> </u>

<u>Budget</u>	
Source of Funds: <u>La Porte Dev. Corp.</u>	
Account Number: <u>General Fund</u>	
Amount Budgeted: <u>N/A</u>	
Amount Requested: <u>\$152,889.82</u>	
Budgeted Item: YES	<input checked="" type="radio"/> NO

- Exhibit: Project Introduction - Revised
- Exhibit: Project Presentation, 11 January 2016
- Exhibit: New Incentive Guidelines, 11 Nov. 2015
- Exhibit: Project Math
- Exhibit: Development Agreement for Fischer's Hardware - Signed
- Exhibit: Public Hearing Notice, 3 Sept. 2015, BAO
- Exhibit: Tax Records

SUMMARY AND RECOMMENDATION:

On Monday, 11 January 2016, the LPDC Board voted to approve an incentive grant and a proposed development agreement with Fischer's Hardware, Inc. for an amount not to exceed 25% of \$611,559.28, which is **\$152,889.82**. The owners of Fischer's Hardware are planning to invest **\$611,559.28** to expand the hardware store on the northwest corner of W. Fairmont Parkway and S. Broadway. This amount does not include any capital to purchase new retail inventory. Fischer's is proposing to complete the following projects:

- Remove the existing metal fascia on the entire perimeter of the building,
- Install a new framework and new stucco fascia panels,
- Remove the awning from the southwest side of the building,
- Install kneewall stone fascia,
- Install a black wrought iron fence,
- Add paint and signage to the new structures,
- Remove the block wall between the existing build and Little Jacks to increase square footage by 15,000 square feet,
- Add new, interior fixtures & lumber fixtures for expansion,
- Add new, interior signage and fixtures,
- Repaint the pole sign and add new graphic signage.
- Re-seal and re-stripe the parking lot,
- Re-pave the area which is currently covered on the south side of the building, and

- Add new flower beds and landscaping, including a block flower bed at the bottom of the exterior sign pole and add stucco finish to match the building.

The development agreement outlines the requirements that must be met in order for Fischer’s to receive each of the five incentive payments. The performance benchmarks are as follows:

	Payment Amount	Timeline	Payment Details	Pro-Rata Eligible?
1	\$62,889.82	Documents must be submitted by February 28, 2017	Documentation of capital expenditures of at least \$611,559 for the scope of work outlined above.	Yes- pro rata threshold is \$550,000 in capital expenditures. Incentive amount determined by percentage of \$611,559 documented.
2	\$15,000	Documents must be submitted by February 28, 2017	Addition of 4 full-time and 3 part-time employees. If Fischer’s does not meet requirements for Payment 1, it is NOT eligible to receive Payment 2.	No.
3	\$75,000	Three years from issuance of final CO	Increased sales tax revenue of at least 20% from the Base Year sales tax revenues. Eligible for \$25,000 max/year for three years	Yes- pro rata threshold is 15% increase in sales tax revenues. Incentive amount determined by percentage of 20% increase documented.

As a direct result of this expansion and the associated improvements, the project principals anticipate that the taxable retail sales may increase by as much as 15-20%. In addition, the project principals are planning to hire 7 to 10 new employees as a result of this expansion. Of these new employees, 4 to 5 will be “full time” and the remaining will be “part-time” employees. 3 to 4 of the “full time” employees will be categorized as “management”.

Other benefits of this proposed project include:

- Redevelopment and beautification of a prime corner in town,
- Opportunity to encourage local business expansion,
- Locally owned business with deep roots in in La Porte, and
- Opportunity to encourage the ongoing viability of this business anchor at a prime location in La Porte.

Action Required by the La Porte City Council:

Consider approval or other action authorizing expenditure by the La Porte Development Corporation for an incentive grant in an amount not to exceed \$152,889.82, payable to Fischer's Hardware, Inc., for infrastructure improvements to property located at 1010 S. Broadway Street.

Approved for the La Porte City Council Agenda

Corby D. Alexander, City Manager

Date

Proposed Project Criteria

Please provide the following information to **Scott D. Livingston** at LivingstonS@laportetx.gov at least three (3) weeks in advance of the planned meeting date with the Board of Directors of the La Porte Development Corporation:

1. Who is Fischers Hardware? What does Fischers Hardware do?

Fischers Hardware is in the business of retail sales providing product and services to La Porte and surrounding areas.

2. What does Fischers Hardware wish to do in La Porte, Texas? Please explain the scope of the proposed project in La Porte, Texas. *Please submit a site plan, elevation rendering(s), pictures, and/or a detailed verbal description of the desired project with this form.*

The owners of Fischer's Do It Best Hardware are proposing to invest more than \$611,559.28 to expand their existing business in La Porte, TX. The owners will use the funds to remodel both the interior and exterior of the building to provide an updated appearance by completing the following projects:

- Remove the existing metal fascia on the entire perimeter of the building,
- Install a new framework and new stucco fascia panels,
- Remove the awning from the southwest side of the building,
- Install kneewall stone fascia,
- Install a black wrought iron fence,
- Add paint and signage to the new structures,
- Remove the block wall between the existing build and Little Jacks to increase square footage by 15,000 square feet,
- Add new, interior fixtures & lumber fixtures for expansion,
- Add new, interior signage and fixtures,
- Repaint the pole sign and add new graphic signage.
- Re-seal and re-strip the parking lot,
- Re-pave the area which is currently covered on the south side of the building, and
- Add new flower beds and landscaping, including a block flower bed at the bottom of the exterior sign pole and add stucco finish to match the building.

3. Where does Fischers Hardware wish to do business in La Porte, Texas?

Fischer's Hardware will operate in its current location.

4. When does Fischers Hardware wish to start and finish the proposed project?

Fischer's Hardware would like to start the project as soon as possible and have the project completed within six months.

5. Why is Fischers Hardware interested in conducting business to La Porte, Texas?

Fischer's Hardware has been serving the community for 35 years and would like to continue with a new look and new products to better serve customers.

6. How would Fischers Hardware like to receive assistance from the La Porte Development Corporation to assist Fischers Hardware in making a firm commitment to complete the proposed project in La Porte, Texas?

Fischer's Hardware would like to receive assistance from the ED Board to complete the proposed project in a minimal amount of time. We would like to request funds to make the transition.

7. What are the estimated 2013 taxable values of the existing property(ies) of the proposed location in La Porte, Texas?

The current, total taxable value of Fischers Hardware is 1.4 million.

8. What is the estimated taxable value to be added in La Porte as a result of completing the proposed project in La Porte? This would include the following:

The owners are planning to invest \$\$611,559.28 to renovate and expand the existing building, purchase new taxable retail inventory, purchase new interior furniture, fixtures, and equipment, purchase new interior and exterior signage, re-pave and re-stripe the parking lot, and add additional landscaping.

9. How many *existing* employees (both full time and part time) will be re-located to La Porte or retained in La Porte as a result of the proposed project?

All existing employees will remain as a result of the proposed project.

10. How many *new* employees (both full time and part time) will be hired as a result of the proposed project?

Fischer's Hardware plans to add 7 to 10 new employees as a result of the proposed project. Of these new employees, 4 to 5 will be "full time" and the remaining will be "part-time" employees. 3 to 4 of the "full time" employees will be categorized as "management".

11. How many paid and/or intern positions are the company willing to reserve for students of La Porte High School?

Fischer's Hardware has used Cooperative Education in the past with positive results and will continue to use this program. We estimate 3 to 5 positions will be available.

12. Generally identify the benefits, if any, that all full time employees will receive (i.e. 401k, dental, medical, vision, stock options, profit-sharing, etc.).

Fischers Hardware offers optional medical, dental, vision, and Accidental Death and Dismemberment, as well as life insurance to all full time employees.

13. Categorize the employees (both full time and part time; both relocated and new hires) by job title/type of work and wage/salary level.

All of Fischers Hardware employees are categorized as sales with the exception of office clerical personnel. Sales positions include customer service, stocking, and cashier.

14. What is the “but for” that requires assistance from the La Porte Development Corporation? In other words, without the assistance of the La Porte Development Corporation, why might not Fischers Hardware be able to complete the proposed project in La Porte, Texas?

Without the assistance of the La Porte Development Corporation, Fischer’s Hardware is unable to complete the proposed project.

15. What form(s) and amount(s) of incentives does Fischers Hardware wish to request from the La Porte Development Corporation to be able to complete the proposed project in La Porte, Texas?

Fischer’s Hardware would like to receive the full amount of incentive funds allowable to complete the proposed project. Fischer’s Hardware is requesting the sum of \$250,000. The board’s decision and grant award will determine whether or not they will spend the full amount or reduce the scope of the proposed project.

Fischer's Do It Best Hardware

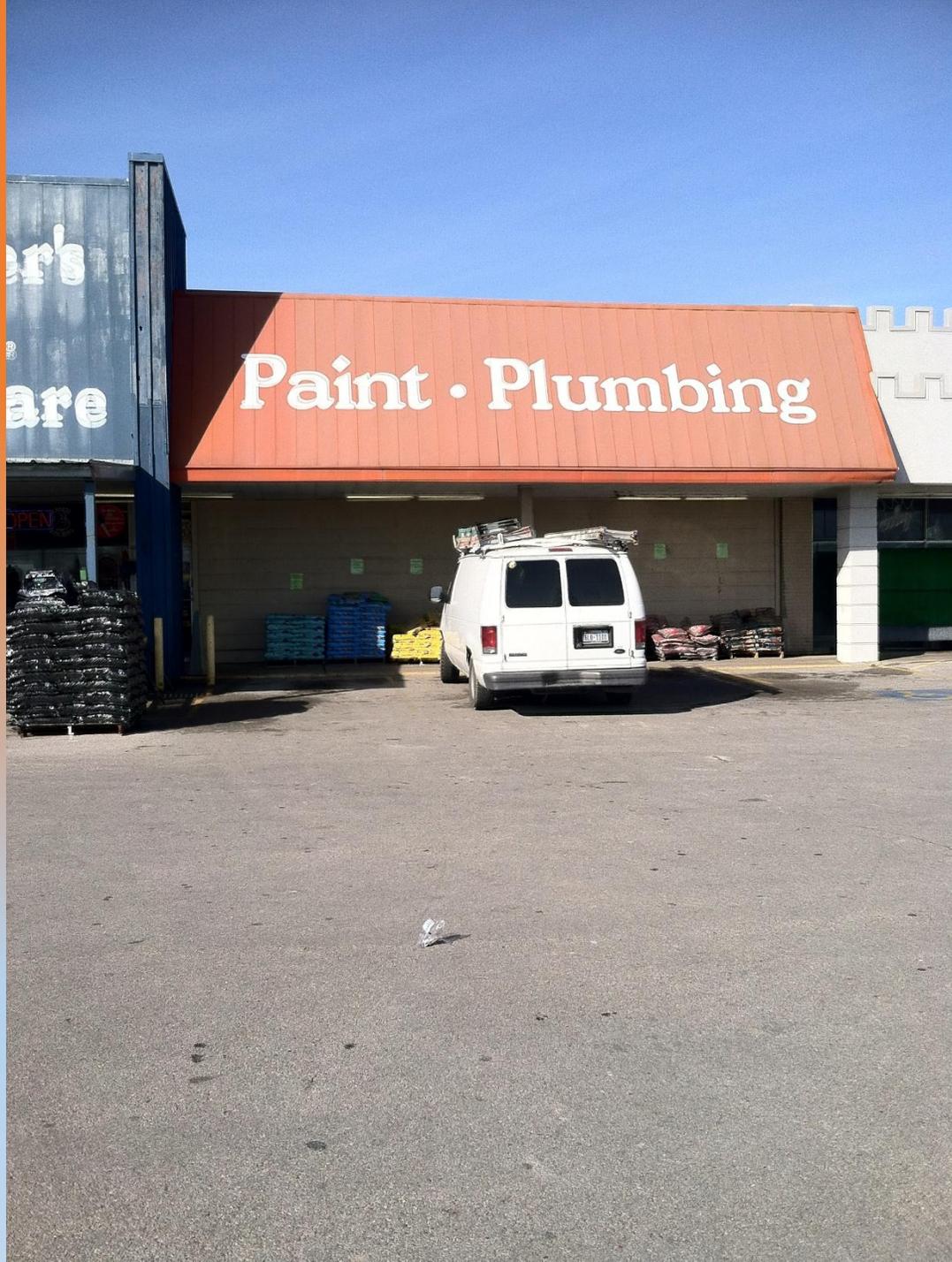
**1012 South Broadway
La Porte, TX 77571**

www.fischershardware.doitbest.com

BEFORE













Proposed Work to be Completed

- Remove the existing metal fascia on the entire perimeter of the building,
- Install a new framework and new stucco fascia panels,
- Remove the awning from the southwest side of the building,
- Install kneewall stone fascia,
- Install a black wrought iron fence,
- Add paint and signage to the new structures,
- Remove the block wall between the existing build and Little Jacks to increase square footage by 15,000 square feet,

Proposed Work to be Completed

- Add new, interior fixtures & lumber fixtures for expansion,
- Add new, interior signage and fixtures,
- Repaint the pole sign and add new graphic signage.
- Re-seal and re-stripe the parking lot,
- Re-pave the area which is currently covered on the south side of the building, and
- Add new flower beds and landscaping, including a block flower bed at the bottom of the exterior sign pole and add stucco finish to match the building.

Estimated Expenses

Since the ED Board may hold the project principals accountable for completing each of the identified projects and spending a minimum amount on new taxable business personal property (i.e. retail inventory), “infrastructure”, “site improvements”, and “other related improvements, written bids are neither required nor necessary for this project. Proposed project expenses are:

- **\$450,000.00** for building renovation/construction,
- **\$ 92,873.84** on interior furniture, fixtures, and equipment,
- **\$ 30,000.00** to resurface and stripe the parking lot,

Estimated Expenses

- **\$ 15,000.00** on exterior/street signage,
- **\$ 18,685.44** on interior signage, and
- **\$ 5,000.00** for new flower beds and landscaping.

Estimated total is \$611,559.28, excluding any expenses for retail inventory.

AFTER



Project Request

In order to support the proposed project, the project principals request the ED Board consider awarding an economic development grant in the amount not to exceed **\$250,000**.

Contact Information:

Michael Breaux

Owner

Fischer's Do It Best Hardware

1012 S. Broadway

La Porte, Texas 77571

(281) 470-0171

fischershardware@gmail.com

Rod Rothermel

Owner

Fischer's Do It Best Hardware

1012 S. Broadway

La Porte, Texas 77571

(281) 470-0171

fischershardware@gmail.com

Frank Herrera

General Manager

Fischer's Do It Best Hardware

1012 S. Broadway

La Porte, Texas 77571

(281) 470-0171

frkherrera@yahoo.com

Incentive Guidelines for New and Expanding Businesses
City of La Porte
11 November 2015

1. Incentives for new or expanding businesses should be limited to the *lesser* of:
 - (a) A maximum 10 year payback of the business's new/additional tax revenues to the City of La Porte, or
 - (b) Up to 25% of the business's total expenditures for "infrastructure", "site improvements", and "other related improvements";
2. Businesses that create new "primary jobs" will receive additional value, which will be calculated as an "Adjusted Payback";
3. "Primary Job Training" is an eligible expense toward a business's 25% total expenditure;
4. The maximum contribution of the Board to projects in the La Porte Enhancement Grant Program is \$50,000; and
5. Projects that do not meet these parameters will be considered on a case-by-case basis.

Contextual Information for Economic Development Grant Awards

All projects that apply for an economic development grant must meet the following criteria:

- (1) Only the minimum amount of financial assistance required to bring the project to fruition will be considered.
- (2) A strict, narrow focus will be maintained for using funds on "infrastructure", "site improvements", "related improvements", and "primary job training".
- (3) The incremental tax revenues, including both property and sales tax revenues, to be generated by each project, which may be verified in the quarterly and annual STARS Reports, will be included in the model.
- (4) The value of number of new jobs associated with each project will be assigned a value and included in the model as follows:
 - a. A value of **0.15** per job will be assigned for higher paying, white collar, engineering, engineering design, or executive "**primary jobs**".
 - b. A value of **0.125** per job will be assigned to highly skilled positions for a process technician and/or advanced manufacturing "**primary jobs**".
 - c. A value of **0.10** per job will be assigned to skilled "**primary jobs**".
 - d. A value of **0.075** per job will be assigned to unskilled "**primary jobs**", and
 - e. A value of **0** per job will be assigned to "**non-primary jobs**".
- (5) Projects which have already made a commitment to establish a new business in La Porte will not be considered for an incentive grant.
- (6) Projects which have already started construction or other renovation work will not be considered for an incentive grant.
- (7) The ED Board and/or City Council will retain discretion to award any lesser or greater amount to any given project.

Project Math

This mathematical analysis is based upon the **New Incentive Guidelines for New and Expanding Businesses**, which the ED Board approved on 11 November, 2015. In short, the new guidelines applicable to this project state that:

1. Incentives for new or expanding businesses should be limited to the *lesser* of:
 - (a) A maximum 10 year payback of the business's new/additional tax revenues to the City of La Porte, or
 - (b) Up to 25% of the business's total expenditures for "infrastructure", "site improvements", and "other related improvements";
2. Businesses that create new "primary jobs" will receive additional value, which will be calculated as an "Adjusted Payback";

Known Facts:

- Total capital expenditure, excluding inventory of approximately **\$600,000**.
- Sales tax revenues are expected to increase by **15-20%**, per the Project Introduction.
- Annual sales tax revenues for the last twelve months ending with the 2nd Quarter of 2015, as provided by the STARS report. (Note: In accordance with State Law, this information is confidential.)
- Anticipated new employment of 4 full time managerial positions and 3 part time positions. (Note: For the purpose of this analysis, the full time, primary job positions were given a value of **0.1**, while the part time, non-primary job positions were assigned a value of **0**).

Analysis:

For this project, an incentive grant award may be limited to a maximum 10 year payback of the business's new/additional tax revenues to the City of La Porte, since this amount is less than 25% of the business's total expenditures. Therefore, assuming that (a) 100% of the value of the \$600,000 capital expenditure will be added to the city's tax rolls, and (b) the retailer will increase its annual retail sales tax revenue by 20% each year, the 10 year payback is as:

$$\begin{aligned} \$120,000 &= ((\$600,000/100) \times (0.71) \times (10 \text{ years})) \\ &+ ((20\% \text{ new sales tax revenue}) \times (10 \text{ years})) \\ &+ \text{a value for 4 full time, managerial/primary jobs} \end{aligned}$$

	<u>Added Taxable Value</u>	<u>10 Year PILOT or Tax Revenue</u>	<u># of Full Time Jobs</u>	<u># of Part Time Jobs</u>	<u>Grant Award</u>	<u>Raw Payback Period (Years)</u>	<u>Adj. Payback Period for # of FT Jobs (Years)</u>
Fischer's Hardware	\$600,000	\$116,600	4	3	\$200,000	17.15	16.75
Fischer's Hardware	\$600,000	\$116,600	4	3	\$150,000	12.86	12.46
Fischer's Hardware	\$600,000	\$116,600	4	3	\$120,000	10.29	9.89

For **\$200,000**, the payback period is 17.15 years, and the adjusted payback period is 16.75 years.

For **\$150,000**, the payback period is 12.86 years, and the adjusted payback period is 12.46 years.

For **\$120,000**, the payback period is **10.29 years**, and the adjusted payback period is **9.89 years**.

ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN THE LA PORTE DEVELOPMENT CORPORATION, AND FISCHER'S HARDWARE, INC., A TEXAS CORPORATION, FOR USE OF TYPE B DEVELOPMENT CORPORATION SALES TAX FUNDS

THIS AGREEMENT made by and entered into this **11th** day of **January, 2016** between the La Porte Development Corporation, a Type B non-profit corporation operating under authority of Texas Local Government Code Chapters 501 and 505, hereinafter "LPDC", and Fischer's Hardware, Inc., a Texas Corporation, hereinafter referred to as "Recipient".

WITNESSETH:

WHEREAS, the voters of the City of La Porte authorized the levying of additional sales tax within the City for promotion of economic development and the LPDC is authorized to use such tax revenues for certain qualifying projects and other economic development related purposes; and

WHEREAS, Recipient is a Texas based retail hardware outlet with stores located in Baytown, Texas, Pasadena, Texas, and La Porte, Texas; and

WHEREAS, Recipient wishes to renovate the exterior and interior of its existing hardware store known as "Fischer's Do It Best Hardware" and located at 1010 S. Broadway St., La Porte, Texas, and make associated site improvements, and which would 1) result in the expenditure by Recipient of an estimated **\$611,559.28** in capital improvements; 2) employ an additional **four (4) full time** and **three (3) part-time** personnel; and 3) increase annual retail sales tax revenues attributable to the 1010 S. Broadway store site by **20%**.

WHEREAS, Recipient has requested that LPDC provide financial incentives to Recipient to contribute towards the cost of renovation of the property at 1010 S. Broadway St., under a qualifying project of the LPDC for infrastructure, site and related improvements, as authorized by Texas Local Government Code Chapters 501 and 505, and it is the desire of LPDC to assist in the funding of same, finding that such expenditures will promote or develop new or expanded business enterprises.

WHEREAS, Texas law and the by-laws of the LPDC require that certain expenditures and projects by the LPDC be approved by the governing body of the City; and whereas the LPDC Board has duly approved such project and the expenditures for same have been authorized by the La Porte City Council; and

NOW THEREFORE, in consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereof, as well as to the citizens of the City of La Porte, Texas, the parties have agreed and do hereby agree as follows:

ARTICLE I

In consideration of Recipient renovating the existing structure at 1010 S. Broadway St., and continuing to operating a "Fischer's Hardware" store at the 1010 S. Broadway St site ("Store" herein), which proposal was considered in that certain public hearing authorizing a proposed project for the expenditure of LPDC funds for the promotion or development of new or expanded business enterprises, held before the LPDC on November 11, 2015, LPDC agrees to provide Recipient an incentive package consisting of cash payments in a total sum not to exceed **\$152,889.82**, to be distributed in five separate payments of \$62,889.82, \$15,000.00, \$25,000.00, \$25,000.00, and \$25,000.00, with each distribution conditioned upon the attainment of certain performance thresholds, more specifically outlined as follows:

- 1) A cash incentive payment in an amount equal to **\$62,889.82** will be distributed to Recipient by LPDC, upon receipt by LPDC of a) proof of all Final Inspection Reports issued by the City of La Porte, Texas to Recipient for completion of the renovated Store and b) proof of a minimum capital investment in the amount of at least **\$611,559.28** applied towards renovation of the Store and related infrastructure and site work. The renovation to the Store and related infrastructure for which the required capital investment is made, must, at a minimum, include the following scope of work:

- a) Removal of existing metal fascia on the entire perimeter of the building
- b) Installation of new framework and new stucco fascia panels
- c) Removal of awning from the southwest side of the building
- d) Installation of knee-wall stone fascia
- e) Installation of black wrought iron fence
- f) Addition of paint and signage to the new structures
- g) Removal of the block wall between the existing build and Little Jacks to increase square footage of hardware store by 15,000 square feet
- h) Addition of new interior fixtures and lumber fixtures for expansion
- i) Addition of new interior signage and fixtures
- j) Repainting of the pole sign and addition of new graphic signage
- k) Resealing and restriping the parking lot
- l) Repaving of area which is currently covered on the south side of the building
- m) Addition of new flower beds and landscaping, including a block flower bed at the bottom of the exterior sign pole and add stucco finish to match the building

A. In no case will the **\$62,889.82** payment be made by LPDC if a copy of all Final Inspection Reports, and documentation substantiating the

expenditure of no less than **\$611,559.28** applied towards capital improvements to complete all the items listed in Article I, is not delivered to and received by LPDC by February 28, 2017. In the case that proof of all Final Inspection Reports and a minimum capital investment of at least **\$611,559.28** for the Store is presented to LPDC on or before said February 28, 2017 deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of all Final Inspection Reports and minimum capital investment of at least **\$611,559.28** by LPDC from Recipient. Upon verification of the completion of all items listed in Article I to renovate the Store, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$62,889.82** to Recipient within a period not to exceed thirty (30) days.

B. Notwithstanding the foregoing requirements, Recipient will be entitled to receive a pro-rata portion of the **\$62,889.82** incentive payment in the event that it should, by the February 28, 2017 deadline, provide a copy of all Final Inspection Reports, and provide documentation evidencing that Recipient made a capital investment to complete all items listed in Article I towards renovation of the Store and related infrastructure and site work, but in an amount less than **\$611,559.28**. However, in this case Recipient shall be entitled to payment of a pro rata share of the **\$62,889.82** incentive grant only in the instance that Recipient provides a copy of all Final Inspection Reports, and evidence of capital investment in renovation and related infrastructure and site work, in an amount no less than **\$550,000.00**. Where Recipient fails to provide documentation evidencing capital investment in renovation and related infrastructure and site work in an amount of at least **\$550,000.00**, it shall be disqualified from receiving any portion of the **\$62,889.82** incentive payment.

In the case that Recipient provides a copy of all Final Inspection Reports, as well as documentation evidencing capital investment to complete all items listed in Article I in renovation and related infrastructure and site work in an amount of at least **\$550,000.00**, but less than **\$611,559.28**, to LPDC on or before said February 28, 2017 deadline, the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of the total taxable retail sales from Recipient. Upon verification of Recipient's submission of a copy of all necessary Final Inspection Reports, as well as documentation evidencing capital investment in renovation and related infrastructure and site work for all the items listed in Article I in an amount of at least **\$550,000.00**, but less than **\$611,559.28**, for qualification of pro rata payment, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit a pro rata share of the **\$62,889.82** amount as applicable, to Recipient within a period not to exceed thirty (30) days. For purposes of

clarification only, the following two examples shall serve to illustrate the application of this paragraph:

Example 1: *If Recipient provides evidence of total capital expenditure for the Store in the amount of **\$545,000.00** by the February 28, 2017 deadline, the incentive payment under this agreement would be **\$0**.*

Example 2: *If Recipient provides evidence of total capital expenditure for the Store in the amount of **\$575,000.00** by the February 28, 2017 deadline, the incentive payment under this agreement would be calculated at $\$575,000/\$611,559.28$, or 94% of the $\$62,889.82$ incentive payment, for a total payment of **\$59,130.24**.*

- 2) A cash incentive payment in an amount equal to **\$15,000.00** will be distributed to Recipient by LPDC, upon submission to LPDC of an employment roster evidencing that Recipient employs an additional **four (4) full time and three (3) part-time** individuals as employees at the Store, above the ten (10) full time and six (6) part-time individuals employed at the La Porte store as of October 15, 2015, no later than February 28, 2017. Proof of employment, for purposes of this agreement, shall require Recipient to produce a) copies of Recipient's 941 Report to the Internal Revenue Service and C3 Report to the Texas Workforce Commission for each employee (but with social security numbers of each employee redacted) and b) a notarized statement executed by Recipient's Board of Directors affirming that an additional four (4) full time and three (3) part-time employees are employed by Recipient for positions permanently located at the 1010 S. Broadway St. site. However, where Recipient fails to make capital investment towards renovation and related infrastructure and site work at the Store in completion of all the items listed in Article I in an amount of at least **\$550,000.00** by the said February 28, 2017 deadline for submission of an employment roster, then Recipient shall be disqualified from receiving any portion of the **\$15,000.00** payment; in no case will Recipient be entitled to a pro rata portion of the **\$15,000.00** incentive.

- 3) A cash incentive payment in an amount equal to **\$75,000.00** will be distributed to Recipient by LPDC, in three annual installments of **\$25,000.00** each, based on the following criteria:
 - A. Beginning with the date that the Recipient is issued the last, required Final Inspection Report from the City of La Porte certifying completion of all of the work items associated with the proposed project covered by this Agreement, if during the 12 month period following the date of issuance of the said last, required Final Inspection Report (Year 1 of operation) the Recipient generates sales tax revenue from the La Porte store that **meets or exceeds by 20%** the amount of sales tax revenue generated from the beginning of the 3rd Quarter of 2014 through and including the 2nd Quarter of 2015 ("Baseline Sales Tax Revenue Amount " herein) as

reflected in the Sales Tax Analysis and Reporting Service (STARS Report), Recipient shall be entitled to a **\$25,000.00** installment payment at the end of Year 1 of operation.

B. If during the 12 month period following Year 1 of operation (Year 2 of operation) Recipient generates sales tax revenue from the La Porte store that **meets or exceeds by 20%** the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report), Recipient shall be entitled to a **\$25,000.00** installment payment at the end of Year 2 of operation.

C. If during the 12 month period following Year 2 of operation (Year 3 of operation) Recipient generates sales tax revenue from the La Porte store that **meets or exceeds by 20%** the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report), Recipient shall be entitled to a **\$25,000.00** installment payment at the end of Year 3 of operation.

D. Notwithstanding the foregoing, if in any Year of Operation, as that term is defined in this Section, Recipient generates sales tax revenue that does not meet or exceed the Baseline Sales Tax Revenue Amount by 20%, but does meet or exceed the Baseline Sales Tax Revenue Amount by **at least 15%**, then in that case Recipient shall be entitled to a pro rata share of the **\$25,000.00** installment payment made at the end of the applicable Year of Operation. However, in the case that Recipient fails to meet or exceed the Baseline Sales Tax Revenue Amount by at least 15% in a given Year of Operation, then Recipient shall be entitled to **no portion** of the \$25,000.00 installment, for that Year of Operation.

If after the conclusion of a Year of Operation, but no later than 90 days after the conclusion of the Year of Operation, the Recipient submits proof that it **met or exceeded by 20%** the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report), the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of such sales tax revenue data. Upon verification of same, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit the **\$25,000.00** to Recipient within a period not to exceed thirty (30) days.

If after the conclusion of a Year of Operation, but no later than 90 days after the conclusion of the Year of Operation, the Recipient submits proof that it met or exceeded the Baseline Sales Tax Revenue Amount as reflected in the Sales Tax Analysis and Reporting Service (STARS Report) by **at least 15% but less than 20%**, then in that event the LPDC shall convene a meeting of the LPDC Board of Directors for a date no later than forty-five (45) days after receipt of proof of such sales tax revenue data. Upon verification of same, for qualification of pro rata

payment, as reflected by formal vote of the LPDC Board of Directors that Recipient has satisfied the requirements of this paragraph, LPDC will then remit a **pro rata share** of the **\$25,000.00** amount as applicable, to Recipient within a period not to exceed thirty (30) days. For purposes of clarification only, the following two examples shall serve to illustrate the application of this paragraph:

Example 1: If Recipient provides evidence of total sales tax revenue for a Year of Operation that exceeds the Baseline Sales Tax Revenue Amount by 7%, the incentive payment under this agreement would be \$0.

Example 2: If Recipient provides evidence of total sales tax revenue for a Year of Operation that exceeds the Baseline Sales Tax Revenue Amount by 17%, the incentive payment under this agreement would be calculated at 17/20, or 85% of the \$25,000.00 incentive payment, for a total payment of \$21,250.00.

ARTICLE II

All funds received as herein provided shall be solely for the purpose of contributing towards Recipient's costs in the renovation of the exterior and interior of the existing hardware store known as "Fischer's Hardware", located at 1010 S. Broadway St., La Porte, Texas and for the making of associated site and infrastructure improvements, to operate hardware store. Recipient further acknowledges that the incentive grant provided for herein is tied to a project of the LPDC for the promotion or development of new or expanded business enterprises, as authorized by Texas Local Government Code chapters 501 and 505.

ARTICLE III

Disbursement and/or retention of the cash incentive identified in Article I of this Agreement shall be made as follows:

- A. Disbursement shall be made to Recipient, subject to the satisfaction of the conditions precedent or conditions subsequent contained within Article I of this Agreement.
- B. LPDC's obligation to Recipient shall not exceed **\$152,889.82**, nor shall LPDC be obligated to reimburse Recipient for requests delivered to LPDC after the termination of this Agreement.

ARTICLE IV

Recipient understands that the funds paid to Recipient by the LPDC are derived from tax revenues collected under Texas Local Government Code 505.252, and that LPDC has estimated the tax revenues to be collected during the term of this Agreement. Recipient further understands, acknowledges, and agrees that if the tax revenue actually

collected is less than 90% of the estimated tax revenues to be collected in any fiscal year during the term of this Agreement, LPDC will be under no obligation to provide funding to Recipient for any payment or payments during or after the fiscal year for which there is a revenue shortfall. Upon execution of the Agreement, funds will be placed in a City of La Porte designated commitment account for purposes of this Agreement.

ARTICLE V

In the event of any default by Recipient hereunder, including, but not limited to, use of the funds provided herein for purposes other than those stated in Article I of this Agreement, LPDC may cease all future payments hereunder and terminate this Agreement. In addition, LPDC shall have the right to reclaim and recapture, and Recipient shall refund, any funds that are not spent in accordance with the terms of this Agreement, including 1) LPDC funds spent by Recipient in contravention of this Agreement and 2) any LPDC funds previously paid to Recipient but not yet spent by Recipient. In each such case, the previously paid cash payment or payments shall be remitted to the LPDC within sixty (60) of receipt of written demand for same.

Any breach of this covenant shall be grounds for immediate termination of the distribution of funds.

ARTICLE VI

The term of this Agreement is for a period beginning on the date of approval by LPDC and ending **February 28, 2017**.

ARTICLE VII

All funds provided by the LPDC pursuant to this Agreement may be used only for the purposes authorized by this Agreement. Notwithstanding Article I, above, City shall be under no obligation to make any fund disbursements if the reports required under this Article have not been delivered to the LPDC.

ARTICLE VIII

This Agreement does not create any joint venture, partnership, or agency relationship between the LPDC and Recipient. Recipient shall have exclusive control of, and the exclusive right to control the details of the work to be performed by Recipient hereunder and all personnel performing same, and shall be solely responsible for the acts and omissions of its officers, members, agents, servants, employees, subcontractors, program participants, volunteers, licensees, and invitees. In no event shall any person participating in or performing any of Recipient's duties or responsibilities hereunder be considered an officer, agent, servant, or employee of the LPDC.

ARTICLE IX

Recipient agrees to assume and does hereby assume all responsibility and liability for damages sustained by persons or property, whether real or asserted, by or from the

carrying on of work by Recipient or in the performance of services performed and to be performed by Recipient hereunder. Recipient covenants and agrees to, and does hereby indemnify, defend, and hold harmless LPDC and all their respective officers, agents, and employees from all suits, actions, claims, and expenses of any character, including attorney's fees, brought for or incurred on account of any injuries or damages, whether real or asserted, sustained by any person or property by or in consequence of any intentional or negligent act, omission, or conduct of Recipient, its agents, servants or employees.

ARTICLE X

This Agreement may be amended by the mutual agreement of the Parties hereto in writing to be attached to and incorporated into this Agreement.

ARTICLE XI

Recipient shall adhere to all local, state, and federal laws and regulations that may affect its actions made pursuant to this Agreement, and shall maintain in effect during the term of this Agreement any and all federal, state, and local licenses and permits which may be required of Recipients generally.

ARTICLE XII

Recipient may not assign this Agreement, or any of the benefits provided herein including but not limited to incentive payments identified in Article I, without the written consent of LPDC.

ARTICLE XIII

The waiver by LPDC of any breach of any term, condition, or covenant herein contained shall not be deemed a waiver of any subsequent breach of the same, or any other term, condition, or covenant.

ARTICLE XIV

The obligations of the Parties to this Agreement are performable in Harris County, Texas and if legal action is necessary to enforce same, venue shall lie in Harris County, Texas.

ARTICLE XV

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

ARTICLE XVI

This Agreement may be executed in triplicate, each of which shall be deemed an original and constitute one and the same instrument.

ARTICLE XVII

Neither LPDC nor Participant shall be required to perform any term, condition, or covenant in this Agreement so long as such performance is delayed or prevented by force majeure, which shall mean Acts of God, civil riots, floods, and any other cause not reasonably within the control of LPDC or Recipient except as herein provided, and which by the exercise of due diligence LPDC or Recipient is unable, wholly or in part, to prevent or overcome.

ARTICLE XVIII

In submitting this application, the applicant whose signature appears below affirms its intent and commitment to comply in full with Section 2264.052 of the Government Code and certifies that it does not and will not knowingly employ an undocumented worker during any time period associated with the public subsidy for which the application is being submitted. The applicant further certifies its understanding and agreement that if it is convicted of a violation of 8 U.S.C. Section 1324a(f), providing for civil and/or criminal penalties for engaging in a pattern or practice of knowingly hiring or continuing to employ unauthorized aliens, it shall repay the amount of the public subsidy with interest, at the rate and according to the terms of the agreement signed under Section 2264.053 of the Government Code, not later than the 120th day after the date the city notifies the business of the violation.

ARTICLE XIX

The Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the Parties, which relate to matters in this Agreement.

SIGNED AND AGREED to by LPDC and Recipient on the dates indicated below.

LA PORTE DEVELOPMENT CORPORATION



Richard Warren, President

1-13-16
Date

ATTEST



Secretary of the Corporation

LEGAL/PUBLIC NOTICES

To Place Legal and Public Notices:
Email editor@bayareaobserver.com or Call 281-907-3140

PUBLIC NOTICE

You are hereby notified that the building(s)/structure(s) located at the below-referenced address(s) remain unfit for human use or habitation or is obsolete, dilapidated, or substandard, and is in violation of the City of La Porte Code of Ordinances # 82-476.

On August 24, 2015 the City of La Porte City Council convened at a Public Hearing and issued Condemnation Ordinances for the below listed properties:

- 204 N. Forrest Ave. TWO STRUCTURES ON SITE**
(Single Family Dwelling in an R-1, Low-Density Residential Zone)
HCAD: #035-208-005-0018
Legal Description: Blk. 5; Lot 8; Sylvan Beach First Subdivision
Improvements: \$ 31,942.00
Taxes Owed: \$ 0
- 514 N. 5th St ONE STRUCTURE ON SITE**
(Single Family Dwelling in an R-1, Low-Density Residential Zone)
HCAD: #023-216-004-0009
Legal Description: Blk. 104; Lots 9 & 10; La Porte – Harris County
Improvements: \$ 39,495.00
Taxes Owed: \$ 0
- 626 N. 1st St. ONE STRUCTURE ON SITE**
(Single Family Dwelling in an R-1, Low-Density Residential Zone)
HCAD: #024-037-027-0003
Legal Description: Blk. 327; Lots 3-4; Town of La Porte- Harris County
Improvements: \$ 17,803.00
Taxes Owed: \$ 0
- 330 S. 5th St. sONE STRUCTURE ON SITE**
(Single Family Dwelling in an R-1, Low-Density Residential Zone)
HCAD: #023-162-018-0017
Legal Description: Blk. 18; Lots 17, 18, & 19; La Porte
Improvements: \$ 13,614.00
Taxes Owed: \$ 0

A complete copy of the above-listed orders may be obtained at the City Secretary's Office, City of La Porte, 604 W. Fairmont Parkway, La Porte, TX 77571

CITY OF LA PORTE
Patrice Fogarty, City Secretary

In compliance with the Americans with Disabilities Act, the City of La Porte will provide for reasonable accommodation for persons attending public meetings. To better serve attendees, requests should be received 24 hours prior to the meetings. Please contact Patrice Fogarty, City Secretary, at 281.470.5019.

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of La Porte will hold a Public Hearing on the 14th day of September 2015, in the Council Chambers of the City Hall, 604 West Fairmont Parkway, La Porte, Texas, beginning at 6:00 P.M. The purpose of this hearing is to provide citizens the opportunity to comment on the overall budget.

This budget will raise more total property taxes than last year's budget by \$1,209,600.00, or 7.08%; and of that amount, \$167,401.27 is tax revenue to be raised from new property added to the tax roll this year.

The City of La Porte must, by Charter requirement, adopt its fiscal budget by September 30, 2015. Copies of the adopted budget will be available for public inspection and copying at the office of the City Secretary, City Hall, 604 West Fairmont Parkway, La Porte, Texas, and the La Porte Community Library, 600 South Broadway, La Porte, Texas, during normal business hours. Copies will also be made available on the City's website.

CITY OF LA PORTE
Patrice Fogarty, TRMC, MMC
City Secretary

NOTICE OF PUBLIC HEARING

LA PORTE DEVELOPMENT CORPORATION BOARD (TYPE B BOARD)

Notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas will conduct a public hearing at **5:00 p.m.** on the **11th day of November, 2015**, in the Council Chambers at City Hall, 604 West Fairmont Parkway, La Porte, Texas. The purpose of the public hearing is to receive public input on a proposed project by the La Porte Development Corporation in an amount not to exceed \$400,000.00, to promote and develop a new and expanded business enterprise, through site improvements and other related improvements for infrastructure at the former Texas Parks & Wildlife building located at 102 E. Main Street and 105 San Jacinto Street, La Porte, TX 77571.

Persons wishing to address the Board pro or con shall be required to sign in before the meeting is convened.

CITY OF LA PORTE
Patrice Fogarty, TRMC
City Secretary

A quorum of City Council members may be present and participate in discussions during this meeting, however, no action will be taken by Council.

This facility has disability accommodations available. Requests for accommodations or interpretive services at meetings should be made 48 hours prior to the meeting. Please contact the City Secretary's office at (281) 471-5020 or TDD Line (281) 471-5030 for further information.

NOTICE OF PUBLIC HEARING

LA PORTE DEVELOPMENT CORPORATION BOARD (TYPE B BOARD)

Notice is hereby given that the La Porte Development Corporation Board (Type B Board) of the City of La Porte, Texas will conduct a public hearing at **5:00 p.m.** on the **11th day of November, 2015**, in the Council Chambers at City Hall, 604 West Fairmont Parkway, La Porte, Texas. The purpose of the public hearing is to receive public input on a proposed project by the La Porte Development Corporation in an amount not to exceed \$250,000.00, to promote and develop an expanded business enterprise, through site improvements and other related improvements for infrastructure at property located at 1010 S. Broadway Street, La Porte, TX 77571.

Persons wishing to address the Board pro or con shall be required to sign in before the meeting is convened.

CITY OF LA PORTE
Patrice Fogarty, TRMC
City Secretary

A quorum of City Council members may be present and participate in discussions during this meeting, however, no action will be taken by Council.

This facility has disability accommodations available. Requests for accommodations or interpretive services at meetings should be made 48 hours prior to the meeting. Please contact the City Secretary's office at (281) 471-5020 or TDD Line (281) 471-5030 for further information.

2015 Property Tax Rates in City of Morgan's Point

This notice concerns the 2015 property tax rates for City of Morgan's Point. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's effective tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's rollback tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$1,396,366
Last year's debt taxes	\$150,044
Last year's total taxes	\$1,546,410
Last year's tax base	\$188,788,958
Last year's total tax rate	\$0.819121/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$1,546,335
--	-------------

÷ This year's adjusted tax base (after subtracting value of new property)	\$180,311,019
--	---------------

= This year's effective tax rate \$0.857593/\$100
(Maximum rate unless unit publishes notices and holds hearings.)

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent healthcare expenditures)	\$1,396,289
÷ This year's adjusted tax base	\$180,311,019
= This year's effective operating rate	\$0.774378/\$100
x 1.08 =this year's maximum operating rate	\$0.836328/\$100
+ This year's debt rate	\$0.182076/\$100
= This year's total rollback rate	\$1.018404/\$100

Statement of Increase/Decrease

If City of Morgan's Point adopts a 2015 tax rate equal to the effective tax rate of \$0.857593 per \$100 of value, taxes would increase compared to 2014 taxes by \$6,582.

Schedule A - Unencumbered Fund Balance

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	1,307,320
Debit Service Fund	154,108

Schedule B - 2015 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
2015 Certificate of Obligation	85,000	158,467	750	244,217
2012 Certificate of Obligation	31,336	16,164	0	47,500
2010 Certificate of Obligation	22,347	15,653	0	38,000
Total required for 2015 debt service				\$329,717
- Amount (if any) paid from Schedule A				\$0
- Amount (if any) paid from other resources				\$0
- Excess collections last year				\$0
= Total to be paid from taxes in 2015				\$329,717
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2015				\$0
= Total debt levy				\$329,717

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at 604 West Fairmont Parkway, La Porte, Texas 77571.

Name of person preparing this notice: Katherine R Powell
Title: Revenue Manager
Date Prepared: 08/27/2015

**WILDLIFE
CENTER
OF TEXAS**

7007 Katy Rd. • Houston, TX 77024
713-861-9453
wildlifecenteroftexas.org




Account Number
Address
Owner Name

13-Digit Number
search

HOME ABOUT RECORD SEARCH FORMS MAPS RESOURCES VIDEOS HELP EN ESPAÑOL

Tax Year:

**HARRIS COUNTY APPRAISAL DISTRICT
REAL PROPERTY ACCOUNT INFORMATION
0232560800001**

Print
E-mail

Ownership History | Fiduciary Information

Owner and Property Information

Owner Name & Mailing Address: ROTHERMEL ROD A 2601 S BROADWAY ST APT 32 LA PORTE TX 77571-6563	Legal Description: LTS 5 THRU 28 BLK 180 & ALLEY LA PORTE Property Address: 1010 S BROADWAY ST LA PORTE TX 77571
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State Class Code	Land Use Code	Building Class	Total Units
F1 -- Real, Commercial	8000 -- Land Neighborhood General Assignment	E	0
Land Area	Total Living Area	Net Rentable Area	Neighborhood
79,802 SF	26,988	0	9700
		Market Area	Map Facet
		5008 -- Inner Southeast	6253B
			Key Map®
			580F

Value Status Information

Capped Account	Value Status	Notice Date	Shared CAD
No	Noticed	04/03/2015	No

Exemptions and Jurisdictions

Exemption Type	Districts	Jurisdictions	ARB Status	2014 Rate	2015 Rate	Online Tax Bill
None	020	LA PORTE ISD	Not Certified	1.450000		
	040	HARRIS COUNTY	Not Certified	0.417310		
	041	HARRIS CO FLOOD CNTRL	Not Certified	0.027360		
	042	PORT OF HOUSTON AUTHY	Not Certified	0.015310		
	043	HARRIS CO HOSP DIST	Not Certified	0.170000		
	044	HARRIS CO EDUC DEPT	Not Certified	0.005999		
	047	SAN JACINTO COM COL D	Not Certified	0.185602		
	071	CITY OF LAPORTE	Not Certified	0.710000		

Valuations

Value as of January 1, 2014				Value as of January 1, 2015			
	Market	Appraised		Market	Appraised		
Land	478,812		Land	478,812			
Improvement	920,303		Improvement	930,143			
Total	1,399,115	1,399,115	Total	1,408,955	1,408,955		

5-Year Value History

Land

Market Value Land

Line	Description	Site Code	Unit Type	Units	Size Factor	Site Factor	Appr O/R	Appr O/R Reason	Total Adj	Unit Price	Adj Unit	Value
------	-------------	-----------	-----------	-------	-------------	-------------	----------	-----------------	-----------	------------	----------	-------




Account Number Address Owner Name ?
 13-Digit Number search

[HOME](#) [ABOUT](#) [RECORD SEARCH](#) [FORMS](#) [MAPS](#) [RESOURCES](#) [VIDEOS](#) [HELP](#) [EN ESPAÑOL](#)

Tax Year: HARRIS COUNTY APPRAISAL DISTRICT
PERSONAL PROPERTY ACCOUNT INFORMATION
0592295 E-mail

Fiduciary Information

Owner and Property Information

Owner Name & Mailing Address:	FISCHERS HARDWARE INC 1012 S BROADWAY ST LA PORTE TX 77571-5328	Property Address:	1012 S BROADWAY ST LA PORTE TX 77571
		Description:	Computers Furniture and Fixtures Inventory Machinery and Other Equipment Supplies

State Class Code	Property Type	
L1 -- Tangible, Commercial	A -- Business Personal Property	
SIC Code	Square Ft	Key Map®
5251 -- HARDWARE STORES	14,100	580G

Value Status Information

Value Status	Notice Date
Noticed	7/24/2015

Exemptions and Jurisdictions

Exemption Type	Districts	Jurisdictions	ARB Status	2014 Rate	2015 Rate	Online Tax Bill
None	020	LA PORTE ISD	Not Certified	1.45000		
	040	HARRIS COUNTY	Not Certified	0.41731		
	041	HARRIS CO FLOOD CNTRL	Not Certified	0.02736		
	042	PORT OF HOUSTON AUTHY	Not Certified	0.01531		
	043	HARRIS CO HOSP DIST	Not Certified	0.17000		
	044	HARRIS CO EDUC DEPT	Not Certified	0.00600		
	047	SAN JACINTO COM COL D	Not Certified	0.18560		
	071	CITY OF LAPORTE	Not Certified	0.71000		

Valuations

	2014 Value	2015 Value
Total Appraised	149,491	138,946

Value Detail

Category	2014 Value	2015 Value
Aircraft	0	0
Vessels	0	0
Inventory	117,458	102,811
Supplies	500	300
Raw Materials	0	0
Work In Progress	0	0
Furniture and Fixtures	5,380	5,068
Machinery and Other Equipment	21,722	23,265
Computers	4,431	7,502

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016 Appropriation
Requested By: Don Pennell Source of Funds: N/A
Department: Public Works Account Number:
Report: Resolution: Ordinance: Amount Budgeted:
Other: Amount Requested:
Budgeted Item: YES NO

Attachments :

1. **Map of Lomax Lift Station Consolidation Area**
2. **City Lift Station System Flow Chart with Age**
3. **Preliminary Cost Estimate**
4. **Loan Application invitation TWDB**
5. **Resolution**
6. **Email from Financial Advisor**

SUMMARY & RECOMMENDATIONS

The West Lomax Area Sanitary Sewer Extension Feasibility Study that was completed in April 2015 by consultant Cobb Fendley determined that eight (8) sanitary sewer lift stations in the area could be eliminated by constructing one new lift station, replacing 10,600 feet of force main, replacing 52 manholes, and replacing 20,720 feet of sanitary sewer.

In November 2015 the City received approval from the TWDB (Texas Water Development Board) to apply for a loan to Design and Construct the sanitary sewer extension project that is renamed the Lomax Area Wastewater Lift Station Consolidation or Lomax Area WWLS Consolidation. The application will be submitted to TWDB's Clean Water State Revolving Funding, which provides a discounted interest rate for qualifying communities for qualifying project. The Lomax Area WWLS project has received an initial review by TWDB and is a qualifying project. The City's financial advisor has reviewed the potential financing options and believes that TWDB's interest subsidy would mean a net present value saving of \$1.1 million. Additionally, staff and TWDB representatives believe that this project would be eligible for up to \$1.5 million in loan forgiveness. The exact amount of loan forgiveness will be determine once the application in finalized and submitted.

Through the revolving loan fund program, the State of Texas and Texas Water Development Board are providing an excellent, and much needed, opportunity for the City of La Porte to pursue significant improvements to the City's wastewater collection system. The requested funding will allow the City of La Porte to accomplish the following:

- Reduce the number of sanitary lift stations by eight (8). Remove nine (9) lift stations and install one (1) regional lift station. The lift stations to be eliminated were all constructed in the 1960's.
- Improve system efficiency. Currently wastewater collected in the project area is pumped in series up to five times. Upon project completion, all wastewater will be lifted a single time.
- Allow the City to move forward with improvements identified in the SSO project agreement with

TCEQ. In fact, the improvements proposed with this request are more ambitious and provide greater benefit in terms of reducing the potential for SSOs than those improvements that were identified in the TCEQ/city agreement.

A requirement of the TWDB application for Clean Water State Revolving Fund loan application is for the City Council to pass a resolution to authorize application for the loan in the amount of up to \$10,635,000.

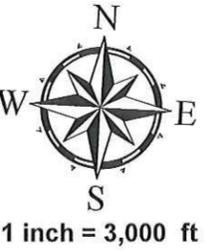
Action Required of Council:

Consider approval or other action authorizing a resolution to apply for a Clean Water State Revolving Fund loan application through the Texas Water Development Board in the amount of \$10,635,000.

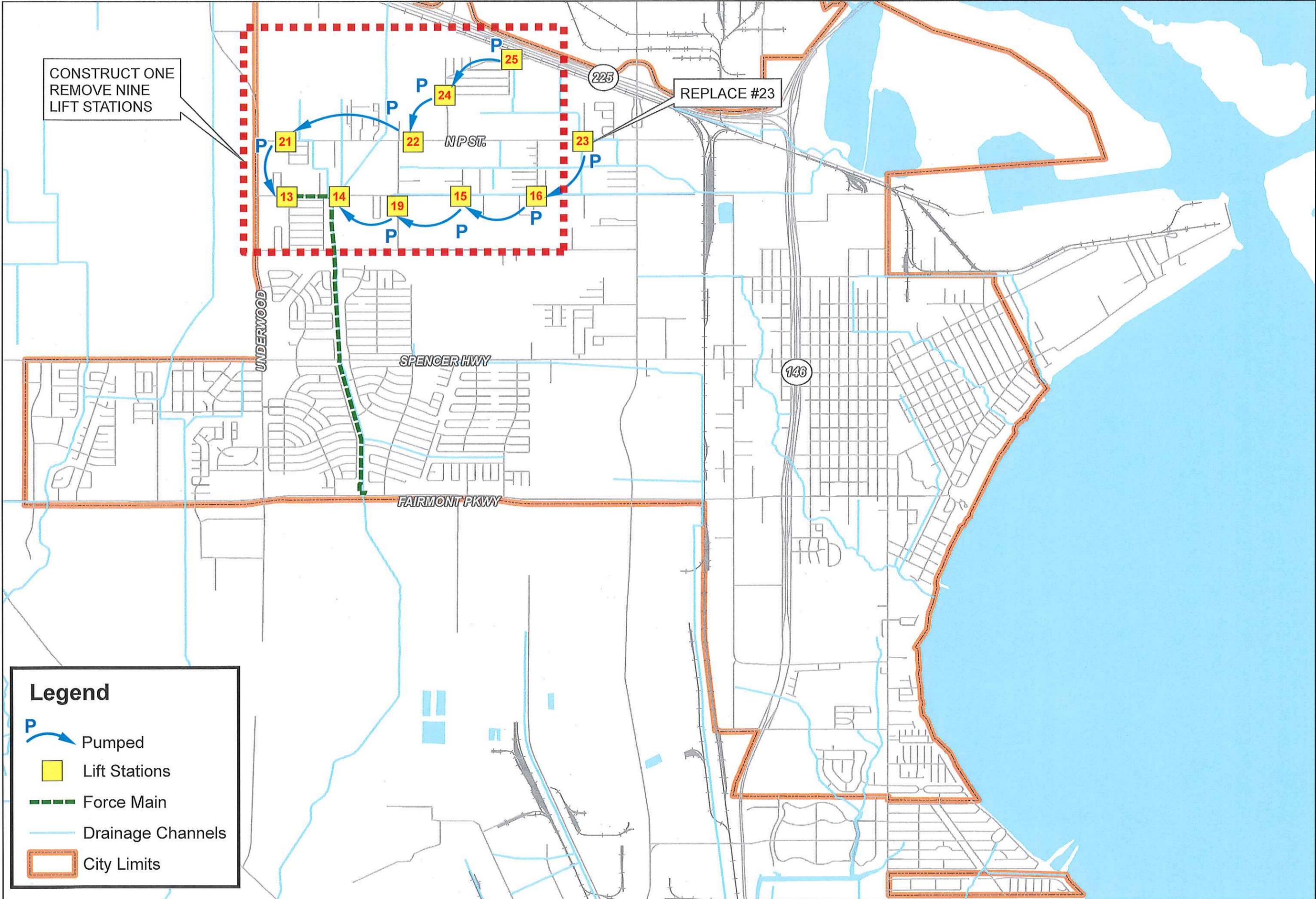
Approved for City Council Agenda

Corby D. Alexander, City Manager

Date



CONSTRUCT ONE
REMOVE NINE
LIFT STATIONS



Legend

- Pumped
- Lift Stations
- Force Main
- Drainage Channels
- City Limits

CITY OF LA PORTE

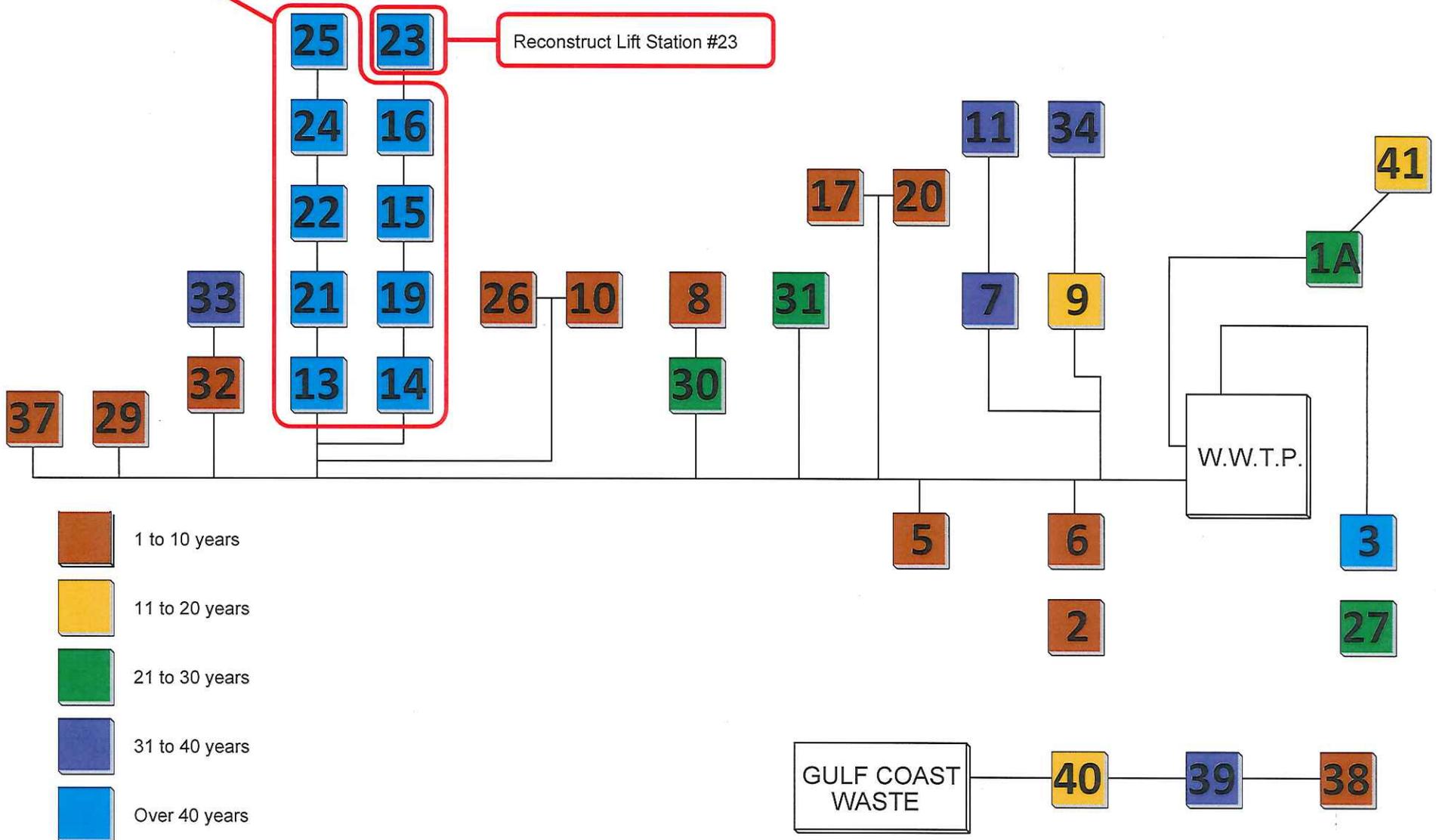
LIFT STATION AGE EXHIBIT

City of La Porte

LIFT STATION AGE

Lift Station System Originally Built for Unincorporated Lomax. Proposed Project to Eliminate Nine (9) Existing Stations. Consolidating to a Single Lift Station

Reconstruct Lift Station #23



Project Information Form Submittal - Clean Water Revolving Fund Program

City of La Porte, Texas

Lomax Area Wastewater Lift Station Consolidation

January, 2016

Item	Quantity	Unit	Unit Price	Total
Phase 1 Construction Costs (Cobb Fendley Report)				\$ 2,619,000
Add 11,000 Lin. Ft. 16" Force Main	11000	LF	\$ 135.00	\$ 1,485,000
Add Lift Station 23 incl. Force Main Replacement	1	Lump	\$ 500,000.00	\$ 500,000
Add Sanitary Service Lateral Rehabilitation	70	Each	\$ 4,000.00	\$ 280,000
Subtotal Phase 1 Construction Costs				\$ 4,884,000
Phase 2 Construction Costs (Cobb Fendley Report)				\$ 2,317,540
Add Sanitary Service Lateral Rehabilitation	50	Each	\$ 4,000.00	\$ 200,000
Subtotal Phase 2 Construction Costs				\$ 2,517,540
SUBTOTAL PHASE 1 + PHASE 2 CONSTRUCTION				\$7,401,540
Add 25% Contingency				\$1,850,385
TOTAL CONSTRUCTION COST PLUS 25%				\$9,251,925
Planning, Environmental, Acquisition, Design, Construction		13%		\$ 1,383,000
TOTAL PROJECT COST ESTIMATE				\$ 10,634,925

November 20, 2015

Mr. David Mick
Public Works Director
La Porte
604 West Fairmont Parkway
La Porte, TX 77571-6215

Re: State Fiscal Year 2016 Clean Water State Revolving Fund (CWSRF) Application Invitation

Dear Mr. Mick:

We are pleased to provide you this official notice that the City of La Porte is hereby invited to submit an application for funding to the Texas Water Development Board (TWDB) through the Clean Water State Revolving Fund.

The proposed project is listed in the Intended Use Plan (IUP) as being eligible to receive funding as shown below:

Project Description	Lomax Area WWLS Consolidation
Eligible Phases	P A D & Construction; Non-Equivalency
Project Information Form Number	11115
Eligible Project Costs	\$10,635,000

Your proposed project has also been identified as eligible to receive principal forgiveness reserved for Green Projects. The actual principal forgiveness amount will be reviewed and a determination made, once your completed application is received and reviewed, based on the IUP and funding availability.

Applications will be processed in a first-come, first-served manner based on the time the application is determined to be administratively complete. Application submittal guidance and the related application materials may be found on our website at www.twdb.texas.gov/financial/applications/.

A pre-application conference is a requirement of the Clean Water State Revolving Fund program. If you have not already scheduled yours, please contact Tammie Brown by phone at (512) 475-0580 or by e-mail at tammie.brown@twdb.texas.gov. They will be able to assist you with scheduling a meeting prior to your submission of the application.

Our Mission :

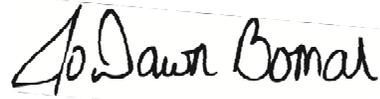
To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

Board Members
: Bech Bruun, Chairman | Kathleen Jackson, Member
:
:
: Kevin Patteson, Executive Administrator

Mr. David Mick
November 20, 2015
Page 2

We look forward to working with the City of La Porte on its project. Please contact Mark Evans, Program Coordinator, by phone at (512) 463-8510 or by email at mark.evans@twdb.texas.gov, should you have any concerns or questions.

Sincerely,

A handwritten signature in black ink that reads "Jo Dawn Bomar". The signature is written in a cursive style and is positioned above a dashed horizontal line.

Jo Dawn Bomar, Director
Program Administration and Reporting
Water Supply and Infrastructure

A RESOLUTION by the City Council of the City of La Porte requesting financial assistance from the Texas Water Development Board; authorizing the filing of an application for assistance; and making certain findings in connection therewith.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

SECTION 1: That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$10,635,000.00 to provide for the costs of Planning, Easement Acquisition, Design, and Construction of the Lomax Area Wastewater Lift Station Consolidation Project.

SECTION 2: That Corby Alexander, City Manager, be and is hereby designated the authorized representative of the City of La Porte, Texas for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

SECTION 3: That the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of La Porte, Texas before any hearing held by the Texas Water Development Board on such application, to-wit:

Financial Advisor: RBC Capital Markets, L.L.C.

Engineer: Cobb, Fendley & Associates, Inc.

Bond Counsel: Andrews Kurth, L.L.P.

PASSED AND APPROVED this the 25th day of January, 2016.

Louis R. Rigby
Mayor, City of La Porte, Texas

ATTEST:

APPROVED:

Patrice Fogarty
City Secretary


Clark T. Askins
Assistant City Attorney

Harris, Sharon

From: Dolby, Michael
Sent: Monday, January 18, 2016 9:20 AM
To: Harris, Sharon; Alexander, Corby
Subject: Fwd: Texas Water Board Loan
Attachments: 2016PUB(LPGOR) Series 2016 TWDB - Public Option.pdf; ATT00001.htm; TWDB2016(LPTWDB) Series 2016 TWDB - Private Option.pdf; ATT00002.htm; La Porte - TWDB Cash Flow Comparison.xlsx; ATT00003.htm

Sent from my iPhone

Begin forwarded message:

From: "Henderson, Robert" <Robert.Henderson@rbccm.com>
Date: January 5, 2016 at 3:48:51 PM CST
To: "Dolby, Michael" <DolbyM@laportetx.gov>
Subject: FW: Texas Water Board Loan

Michael,

Here are the TWDB numbers. You can see the stream below for more details on assumptions and the attachments for the actual runs. In short and as suspected, even paying a \$200,000 origination fee to the TWDB and financing that fee over 20 years, the net present value advantage of the TWDB is substantial at very nearly \$1.1 million. Unless the City is truly in a time bind or, unless the engineer can tell us that by avoiding the TWDB requirements the City can save effectively 10% of project costs in construction and engineering expenses, it is clear that the TWDB option is better for the City.

Please call with any questions,

Bob

Robert W. Henderson

Managing Director
RBC Capital Markets
303 Pearl Parkway, Suite 220
San Antonio, TX 78215
Phone: 210-805-1118
Fax: 210-805-1119
Cell: 210-240-4614

From: Martinez, Rafael
Sent: Tuesday, January 05, 2016 3:16 PM
To: Henderson, Robert
Subject: RE: Texas Water Board Loan

Here are both number runs for the TWDB issue.

Is there a common rate you want me to use to discount the cash flows or just each individual run's arb yield?

From: Henderson, Robert
Sent: Monday, January 04, 2016 4:37 PM
To: Martinez, Rafael
Subject: FW: Texas Water Board Loan

Raf, I need you to run an analysis for me for the City of LaPorte. They are considering a TWDB program application and want to examine the economics of that option versus an public markets offering. So, I need the following:

1. Run \$10.8 million at AA scale for public market. 20 year level debt service. DD February 15, 2016, first coupon date August 15, 2016. First principal February 15, 2017.
2. Run \$11.0 million. Same everything except reduce the first scale by 120 basis points.
3. Do a net present value run on both with a comparison

I'll need to deliver this to LaPorte tomorrow with the updated refunding numbers we already discussed.

Thanks.

Robert W. Henderson

Managing Director
RBC Capital Markets
303 Pearl Parkway, Suite 220
San Antonio, TX 78215
Phone: 210-805-1118
Fax: 210-805-1119
Cell: 210-240-4614

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REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016 Appropriation
Requested By: Don Pennell Source of Funds: N/A
Department: Public Works Account Number: _____
Report: Resolution: Ordinance: Amount Budgeted: _____
Other: Amount Requested: _____
Attachments : Budgeted Item: YES NO

1. Resolution

SUMMARY & RECOMMENDATIONS

This is an accompanying item to the previous agenda request for considering financial assistance from the Texas Water Development Board (TWDB) for the Lomax Area Wastewater Lift Station Consolidation Project. The TWDB requires applicants to affirm by City Council resolution that the applicant (the City) has the authority to collect and treat wastewater within the City of La Porte service area, set and collect utility rates, accept and utilize grant funding.

Action Required of Council:

Consider approval or other action of a Resolution designating the City of La Porte as the management agency for wastewater collection and treatment within the City of La Porte corporate limits and where authorized by the La Porte City Council within the City of La Porte's extraterritorial jurisdiction areas.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

**A RESOLUTION OF THE CITY OF LA PORTE, TEXAS
SEEKING DESIGNATION AS A MANAGEMENT AGENCY
FOR WASTEWATER COLLECTION AND TREATMENT**

WHEREAS, the City of La Porte, Texas has the authority to design, construct, operate, and maintain wastewater collection and treatment facilities; to raise revenues and assess appropriate charges to assure that each participating party pays its appropriate share of sewerage system costs; to accept or refuse to accept any wastes from any participating party; to accept and utilize grants or other funds from any source for wastewater management purposes; and, to carry out appropriate portions of an area-wide water quality management plan;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

SECTION 1: That the City of La Porte, Texas seeks designation as a management agency for wastewater collection and treatment within its city limits and where authorized by the La Porte City Council, within the City of La Porte's extraterritorial jurisdiction, in accordance with the requirements of Section 208 of the Federal Water Pollution Act, as amended.

PASSED AND APPROVED this the 25th day of January, 2016.

Louis R. Rigby
Mayor, City of La Porte, Texas

ATTEST:

APPROVED:

Patrice Fogarty
City Secretary


Clark T. Askins
Assistant City Attorney

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested:	<u>January 25, 2016</u>	Appropriation
Requested By:	<u>Michael Dolby</u>	Source of Funds: <u>Capital Outlay</u>
Department:	<u>Finance</u>	Account Number: <u>00398906551100</u>
Report: <input checked="" type="radio"/>	Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	Amount Budgeted: <u>\$180,000.00</u>
Other: <input type="radio"/>		Amount Requested:
Attachments :		Budgeted Item: <input type="radio"/> YES <input type="radio"/> NO

1. Soule Source Documentation

SUMMARY & RECOMMENDATIONS

In 2005, the City entered into an Interlocal Participation Agreement with the City of Pearland to piggy back off the contract for an Automated Meter Reader (AMR) wireless system with HD Supply. Part of that contract was to change out all meters to a Neptune meter and electronic register. The life cycle of a meter is about ten years. Meters throughout the city are failing resulting in more staff time to manually read the meters.

As part of the FY 2015-2016 Capital Improvement Project, funds were budgeted for the water meter replacement project for the replacement of the failing meters for the AMR wireless system. Neptune meters were used as part of the AMR system and components of other manufacturers are not compatible with Neptune; therefore, the meters have to be replaced with Neptune meters. HD Supply is the only distributor in the Houston area for Neptune meters making them the sole source supplier for this area.

The cost of a residential meter or a 3/4 x 5/8 meter is \$204.76, it is estimated that over 800 meters will be replaced this FY.

Action Required of Council:

Consider approval or other action to purchase Neptune meters from HD Supply.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

January 6, 2016

Subject: Neptune Sole Source Distribution in Houston area

To whom it may concern,

Neptune Technology Group, Inc. has always valued La Porte, Texas as a loyal customer. I want to clarify that HD Supply-Houston is the exclusive full line Neptune distributor for the Houston, Texas area. As the sole source provider of all Neptune products, the City of La Porte can continue to depend on the local HD Supply-Houston branch for your metering needs.



Regards,

Rex Baxter

Senior Territory Manager

Neptune Technology Group, Inc.

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016

Appropriation

Requested By: Tim Tietjens

Source of Funds:

Department: Planning & Development

Account Number:

Report: Resolution: Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item: YES NO

Attachments :

1. Resolution
2. FFAST

SUMMARY & RECOMMENDATIONS

As part of the Hurricane Ike recovery process, the GLO required each city eligible for funding to complete a Fair Housing Activity Statement (FFAST) in order to receive continued funding. La Porte's FFAST, which was developed by an appointed Fair Housing Work Group and approved by Council, identified a possible impediment to fair housing in Texas communities, commonly referred to as a "Not in my Backyard" (NIMBY) attitude. To overcome this impediment, the City is tasked with developing an Anti-NIMBYism Action Plan.

The FFAST offers the following considerations for addressing NIMBY:

1. NIMBY opposition needs to be anticipated and planning and outreach should occur on the front end of projects. To mitigate defensive and reactive responses, planning should include strategies for education, outreach and marketing that provide accurate information and promote the positive aspects and benefits of affordable housing to build support among community residents.
1. The Department of Housing and Urban Development (HUD) provides extensive information about Fair Housing and examples at www.hud.gov. Generally, communities should consider:
 - Working with local officials, editorial boards, religious and civic organizations and other community leaders to initiate education programs.
 - Seeking opportunities to present information to community organizations by requesting to be placed on their meeting agendas.
 - Including a visit to the Group Home residence as part of an education program.
 - Answering all questions.
 - Talking with local neighborhood leaders, including elected representatives, and setting up a neighborhood meeting.
 - Setting up a liaison committee consisting of advocates, group residents, and neighborhood residents to discuss issues.

- Identifying areas that meet AFFH (Affirmatively Furthering Fair Housing) targets where the community supports development, has worked with community groups and potentially uses funds to assist the development of multi-family affordable housing.

Action Required of Council:

Consider approval or other action of a resolution adopting an Anti-NIMBYism Action Plan for the City of La Porte.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

RESOLUTION NO. 2016-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, ADOPTING AN ANTI-NIMBYism ACTION PLAN; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.

WHEREAS, It is the policy of the City of La Porte to discourage 'NIMBYism' within our community; and

WHEREAS, NIMBY is an acronym for "Not In My Backyard"; and

WHEREAS, The U.S. Department of Housing and Urban Development defines NIMBYism as "a mentality adopted by those who reject certain changes to their communities"; and

WHEREAS, The NIMBY mentality makes it difficult for communities to consider compromise, recognize personal property rights, and/or seek alternatives, all which can impact growth and development; and

WHEREAS, The City of La Porte understands the importance of informed residents, the importance of fair housing, and a diversified tax base; and

WHEREAS, The City of La Porte will strive to see that new developments, including those that offer fair and affordable housing opportunities within the City of La Porte, are considered with cooperation and understanding.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. To address NIMBYism, the City of La Porte, Texas will:

- 1) Increase awareness by distributing and making accessible clear and accurate information on proposed developments through available community resources.
- 2) Respond to community concerns at public forums.
- 3) Provide a copy of this plan to local elected and non-elected officials to raise awareness of NIMBYism.
- 4) Encourage developers to construct well-designed buildings that compliment surrounding neighborhoods.
- 5) Inform developers of potential NIMBY concerns during pre-development meetings with City of La Porte staff. Staff will share previous experiences with issues which created NIMBYism in the community and encourage the developer to work within the adjoining neighborhoods to ensure the proposed project compliments the neighborhood and can become an asset to the City of La Porte.

Section 2. The City Council of the City of La Porte officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 3. This Resolution shall be effective upon its passage and approval.

Adopted this _____ of _____, 2016 by the City Council of City of La Porte, Texas.

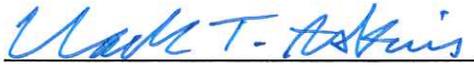
CITY OF LA PORTE, TEXAS

By: _____
Louis R. Rigby, Mayor

ATTEST:

City Secretary

APPROVED:


City Attorney

AMENDED ITEMS FOR CITY OF LA PORTE FFAST FORM
TEXAS GENERAL LAND OFFICE REVIEW LETTER
DATED OCTOBER 28, 2011
(revised language)

The information request states the City of La Porte should complete the following activities along with the others outlined in its original FFAST submittal. The City offers the following responses as amendments to its FFAST:

Impediment #6, Item #1:

Given the potential for increase in Fair Housing enforcement action by federal and state agencies and private organizations, an ongoing fair housing testing program for areas that receive federal housing and community development funds could be beneficial to protect state agencies and sub-recipients from potential repayment. Fair housing enforcement is a valid use of CDBG funding and can be used to establish testing programs by agencies trained in HUD testing procedures. The state, or local jurisdictions combining together, should consider conducting tests in areas that include the following: steering in sales and rental; the denial of and different terms and conditions based on race, national origin, familial status, and disability in sales and rental; predatory and disparate terms and conditions in lending and insurance; and foreclosure modification schemes targeting minority neighborhoods. The state should also consider education to applicable entities on self-testing and self-correction.

We do not have a testing program for Fair Housing violations and plan to establish one.

When will you do this? 2011 2012 2013

Testing is a sophisticated activity. We will solicit testing from regional or statewide testing providers in 2013.

Impediment #7, Item #3:

Local jurisdictions seeking CDBG Disaster Recovery funds from the state should consider offering expedited permitting and review processes for affordable housing projects within high opportunity target zones.

We have not done so but will.

When will you do this? 2011 2012 2013

Impediment #13, Item #1:

Local jurisdictions should consider establishing incentives for affordable housing applicants to create an increased set-aside of housing units for persons with disabilities or persons who are elderly without violating the existing TDHCA integrated housing rule.

We have not undertaken the above review, but plan to do so.

When will you do this? 2011 2012 2013

Items 1 (disability/elderly set-aside incentive) and 2 (proximity to medical facilities incentive) shall be reviewed in 2013. Item 3 is a state activity.

Fair Housing Activity Statement – Texas

Recognizing that each jurisdiction is unique, this Fair Housing Activity Statement - Texas is intended to be used in conjunction with the Analysis of Impediments, Phase I as a form to help the applying jurisdictions perform assessments of their impediments to fair housing choice, plan actions to address identified impediments, and communicate their plans to the State of Texas and HUD.

BEFORE beginning to fill out this form, each jurisdiction should:

- (1) Participate in the regional FFAST Form training.
- (2) Review the 2010 Texas Interim AI in detail;
- (3) Gather relevant information (see instructions in Appendix A);
- (4) Convene a FFAST Working Group to assess the data collected in #2 and fill out the FFAST form (see instructions in Appendix A.)

<u>Impediment #1</u>	Protected classes may experience disparities in home mortgage lending and high cost loans.
-----------------------------	--

No local action is required at this time.

<u>Impediment #2</u>	There is inadequate information available to the real estate community, governments and the public about fair housing requirements and enforcement procedures.
-----------------------------	--

No local action is required at this time.

<u>Impediment #3</u>	The public is not sufficiently aware of their Fair Housing rights and how to obtain the assistance necessary to protect those rights.
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1. Consistent with the Fair Housing Act, the State of Texas, and funded sub-recipients should continue to promote and conduct events to celebrate April as Fair Housing Month, and direct sub-recipients to do the same. These events can demonstrate support for fair housing and build awareness.

We will commit to undertake Fair Housing Month activities. (Check all that apply.)

Passage of a resolution by our governing body.

Activities in schools.

Placing posters in public buildings.

Governing body will hold a special hearing to solicit input from the community.

Other. Please specify.

When will you undertake these activities? 2011 2012 2013

2. Consistent with the Fair Housing Act, the State of Texas and funded sub-recipients have historically conducted fair housing activities at various times of the year and should continue to fund, depending on sufficient appropriations, or collaborate with public and private agencies, organizations and groups to plan and conduct fair housing activities.

- We will conduct/sponsor/fund in fair housing activities at various times of the year other than "April as Fair Housing Month". Attach a description of these activities and identify the organizations and agencies you have worked with.

When will you do this? 2011 2012 2013

City shall place ads, update posters, distribute Fair Housing literature at city hall, library, and distribute at festivals/events in English and Spanish. Organizations shall be identified as part of the reporting of efforts to implement the FFAST.

- Not Applicable. (Explain)

Impediment #4	"Not in my Backyard" (NIMBY) may be an impediment to fair housing in Texas communities.
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1. NIMBY opposition needs to be anticipated and planning and outreach should occur on the front end of projects. To mitigate defensive and reactive responses, planning should include strategies for education, outreach and marketing that provide accurate information and promote the positive aspects and benefits of affordable housing to build support among community residents.^[1]
2. The Department of Housing and Urban Development (HUD) provides extensive information about Fair Housing and examples at www.hud.gov. Generally communities should consider:
- Working with local officials, editorial boards, religious and civic organizations and other community leaders to initiate education programs.
 - Seeking opportunities to present information to community organizations by requesting to be placed on their meeting agendas.
 - Including a visit to the Group Home residence as part of an education program.
 - Answering all questions.
 - Talking with local neighborhood leaders, including elected representatives, and setting up a neighborhood meeting.
 - Setting up a liaison committee consisting of advocates, group residents, and neighborhood residents to discuss issues.
 - Identifying areas that meet AFFH targets where the community supports development, has worked with community groups and potentially uses funds to assist the development of multi-family affordable housing.

- We have developed an anti-NIMBYism action plan. [Attach a copy or description]

- We will develop an anti-NIMBYism action plan: **Director of Planning is designated to complete this task.**

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

[1] "In the face of NIMBY attitudes grantees can adopt a stance that in essence goes along with them or strongly counters such sentiments with positive actions to overcome them and allay fears and concerns with facts." HUD's Fair Housing Guide: Volume 2, pg 7-106.

Impediment #5

Certain governmental policies and practices may not meet current HUD policy concerning affirmatively furthering fair housing. Jurisdictions should act to ensure that their policies and procedures affirmatively further fair housing, address mal-distribution of resources, and that they do not unnecessarily impact housing choice.

1. As part of certifying that a community is affirmatively furthering fair housing, jurisdictions that have long-term infrastructure plans should review them to determine if the plan promotes racial concentrations or otherwise inadvertently results in disparate treatment of members of protected classes. While not intended to direct a community to hire a consultant, it is anticipated that a community will review its long-term infrastructure plans as part of this recommended action. In reviewing the project list (Appendix F of the Phase 1 AI), there are many projects that are listed as being of community-wide benefit. The records do not indicate the actual location of projects or provide adequate discussion of how the projects benefit the entire community.

We have a long-term infrastructure plan and will review the plan to determine if it promotes racial concentrations or otherwise inadvertently results in disparate treatment of members of protected classes as it relates to the availability of housing.

When will you do this? 2011 2012

We have already collected information on the locations of protected populations and have adequate information for insuring that new projects with "citywide benefits" will not perpetuate illegal differences in treatment.

Our FFAST work group has reviewed a map (attached to this worksheet) of our demographic profile which identified concentrations (65% or more) of protected classes and areas with high (51% or more) low- to moderate-income populations. Our 2010 census data indicates that approximately 38.46% of our population are members of "non-Caucasian" minority races and ethnicity (see table on last page of FFAST form), but these groups are fairly distributed throughout our community. We will incorporate a review of this profile into all municipal planning projects to ensure projects with citywide benefits do not perpetuate illegal differences in treatment.

We will use the information in AI to ensure that proposed projects do not perpetuate illegal differences in treatment.

When will you do this? 2011 2012

Not Applicable. (Explain)

2. As it has been determined under federal law that Fair Housing applies to all federal housing and community development funds, to reduce "siloing" the fair housing component into only housing-related programs, fair housing should be considered in all activities for all local community planning staff.

We have determined that consideration of Fair Housing implications has already been incorporated into all aspects of planning in this jurisdiction.

We will review and ensure that Fair Housing implications are addressed in all aspects of planning in this jurisdiction in a manner consistent with the guidelines provided by the state at the FFAST form training and maintain documentation of that review.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

3. It would be beneficial for local elected officials to require senior staff of any subrecipient such as a city or county—including managers and attorneys—to receive available Fair Housing training within the first 12 months of their employment or engagement.

We have a policy in place providing for all senior staff – including managers and attorneys – to receive Fair Housing training within their first 12 months on the job, and for long-term senior staff to receive regular updated training. [Attach copy of policy]

We do not have such a policy and will develop and implement one.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

4. As part of what is usually a common initial training by the associations that provide education opportunities for newly-appointed board members or newly-elected council or commissioners court members of cities and counties, the state should request that training include specific information on the Fair Housing Act—with a discussion of affirmatively furthering fair housing obligations.

No local action is required at this time.

5. Local communities should consider limiting the concentration of infrastructure improvements like wastewater treatment, solid waste disposal, or similar necessary but not desirable infrastructure projects in residential areas where there are concentrations of protected classes.

We have an official policy that limits the concentration of certain infrastructure improvements. [Attach a copy.]

We have official policies and procedures that take the location of protected classes into account when deciding where to locate undesirable infrastructure improvements. [Attach a copy.]

City of La Porte, Texas

- We do NOT have limits on the concentration of undesirable infrastructure improvements or policies and procedures that take the residential location of members of protected classes into account, but will develop formal limits or official policies and procedures.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

6. Communities electing to provide publicly financed housing incentives should be requested to call for recipients to engage in affirmative marketing.

We have a policy requiring Affirmative Marketing Plans from developers seeking tax abatements or other supports for new housing.

We do not have such a policy and will develop and implement one.

When will you do this? 2011 2012

Not Applicable. (Explain)

Currently, there are no incentives being offered. We will consider a policy if and when we offer incentives.

7. If a jurisdiction is a non-entitlement community, when working in LMI areas to replace roads or other infrastructure, the jurisdiction should consider making application for additional sources of funding to provide assistance to repair substandard housing associated with the project (i.e., TDHCA or HUD.)

We formally consider accessing supplementary funds when infrastructure proposals are developed. [Attach policies.]

We have not consistently done this in the past and we will develop a process to formally consider making housing funding applications when funds for infrastructure projects are sought.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

8. Most infrastructure projects take into account items like curb cuts, sidewalks, hearing and visually impaired indicators at intersections. When approving non-federally funded projects, similar special needs construction should be required for infrastructure improvements. Projects should also address other legacy discrimination issues, such as accessibility in public areas like courthouses, community centers and other high traffic areas.

We currently require that applications for non-federally-funded infrastructure projects are ADA compliant and address other legacy discrimination issues.

City of La Porte, Texas

We do not have such a requirement. We will develop one.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

9. Each jurisdiction applying for Community Development Block Grant funds or other federal housing and community development funds should submit a Fair Housing Activities Statement – Texas (FHAAT) with their application, reviewing their infrastructure needs and housing needs and how the proposed activity promotes fair housing or results in more equitable treatment of protected classes. Projects with community-wide benefits should be accompanied by explicit commitments on the part of the local jurisdictions to undertake additional activities to affirmatively further fair housing along with a monitoring and reporting process.

We submit a FHAAT form.

When will you begin to do this? 2011 2012

Not Applicable. (Explain)

10. As part of the non-housing disaster recovery program, jurisdictions should consider low-income areas and areas populated principally by members of protected classes to determine the potential for flooding and consider making infrastructure expenditures to help protect the impacted communities—including colonias.

We have reviewed LMI areas and areas populated principally by members of protected classes, and prioritized infrastructure expenditures to help protect the impacted communities—including colonias.

Our FHAAT work group has reviewed a map of previous DRS project locations and a map of our demographic profile which identified areas with concentrations (65% or more) of protected classes and areas with high (51% or more) low- to moderate-income populations. Both maps are attached to this worksheet. Our DRS project locations are citywide, but have not unequally impacted protected classes and LMI populations. We will continue to prioritize improvements to help protect impacted communities.

We have not done this in the past but will conduct such a review and consider these infrastructure projects in the future.

When will you do this? 2011 2012

Not Applicable. (Explain)

11. If applicable, all policies should be reviewed regarding denying applicants' access to disaster recovery CDBG funds if their residence is located in the flood plain. If the policy does not allow participation by restricting building in flood plains, then the policy should be assessed to see if alternative housing programs could be implemented for the residents. Local jurisdictions should analyze the results and see if protected classes are more frequently harmed by flood plain restrictions. This action does not apply to the GLO CDBG Disaster Relief Fund that limits property purchase "unless

City of La Porte, Texas

TXCDBG receives satisfactory evidence that the property to be purchased was not constructed or purchased by the current owner after the property site location was officially mapped and included in a designated flood plain.”

We have completed this review and analysis and will take action on our findings.

There are no such policies denying assistance to persons in the flood plain.

We have not completed this review and analysis. We will do so and take appropriate actions based on our findings for Round 2 programs.

When will you do this? 2011 2012

Not Applicable. (Explain)

12. When an entire community is in a flood plain, the community should establish clear standards that allow for proper elevation or relocation, and that also allows for visitability/special needs considerations consistent with state^[2] and federal law.

We have established clear standards that allow for proper elevation of homes or for relocation, and also allow for visitability/special needs considerations consistent with state and federal law. [Attach documentation.]

We have not developed these standards but will do so for Round 2 programs.

When will you do this? 2011 2012

Not Applicable (Explain)

Only a portion of the city is in the flood plain. The City will coordinate with Harris County, which manages the DRS Housing Program, to ensure visitability/special needs considerations are consistent with state and federal law.

[2] Texas Government Code Section 2306.514

13. Local jurisdictions that accommodated the relocation of disaster survivors resulting in concentrations of protected class survivors in specific areas should establish Moving to Opportunity Programs and include renters in their Moving to Opportunity Programs as defined under Round 2.

This action step applies to our jurisdiction. We will establish a Moving to Opportunity Program for disaster survivors as part of our Round 2 housing recovery program.

When will you do this? 2011 2012

Not Applicable (Explain)

The City will coordinate with Harris County, which manages the DRS Housing Program, to assist where possible with their Moving to Opportunity Programs.

14. Consistent with the process established in the conciliation agreement, local jurisdictions and state agencies should work together to determine a demographic and economic profile of victims of the natural disaster and establish goals for assisting these populations in no less that the proportions they were impacted by the disaster. These goals should be performance goals and disaster recovery funds should be extended incrementally in a manner to ensure that these populations are equitably assisted with benefits.

We will cooperate with state agencies to carry out this action step.

When will you do this? 2011 2012

Not Applicable. (Explain)

15. All infrastructure programs funded with disaster recovery funds should be designed so that any publicly accessible infrastructure projects and associated facilities are fully accessible to persons with disabilities.

We have established clear policies and procedures to ensure that all infrastructure programs funded with disaster recovery funds will be designed so that any publicly accessible infrastructure projects and associated facilities are fully accessible to persons with disabilities. [Attach documentation.]

We have not developed these standards and policies; we will do so for Round 2 infrastructure projects. The person or entity responsible for developing these standards will be the Director of Planning.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

16. Consistent with the Conciliation Agreement, family and elderly public housing units damaged or destroyed by the disaster should be reconstructed or repaired in a manner that affirmatively furthers fair housing utilizing disaster recovery funds within 24 months of approval of the initial application for disaster recovery assistance for the local jurisdiction.

We affirm that family and elderly public housing units damaged or destroyed by the disaster will be reconstructed or repaired in a manner that affirmatively furthers fair housing utilizing disaster recovery funds within 24 months of submission of the initial application for disaster recovery assistance by the local jurisdiction.

Not Applicable (Explain)

There are no public housing units in the city.

Impediment #6

Governmental entities at all levels do not appear to have been proactive in the enforcement of both the Fair Housing Act and the obligation to affirmatively further fair housing. The State and sub recipients should implement a robust and effective structure for identifying and pursuing suspected violations.

1. Given the potential for increase in Fair Housing enforcement action by federal and state agencies and private organizations, an ongoing fair housing testing program for areas that receive federal housing and community development funds could be beneficial to protect state agencies and sub-recipients from potential repayment. Fair housing enforcement is a valid use of CDBG funding and can be used to establish testing programs by agencies trained in HUD testing procedures. The state, or local jurisdictions combining together, should consider conducting tests in areas that include the following: steering in sales and rental; the denial of and different terms and conditions based on race, national origin, familial status, and disability in sales and rental; predatory and disparate terms and conditions in lending and insurance; and foreclosure modification schemes targeting minority neighborhoods. The state should also consider education to applicable entities on self-testing and self-correction.

We currently have a testing program for Fair Housing violations. For more information.

We do not have a testing program for Fair Housing violations and plan to establish one.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

Testing is a sophisticated activity. We will solicit testing from regional or statewide testing providers in 2013.

2. TDHCA should, as a pilot program, allocate funds to independent third parties or a combined jurisdiction team identified in point 1 of this section to provide similar testing to determine if additional enforcement is necessary.

No local action is required at this time.

3. Impacted agencies that provide certification that they are affirmatively furthering fair housing as required by federal law, should consider publishing a public document on enforcement that provides the public and communities with a clear description (and chart) of the state and Federal Fair Housing Act.

On documents concerning housing and community development programs that are provided to the public, we will list fair housing enforcement contacts and procedures consistent with the State suggested language when it is provided in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

4. Each community should place on its website (if one is available) the contact, at the local, state, and federal levels, for reporting a Fair Housing complaint, if citizens believe they were victims of housing discrimination.

We have published the contact information – at the local, state and federal levels – for reporting a Fair Housing complaint. [Attach a copy or URL.]

We have not done so but will do so.

When will you do this? 2011 2012

Not Applicable. (Explain)

5. Each local jurisdiction should publish on its website a clear statement, approved jointly by TDHCA, expressing the jurisdiction's obligation to affirmatively further fair housing and providing a method for reporting suspected noncompliance to the state and to HUD. The jurisdiction's contact person should be able to refer to clear local Fair Housing procedures for the complaint process, keep logs and records of all inquiries, allegations, complaints and referrals. These reports should be sent to the appropriate funding agency. Where these reports show that a jurisdiction has administered programs inconsistently with the AI and had the effect of discouraging applications from members of protected classes who are deemed eligible under the plan for assistance, affirmative marketing plans should be developed and submitted to the appropriate agency.

We have published a policy statement expressing our jurisdiction's obligation to Affirmatively Further Fair Housing. [Attach a copy or URL.]

We will publish a policy statement consistent with the language the State provides in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

We have developed clear procedures for the Fair Housing complaint process.

We will develop clear procedures for the Fair Housing complaint process once more guidance is given by the State in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

We keep complete logs and records of all Fair Housing inquiries, allegations, complaints and referrals and have a policy statement about these legal records.

We will begin keeping required logs and records.

When will you do this? 2011 2012

Not Applicable. (Explain)

We have remedial procedures for developers, landlords, home sellers and others whose actions may be inconsistent with Fair Housing laws and regulations.

We do not have remedial procedures but will develop them. The agency or person who will be responsible for developing these procedures is the Director of Planning.

When will you do this? 2011 2012

Not Applicable. (Explain)

For remedial procedures, we will consider a Fair Housing Ordinance when the State provides a model ordinance.

Impediment #7

Many local jurisdictions have zoning codes, land use controls, and administrative practices that may impede fair housing choice and fail to affirmatively further fair housing.

1. The law anticipates that ordinances creating disparate impact should also be reviewed for change. If a disparate impact is determined to exist by the local jurisdiction, it could repeal or amend the restriction, use public funds to offset the cost through homebuyer assistance programs, or waive fees or other offsets to make the home more affordable.
 - We recently conducted or updated a Fair Housing Review of our ordinances and codes.
 - We have not done so but will conduct a review
 - We have a policy statement/guidance for those responsible for developing codes/ordinances that reminds them to consider and document the Fair Housing/AFFH implications of any new rule.
 - We do not have such a policy/guidance but will develop one when suggested guidelines are provided by the State in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

2. To help limit concentrations that could be considered impediments to affirmatively furthering fair housing, jurisdictions that have long term planning documents for housing growth or redevelopment, or revitalization plans, should consider allowing or encouraging mixed income affordable housing in the plan and provide incentives for development of this type of housing in areas that are not concentrated.
 - We recently conducted a Fair Housing Review and took/are taking appropriate action concerning our planning documents.
 - We have not done so but will conduct a Fair Housing Review after the State provides suggested guidelines in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

- We have identified residential areas that show concentrations or underrepresentation of protected groups, and we encourage mixed-income affordable housing and other strategies to widen housing choice throughout our jurisdiction.

- We have not done so but will include this in our FFAST plan once guidelines are provided by the State in 2011.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

3. Local jurisdictions seeking CDBG Disaster Recovery funds from the state should consider offering expedited permitting and review processes for affordable housing projects within high opportunity target zones.

We currently offer incentives to developers to locate affordable housing projects in high opportunity neighborhoods and prevent overconcentration.

We have not done so but will.

When will you do this? 2011 2012 2013

Not Applicable (Explain)

The City is not undertaking any DRS housing activities but will cooperate with Harris County, which is administering these activities, and will expedite permitting and review processes.

Impediment #8	Inadequate planning for re-housing after an emergency situation creates a situation where persons who are uninsured or under-insured, low income, or special needs can be displaced for long periods of time.
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1. Some legislators, the Sunset Commission, and communities acknowledge that while temporary disaster housing is a federal program, Texas should continue to provide guidance to local governments on additional planning that needs to be done as part of the emergency preparedness planning to most efficiently work with FEMA.

No local action is required at this time.

2. As much of what FEMA has previously offered is travel trailers or manufactured housing, local governments should review their zoning requirements or other land use provisions that restrict temporary housing or housing on an existing lot during the building process and look at potential waivers that do not risk or negatively impact health, safety, and welfare during a period after disasters so that low income persons can move back to their existing communities with temporary housing while waiting for redevelopment.

We have reviewed our zoning requirements and other land use provisions and have provided waivers or other accommodations for post-disaster housing.

We have not done so but will review our zoning and look at potential waivers.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

Impediment #9

There are impediments in public and private actions and private attitudes to housing choice for persons with disabilities.

1. To meet federal Fair Housing requirements for zoning and neighborhood uses, jurisdictions should look to determine if there are direct or indirect limitations in codes that would prevent facilities or personal residences from providing assistance or communities of choice or service-enriched environments that directly impact special needs persons.
2. Local jurisdictions should work to ensure that zoning or code requirements do not unnecessarily impose stricter commercial building requirements, such as emergency access or protection services, on group homes, thereby dramatically increasing housing costs for persons with special needs.

We have reviewed our codes and ordinances and have addressed/are addressing any impediments relating to special needs persons, including (1) rules that might prevent facilities or personal residences from providing assistance or communities of choice or service-enriched environments that directly impact special needs persons, and (2) rules that might unfairly increase the costs to special needs persons.

We have not done so but will conduct a review and address any impediments identified once guidelines are provided by the State in 2011.

When will you do this? 2011 2012

Not Applicable. (Explain)

3. Local jurisdictions should consider coordinating with the legislatively created Housing and Health Services Coordination Council for best practices on working with supportive services.

We agree to coordinate with the legislatively created Housing and Health Services Coordination Council for best practices on working with supportive services.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

Impediment #10

There are barriers to mobility and free housing choice for Housing Choice Voucher holders including: inadequate tenant counseling services and mobility assistance, failure of PHAs to apply for the FMR pilot demonstration funds, and government policies, procedures, and regulations that tend to decrease participation by private housing providers and to restrict available housing to "racially or low-income populated neighborhoods" with little access to economic, educational, or other opportunity.

No local action beyond compliance with Round 2 Housing Guidelines is currently required but communities are encouraged to work with local

public housing authorities to understand and overcome these impediments.

Impediment #11

Loss of housing stock in Hurricanes Dolly and Ike compounded the shortage of affordable housing in disaster recovery areas. This shortage is particularly acute in safe, low-poverty neighborhoods with access to standard public services, job opportunities and good schools.

No local action is required at this time. TDHCA will develop a statewide strategic plan including guidance for local jurisdictions on the following Action Steps in 2011.

1. To help offset the costs of developments that feature reduced rents without government support, local jurisdictions should consider establishing density bonuses to allow for higher levels of units per site for multifamily developments and single-family developments that propose increased affordability.
2. TDHCA and HUD have developed programs that preserve affordable housing. Continuing in this vein, the state and local jurisdictions should work to preserve existing affordable housing development and discourage them from converting to market rate housing. Requirements should be included in all publicly funded developments providing tenants with early and clear notification of the intention of management to convert to market rate housing and providing first right of refusal to nonprofit and public entities and organizations to purchase units to maintain affordability.
3. The state and local jurisdictions should consider using CDBG funds to buy down the cost of land in high-cost and high-opportunity development areas to increase affordable housing options in these areas.

Impediment #12

Lack of financial resources for both individuals and housing providers limits Fair Housing choice. Using an effective program under Section 3 of the Housing and Urban Development Act of 1968 may help members of protected classes gain economic opportunities necessary to allow them to exercise fair housing choice.

1. The state is maximizing its resources in Round 2 of the Ike/Dolly funding to affirmatively further fair housing in single family and multi-family developments. As called for in the Conciliation Agreement, the state is looking to provide more integrated housing options for persons in racially concentrated or poverty concentrated neighborhood groups. In single-family programs, the state should require subrecipients to offer the opportunity to relocate out of floodplain areas, concentrations of racial minorities, or concentrations of poverty—through the Homeowner Opportunity Program. Any relocation should be into an area that does not result in simply relocating the high-concentration from one area to another.

Local jurisdictions will be responsible for complying with Section 3 as part of their contract with the state.

2. Jurisdictions receiving federal funds from HUD, directly or indirectly, should ensure they have a compliant Section 3 program to meet HUD requirements regarding

notification to LMI eligible persons of potential job creation at the impacted neighborhood level with federal funds.

- We have in place a Section 3 program that meets the requirements of federal law and regulations regarding potential job creation at the impacted neighborhood level and the use of federal funds to hire local LMI eligible persons. We confirm that appropriate staff persons in this jurisdiction have already received training on Section 3, regarding job creation for local LMI persons including members of protected classes. [Attach Section 3 plan and list of staff names and training dates]
- We have not done so but will develop a Section 3 program that meets the requirements of federal law and regulations and that ensure appropriate staff receive training.

When will you do this? 2011 2012

Impediment #13	Location and lack of housing accessibility and visitability standards within political jurisdictions limits fair housing choices for persons with disabilities.
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1. Local jurisdictions should consider establishing incentives for affordable housing applicants to create an increased set-aside of housing units for persons with disabilities or persons who are elderly without violating the existing TDHCA integrated housing rule.
2. TDHCA and local jurisdictions should consider adding proximity to medical facilities as a scoring incentive for competitive programs using federal funds for proximity to medical facilities.
3. TDHCA should require that all federally funded housing construction be built to accessibility standards found in Texas Government Code §2306.514.

We have formally considered: 1) establishing incentives for affordable housing developers to create an increased set-aside of housing units for persons with disabilities or persons who are elderly without violating the existing TDHCA Integrated Housing Rule; 2) providing point incentives for units in proximity to medical facilities for competitive programs using federal funds; and 3) requiring new housing built with federal funds to be built with structures that allow for accessible features, regardless of whether the original occupant needs the features, as called for by state law. [Attach documentation of the review and resulting actions.]

We have not undertaken the above review, but plan to do so.

When will you do this? 2011 2012 2013

Not Applicable (Explain)

Items 1 (disability/elderly set-aside incentive) and 2 (proximity to medical facilities incentive) shall be reviewed in 2013. Item 3 is a state activity.

Impediment #14 Many colonias residents live in developments that have insufficient infrastructure and protections against flooding and are impacted by flooding beyond events like Hurricanes Dolly and Ike.

1. The state, COGs, and local jurisdictions should examine the infrastructure needs in colonias, in particular the use of CDBG disaster recovery funds to provide drainage improvements to correct flooding problems in the wake of Hurricane Dolly, and the historical provision of public infrastructure and housing assistance to meet those needs in border and non-border colonias.

We have identified the unserved infrastructure needs of colonias within our jurisdiction and whether these infrastructure improvements are eligible for disaster recovery funding and, if so, whether those projects will be funded.

We have not undertaken the above review, but plan to do so.

When will you do this? 2011 2012

Not Applicable (Explain)

There are no colonias in our jurisdiction.

Impediment #15 Minority neighborhoods in disaster areas are primarily served by non-regulated insurance companies that do not adhere to underwriting guidelines and may be discriminated against in the provision of insurance. Texas has passed aggressive statutes to prevent insurance "redlining." National research indicates that protected classes face unwarranted disparities in the cost of insurance, the amount of coverage, and cancellation of policies without notice to the homeowner.

No local action is required at this time.

Impediment #16 Many jurisdictions do not have adequate Analysis of Impediments to Fair Housing or Fair Housing Plans, and do not keep sufficient records of their activities.

1. Recipients of CDBG funds from HUD for housing should maintain records as required by the Fair Housing Act, HUD regulations, and the Conciliation Agreement in order to document that they are carrying out their commitments and affirmatively furthering fair housing.

We currently maintain all required records to document our AFFH actions and compliance with Fair Housing laws, HUD and State regulations, and the Conciliation Agreement. [Attach details of the records now kept and identify the person or entity responsible for keeping these records.]

We have not done so but will do so in compliance with GLO guidance.

When will you do this? 2011 2012 2013

Not Applicable. (Explain)

2. As required under the Conciliation Agreement, the State will conduct a new Statewide AI after HUD approval of the Phase 1 AI. Entitlement communities should conduct new AIs or update current AIs to ensure that they address all recommended data and issues and specifically address issues related to all protected classes under the Fair

Housing Act. Race and national origin, as well as the other protected classes, must be identified independent of low and moderate-income categories in order to understand the impact of actions, practices, regulations, ordinances, and other factors on them.

- We recently completed a formal Analysis of Impediments, are currently updating an existing AI, or are conducting our first AI. [Attach most recent AI or draft.]
- We are using the FHAST form process to analyze our impediments to fair housing and plan how to address them.

When will you do this? 2011 2012

Not Applicable. (Explain)

Alternative or additional Local Action Steps developed by this jurisdiction: To address unique impediments to fair housing within each community, local jurisdictions are encouraged to develop alternative action steps to be adopted in lieu of or in addition to those set out in the State of Texas Interim Analysis of Impediments to fair housing. If your jurisdiction elects to propose alternative or additional action steps, please describe them below.

- We plan to take additional Action Steps, described in an Attachment.
- We are using the FHAST form process to analyze our impediments to fair housing and plan how to address them.

When will you do this? 2011 2012 2013

The City will work with other Harris County cities on a regional fair housing initiative. The City will work with Section 8 Voucher administrators to encourage use in the city. The City will review the Harris County AI to address identified impediments.

2010 US Census Table, DP-1, Profile of General Population

HISPANIC OR LATINO AND RACE	La PORTE	
Total population	33,800	100.0
Hispanic or Latino	9,932	29.4
White alone	6,261	18.5
Black or African American alone	97	0.3
American Indian and Alaska Native alone	72	0.2
Asian alone	24	0.1
Native Hawaiian and Other Pacific Islander alone	7	0.0
Some Other Race alone	3,044	9.0
Two or More Races	427	1.3
Not Hispanic or Latino	23,868	70.6
White alone	20,802	61.5
Black or African American alone	2,003	5.9
American Indian and Alaska Native alone	139	0.4
Asian alone	387	1.1
Native Hawaiian and Other Pacific Islander alone	30	0.1
Some Other Race alone	39	0.1
Two or More Races	468	1.4

All Others excluding White alone = 12,998 persons or 38.46% of total population.

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016

Appropriation

Requested By: Rosalyn Epting

Source of Funds:

Department: Parks & Recreation

Account Number:

Report: Resolution: Ordinance:

Amount Budgeted:

Other:

Amount Requested:

Budgeted Item: YES NO

Attachments :

1. Ordinance

SUMMARY & RECOMMENDATIONS

At the December 14th, 2015 Council Meeting, staff discussed and approved the proposed Lomax Open Riding Rules that had been developed by the Lomax Rodeo Arena User Committee. At that time staff was instructed to formalize the ordinance and return to Council for approval.

The ordinance under consideration formalizes the rules, as presented at the December 14, 2015 Council meeting.

Action Required of Council:

Consider approval or other action of Ordinance amending Chapter 50 of the City of la Porte Code of Ordinances by adding rules for renters and open riding users at Lomax Arena.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 50 "PARKS AND RECREATION" OF THE CODE OF ORDINANCES OF THE CITY OF LA PORTE BY ADDING RULES FOR RENTERS AND OPEN RIDING USERS UTILIZING THE LIVESTOCK AND RODEO ARENA; PROVIDING A REPEALING CLAUSE; CONTAINING A SEVERABILITY CLAUSE; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; PROVIDING THAT ANY PERSON VIOLATING THE TERMS OF THIS ORDINANCE SHALL BE DEEMED GUILTY OF A MISDEMEANOR AND UPON CONVICTION SHALL BE FINED IN A SUM NOT TO EXCEED FIVE HUNDRED DOLLARS; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; AND PROVIDING AN EFFECTIVE DATE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1: That Chapter 50, "Parks and Recreation," Article VIII "Livestock/Rodeo Arena", is hereby amended by adding new Section 50-312 "Arena rules for renters and open riding users", of the Code of Ordinances of the City of La Porte, Texas, which section shall hereinafter read as follows:

"Sec. 50-312. – Arena rules for renters and open riding users

Individuals renting the arena and members of the general public who use the arena for open riding are subject to the following guidelines:

1. Open riding is available during arena operational hours of 7:00 a.m. thru 11:00 p.m., with the exception of those dates and times that the arena is under lease pursuant to the rental use policy in this article.
2. Those wanting exclusive time in the arena shall be required to rent the facility, by calling the Parks & Recreation Department at 281-470-7275, Monday-Friday, 8:00 a.m. thru 5:00 p.m.
3. No paid, private instruction is allowed for any person during open riding, in accordance with Sec. 50-3(3) of this Chapter, unless the person has rented the arena.
4. Use of bucking chutes for rough stock is not allowed during open riding.
5. No glass bottles are allowed on any portion of the Livestock/Rodeo Arena grounds.
6. Certificates of Insurance are required in connection with all rentals of the arena where the lessee brings an animal or animals to the facility.
7. Rentals of the arena will be posted on the bulletin board by the concession stand on a weekly basis.
8. If a conflict or dispute occurs between arena open riding users, such persons are directed to contact the Parks & Recreation Department at 281-470-7275, Monday-Friday, 8:00 a.m. thru 5:00 p.m.
9. If a conflict or dispute occurs between arena open riding users outside of the Parks & Recreation Department hours listed above, such persons are directed to call the non-emergency Police Department at 281-471-2141."

Section 2: All ordinances or parts of ordinances inconsistent with the terms of this ordinance are hereby repealed; provided, however, that such repeal shall be only to the extent of such inconsistency and in all other respects this ordinance shall be cumulative of other ordinances regulating and governing the subject matter covered by this ordinance.

Section 3: Should any section or part of this ordinance be held unconstitutional, illegal, or invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this ordinance are declared to be severable.

Section 4. Any person, as defined in Section 1.07 (27), Texas Penal Code, who shall violate any provision of the ordinance, shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine not to exceed FIVE HUNDRED DOLLARS (\$500.00).

Section 5. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council is posted at a place convenient to the public at the City Hall of the city for the time required by law preceding this meeting, as required by Chapter 551, Tx. Gov't Code; and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 6. This Ordinance shall be effective fourteen (14) days after its passage and approval. The City Secretary shall give notice of the passage of this ordinance by causing the caption hereof to be published in the official newspaper of the City of La Porte at least once within ten (10) days after the passage of this ordinance.

PASSED AND APPROVED this the _____ day of JANUARY, 2016.

By: _____
Louis R. Rigby, Mayor

ATTEST:

City Secretary

APPROVED:

A handwritten signature in cursive script, appearing to read "Mark T. Adams", is written over a horizontal line.

Assistant City Attorney

REQUEST FOR LA PORTE CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>25 January 2016</u>
Requested By: <u>Scott D. Livingston</u>
Department: <u>Administration/Economic Development</u>
Report: <u> </u> Resolution: <u> </u> Ordinance: <u> </u>

<u>Budget</u>	
Source of Funds:	
Account Number:	
Amount Budgeted:	
Amount Requested:	
Budgeted Item:	YES NO

- Exhibit: CC Resolution Approving EDC By-laws
- Exhibit: LPDC's Amended By-Laws, 9 February 2015
- Exhibit: City Council's Approval of LPDC Amended Bylaws
- Exhibit: LP Development Corporation's First Year Revenues
- Exhibit: Purchasing Policy Manual

SUMMARY & RECOMMENDATION

On 11 January 2015, the LPDC Board voted to adopt amendments made by the LPDC Board to the corporation's by-laws that increase the limit for all LPDC expenditures, including enhancement grants, without prior approval from the City Council, to **\$50,000** for the following reasons:

- 1) The LPDC Board's sales tax revenue for its full first year in 1999-2000 was **\$755,735.75**. The corporation's projected revenues this year, according to the latest financial report, are expected to be **\$2,434,375**, which is **3.22** times greater than **\$755,735.75**. \$15,000 times 3.22 is **\$48,300**.

- 2) In order to shorten and simplify the approval process for enhancement grant projects, the LPDC Board requests the City Council increase its authorized limit for all qualifying projects of the revised LPEGP from \$25,000 to **\$50,000**. Currently, enhancement grant projects up to \$25,000 may be approved by the LPDC Board without additional approval of the City Council, while enhancement grant projects for sums greater than \$25,000 must also be approved by the City Council. On 11 November 2015 the LPDC Board voted to increase the Board's contribution for each qualifying project in the La Porte Enhancement Grant Program from \$25,000 to **\$50,000**.

- 3) The City's Purchasing Policy authorizes every department of the City to spend up to \$49,999.99, per the conditions and requirements outlined in the same policy, toward budgeted expenses without additional City Council approval. All expenses of \$50,000 or more require additional City Council approval.

Therefore, the LPDC Board requests that the City Council approve the following changes to the corporation's by-laws:

5.04 The Board of Directors shall obtain prior City Council approval of all real estate acquisitions, real estate leases exceeding one year and/or any other leases exceeding one year; all bond issues or other debt extending beyond one year; and, contracts, expenditures, or debts **of \$50,000.00 or more**. The Board of Directors shall have the authority to enter into all other budgeted transactions without prior or additional City Council approval. Notwithstanding the foregoing, the Board of Directors shall have the authority to approve all budgeted Enhancement Grant expenditures for an amount equal to or less than **\$50,000.00**, without additional approval of City Council. Amendments to the Corporation's budget must be approved by the City Council.

Please note that the latest version of the corporation's by-laws, which were revised in February 2015 and approved by the City Council in March 2015, are enclosed. The City Council is the final approving authority for all amendments to the by-laws.

Action Required by the La Porte City Council:

Consider approval or other action adopting proposed amendments made by the La Porte Development Corporation Board of Directors to the by-laws of the La Porte Development Corporation

Approved for the La Porte City Council Agenda

Corby D. Alexander, City Manager

Date

RESOLUTION 2016 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, APPROVING AN AMENDMENT TO SECTION 5.04 OF THE BYLAWS OF THE LA PORTE DEVELOPMENT CORPORATION; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Development Corporation Act of 1979 Article 5190.6 Tex. Rev. Civ. Stats. Ann., as amended, now Chapters 501-505 of the Texas Local Government Code, authorizes cities to create a development corporation or corporations to act on their behalf in the promotion and financing of projects so as to promote the existence, development, and expansion of business, commerce, industry, higher education, and job training which are essential to the economic growth of this state and to the full employment, welfare, and prosperity of residents of this state; and

WHEREAS, the City of La Porte has heretofore created the City of La Porte Development Corporation, which operates as a Type B development corporation; and

WHEREAS, on January 11, 2016, the City of La Porte Development Corporation voted to approve an amendment to Section 5.04 of the Bylaws of the City of La Porte Development Corporation; and

WHEREAS, under Section 501.064, Texas Local Government Code, the bylaws of a development corporation and each amendment of the bylaws must be approved by resolution of the governing body of the corporation's authorizing unit before going into effect; and

WHEREAS, the City Council of the City of La Porte has considered and desires to approve the proposed amendments to Section 5.04 of the Bylaws of the City of La Porte Development Corporation, and ratify the adoption of the proposed amendments to Section 5.04 of said Bylaws by the City of La Porte Development Corporation.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. That the Bylaws of the City of La Porte Development Corporation, as amended by the City of La Porte Development Corporation by its vote on January 11, 2016, to revise Section 5.04 of said Bylaws, and as reflected in the form attached hereto as Exhibit A and incorporated by reference for all purposes, are hereby approved.

Section 2. The City Council of the City of La Porte officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by Chapter 551, Texas Government Code; and that this meeting have been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 3. This Resolution shall be effective upon its passage and approval.

PASSED, APPROVED, AND ADOPTED this the 25th day of January, 2016.

Louis R. Rigby, Mayor

ATTEST:

Patrice Fogarty, City Secretary



Clark T. Askins, Assistant City Attorney

Exhibit A

5.04 The Board of Directors shall obtain prior City Council approval of all real estate acquisitions, real estate leases exceeding one year and/or any other leases exceeding one year; all bond issues or other debt extending beyond one year; and, contracts, expenditures, or debts of \$50,000.00 or more. The Board of Directors shall have the authority to enter into all other budgeted transactions without prior or additional City Council approval. Notwithstanding the foregoing, the Board of Directors shall have the authority to approve all budgeted Enhancement Grant expenditures for an amount equal to or less than \$50,000.00, without additional approval of City Council. Amendments to the Corporation's budget must be approved by the City Council.

**BYLAWS
OF THE
CITY OF LA PORTE
DEVELOPMENT CORPORATION**

These bylaws govern the affairs of the CITY OF LA PORTE DEVELOPMENT CORPORATION (the "Corporation") a nonprofit corporation organized under Article 5190.6, Section 4B, Vernon's Annotated Texas Civil Statutes, as amended (the 'Act').

ARTICLE I

PURPOSES

General Purposes

1.01. The Corporation acts on behalf of the City of La Porte, Texas in furtherance of the public purposes of the Act and may engage in any project authorized under Section 2(10) or Section 4B of the Act.

Powers

1.02. The Corporation has all the powers both express and implied, granted to corporations governed by Sec. 4B of the Act and by the Texas Non-profit Corporation Act.

ARTICLE II

OFFICES

Principal Office

2.01. The principal office of the Corporation in the State of Texas is located at 604 West Fairmont Parkway in La Porte; Harris County; Texas. The Corporation may provide for additional offices or change the location of any office.

Registered Office and Agent

2.02. The Corporation shall comply with the requirements of the Act and maintain a registered office and registered agent in Texas. The registered office may, but need not, be identical with the Corporation's principal office in Texas. The Corporation may change the registered office and the registered agent as provided in the Act.

ARTICLE III

BOARD OF DIRECTORS

Management of the Corporation

3.01. The affairs of the Corporation shall be managed by the Board of Directors.

Number, Qualifications and Tenure of Directors

3.02. The Board of Directors shall consist of seven members appointed by the City Council of the City of La Porte, Texas, for staggered two year terms of office. Not less than three (3) directors shall be persons who are not employees, officers or members of the governing body of the City of La Porte, Texas. Each director must reside within the City of La Porte, Texas.

The Board of Directors shall appoint a President and Vice-President by October 1 of each year. The President shall be the presiding officer for meetings and the Vice-President shall act in the President's absence.

Vacancies

3.03. A vacancy occurring upon the Board of Directors shall be filled for the unexpired term by appointment by the City Council of the City of La Porte, Texas.

Annual Meeting

3.04. The annual meeting of the Board of Directors shall be held during the month of March of each year. The Board of Directors shall designate the time and location of the annual meeting.

Regular Meetings

3.05. The Board of Directors may provide for regular meetings by resolution stating the time and place of such meetings. The meeting shall be held within the City of La Porte, Texas, at a location designated by the Board of Directors.

Special Meetings

3.06. Special meetings of the Board of Directors may be held at the request of the President or any three Directors. A person or persons calling the meeting shall fix the time and location of the meeting.

The person or persons calling a special meeting shall notify the secretary of the Corporation of the information required to be included in the notice of the meeting. In addition to the posting of a meeting notice in accordance with these bylaws, a copy of

each such meeting notice shall be delivered to each director not less than seventy-two hours before the time of the meeting. A meeting notice shall be deemed delivered to any director when deposited in the United States mail addressed to the director at his or her address as it appears on the records of the Corporation. Such additional notice may be waived in writing by a director at any time either before or after the time of the meeting and such additional notice shall be deemed waived by attendance.

Notice of Meetings

3.07. The Corporation shall be considered a "governmental body" within the meaning of Texas Government Code, Sec. 551.001, and notice of each meeting shall be given in accordance with the provisions of Texas Government Code, Chapter 551 (The Texas Open Meetings Act).

Quorum

3.08. Four (4) Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The presence of a director may not be established by proxy. No business shall be conducted, nor shall any action be taken by the Board of Directors in the absence of a quorum.

Duties of Directors

3.09. Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of the Corporation, directors shall act in good faith and take actions they reasonably believe to be in the best interests of the Corporation and which are not unlawful and shall refrain from actions not in the best interest of the Corporation or which would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Corporation.

Duties of President

3.10. The president shall be the chief executive officer of the Corporation. The president shall supervise and control all of the business and affairs of the Corporation. When the execution of any contract or instrument shall have been authorized by the Board of Directors, the president shall execute same except where such power is expressly delegated to another officer of the Corporation. The president shall perform other duties prescribed by the Board of Directors and all duties incident to the office of president.

Actions of Board of Directors

3.11. The Board of Directors shall try to act by consensus. However, the vote of a majority of directors present at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors.

Proxy Voting Prohibited

3.12. A director may not vote by proxy.

Removal of Directors

3.13. The Board of Directors and each member thereof serves at the pleasure of the City Council of the City of La Porte, Texas, which may remove any director at any time, either with or without cause.

Committees

3.14. The Board of Directors may by resolution establish one or more special or standing committees. Such committees shall have the powers, duties and responsibilities established by the Board. The committees shall keep regular minutes of their meetings and report the same to the Board of Directors when required.

Compensation of Directors

3.15. The directors shall not receive any salary or compensation for their services. Directors may be reimbursed for their actual expenses incurred in the performance of their duties. Travel expenses shall be reimbursed under the City's travel policy.

Attendance

3.16. Regular attendance at the Board meetings is required of all directors. Three (3) consecutive unexcused absences from meetings of the Board shall cause the position to be considered vacant. Four (4) unexcused absences in a twelve (12) month period shall also cause the position to be considered vacant.

Ex-Officio Members

3.17. The City Council may appoint Ex-Officio members to the Board of Directors as it deems appropriate. These representatives shall have the right to take part in any discussion of open meetings, but shall not have the power to vote in the meetings. Ex-Officio members shall serve a term of one calendar year.

ARTICLE IV

OFFICERS

Officer Positions

4.01. The officers of the Corporation shall be a secretary who shall be the City Secretary or Assistant City Secretary of the City of La Porte, Texas and a treasurer who shall be the Finance Director of the City of La Porte, Texas. At the option of the City Council these officers may also serve simultaneously as voting Directors to the Board.

Terms of Officers

4.02. The officers of the Corporation shall serve as long as they are employed by the City of La Porte, Texas

Removal of Officers

4.03. Any officer may be removed by the City Council of the City of La Porte, Texas at any time, with or without good cause.

Vacancies

4.04. A vacancy in any office may be filled by the City Council of the City of La Porte, Texas for the unexpired portion of the officer's term.

Secretary

4.05. The Secretary shall:

- >Give all notices as provided in the bylaws or as required by law.
- >Take minutes of the meetings of the Board of Directors and keep the minutes as part of the corporate records.
- >Maintain custody of the corporate records, authenticate corporate documents and affix the seal of the Corporation as required.
- >Keep a register of the mailing address of each director and officer of the Corporation.
- >Perform duties as assigned by the president or Board of Directors.
- >Perform all duties incident to the office of secretary.

Treasurer

4.06. The Treasurer shall:

- >Have charge and custody of and be responsible for all funds and securities of the Corporation.

- >Receive and give receipts for moneys due and payable to the Corporation from any source.
- >Deposit all moneys in the name of the Corporation in banks, trust companies, or other depositories as provided by these bylaws.
- >Write checks and disburse funds to discharge obligations of the Corporation.
- >Maintain the financial books and records of the Corporation.
- >Prepare financial reports at least annually.
- >Perform other duties as assigned by the Board of Directors.
- >Prepare an annual budget.
- >Perform all duties incident to the office of treasurer.

Compensation of Officers

4.07. The officers shall not receive any salary or compensation for their services. Officers may be reimbursed for their actual expenses incurred in the performance of their duties. Travel expenses shall be reimbursed under the City's travel policy.

ARTICLE V

TRANSACTIONS OF THE CORPORATION

Contracts

5.01. The Board of Directors may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of or on behalf of the Corporation. This authority may be limited to a specific contract or instrument or it may extend to any number and type of possible contracts and instruments.

Depository Bank

5.02. All funds of the Corporation shall be deposited with the City's depository bank.

Potential Conflicts of Interest

5.03. The members of the Board of Directors are local public officials within the meaning of Texas Local Government Code Chapter 171. If a director has a substantial interest in a business entity or real property which is the subject of deliberation by the Board of Directors, the director shall file an affidavit with the secretary of the Corporation stating the nature and extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter by the Board of Directors, and the interested director shall abstain from any vote or decision upon the matter.

Council Approval

5.04. The Board of Directors shall obtain prior City Council approval of all real estate acquisitions, real estate leases exceeding one year and/or any other leases exceeding

one year; all bond issues or other debt extending beyond one year; and, contracts, expenditures, or debts over \$15,000.00. The Board of Directors shall have the authority to enter into all other budgeted transactions without prior or additional City Council approval. Notwithstanding the foregoing, the Board of Directors shall have the authority to approve all budgeted Enhancement Grant expenditures for an amount equal to or less than \$25,000, without prior or additional approval of City Council. Amendments to the Corporation's budget must be approved by the City Council.

Purchasing

5.05. Contracts for goods or services entered into by the Corporation and requiring the expenditure of \$50,000.00 or more shall be subject to competitive bidding and/or competitive proposal procedures as established in Chapter 252 of the Texas Local Government Code, for municipal purchasing.

ARTICLE VI

BOOKS AND RECORDS

Required Books and Records

6.01. The Corporation shall maintain:

- ◆ Correct and complete books and records of account.
- ◆ The Corporation's books and records shall include a file endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including, but not limited to, the Articles of Incorporation, any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or agent.
- ◆ A copy of the bylaws and any amended versions or amendments to the bylaws.
- ◆ Minutes of the proceedings of the Board of Directors.
- ◆ A list of names and addresses of the directors and officers of the Corporation.
- ◆ A financial statement showing the assets, liabilities, and net worth of the Corporation at the end of the three most recent fiscal years.
- ◆ A financial statement showing the income and expenses of the Corporation for the three most recent fiscal years.
- ◆ All rulings, letters, and other documents relating to the Corporation's federal, state and local tax status.
- ◆ The Corporation's federal, state and local information or income tax returns for each of the Corporation's three most recent tax years.
- ◆ Annual budget which is approved by City Council.

Records Open to Public

6.02. The Corporation shall be considered a "governmental body" within the meaning of the Texas Government Code, Sec. 552.003 and all records of the Corporation shall be made available to the public for inspection or reproduction in accordance with the requirements of the Texas Government Code, Chapter 552 (The Texas open Records Act).

Audits

6.03. The Corporation's books are required to be audited by the City's independent auditor on an annual basis. Cost of the audit will be paid by the Corporation.

ARTICLE VII

PERSONNEL

7.01. Any full-time or part-time personnel positions that the Corporation may establish will be subject to the personnel policies of the City. The City Manager has full authority in personnel matters.

ARTICLE VIII

AMENDMENTS TO BYLAWS

8.01. The bylaws may be altered, amended, or repealed by the affirmative vote of four or more members of the Board of Directors with the consent of the City Council of the City of La Porte, Texas or shall be altered, amended or repealed at the direction of the City Council of the City of La Porte.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

9.01. The bylaws shall be construed in accordance with the laws of the State of Texas. All references in the bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of the Development Corporation Act of 1979 applicable to corporations governed under Section 4B of that Act are incorporated within these bylaws by reference. In the event of any conflict between the applicable provisions of such Act and these bylaws, then the applicable provisions of such Act shall control.

Legal Construction

9.02. If any bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision and the bylaws shall be construed as if the invalid, or unenforceable provision had not been included in the bylaws.

Headings

9.03. The headings used in the bylaws are used for convenience and shall not be considered in construing the terms of the bylaws.

Seal

9.04. The Board of Directors shall provide for a corporate seal. Such seal would consist of two concentric circles containing the words "City of La Porte Development Corporation", and "Texas" in one circle and the "incorporated" together with the date of incorporation of the Corporation in the other circle.

Parties Bound

9.05. The bylaws shall be binding upon and inure to the benefit of the directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns except as otherwise provided in the bylaws.

Fiscal Year

9.06. The fiscal year of the Corporation shall begin on the first day of October of each year and end of the last day of September of the following year.

Effective Date

9.07. These bylaws, and any subsequent amendments hereto, shall be effective of and from the date upon which approval has been given by the Board of Directors and the City Council of the City of La Porte, Texas.

Adopted this 9th day of February, 2015.

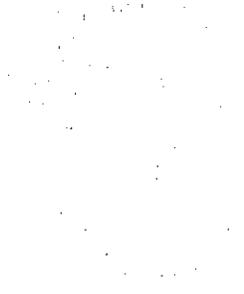


President of the Board

CERTIFICATE OF SECRETARY

I certify that I am the duly appointed and acting secretary of the CITY OF LA PORTE DEVELOPMENT CORPORATION, and the foregoing Bylaws constitute The Bylaws of the Corporation. These Bylaws were duly adopted at a meeting of the Board of Directors held on the 9th day of February, 2015, and approved and ratified by the City Council of the City of La Porte, Texas, at a meeting held on the 9th day of March, 2015.

Signed this 9th day of February, 2015.


Patricia Fogarty
Secretary of the Corporation

RESOLUTION 2015- 04

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS, APPROVING AN AMENDMENT TO SECTION 5.04 OF THE BYLAWS OF THE LA PORTE DEVELOPMENT CORPORATION; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Development Corporation Act of 1979 Article 5190.6 Tex. Rev. Civ. Stats. Ann., as amended, now Chapters 501-505 of the Texas Local Government Code, authorizes cities to create a development corporation or corporations to act on their behalf in the promotion and financing of projects so as to promote the existence, development, and expansion of business, commerce, industry, higher education, and job training which are essential to the economic growth of this state and to the full employment, welfare, and prosperity of residents of this state; and

WHEREAS, the City of La Porte has heretofore created the City of La Porte Development Corporation, which operates as a Type B development corporation; and

WHEREAS, on February 9, 2015, the City of La Porte Development Corporation voted to approve an amendment to Section 5.04 of the Bylaws of the City of La Porte Development Corporation; and

WHEREAS, under Section 501.064, Texas Local Government Code, the bylaws of a development corporation and each amendment of the bylaws must be approved by resolution of the governing body of the corporation's authorizing unit before going into effect; and

WHEREAS, the City Council of the City of La Porte has considered and desires to approve the proposed amendments to Section 5.04 of the Bylaws of the City of La Porte Development Corporation, and ratify the adoption of the proposed amendments to Section 5.04 of said Bylaws by the City of La Porte Development Corporation.

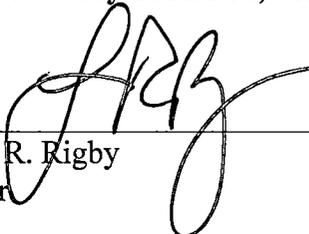
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

Section 1. That the Bylaws of the City of La Porte Development Corporation, as amended by the City of La Porte Development Corporation by its vote on February 9, 2015, to revise Section 5.04 of said Bylaws, and as reflected in the form attached hereto as Exhibit A and incorporated by reference for all purposes, are hereby approved.

Section 2. The City Council of the City of La Porte officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by Chapter 551, Texas Government Code; and that this meeting have been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

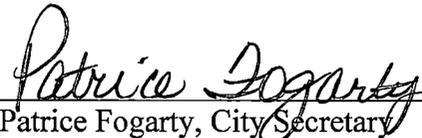
Section 3. This Resolution shall be effective upon its passage and approval.

PASSED, APPROVED, AND ADOPTED this the 9th day of March, 2015.



Louis R. Rigby
Mayor

ATTEST:



Patrice Fogarty, City Secretary



Clark T. Askins, Assistant City Attorney

Exhibit A

5.04 The Board of Directors shall obtain prior City Council approval of all real estate acquisitions, real estate leases exceeding one year and/or any other leases exceeding one year; all bond issues or other debt extending beyond one year; and, contracts, expenditures, or debts over \$15,000.00. The Board of Directors shall have the authority to enter into all other budgeted transactions without prior or additional City Council approval. Notwithstanding the foregoing, the Board of Directors shall have the authority to approve all budgeted Enhancement Grant expenditures for an amount equal to or less than \$25,000, without additional approval of City Council. Amendments to the Corporation's budget must be approved by the City Council.

From: Wolny, Shelley
Sent: Wednesday, December 16, 2015 10:54 AM
To: Livingston, Scott <LivingstonS@laportetx.gov>
Cc: Dolby, Michael <DolbyM@laportetx.gov>
Subject: RE: Need info RE: ED Board sales tax revenue in 1999?

Scott,

Here you go. The first payment was in fiscal year 1999, but the other 11 are in fiscal year 2000. **The total received during the first 12 months was \$755,735.75.**

Thanks,
Shelley

FY1999 – FY2000	
September	\$50,484.48
October	53,865.07
November	84,471.75
December	74,981.31
January	37,600.93
February	95,607.10
March	70,694.08
April	80,641.97
May	112,039.75
June	56,518.36
July	53,132.71
August	86,667.20
Total	\$755,735.75

From: Livingston, Scott
Sent: Tuesday, December 15, 2015 3:30 PM
To: Wolny, Shelley <WolnyS@laportetx.gov>; Dolby, Michael <DolbyM@laportetx.gov>
Subject: Need info RE: ED Board sales tax revenue in 1999?

Shelley and Michael,

In preparation for the ED Board meeting on 11 Jan. 2016, and at the request of ED Board member Randy Woodard, would you please tell me how much sales tax revenue the La Porte Development Corporation received in its first 12 months of operation? I think this would be during the 1999-2000 timeframe.

Thanks!

Scott

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016 Appropriation
Requested By: Michael Dolby Source of Funds: N/A
Department: Finance Account Number:
Report: Resolution: Ordinance: Amount Budgeted:
Other: Amount Requested:
Budgeted Item: YES NO

Attachments :

1. Plan of Finance
2. Refunding Ordinance

SUMMARY & RECOMMENDATIONS

At this time, staff would like to issue refunding bonds on several series that are callable in the near future. Refunding City debt during the current market conditions will yield the City a significant amount of savings (approximately \$433,000). During the December rate hike, the current market conditions were viewed as optimistic by the Federal Reserve. The City's financial advisors RBC Capital Markets performed an analysis of outstanding debt to identify refinancing opportunities on several issues that are callable.

The bond market for refunding is time sensitive and interest rate sensitive; therefore, staff would like to utilize the best method available for selling the debt. Staff recommends that the City use the negotiated sales method, which allows the City to enter the market during favorable conditions. La Porte has utilized this method in the past and it has provided favorable outcomes. Staff is recommending using Coastal Securities (the City's previous underwriter)

The City's Financial Advisors and Bond Attorneys are present this evening to answer any questions.

Action Required of Council:

Consider approval or other action of an Ordinance authorizing and ordering the issuance, sale and delivery of City of La Porte, Texas, general obligation refunding bonds, series 2016.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date



Robert V. Henderson
Managing Director,
Phone: (210) 805-1118
Facsimile: (210) 805-1119
robert.henderson@rbccm.com

CITY OF LA PORTE, TEXAS

PRELIMINARY PLAN OF FINANCE

DATED: JANUARY 7, 2016

INTRODUCTION:

In July 2016, in conjunction with the sale of the City's \$8.0 million in Certificates of Obligation, RBC Capital Markets updated its analysis of the City's outstanding debt to determine if there were any refunding opportunities given the interest rate market conditions. There were. However, in order to insure the lowest possible interest rates on the \$8.0 million issue by preserving the "Bank Qualified" tax status of those certificates, we recommended that the City not undertake the refunding in calendar year 2015. We indicated that we would update our analysis to consider the refunding in January 2016. The purpose of this report is to provide that promised update.

FINANCIAL BACKGROUND:

Including the recently issued Certificates of Obligation, Series 2015, the City of La Porte currently has eleven ad valorem property tax secured debt obligations outstanding as follows:

<u>Issue:</u>	<u>Original Amount:</u>	<u>Currently Outstanding:</u>	<u>Final Maturity:</u>
Limited Tax Bonds, Series 2002	\$5,400,000	\$ 270,000	3/15/2016
Certificates of Obligation, Series 2005	1,800,000	180,000	3/15/2017
General Obligation Bonds, Series 2005	7,675,000	780,000	3/15/2017
Certificates of Obligation, Series 2006	5,765,000	615,000	3/15/2017
General Obligation Bonds, Series 2006	1,200,000	265,000	3/15/2018
Certificates of Obligation, Series 2007	8,075,000	3,760,000	3/15/2029
Certificates of Obligation, Series 2010	6,265,000	4,905,000	3/15/2026
General Obligation Ref. Bonds, Series 2010	4,295,000	2,175,000	3/15/2020
General Obligation Ref. Bonds, Series 2012	9,435,000	9,285,000	3/15/2025
General Obligation Ref. Bonds, Series 2014	9,300,000	8,585,000	3/15/2025
Certificates of Obligation, Series 2015	7,770,000	7,770,000	3/15/2030

The outstanding debt issues bear interest at rates ranging from 1.1% to 5.0% depending on the original series.

REFUNDING ANALYSIS:

Of the above debt; the Series 2007 Certificates of Obligation includes \$3,420,000 of "callable", meaning refundable, maturities outstanding at interest rates ranging from 4.0% to 4.2%. In July, it was estimated that these maturities could be refunded with gross dollar and net present value savings of \$375,985 and \$317,571 respectively or 9.28% of the refunded amount of debt. As of this date, those estimates have increased to \$497,816 and \$433,677 respectively or 12.68% of the refunded amount of debt.

SELLING THE REFUNDING DEBT:

There are three generally prescribed methods for selling public debt; Selling by competitive bid, selling on a negotiated sale basis and conducting a private placement. The first two methods involve sales to the general public, obtaining bond ratings, preparing offering documents and involving underwriters. The private placement method entails presenting the debt to a number of commercial banks (both locally and on a regional basis) and asking them for bids. We would then present the City with a bond purchase agreement between the winning bidder and the City reflecting those terms.

Given the advance refunding nature of the issue, which is timing and interest rate sensitive, it is our recommendation that the debt be sold by the negotiated sale method. Given the modest size of the issue, it is our recommendation that the City utilize a single underwriting firm for maximum focus on distribution. The City has historical relationships with two underwriting firms including Coastal Securities and BOSCO, Inc. Both of these firms bid on the City's most recent competitive sale with Coastal submitting the more aggressive bids of the two firms. The City's Director of Finance has indicated a desire to utilize Coastal Securities as the sole underwriter. We concur with that decision. It is also our recommendation, in order to minimize costs of issuance, that the City utilize only one rating agency. Historically on smaller issues, the City used Standard and Poor's. That is our recommendation for this issue as well.

TIMING:

General Obligation Refunding Bonds do not require any special notices or public hearings. There are two methods for handling council approval. The first is the more traditional in that the Council approves a plan of finance and authorizes the Director of Finance, working with the Financial Advisor, to proceed with rating presentations, document preparation and set a predetermined date to sell the bonds and bring to the Council an ordinance complete with interest rates for Council approval. The second method has become popular in the past 4-5 years. That is utilizing a "parameters" resolution method. In this method, an ordinance authorizing the issuance of the debt is presented to council that does not set out the final interest rates of the issue but instead delegates the authority to negotiate such final terms to one or more City officials; typically the City Manager and/or the Director of Finance, SO LONG AS CERTAIN PARAMETERS APPROVED BY THE COUNCIL ARE MET. The parameters set out in the ordinance included a maximum amount of debt to be issued, the maximum level of interest rates that can be approved, a maximum maturity of the debt and a minimum level of savings that must be achieved and puts a time limit on the authorization. In this manner, City administration has the latitude to monitor the market as preparations are made and to choose the market conditions in which to enter rather than being forced to accept whatever market conditions exist at the time of a predetermined sale date. Given the variety of timing considerations and that the City has used the parameters sale method in the past with success, is our recommendation to use that method. To that end, a parameters resolution has been placed on the City Council's agenda for the January 25th meeting. Of course, the decision to proceed and the method and timing on which to proceed are entirely at the discretion of the City Council.

SUMMARY:

The City of La Porte has developed a strong history of actively monitoring and managing its debt portfolio to lock in substantial savings as opportunities arise. As always, we cannot be sure of final savings until the debt is rated and sold. However, based on these estimates, RBC Capital Markets recommends moving forward with this proposed refunding.

ORDINANCE AUTHORIZING AND ORDERING THE ISSUANCE, SALE AND DELIVERY OF CITY OF LA PORTE, TEXAS, GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016; DELEGATING TO AUTHORIZED REPRESENTATIVES THE AUTHORITY TO APPROVE THE AMOUNT, INTEREST RATES, PRICE AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; AUTHORIZING THE REDEMPTION PRIOR TO MATURITY OF CERTAIN OUTSTANDING OBLIGATIONS; AND MAKING OTHER PROVISIONS REGARDING THE BONDS AND MATTERS INCIDENT THERETO

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE, TEXAS:

ARTICLE I.

FINDINGS AND DETERMINATIONS

Section 1.1.: Findings and Determinations. The City Council hereby officially finds and determines that:

- (a) The City of La Porte, Texas (the “City”), acting through its City Council, is authorized by its Home Rule Charter and the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code, as amended (the “Act”), to issue bonds for the purpose of refunding its outstanding obligations;
- (b) The City, acting through its City Council, has heretofore issued and there remain outstanding the obligations described in Schedule 1 attached hereto (the “Refunding Candidates”);
- (c) The City desires to refund all or a portion of the Refunding Candidates in advance of their maturities in order to achieve net present value debt service savings for the City;
- (d) The City desires, pursuant to Section 1207.007 of the Act, to delegate to two or more of the Authorized Representatives named herein the authority to effect the sale of the Bonds, including the selection of the Refunding Candidates to be refunded (such selected Refunding Candidates to be known herein as the “Refunded Obligations”), within certain parameters herein described; and
- (e) The City is authorized by the Act to accomplish such refunding by depositing directly with any place of payment for the Refunded Obligations or a trust company or commercial bank the proceeds from the sale of such refunding bonds, together with any other legally available funds, which shall be sufficient to provide for the payment of the Refunded Obligations on their date of redemption, and such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

- (f) Upon the issuance of the refunding bonds herein and the deposit of moneys and investments herein authorized, the Refunded Obligations shall no longer be regarded as being outstanding, except for the purpose of being paid from such moneys and investments, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the ordinances authorizing the issuance of the Refunded Obligations shall be, with respect to the Refunded Obligations, discharged, terminated and defeased.

ARTICLE II.

DEFINITIONS AND INTERPRETATIONS

Section 2.1.: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

“Act” shall mean Chapter 1207, Texas Government Code, as amended.

“Attorney General” shall mean the Attorney General of the State of Texas.

“Authorized Representatives” shall mean any two of the Mayor, the City Manager, the Assistant City Manager and the Finance Director of the City.

“Bond” or “Bonds” shall mean any or all of the City of La Porte, Texas, General Obligation Refunding Bonds, Series 2016, authorized by this Ordinance.

“City” shall mean the City of La Porte, Texas, and, where appropriate, its City Council.

“City Council” shall mean the governing body of the City.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

“DTC” shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“Debt Service Fund” shall mean the General Obligation Refunding Bonds, Series 2016, Debt Service Fund established by the City and described in section 5.2 of this Ordinance.

“Escrow Agent” shall mean the place of payment for the Refunded Obligations or trust company or commercial bank identified in the Escrow Agreement, and its successors in such capacity.

“Escrow Agreement” shall mean the agreement between the City and the Escrow Agent relating to the deposit of funds to pay the Refunded Obligations.

“Fiscal Year” shall mean the City’s then designated fiscal year, which currently is the twelve-month period beginning on the first day of October of a calendar year and ending on the last day of September of the next succeeding calendar year and each such period may be designated with the number of the calendar year in which such period ends.

“Interest Payment Date,” when used in connection with any Bond, shall mean March 15, 2016, and each September 15 and March 15 thereafter until maturity or earlier redemption of such Bond, unless otherwise provided in the Officers’ Pricing Certificate.

“Issuance Date” shall mean the date of initial delivery of the Bonds to the Underwriters in exchange for payment of the purchase price therefor.

“Officers’ Pricing Certificate” shall mean a certificate signed by the Authorized Representatives and containing the information regarding the Bonds specified in Sections 3, 4 and 5 hereof and substantially in the form of Exhibit A hereto.

“Ordinance” shall mean this Ordinance and all amendments hereof and supplements hereto.

“Outstanding,” when used with reference to the Bonds, shall mean, as of a particular date, all Bonds theretofore and thereupon delivered pursuant to this Ordinance except: (a) any Bonds canceled by or on behalf of the City at or before such date; (b) any Bonds defeased pursuant to the defeasance provisions of this Ordinance or otherwise defeased as permitted by applicable law; and (c) any Bonds in lieu of or in substitution for which a replacement Bond shall have been delivered pursuant to this Ordinance.

“Paying Agent/Registrar” shall mean the bank or trust company identified in the Paying Agent/Registrar Agreement referred to in Section 6.1 of this Ordinance and its successors in the capacities of paying agent and registrar for the Bonds.

“Record Date” shall mean the close of business on the last business day of the calendar month immediately preceding the applicable Interest Payment Date.

“Refunded Obligations” shall mean those obligations described as such in the Officers’ Pricing Certificate.

“Register” shall mean the registration books for the Bonds kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts registered to, each Registered Owner of Bonds.

“Registered Owner” shall mean the person or entity in whose name any Bond is registered in the Register.

“Report” shall mean the verification report prepared by Grant Thornton LLP, Certified Public Accountants, verifying the accuracy of certain mathematical computations relating to the Bonds and the refunding of the Refunded Obligations.

“Underwriters” shall mean the purchaser or purchasers of the Bonds identified in the Officer’s Pricing Certificate.

Section 2.2.: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

ARTICLE III.

TERMS OF THE BONDS

Section 3.1.: Amount, Purpose and Authorization. (a) The Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the City’s Home Rule Charter and the Act in the total authorized aggregate principal amount not to exceed THREE MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$3,500,000) for the purpose of providing all or part of the funds to refund the Refunded Obligations. Proceeds of the Bonds also will be used to pay costs of issuing of the Bonds and refunding the Refunded Obligations.

(b) It is hereby found and determined that the refunding of the Refunded Obligations and the issuance of the Bonds will benefit the City by reducing net present value debt service, and that such benefit is sufficient consideration for the issuance of the Bonds.

Section 3.2.: Designation and Date. The Bonds shall be designated as the “City of La Porte, Texas, General Obligation Refunding Bonds, Series 2016,” shall be dated January 1, 2016, and shall bear interest from the Issuance Date, unless otherwise provided in the Officers’ Pricing Certificate.

Section 3.3.: Numbers, Denomination, Interest Rates and Maturities. Unless otherwise provided in the Officers’ Pricing Certificate, the Bonds shall initially be issued bearing the numbers and shall mature on the dates, in the principal amounts and bearing interest at the rates set forth in the Officers’ Pricing Certificate, and may be transferred and exchanged as set out in this Ordinance. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

Section 3.4.: Sale and Delivery of Bonds. As authorized by Section 1207.007 of the Act, the Authorized Representatives are hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance including, without limitation, determining the date on and price at which the Bonds will be sold, the Issuance Date and dated date, the dates on which the Bonds will mature, the aggregate principal amount of the Bonds, the principal amount to mature on each maturity date, the rate of interest to be borne by each such maturity, any optional and mandatory sinking fund redemption provisions, the aggregate principal amount of Refunded Obligations and the particular Refunding Candidates to be Refunded Bonds, and all other matters not expressly provided in this Ordinance relating to the issuance, sale and delivery of the Bonds, including the refunding of the Refunded Obligations, all of which shall be specified in the Officers' Pricing Certificate, substantially in the form attached hereto as Exhibit A; provided that:

- (a) the net effective interest rate on the Bonds shall not exceed 4.00%;
- (b) the sum of the principal amounts of the Bonds, which may not exceed the maximum principal amount authorized in Section 3.1 hereof, plus any net premium from the sale of the Bonds, must be sufficient to provide amounts necessary to fund the costs and expenses of refunding the Refunded Obligations and the estimated costs of issuance of the Bonds, including underwriters' discount;
- (c) the net present value savings to the City in debt service resulting from the issuance of the Bonds shall be at least 7.00% of the principal amount of the Refunded Obligations, as shown by a table of calculations prepared by the City's financial advisor and attached to the Officers' Pricing Certificate;
- (d) the maximum maturity of the Bonds shall not exceed March 15, 2029; and
- (e) any finding by the Authorized Representatives relating to the sale and delivery of the Bonds and the designation of Refunded Obligations shall have the same force and effect as a finding or determination made by the Board.

The authority conferred by this Section shall expire at 5:00 p.m. on July 25, 2016.

Section 3.5.: Redemption Prior to Maturity. (a) The Bonds shall be subject to optional redemption prior to maturity as provided in the Officers' Pricing Certificate.

(b) The Bonds shall be subject to mandatory sinking fund redemption as provided in the Officers' Pricing Certificate.

(c) Bonds may be redeemed in part only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon

presentation and surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of this Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) Notice of any redemption, identifying the Bonds or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the Register, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being Outstanding except for the purpose of being paid with the funds so provided for such payment.

Section 3.6.: Manner of Payment, Characteristics, Execution and Authentication. The Bonds shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the Form of Bond set forth in Attachment B to Exhibit A hereto. If any officer of the City whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of the Bonds or before the delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

The approving legal opinion of Andrews Kurth LLP, Houston, Texas, Bond Counsel, may be printed on the back of the Bonds over the certification of the City Secretary, which may be executed in facsimile. CUSIP numbers also may be printed on the Bonds, but errors or omissions in the printing of either the opinion or the numbers shall have no effect on the validity of the Bonds.

Section 3.7.: Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the City. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Registered Owner as of the close of business on the day prior to mailing of such notice.

Section 3.8.: Authentication. Except for the Bonds to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Article IV of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such

duly executed certificate of authentication shall be conclusive evidence that the Bond so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 3.9.: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.10.: Registration, Transfer and Exchange. So long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at its corporate trust office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Bonds in accordance with the terms of this Ordinance.

Each Bond shall be transferable only upon the presentation and surrender thereof at the office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. To the extent possible, upon due presentation of any Bond for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented and surrendered.

All Bonds shall be exchangeable upon the presentation and surrender thereof at the office of the Paying Agent/Registrar for a Bond or Bonds, maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

All Bonds issued in transfer or exchange shall be delivered to the Registered Owners thereof at the office of the Paying Agent/Registrar or sent by United States mail, first class, postage prepaid.

The City or the Paying Agent/Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond called for redemption in whole or in part during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that this restriction shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of a Bond called for redemption in part.

Section 3.11.: Book-Entry Only System. The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word “Cede & Co.” in this Ordinance shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (c) the payment to any DTC Participant or any other person, other than a Bondholder as shown in the Register, of any amount with respect to principal of Bonds, premium, if any, or interest on the Bonds.

Except as provided in Section 3.10 of this Ordinance, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Bonds, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an owner shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

Section 3.12.: Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and

interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

Section 3.13.: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.14.: Replacement Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond, of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Registered Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the City.

If any Bond is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Bond of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

- (a) furnished to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnished such security or indemnity as may be required by the Paying Agent/Registrar and the City to save and hold them harmless;
- I paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the City and the Paying Agent/Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.15.: Cancellation. All Bonds paid or redeemed in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

ARTICLE IV.

FORM OF BONDS

The Bonds, including the Form of Comptroller's Registration Certificate, Form of Paying Agent/Registrar's Authentication Certificate, and Form of Assignment shall be in substantially the form attached hereto as Attachment B to Exhibit A, with such omissions, insertions and variations as may be necessary or desirable, and not prohibited by this Ordinance.

ARTICLE V.

SECURITY FOR THE BONDS

Section 5.1.: Pledge and Levy of Taxes. (a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Bonds by deposit to the Debt Service Fund and to no other purpose.

(b) The City hereby declares its purpose and intent to provide and levy a tax legally sufficient to pay the principal of and interest on the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax. As long as any Bonds remain outstanding, all moneys on deposit in, or credited to, the Debt Service Fund shall be secured by a pledge of security, as provided by law for cities in the State of Texas.

Section 5.2.: Debt Service Fund. The General Obligation Refunding Bonds, Series 2016, Debt Service Fund (the "Debt Service Fund") is hereby created as a special fund solely for the benefit of the Bonds. The City shall establish and maintain such fund at an official City depository. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Registered Owners of the Bonds. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Bonds.

Section 5.3.: Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the Mayor to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bonds to be initially issued, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's registration certificate prescribed herein to be affixed or attached to the Bonds to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

ARTICLE VI.

CONCERNING THE PAYING AGENT/REGISTRAR

Section 6.1.: Acceptance. The Paying Agent/Registrar hereby appointed as the initial paying agent and registrar for the Bonds pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement shall be substantially in the form presented to City Council with this Ordinance, the terms and provisions of which are hereby approved, and the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 6.2.: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Bonds under this Ordinance (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the City, shall be the property of the City and shall be disbursed in accordance with this Ordinance.

Section 6.3.: Bonds Presented. Subject to the provisions of Section 6.4, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Bonds shall be canceled as provided herein.

Section 6.4.: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

The Paying Agent/Registrar shall have no liability to the Registered Owners of the Bonds by virtue of actions taken in compliance with this Section.

Section 6.5.: Paying Agent/Registrar May Own Bonds. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent/Registrar.

Section 6.6.: Successor Paying Agents/Registrars. The City covenants that at all times while any Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The City reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60)

days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VII.

PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF BONDS

Section 7.1.: Sale of Bonds. The Bonds shall be sold and delivered to the Underwriters at a price to be set forth in the Officers' Pricing Certificate and in accordance with the terms of a Bond Purchase Agreement. Upon completion of the terms of the Officers' Pricing Certificate, the Authorized Representatives are hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the City, and the Authorized Representatives and all other officers, agents and representatives of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

Section 7.2.: Approval, Registration and Delivery. The Mayor is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificates prescribed herein to be attached or affixed to each Bond initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

Section 7.3.: Offering Documents; Ratings. The City hereby authorizes the preparation of a Preliminary Official Statement and final Official Statement, in substantially the form of the Preliminary Official Statement, with such modifications as shall be necessary to describe the final terms of the Bonds, dated as of the sale date, relating to the Bonds, and any addenda, supplement or amendment thereto, and approves the distribution of such Preliminary Official Statement and Official Statement in the offer and sale of the Bonds and in the reoffering of the Bonds by the Underwriters, with such changes therein or additions thereto as the officials executing same may deem advisable, such determination to be conclusively evidenced by their execution thereof. The Mayor is hereby authorized and directed to execute, and the City Secretary is hereby authorized and directed to attest, the final Official Statement. The

Authorized Representatives are hereby authorized to deem the Preliminary Official Statement “final” for purposes of Rule 15c2-12 of the Securities Exchange Commission at such time as such document omits no more than the information permitted by Subsection (b)(1) of Rule 15c2-12.

Section 7.4.: Application of Proceeds of Bonds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the City, be applied as follows:

- (a) A portion of the proceeds shall be applied to pay expenses arising in connection with the issuance of the Bonds and the refunding of the Refunded Obligations;
- (b) A portion of the proceeds shall be used to establish an escrow fund to refund the Refunded Obligations, as more fully provided in the Escrow Agreement; and
- (c) any remaining proceeds shall be transferred to the Debt Service Fund.

Section 7.5.:Covenants to Maintain Tax Exemption.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Issue Date.

“Computation Date” has the meaning stated in section 1.148-1(b) of the Regulations.

“Gross Proceeds” has the meaning stated in section 1.148-1(b) of the Regulations.

“Investment” has the meaning stated in section 1.148-1(b) of the Regulations.

“Issue Date” for the Bonds or other obligations of the City is the respective date on which such obligations of the City are first delivered against payment therefor.

“Nonpurpose Investment” has the meaning stated in section 1.148-1(b) of the Regulations.

“Proceeds” has the meaning stated in section 1.148-1(b) of the Regulations.

“Rebate Amount” has the meaning stated in section 1.148-3 of the Regulations.

“Regulations” means the temporary or final Income Tax Regulations applicable to the Series 2016 Bonds issued pursuant to sections 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to sections 141 through 150 of the Code and applicable to the Bonds.

“Yield of”

(1) any Investment shall be computed in accordance with section 1.148-5 of the Regulations, and

(2) the Bonds shall be computed in accordance with section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Bonds to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Bonds,

(1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed or refinanced with Gross Proceeds of the Refunded Bonds) and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or

(2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed or refinanced with Gross Proceeds of the Refunded Bonds) other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds (including property financed or refinanced with Gross Proceeds of the

Refunded Bonds) is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Bonds, directly or indirectly invest Gross Proceeds of such Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the regulations and rulings thereunder.

(g) Information Report. The City shall timely file with the Secretary of the Treasury the information required by section 149I of the Code with respect to the Bonds on such forms and in such place as such Secretary may prescribe.

(h) Payment of Rebate Amount. Except to the extent otherwise provided in section 148(f) of the Code and the regulations and rulings thereunder, the City shall:

(1) account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least six years after the final Computation Date. The City may, however, to the extent permitted by law, commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith,

(2) calculate the Rebate Amount with respect to the Bonds, not less frequently than each Computation Date, in accordance with rules set forth in section 148(f) of the Code, section 1.148-3 of the Regulations, and the rulings thereunder. The City shall maintain a copy of such calculations for at least six years after the final Computation Date,

(3) as additional consideration for the purchase of the Bonds by the initial purchaser thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest thereon from the gross income of the owners thereof for federal

income tax purposes, pay to the United States the amount described in paragraph (2) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder, and

(4) exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and, if such error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon and any penalty required by the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds, not been relevant to either party.

(j) Not Hedge Bonds. The City did not invest more than 50 percent of the Proceeds of the original bonds refunded by the Bonds in Nonpurpose Investments having a guaranteed yield for four years or more. On the Issue Date of each series of the original bonds refunded by the Bonds, the City reasonably expected that at least 85 percent of the spendable proceeds of such bonds would be used to carry out the governmental purpose of such bonds within three years after the respective Issue Date of such bonds.

Section 7.6.: Qualified Tax-Exempt Obligations. The City has determined that the Bonds will be deemed designated as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code. With respect to such designation, the City represents the following: (i) the Bonds are a current refunding of the Refunded Obligations, (ii) the Refunded Obligations were designated as "qualified tax-exempt obligations", (iii) the weighted average maturity of the Bonds shall not exceed the remaining weighted average maturity of the Refunded Obligations, (iv) the amount of the Bonds does not exceed \$10,000,000, and (v) the maturity date of the Bonds is not later than 30 years after the date of the original "qualified tax-exempt obligations" were issued.

Section 7.7.: Defeasance of Refunded Obligations. The discharge and defeasance of the Refunded Obligations may be effectuated pursuant to the terms and provisions of an escrow agreement, a deposit agreement or a similar agreement, a letter of instructions or any other instrument relating to the safekeeping, investment, administration and disposition of moneys deposited to effect the defeasance of the Refunded Obligations in such form and subject to such terms and conditions as the Pricing Officer determines may be necessary or convenient to carry out the intent and purpose of this Order. The Mayor is hereby authorized to execute and deliver such Escrow Agreement on behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City's seal.

Section 7.8.: Redemption Prior to Maturity of Refunded Obligations. To minimize the City's costs of refunding, the City hereby authorizes and directs that certain of the Refunded Obligations shall be called for redemption prior to maturity in the amounts, at the dates and at the redemption prices set forth in the Officers' Pricing Certificate, and the Authorized Representatives are hereby authorized and directed to take all necessary and appropriate action to give or cause to be given a notice of redemption and/or a notice of defeasance to the holders or paying agent/ registrars, as appropriate, of such obligations, and, if required, to publish such notices, all in the manner required by the documents authorizing the issuance of such Refunded Obligations.

Section 7.9.: Purchase of Securities. The Authorized Representatives and the Escrow Agent are hereby authorized (a) to subscribe for, agree to purchase, and purchase securities that are permitted investments for a defeasance escrow established to defease the Refunded Obligations, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved, and (b) to direct and provide for such contributions to the escrow fund as are provided in the Escrow Agreement and the Report.

Section 7.10.: Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Bonds, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance.

ARTICLE VIII.

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1.: Annual Reports. The City shall provide annually to the MSRB in an electronic format prescribed by the MSRB, within six months after the end of each fiscal year, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 7.3 of this Ordinance, being the financial information and operating data described in the Officers' Pricing Certificate. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Appendix B to the Official Statement and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so provided, then the City shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if audited financial statements become available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 8.2.: Certain Event Notices. The City shall notify the MSRB, in a timely manner not to exceed ten (10) business days, of any of the following events with respect to the Bonds or the City:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers, or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the City;

- (m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (n) Appointment of a successor or additional Paying Agent/Registrar or the change of name of Paying Agent/Registrar, if material.

As used in clause (l) above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if jurisdiction has been assumed by leaving Council and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 8.1 of this Ordinance by the time required by such Section.

Section 8.3.: Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by Section 8.2 of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Article are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH

BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Article may be amended by the City from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell the Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holder and beneficial owners of the Bonds. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 8.1 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this Article if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 8.4.: Definitions. As used in this Article, the following terms have the meanings ascribed to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

ARTICLE IX.

MISCELLANEOUS

Section 9.1.: Defeasance. The City may defease the provisions of this Ordinance and discharge its obligations to the Registered Owners of any or all of the Bonds to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar or with the Comptroller either:

- (a) cash in an amount equal to the principal amount of such Bonds plus interest thereon to the date of maturity or redemption; or
- (b) pursuant to an escrow or trust agreement, cash and/or (i) direct noncallable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest thereon to the date of maturity or earlier redemption;

provided, however, that if any of the Bonds are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Ordinance. Upon such deposit, such Bonds shall no longer be regarded to be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the City.

Section 9.2.: Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the City under Section 5.1 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the City under Section 5.1 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Registered Owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 9.3.: Ordinance a Contract – Amendments. This Ordinance shall constitute a contract with the Registered Owners from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted

in this Section. The City may, without the consent of or notice to any Registered Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Registered Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Registered Owners who own in the aggregate 51% of the principal amount of the Bond then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Registered Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Registered Owners for consent to any such amendment, addition, or rescission.

Section 9.4.: Legal Holidays. In any case where the date interest accrues and becomes payable on the Bonds or principal of the Bonds matures or the date fixed for redemption of any Bonds or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the fifteenth day of that calendar month.

Section 9.5.: No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 9.6.: Power to Revise Form of Documents. Notwithstanding any other provision of this Ordinance, the Mayor is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance and in the form of the documents attached hereto as exhibits as, in the judgment of the Mayor, and in the opinion of Bond Counsel to the City, may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance, or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the City Council.

Section 9.7.: Further Proceedings. The Mayor, City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

Section 9.8.: Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or

unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9.9.: Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9.10.: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 9.11.: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

[The remainder of this page is intentionally left blank.]

PASSED AND ADOPTED this January 25, 2016.

CITY OF LA PORTE, TEXAS

Mayor

ATTEST:

City Secretary

(SEAL)

Schedules and Exhibits:

Schedule 1 — Schedule of Refunding Candidates
Exhibit A — Form of Officers' Pricing Certificate

SCHEDULE 1

SCHEDULE OF REFUNDING CANDIDATES

Certificates of Obligation, Series 2007

EXHIBIT A

FORM OF OFFICERS' PRICING CERTIFICATE

CITY OF LA PORTE, TEXAS,
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016

THIS OFFICERS' PRICING CERTIFICATE is executed as of _____, 2016, by the [City Manager and Finance Director] of the City of La Porte, Texas (the "City"), pursuant to the authorization contained in an ordinance of the City Council, acting as the governing body of the City, adopted on January 25, 2016 (the "Ordinance"), authorizing the issuance of the captioned series of bonds and delegating to the undersigned the authority to agree to and stipulate certain terms and provisions thereof, all of which are set forth herein.

Capitalized terms used in this Officers' Pricing Certificate shall have the meanings assigned to them in the Ordinance.

1. Principal Amount, Maturity Amount, Numbers, Interest Rates and Maturities. The Bonds shall be dated _____, 2016, but shall bear interest from the Issuance Date. The Bonds shall be issued in the total authorized principal amount of \$_____ [consisting of \$_____ issued as serial bonds and \$_____ issued as term bonds (the "Term Bonds")].

The Bonds shall mature on March 15 in each of the years and in the amounts set out in the following schedule:

<u>Bond Number</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
------------------------	-----------------	-------------------------	----------------------

2. Redemption.
 - (a) Optional. The Bonds maturing on and after March 15, 20__ are subject to optional redemption, in whole or, from time to time, in part on any date on or after March 15, 20__ at a redemption price of par plus accrued interest.

- (b) Mandatory. The Bonds maturing in the year _____ will be issued as term bonds and shall be subject to the following mandatory redemption requirements:

TERM BONDS MATURING MARCH 15, _____

Mandatory Redemption Date (March 15)	Principal Amount	Redemption Price
		100%
		100
		100
		100

To the extent that such Term Bonds have been previously called for redemption or purchased and retired in part and otherwise than from scheduled mandatory redemption payments, future mandatory redemption payments may be reduced by the principal amount of such Term Bonds so redeemed or purchased.

In lieu of mandatorily redeeming the Term Bonds, the City reserves the right to purchase for cancellation Term Bonds of the same maturity at a price no greater than the applicable redemption price of such Term Bonds.

The Paying Agent/Registrar will select by lot the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory redemption provisions shall be reduced, at the option of the City, by the principal amount of any Bonds having the same maturity which have been purchased or redeemed by the City as follows, at least 45 days prior to the mandatory redemption date:

- (i) if the City directs the Paying Agent to purchase Bonds with money in the debt service fund for the Bonds (at a price not greater than par plus accrued interest to the date of purchase), then a credit of 100% of the principal amount of such Bonds purchased will be made against the next mandatory redemption installment due, or
- (ii) if the City purchases or redeems Bonds with other available moneys, then the principal amount of such Bonds will be credited against future mandatory redemption installments in any order, and in any annual amount, that the City may direct.

3. Purchase Price. The sale of the Bonds is authorized pursuant to the form of Bond Purchase Agreement approved in the Ordinance at the following price:

PRINCIPAL AMOUNT	\$ _____
[Plus/Less] Original Issue [Premium/Discount]	_____
Less Underwriters' Discount	_____
PURCHASE PRICE	\$ _____

It is hereby found and declared that the sale of the Bonds pursuant to the Bond Purchase Agreement at such price is on the best terms and at the best prices reasonably obtainable by the City.

5. Escrow Agreement and Deposit. The Escrow Agreement attached as Attachment A hereto is hereby approved. Pursuant to Sections 7.6 and 7.8 of the Ordinance, \$ _____ from the proceeds of the Bonds shall be deposited into the Escrow Fund created pursuant to the Escrow Agreement and applied to purchase the escrowed securities.
6. Form of Bond. Pursuant to Article IV of the Ordinance, the Form of Bond as set forth in Attachment B hereto is hereby approved and supersedes the Form of Bond set forth in the Ordinance.
7. The Refunded Obligations shall be those bonds identified in Attachment C hereto.
8. Pursuant to Section 8.1 of the Ordinance, the City shall provide annually to the MSRB, (A) within six months after the end of each fiscal year of the City, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the financial information and operating data described in the Official Statement in Appendix A (Tables 1 and 3-11), and (B) if not provided as part such financial information and operating data, audited financial statements of the City, when and if available.
9. Pursuant to Section 3.4 of the Ordinance, we hereby further find and determine that:
- a. The net effective interest rate on the Bonds does not exceed 4.00%;
 - b. The aggregate principal amount of the Bonds does not exceed the maximum amount authorized in Section 3.1 of the Ordinance and, when added to any net premium, is equal to an amount sufficient to provide for the costs and expenses of refunding the Refunded Obligations and the estimated costs of issuance of the Bonds, including underwriters' discount.
 - c. The net present value savings to the City is at least 7.00% of the principal amount of the Refunded Obligations, as shown on Attachment D hereto; and
 - d. The final maturity date of the Bonds does not exceed March 15, 2029.

10. The undersigned hereby find, determine and declare, that in accordance with the requirements of the Ordinance, this Officers' Pricing Certificate complies with and satisfies the terms and provisions of the Ordinance in accordance with the delegation contained therein.

<EXECUTION PAGE FOLLOWS>

WITNESS MY HAND this _____, 2016.

[City Manager]
City or La Porte, Texas

[Finance Director]
City or La Porte, Texas

ATTACHMENT A TO OFFICERS' PRICING CERTIFICATE
ESCROW AGREEMENT

ATTACHMENT B TO OFFICERS' PRICING CERTIFICATE

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF LA PORTE, TEXAS
GENERAL OBLIGATION REFUNDING BOND, SERIES 2016

NUMBER DENOMINATION
R-__¹ \$ _____
REGISTERED REGISTERED

INTEREST RATE²: ISSUANCE DATE: MATURITY DATE²: CUSIP²:
March 15, ____

DATED DATE:

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

THE CITY OF LA PORTE, TEXAS, a home rule municipality of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on the maturity date specified above (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the principal payment office of _____, or its successor (the "Paying Agent/Registrar"), the principal amount identified above (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Issuance Date identified above or the most recent interest payment date to which interest has been paid or duly provided for.³ Interest on this Bond is payable on _____, 20__⁴, and each

¹ Initial Bond shall be numbered T-1.

² Omitted from initial Bond.

³ The first sentence of the initial Bond shall read as follows:

THE CITY OF LA PORTE, TEXAS, a home rule municipality of the State of Texas (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on March 15 of each of the years and in the principal amounts set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from Officers' Pricing Certificate] upon presentation and surrender of this Bond at the principal payment office of _____, or

March 15 and September 15 thereafter until maturity or earlier redemption of this Bond, by check sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the Registered Owner of record as of the close of business on the last business day of the calendar month immediately preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity or earlier redemption shall be paid upon presentation and surrender of this Bond at the office of the Paying Agent/Registrar.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (the "Bonds") in the aggregate principal amount of \$_____ ⁴ issued pursuant to an ordinance adopted by the City Council of the City on January 25, 2016 (the "Ordinance"), for the purpose of providing funds to refund certain outstanding obligations of the City (the "Refunded Obligations"), under and pursuant to the authority of Chapter 1207, Texas Government Code, as amended, and the City's Home Rule Charter. Proceeds of the Bonds will also be used to pay costs of issuing the Bonds and refunding the Refunded Obligations.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon. ⁵

THE CITY RESERVES THE RIGHT, at its option, to redeem, prior to their maturity, Bonds maturing on and after March 15, 20__ ⁴, in whole or in part, on March 15, 20__ ⁴, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

THE BONDS maturing on March 15, 20__ ⁴ (the "Term Bonds") are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:

	<u>Mandatory Redemption Dates</u>	<u>Principal Amounts</u>
Term Bonds Maturing March 15, 20__ ⁴		

its successor (the "Paying Agent/Registrar"), payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the Issuance Date identified above or the most recent interest payment date to which interest has been paid or duly provided for.

⁴ To be completed in accordance with the Officers' Pricing Certificate.

⁵ In the initial Bond, this paragraph shall read:

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by due execution of the registration certificate endorsed hereon

THE PARTICULAR TERM BONDS to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before February 1 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before February 1 of such year and which have not been made the basis for a previous reduction.

BONDS MAY BE REDEEMED IN PART only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

NOTICE OF ANY SUCH REDEMPTION, identifying the Bonds or portions thereof to be redeemed, shall be sent by United States mail, first class, postage prepaid, to the Registered Owners thereof at their addresses as shown on the books of registration kept by the Paying Agent/Registrar, not less than thirty (30) days before the date fixed for such redemption. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the redemption price of the Bonds called for redemption. If such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid with the funds so provided for such payment.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or its authorized representative, subject to the terms and conditions of the Ordinance.

THIS BOND IS EXCHANGEABLE at the office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THE PAYING AGENT/REGISTRAR is not required to accept for transfer or exchange any Bond called for redemption, in whole or in part, during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of an unredeemed portion of a Bond called for redemption in part.

THE CITY OR PAYING AGENT/REGISTRAR may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be

imposed in connection with the transfer or exchange of a Bond. Any fee or charge of the Paying Agent/Registrar for a transfer or exchange shall be paid by the City.

THE REGISTERED OWNER of this Bond by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

IT IS HEREBY DECLARED AND REPRESENTED that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that the Bonds do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the City and have been irrevocably pledged for such payment.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is filed with the Paying Agent/Registrar, for the full provisions thereof, to all of which the Registered Owners of the Bonds assent by acceptance of the Bonds.

* * * *

IN WITNESS WHEREOF, the City has caused its corporate seal to be impressed or placed in facsimile hereon and this Bond to be signed by the Mayor and countersigned by the City Secretary by their manual, lithographed or printed facsimile signatures.

CITY OF LA PORTE, TEXAS

Mayor

(SEAL)

COUNTERSIGNED:

City Secretary

* * * *

FORM OF COMPTROLLER'S REGISTRATION CERTIFICATE

The following form of Comptroller's Registration Certificate shall be attached or affixed to each of the Bonds initially delivered:

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
THE STATE OF TEXAS §

I hereby certify that this bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

* * * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

The following form of authentication certificate shall be printed on the face of each of the Bonds other than those initially delivered:

AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds described in and delivered pursuant to the within-mentioned Ordinance; and, except for the Bonds initially delivered, this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

[_____] ,
as Paying Agent/Registrar

By: _____
Authorized Signature: _____
Date of Authentication: _____

* * * *

FORM OF ASSIGNMENT

The following form of assignment shall be printed on the back of each of the Bonds:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer such bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this bond in every particular, without any alteration, enlargement or change whatsoever.

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

* * * *

ATTACHMENT C TO OFFICERS' PRICING CERTIFICATE
DESCRIPTION OF REFUNDED OBLIGATIONS

ATTACHMENT D TO OFFICERS' PRICING CERTIFICATE
PRESENT VALUE SAVINGS CALCULATION

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: January 25, 2016 Appropriation
Requested By: Rosalyn Epting Source of Funds: General Fund
Department: Parks & Recreation Account Number: 001.8081.551.5007
Report: Resolution: Ordinance: Amount Budgeted: \$230,000.00
Other: Amount Requested:
Attachments : Budgeted Item: YES NO

1. Lifeguard Services Bid Tabulation

SUMMARY & RECOMMENDATIONS

During the Budget Workshop, Council discussed the budget for the lifeguarding contract at the City Pools. Staff was instructed to determine how much it would cost to run all lifeguard operations in house. Staff determined that the City could run lifeguard operations for a total of \$230,000. Staff also reported that bids would still be advertised to determine if the services could be contracted out at a lower amount.

Staff went out to bid for the 2016 summer pool season lifeguard services. The City received bids from three companies. The lowest bidder is Pool Management Inc. (PMI) with a bid of \$285,750. The bid tabulation is attached as an exhibit.

If Council approves the bid, there would be an increase of \$55,750 to the budget, which would require a budget amendment. PMI offers some additional items in the bid that the City was not going to provide if pools were run in house. Those items are programming of classes and additional marketing. PMI would have a full time Program Director that would offer a programming plan for the pools. Some of the possible programs offered would be swimming lessons, aerobics, CPR & First Aid, kayak instruction, etc. PMI is willing to pay the City 75% of the net profit for all programming. The programs PMI offer would be an added benefit to the community. Staff asked PMI what the savings would be if we removed the services of the Program Director. PMI's response was as follows, "The Program Director is an integral person in our senior management team. Given the level of programs you may elect to have, this individual is there to serve you. There is no extra cost to have them, nor is there a discount if you do not. Should your city elect to have PMI teach lessons for example, the regional Program Director is there to assist."

There are pros and cons to running lifeguard services in house or contractually. Some of the main pros and cons are listed below.

- When lifeguards are all employees of the City, they are under complete control of the City in terms of scheduling and discipline. With contracted services the company controls all discipline, the City only tell the Company how many guards are required and at what time.
- The contractor provides the City a certificate of insurance and has liability coverage if something were to occur. This provides one additional layer of liability protection.
- In House operations take a lot of time for training. This takes management staff away from other

regular duties during the busiest season of the year. Not to mention, the HR Department time that is required to process approximately 50 employees with background checks, drug screens, and orientations.

- Retention of lifeguards in house is a recurring issue. With contracting out, the contractor usually has a bigger lifeguard base and is able to fill shifts as summer begins to come to an end.
- If the City were to contract out, the Contractor would be providing classes that the City was not providing. This would become an extra revenue stream and service to the community.

Action Required of Council:

1. Consider approval or other action of a contract with Pool Management Inc. and include the budget increase of \$55,750 in the upcoming budget amendment; or
2. Direct staff to begin the recruitment process for lifeguard services to be managed in house.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

Final Evaluation Summary for RFP #16503 Lifeguards

Criteria	Weight	Aquatic Management			PMI			USA Management		
		A	B	C	A	B	C	A	B	C
Qualifications & Experience	40%	0.8	2.4	2	3.6	2.4	3.2	3.2	3.2	3.2
Ability to meet specifications	20%	0	0.2	0	1.8	1.4	1.6	1.4	1.8	1.2
References	20%	0	0	0	1.8	1.2	1.6	1.4	1.6	1.6
Sub Total (before Cost)			2.6	2	7.2	5	6.4	6	6.6	6
Cost	20%	1.64	1.64	1.64	2	2	2	1.78	1.78	1.78

FINAL Results (including cost)

1.64	4.24	3.64	9.2	7	8.4	7.78	8.38	7.78
9.52			24.6			23.94		

\$349,172.00	\$285,750.00	\$322,886.60
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REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>January 25, 2016</u>	Appropriation
Requested By: <u>Traci Leach</u>	Source of Funds: <u>Fund 051</u>
Department: <u>Administration</u>	Account Number: _____
Report: <input checked="" type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	Amount Budgeted: <u>825,000</u>
Other: <input type="radio"/>	Amount Requested: <u>\$25,000</u>
Attachments :	Budgeted Item: <input checked="" type="radio"/> YES <input type="radio"/> NO

1. Proposed Designs

SUMMARY & RECOMMENDATIONS

In the Fiscal 2016 budget, funding was included to address the repainting of two of the City's elevated water tanks- one at Fairmont Park and a second at 3rd and Main Street. The Fairmont tank will have the interior and exterior stripped and re-coated. The exterior only of the Main Street tank is scheduled for re-painting.

As part of this project, the City intends to paint custom artwork on these tanks. The tanks have great visibility from major thoroughfares and offer an tremendous opportunity to continue to market and brand the community as a family-oriented town.

The project budget includes \$25,000 for the exterior custom artwork. Staff has created a number of options for Council consideration. At this time, staff is requesting Council direction as to which, if any, of the attached designs should be painted on these tanks.

Action Required of Council:

Discussion and possible action regarding proposed artwork/design options for the Main Street and Fairmont elevated water tanks.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

LA PORTE



LIFE. BY THE BAY.



LA PORTE

LIFE. BY THE BAY.



LA PORTE



SHOP. BY THE BAY.





LA PORTE



-10 -20 -30 -40 50 40- 30- 20- 10-

REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>January 25, 2016</u>	<u>Appropriation</u>
Requested By: <u>Corby D. Alexander</u>	Source of Funds: <u>NA</u>
Department: <u>Administration</u>	Account Number: <u>NA</u>
Report: <input type="radio"/> Resolution: <input type="radio"/> Ordinance: <input type="radio"/>	Amount Budgeted: <u>NA</u>
Other: <input checked="" type="radio"/>	Amount Requested: <u>NA</u>
Attachments :	Budgeted Item: <input type="radio"/> YES <input type="radio"/> NO

1. List of meetings required to be posted

SUMMARY & RECOMMENDATIONS

The purpose of this agenda item is to obtain Council direction regarding Texas' much anticipated "open carry law," which became effective on January 1, 2016. The law modifies the former concealed handgun license law that had been in place since 1995. The open carry law eliminates the concealed/open carry distinction, and it creates a "license to carry a handgun."

Beginning on January 1, 2016, a person with a current concealed handgun license, or a person who obtains the new "license to carry a handgun," may carry a handgun in a concealed manner or openly in a belt or shoulder holster.

The rules related to where and when a license holder may openly carry are essentially identical to where and when a concealed handgun license holder has been able to carry for 20 years. However, the difference is that no one knew when a person was concealed carrying, but some are uncomfortable with the idea of a holstered handgun being displayed in public.

Beyond the three places listed below, a city council has essentially no authority to prohibit a license holder from carrying in areas that are otherwise open to the public. Any attempt to do so can lead to the attorney general bringing a civil action against the city for monetary penalties. State law prohibits the carrying of firearms in certain places- polling locations, a court, or in areas used to conduct a government meeting.

The law also expressly prohibits a handgun license holder from carrying in a government meeting, if the governmental body gives notice that doing so is prohibited. This prohibition would only apply to meetings subject to the Texas Open Meetings Act. Should the Council desire to prohibit a license holder from carrying in government meetings, signs complying with state specifications will be posted prominently at the entry of such meeting location prior to the posted meeting.

Action Required of Council:

Discussion or other action regarding provision of the Texas Open Carry law governing government meetings.

Approved for City Council Agenda

Corby D. Alexander, City Manager

Date

MEETINGS REQUIRED TO BE POSTED

City of La Porte Tax Reinvestment Zone Number One

Building Code Appeals Board

Civil Service Commission

Fire Code Review Committee

La Porte Development Corporation Board

La Porte Fire Control, Prevention & Emergency Medical Services District

La Porte Redevelopment Authority

Planning & Zoning Commission

Zoning Board of Adjustments



Council Agenda Item January 25, 2016

9. ADMINISTRATIVE REPORTS

- La Porte Development Corporation Board Meeting, Monday, February 8, 2016
- City Council Meeting, Monday, February 8, 2016
- Planning and Zoning Commission Meeting, Thursday, February 18, 2016
- City Council Meeting, Monday, February 22, 2016
- Zoning Board of Adjustment Meeting, Thursday, February 25, 2016

10. COUNCIL COMMENTS regarding matters appearing on the agenda; recognition of community members, city employees, and upcoming events; inquiry of staff regarding specific factual information or existing policies – Councilmembers Engelken, Earp, Clausen, J. Martin, K. Martin, Kaminski, Zemanek, Leonard and Mayor Rigby

11. EXECUTIVE SESSION

The City Council reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code, in accordance with the authority contained in:

Texas Government Code, Section 551.072 – For the purpose of deliberating the purchase, exchange, lease or value of real property: Meet with City Manager and City Attorney to discuss a Joint Ordinance and Boundary Adjustment Agreement and Joint Ordinance and Revenue Sharing Agreement with the City of Morgan's Point regarding a 4.42 acre tract of land currently within the City of La Porte's corporate boundary and proposed to be annexed with the City of Morgan's Point corporate boundary.

Texas Government Code, Section 551.071(2) – Consultations with Attorney: Meet with City Attorney to discuss Joint Ordinance and Boundary Adjustment Agreement and Joint Ordinance and Revenue Sharing Agreement with the City of Morgan's Point.

12. RECONVENE into regular session and consider action, if any, on item(s) discussed in executive session.

13. ADJOURN
