

RESOLUTION NO. 07-062

**A RESOLUTION APPROVING AN ECONOMIC
INCENTIVE PAYOFF IN THE AMOUNT OF \$30,000
FROM FRP GROUP LLC AND CLOSING THE
ECONOMIC INCENTIVE AGREEMENT BETWEEN
FRP GROUP LLC., AND THE CITY OF PORT
ARTHUR SECTION 4A ECONOMIC
DEVELOPMENT CORPORATION**

WHEREAS, on April 12, 2005 the City of Port Arthur approved Resolution 05-124 which approved a \$40,000 economic incentive agreement between the City of Port Arthur Section 4A Economic Development Corporation and FRP Group LLC; and

WHEREAS, pursuant to said agreement FRP shall receive a performance credit of \$10,000 when the recipient obtains a certificate of occupancy for the composite manufacturing facility at 645 Houston Avenue; and

WHEREAS, on November 1, 2006, the Board of Directors of the City of Port Arthur Section 4A Economic Development Corporation voted to grant a credit of ten thousand dollars (\$10,000) to FRP Group LLC, since FRP obtained a certificate of occupancy for the composite manufacturing facility at 645 Houston Avenue, Port Arthur, Texas as denoted in Exhibit "A"; and

WHEREAS, the FRP Group LLC., has returned \$30,000 to the City of Port Arthur Section 4A Economic Development Corporation as to terminate the agreement as denoted in Exhibit "B"; and

WHEREAS, the City of Port Arthur Section 4A Economic Development Corporation hereby requests that the City Council approve the acceptance of said

payment of \$30,000 and the termination of the economic incentive agreement with FRP Group in its entirety; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the City council authorizes the acceptance of the payment of Thirty Thousand Dollars (\$30,000) and the termination of the contract with FRP.

Section 3. That a copy of the caption of the Resolution be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED ON THE 13th day of February
A.D. 2007, at a Regular Meeting of the City Council of the City of Port Arthur, Texas by
the following vote: AYES:

Mayor Pro Tem Prince;

City Council: Lewis, Barker, Henderson,
Flood, Beard, Williamson and
Vinegar

NOES: None.

Deloris Prince

MAYOR PRO TEM PRINCE

Attest:

Evangeline Green
EVANGELINE GREEN, CITY SECRETARY

APPROVED:

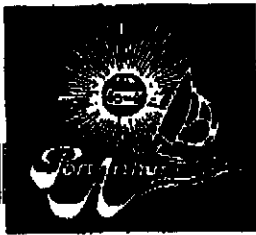
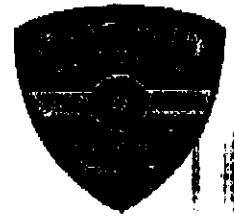


FLOYD BATISTE, EDC CEO

APPROVED AS TO FORM:

SEE CONFIDENTIAL MEMO
MARK T. SOKOLOW, CITY ATTORNEY

EXHIBIT “A”

**PORT ARTHUR FIRE DEPARTMENT**

Port Arthur, Texas 77641
(409) 983-8737
(409) 983-8719 fax

facsimile transmittal

To: **Floyd Batista** Fax: **409-962-4445**

From: **Mark Mulliner, Fire Marshal** Date: **2/6/2007**

Inspection Rept. 645 Houston Ave. Pages: **2**

[Click here and type name]

☐ Request ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Notes:

The bottom of the page shows the Certificate of Occupancy was authorized by the Fire Department and Lee Greene was instructed to obtain the Certificate from Lawrence Baker at the Building Inspections Department.



PORT ARTHUR FIRE DEPARTMENT

300 Waco Ave., P. O. Box 1089
Port Arthur, Texas 77641
(409) 983-8737



STEPHEN L. CURRAN
FIRE CHIEF

MARK E. MULLINER
FIRE MARSHAL

Company 7011 Insp. Date 5-16-05 Reinsp. Date (R) _____ Completion Date 9-12-05
Business Name FRP GROUP, LLC Business Address 645 HOUSTON
Owner Name ANDY GREENE Manager Name LEE GREENE Business Phone 351-6768 Business Fax _____
Emergency Contact Information:

Name _____ Phone () _____ Phone Type _____
Name _____ Phone () _____ Phone Type _____

Place (✓) mark in appropriate boxes below:

CONSTRUCTION TYPE

<input type="checkbox"/> Undetermined	<input type="checkbox"/> Fire Resistive	<input type="checkbox"/> Heavy Timber	<input checked="" type="checkbox"/> Unprot. Ordinary	<input type="checkbox"/> Prot. Ordinary
<input type="checkbox"/> Unprot. Non-Combustible	<input type="checkbox"/> Prot. Non-Combustible	<input type="checkbox"/> Unprot. Wood Frame	<input type="checkbox"/> Prot. Wood Frame	<input type="checkbox"/> Other

BUILDING OCCUPANCY CLASSIFICATION AND PROPERTY USE

<input type="checkbox"/> Assembly	<input type="checkbox"/> Business/Mercantile	<input type="checkbox"/> Education	<input checked="" type="checkbox"/> Factory/Manufacturing	<input type="checkbox"/> Hazardous
<input type="checkbox"/> Institutional	<input type="checkbox"/> Industrial, Agriculture	<input type="checkbox"/> Residential	<input type="checkbox"/> Storage	<input type="checkbox"/> Outside/Special

ROOF COVERING

<input checked="" type="checkbox"/> Built-up	<input type="checkbox"/> Tile (Clay, Slate, etc.)	<input type="checkbox"/> Comp. Shingle	<input type="checkbox"/> Wood Shingle	<input type="checkbox"/> Metal
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MEANS OF EGRESS

<input type="checkbox"/> 01 Locked/Blocked	<input type="checkbox"/> 02 Egressway/Illumination	<input type="checkbox"/> 03 Door / Hardware	<input type="checkbox"/> 04 Ill. Exit / Em. Lighting	<input type="checkbox"/> 05 Other
--	--	---	--	-----------------------------------

FIRE PROTECTION

<input type="checkbox"/> 06 Fire Extinguisher	<input type="checkbox"/> 07 Fire Detection	<input type="checkbox"/> 08 Sprinkler/Standpipe	<input type="checkbox"/> 09 Extinguishing System	<input type="checkbox"/> 10 Fire Lane
<input type="checkbox"/> 11 Fire door	<input type="checkbox"/> 12 Fire Wall or Partition	<input type="checkbox"/> 13 Fire/Smoke Dampers	<input type="checkbox"/> 14 Other	

HOUSEKEEPING AND COMBUSTIBLES

<input type="checkbox"/> 15 Inside	<input type="checkbox"/> 16 Outside	<input type="checkbox"/> 17 Mechanical Room	<input type="checkbox"/> 18 Attic/Crawl Space	<input type="checkbox"/> 19 Storage
<input type="checkbox"/> 20 Ignitable / Combustible	<input type="checkbox"/> 21 Pressurized Cylinder	<input type="checkbox"/> 22 Storage Cabinet	<input type="checkbox"/> 23 Vent Hood	<input type="checkbox"/> 24 Other

ELECTRICAL OR HEATING HAZARDS

<input type="checkbox"/> 25 Wiring	<input type="checkbox"/> 26 Switch/Outlet/Junt. box	<input type="checkbox"/> 27 Breaker / Circuit box	<input type="checkbox"/> 28 Appliance / Motor	<input type="checkbox"/> 29 Ext. Cord / Adapter
<input type="checkbox"/> 30 Gas Connections	<input type="checkbox"/> 31 Separation from heat	<input type="checkbox"/> 32 Open Flame	<input type="checkbox"/> 33 Boiler/Water Heater	<input type="checkbox"/> 34 Other

GENERAL REQUIREMENTS

<input type="checkbox"/> 35 Fire Extension	<input type="checkbox"/> 36 Ceiling Clearance	<input type="checkbox"/> 37 Decorations	<input type="checkbox"/> 38 Stair / Ramp	<input type="checkbox"/> 39 Emergency Exit Plan
<input type="checkbox"/> 40 Address No. Posted	<input type="checkbox"/> 41 Occupancy Content	<input type="checkbox"/> 42 Other		

NO VIOLATIONS FOUND AT TIME OF INITIAL INSPECTION

CORRECTIONS DUE BY:

"The owner of such building or structure, or his duly authorized agent, may appeal the decision of the fire official to the Board of Adjustment and Appeals. Notice of appeal shall be in writing and filed within 15 days after the decision is rendered by the fire official. Appeals shall be on forms provided by the fire official." For all listed violations not corrected within the specified time, a citation / complaint may be issued by the Fire Marshal's office and filed with the Municipal Court subjecting you to fines up to \$2,000.00 dollars. A citation / complaint can be issued for each day the violation exists. I have read and understand the above statement.

OCCUPANT'S SIGNATURE X

INSPECTOR'S SIGNATURE [Signature]

CERTIFICATE OF OCCUPANCY AUTHORIZED BY: [Signature]

DATE AUTHORIZED: 9-12-05

If you have any questions about this inspection report, contact the Fire Prevention Bureau at (409)983-8737 Monday - Friday between 8:00 a.m. - 5:00 p.m.

White - PROPRIETOR - Yellow - BUREAU OF FIRE PREVENTION - Pink - FIRE COMPANY

Page 1 of 2



Mr. Floyd Batiste

Port Arthur EDC
4173 39th Street
Port Arthur, Texas 77642

Dear Mr. Batiste,

I am writing on behalf of FRP Group LLC, in regard to the grant money given to FRP by the EDC. I am not an owner of FRP, but I was an employee who was on location at 645 Houston Ave and did most of the work at 645 Houston Ave. When FRP signed the lease for the building at 645 Houston Ave, the city was asked to visit the location to determine any repairs that were necessary to open the operation at Houston Ave. The city inspectors gave us quite a list of electrical, structural and safety issues that would need to be addressed before operating permits would be issued. FRP asked that some of the grant money be considered as repaid if the building was brought up to the current building standards of the city of Port Arthur. The city manager decided to relieve \$10,000 of the \$40,000 grant upon compliance of FRP with Port Arthur building codes.

The following work was completed, inspected and approved:

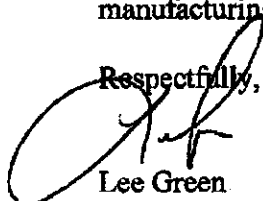
1. The roof and roof beams were repaired where the roof had collapsed.
2. Lighting was repaired and replaced
3. An emergency exit door was installed in the rear of the building with a slap bar for quick exit.
4. Emergency lighting and exit lighting was installed
5. Fire Extinguishing was installed and inspected
6. Fire department alerts were installed
7. Overhead doors were replaced
8. Electrical Service panels were replaced to city standards.

The total spent by FRP Group and or Andy Green was over \$50,000 to get the building up to standards. Several inspections were made during the course of the summer of 2005. The final inspection was made by the fire chief sometime in August or September of 2005. The fire chief rejected the certificate of occupancy permit, due to some storage issues of flammable raw materials. FRP moved the raw materials outside to the breezeway between the two buildings. Upon the moving of the flammable raw materials, the police chief wrote a letter, giving approval for the certificate of occupancy. He told me he would send the necessary paperwork to the city for the certificate. This was just prior to the hurricane.

FRP feels that they made the building operational and it has now been sold to another company moving its manufacturing facility there. The repairs and work done to the

building have actually made it possible for another company to move in and start a manufacturing operation.

Respectfully,



2-5-07

Lee Green

Cc: Alfonso Osornio
FRP Group LLC

1/24/2007 13:21

4099838287

CITY OF PORT ARTHUR

PAGE 02/0

01

CITY OF PORT ARTHUR - PERMITTING
Permit Inquiry1/24/07
11:28:49

Account Number : 053400-000-126800-00000-0
Property address : 643 HOUSTON AVE
Location, str, pmt nbr . . : 05 00000973 000 000 BLD2 00
Location type : ALTER/ADD'S & CONVERSION - NON RESIDENCE
Permit type : BUILDING PERMIT W/O PLAN CHK
Permit status, date . . . : C.O. ISSUED 5/26/05
Issue date : 4/08/05
Expiration date : 10/05/05
Assessed value : 984
Net square footage . . . : 0
Property owner : SOUTHWEST INDUSTRIAL
Inspector :
Permit description . . . : REPLACE ROOF BEAMS & ADD BEAMS
Interface number . . . : 418541
Pin number : 418541
Maintained by : CHERYL 5/26/05 14:56:03

Exit F5=Land inv F6=Sub-contractors F8=Permit fees F9=Acq'd insp
Cancel

LLOYD BATISTE

FAX 963-0683

963-0579

Print Key Output

SS1 VSR3M0 040528

PTARTHUR

01/24/07

Page 1
11:29:41Display Device : QPADEV000W
 : BAKERCITY OF PORT ARTHUR - PERMITTING
Permit Inquiry1/24/07
11:28:49

Account Number : 053400-000-126800-00000-0
Address : 645 HOUSTON AVE
Location, str, pmt nbr : 05 00000973 000 000 BLD2 00
Location type : ALTER/ADD'S & CONVERSION - NON RESIDENCE
Type : BUILDING PERMIT W/O PLAN CHK
Status, date : C.O. ISSUED 5/26/05
Date : 4/08/05
Issued on date : 10/05/05
Site date :
Lot value : 984
Square footage : 0
Site owner : SOUTHWEST INDUSTRIAL
Contractor :
Original permit desc : REPLACE ROOF BEAMS & ADD BEAMS
Interface number : 418541
Permit number : 418541
Maintained by : CHERYL 5/26/07 14:56:03

F5=Land inq F6=Sub-contractors F8=Permit fees F9=Req'd insp
F1=

Print Key Output

01 V5R3MO 040328

PTARTHUR

Page 1
01/24/07 11:32:16ay Device : QPADEV000W
BAKERCITY OF PORT ARTHUR - PERMITTING
Inspection Inquiry1/24/07
11:32:12

Account Number : 053400-000-126800-00000-0
Address : 645 HOUSTON AVE
Structure nbr : 03 00000973 000 000
Type, seq nbr : BLD2 00 BUILDING PERMIT W/O PLAN CHK
Action type, seq nbr . . . : B03 0001 BLDG, FINAL
Action status, date . . . : INSPECTION COMPLETED 5/26/05
Issued date, time, by . . : 4/27/05 CES
File date, time, by . . . :
Request, result : CHERYL CHERYL
Interface number . . . : 295451
Assigned : DP PEDRAZA DON
Status, date : APPROVED 4/27/05
Inspection flag : Y
Amount : .00
Request comments

Enter to continue.

F5=Land inq F7=Insp result comments F12=Cancel

Print Key Output

PSSI VSR3M0 040528

PTARTHUR

Page 1
01/24/07 11:38:07Pay Device : QPADEV000W
BAKERCITY OF PORT ARTHUR - PERMITTING
Inspection Inquiry1/24/07
11:38:04

Unit Number : 053400-000-126800-00000-0
Address : 645 HOUSTON AVE
Structure nbr : 05 00000973 000 000
Type, seq nbr : BLD2 00 BUILDING PERMIT W/O PLAN CHK
Section type, seq nbr . . : B02 0001 BLDG, FRAMING
Section status, date . . : INSPECTION COMPLETE) 5/26/05
Entered date, time, by . . : 4/27/05 CES
Update date, time, by . . :
Request to request, result : CHERYL CHERYL
Interface number : 295444
Person assigned : DP PEDRAZA DON
Status, date : APPROVED 4/27/05
Inspection flag : N
Amount : .00
Request comments

Enter to continue.

F5=Land inq F7=Insp result comments F12=Cancel

Print Key Output

MS1 VSR3MO 040528

PTARTHUR

Page 1
01/24/07 11:32:34Device : QPADEV000W
 : BAKERCITY OF PORT ARTHUR - PERMITTING
Permit Inquiry1/24/07
11:32:28

Permit Number : 053400-000-126800-C0000-0
Address : 645 HOUSTON AVE
Division, str, pmt nbr : 05 00000393 000 000 ELEC 00
Division type : ELECTRICAL CHANGE NAME ON COMMERCIAL ONLY
Type : ELECTRICAL PERMIT
Status, date : PERMIT PRINTED 2/14/05
Date : 2/14/05
Issued on date : 8/13/05
Exp date :
Value : 0
Square footage : 0
Owner : SOUTHWEST INDUSTRIAL
For :
Permit desc : COMM. WALK THRU FOR A CO
Interface number : 412239
Job number : 412239
Maintained by : MJA 2/14/05 11:04:50

F5=Land inq F6=Sub-contractors F8=Permit fees F9=Req'd insp
0001

EXHIBIT “B”

Hand

CITY OF PORT ARTHUR
DEPOSIT CODING SLIP

RECEIVED
FROM

FOR

CREDIT
ACCOUNT

FRP Group
Partial pmt on loan

120 0000 36950 00

DATE

11/27/06

PAYMENT TYPE

AMOUNT

15,000.00

TOTAL

FRP GROUP LLC
1000 PIPELINE RD STE 200
HOUSTON, TX 77058
DATE 11/27/06
1872

PAY TO THE ORDER OF
PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION
TWENTY SEVEN THOUSAND 00/100
WOODFOREST
FOR PARTIAL PAYMENT OF THE LOAN
15,000.00

RECEIVED NOV 28 2006

1074

FRP GROUP LLC

05-05

1121 W. PIPELINE RD. STE 203-T
HOUST, TX 76053

DATE January the 8th, 2004

35-84841130

723

PAY
TO THE
ORDER OF

Pay to Arthur Economic Development Corporation \$15,000 USD

Fifteen Thousands and 00/100 DOLLARS



WOODFOREST

NAT'L B'K & TR'Y

Member FDIC

For more information

call 800-441-784 (1-800-228-6724)

www.woodforest.com

FOR Payment 2 of 2 of the grant given by the

10010741 1130086551 2891928

MESSAGE CONFIRMATION

02/12/2007 10:00

ID=409 983 8124

DATE	S,R-TIME	DISTANT STATION ID	MODE	PAGES	RESULT
02/12	04'51"	962 4445	CALLING	14	OK 0000

02/12/2007 09:55 409 983 8124 → 9624445

NO.924 001

interoffice MEMORANDUM

To: Mayor, City Council, and City Manager
From: Mark T. Sokolow, City Attorney *Mark Sokolow*
Date: February 13, 2007
Subject: P. R. No. 13797
FRP Agreement

Attached are Exhibits "A" and "B" to the proposed resolution.

MTS:gt

Attachments

cc: Floyd Batiste
CEO of EDC

City Secretary