

RESOLUTION NO. 08-491

A RESOLUTION AUTHORIZING FUNDING NOT TO EXCEED \$30,000 FOR AN ECONOMIC DEVELOPMENT STRATEGIC ASSESSMENT AND IMPLEMENTATION PLAN FOCUSING ON THE DOWNTOWN AREA OF PORT ARTHUR TO BE DEVELOPED BY THE INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL; SAID FUNDING CONTINGENT ON THE CITY COUNCIL OF THE CITY OF PORT ARTHUR CONCURRENTLY PROVIDING FUNDING FOR THE ASSESSMENT AND PLAN; SAID FUNDING FURTHER SUBJECT TO EXECUTION OF A CONTRACT FOR THE ASSESSMENT AND PLAN, INCLUDING AGREED TIMETABLES AS TO PAYMENTS AND DELIVERABLES

WHEREAS, the City of Port Arthur has identified the need for an economic development strategic assessment and implementation plan focusing on the downtown area of Port Arthur (the "Assessment and Plan"); and

WHEREAS, the International Economic Development Council ("IEDC") has submitted a proposal to complete the Assessment and Plan for \$60,000, as specified in the proposal attached hereto as Exhibit "A"; and

WHEREAS, the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") at its November 19, 2008 regular meeting authorized the commitment of \$30,000 contingent on the City Council of the City of Port Arthur also providing a funding commitment of \$30,000 for the Assessment and Plan; and

WHEREAS, a contract with agreed timetables as to payments and deliverables shall be provided as to the Assessment and Plan.

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 herein authorizes funding by the PAEDC of \$30,000 for the Assessment and Plan and receipt and approval of a contract with agreed timetables as to payments and deliverables and further authorizes its President and Secretary to enter into the agreement attached as Exhibit "B".

Section 3. That the City Council herein authorizes funding of the remaining \$30,000 needed for the Assessment Plan and receipt and approval of a contract with agreed timetables as to payments and deliverables and further authorizes the City Manager to enter into the agreement attached as Exhibit "B".

Section 4. That a copy of the caption of the Resolution be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 16th day of December A.D., 2008, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Prince;

Councilmembers Mayor Pro Tem Chatman;
Segler, Albright, Williamson
and Henderson.

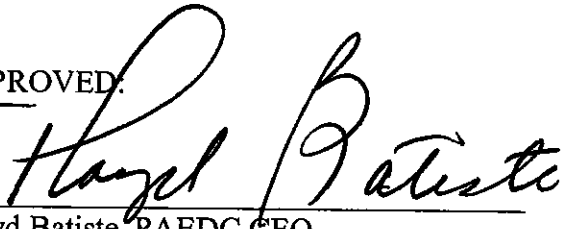
NOES: None.

Deloris Prince
Deloris "Bobbie" Prince, Mayor

ATTEST:

Terri Hanks
Terri Hanks, Acting City Secretary

APPROVED:



Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:



Mark T. Sokolow, City Attorney (ON BEHALF OF)

APPROVED AS TO THE AVAILABILITY OF FUNDS:



Rebecca Underhill, Director of Finance

001-1003-512.59-00

M 08008

EXHIBIT "A"

Economic Development Strategic Assessment and Implementation Plan for Port Arthur, Texas

International Economic Development Council (IEDC)

The City of Port Arthur, Texas has identified the need for economic development, focusing on implementation. The city is in a position to grow its economy and improve the quality life for its residents. Despite the challenges presented by hurricanes Rita and Ike, there is considerable oil and gas investment anticipated over the next several years. Given this economic activity, the city sees the opportunity to develop a sustainable economy with a high quality workforce and services and amenities for residents and visitors.

The City is taking steps to revitalize its urban core. It is initiating redevelopment for the Westside and working on improving infrastructure for water and sewer and storm water runoff. Nonetheless, the new development is taking place outside of the downtown. The City desires to know how to attract investment downtown. Furthermore, the City needs an overall economic development assessment that puts the downtown options in context with other opportunities. This focus needs to take regional initiatives, such as the newly created regional economic development organization, into account.

Our work will focus on implementation. Working with the community, IEDC will develop an economic assessment and implementation plan. Geographically, we'll focus on the downtown but consider opportunities citywide. The downtown implementation plan will draw from the existing downtown concept plans; IEDC will not create new design concepts, but instead, review existing plans, and draw from the most desirable aspects of each to develop an implementation plan. As such, IEDC recommendations will focus on topics such as catalytic projects; land assembly; project phasing; creative financing; incentive packages; tax increment reinvestment zones (TIRZ); aesthetic and infrastructure priorities; and marketing for specific development opportunities.

For the broader City and regional context, IEDC will recommend actions likely to include topics such as business retention and expansion, relations with large petroleum companies, workforce development, hurricane recovery, and city and regional marketing and business attraction.

IEDC will put together a team of member experts with experience in implementation. In addition to IEDC's experienced staff, the team will include member practitioners who have successfully addressed similar challenges in their communities.

SCOPE OF SERVICES

IEDC's process for the economic assessment and implementation plan will center around a three-day site visit of IEDC staff and member experts. IEDC will assemble a team of two IEDC staff and two to four IEDC members with expertise and experience in

economic development, including urban revitalization. At the end of the visit, the team makes a presentation of their preliminary recommendations.

Prior to the full-team site visit, IEDC staff will visit Port Arthur to conduct research to prepare the team for the site visit. Following the second, full team site visit, IEDC staff will prepare a final report of recommendations based on the member expert input and supplemented with additional case-oriented research.

The scope of services consists of four steps: 1) background report, 2) site visit preparation, 3) site visit, and 4) final report.

Task I. Economic Assessment / Background Report

The purpose of the background report is to prepare the expert panel for the site visit. IEDC will assess overall economic trends and characteristics for Port Arthur including the downtown. This will include, but not be limited to:

- Demographics,
- Employment and tax base,
- Business and industrial sectors,
- Real Estate trends (housing, office, industrial, retail, & mixed-use),
- Current comprehensive and strategic plans,
- Transportation, utilities, and other infrastructure opportunities and constraints,
- Local economic development programs, projects, policies, and tools,
- Hurricane recovery challenges and initiatives,
- Characteristics of city government, Port Arthur Economic Development Corporation, and other key local organizations involved in economic development,
- Funding opportunities and constraints, and
- Comparative analysis of key trends and characteristics to nearby jurisdictions.

To conduct this work, IEDC will review existing literature and data and interview key public and private leaders. These interviews will take place concurrently with the initial site visit of IEDC staff. IEDC will prepare a draft background report, deliver it to the city and member experts, and revise it based on city comments.

Deliverable: Economic Assessment /Background Report

II. Site Visit Preparation

IEDC will identify and select an advisory team and coordinate the on-site visit. Drawing from a membership of over 4,500 members, IEDC will identify several economic development practitioners with experience in urban redevelopment, especially implementation. If desired, IEDC can review expert panel resumes with the client prior to making the final selections. The team also will include two IEDC staff members with economic development experience.

As part of this task, IEDC will work with the client to organize the site visit, identify the appropriate local participants and develop an agenda. IEDC will need the client organization to secure a meeting location and schedule interviews.

III. Site Visit

The three-day visit will be organized around a series of interviews. These sessions will be used to obtain as much information as possible about ongoing economic development activities, available tools, resources and programs, potential catalytic projects, and the current state of economic development in the city and region.

At the end of the visit, the IEDC team will present preliminary findings and recommendations. The panel will share lessons learned from their experiences in their communities. This debriefing will be for the client and any other parties that the client identifies. The client may choose to have the IEDC team present to a small technical group or make a highly visible presentation to a larger group of stakeholders and the media. Attendees will be encouraged to ask questions and comment on the preliminary findings.

IV. Final Report

Based on the findings and recommendations of the project team, IEDC will draft a final report focusing on implementation. To supplement the recommendations, IEDC will include examples that demonstrate how other cities implemented similar successful economic development initiatives.

The final report will provide short and longer term recommendations concerning:

- Overall city economic development goals,
- Catalytic projects,
- Land assembly,
- Project phasing,
- Financing options,
- Incentive policies,
- Tax increment reinvestment zones (TIRZ),
- Aesthetic and infrastructure priorities,
- Marketing for specific development opportunities, and
- City and regional business attraction, retention, and expansion.

While the work will draw on best practices from other areas, the recommendations will be tailored to the market realities and legal environment of Port Arthur. For the TIRZs, IEDC will provide specific recommendations concerning geographic coverage and other specifics that are consistent with Texas enabling legislation and IEDC recommendations.

IEDC will submit a final draft report to the City, make changes based on City and EDC comments, and submit a final written report.

V. Optional Final Presentation

After delivery of the draft final written report, the city may want to have an IEDC staff person visit Port Arthur to make a final presentation and hear feedback. Following the final presentation, IEDC would prepare and submit the final report.

City Participation

The assessment process is most effective with active participation by the City and EDC. IEDC will work closely with a designated point person to develop agendas for the meetings and to arrange logistics for site visits. The client is responsible for the following:

- Help IEDC identify relevant data and materials to include or partially include in background report
- Select, reserve and cover costs, if any, for meeting locations
- Schedule interviews and invite participants to interviews
- Make arrangements for and cover the costs of food or refreshments, if they are to be provided for meetings
- Review background report and draft final report

SCHEDULE

The first site visit will be scheduled within one month of contract date. The second, full team site visit will take place two to three months following the contract date. During that time, IEDC will write the background report and coordinate the visit. The draft final report will be submitted within two to three months following the site visit. IEDC will submit the final report within two weeks following client review of the draft report.

MANAGEMENT AND STAFFING

Jeff Finkle, CEcD, President & CEO, will oversee IEDC's work. In addition to his twenty years of experience directing IEDC (formerly CUED), Mr. Finkle is a frequent speaker, national media source, facilitator and trainer in economic development. He has assisted communities and economic development directors throughout the nation on such issues as community development finance, downtown revitalization, enterprise zones, international trade promotion, reuse of industrial facilities and organizing for economic development. Swati Ghosh will be the Project Manager and lead IEDC activities. She is a Senior Economic Development Associate in the Advisory Services and Research (ASR) department of IEDC and has broad economic development experience including technical assistance for distressed neighborhoods, downtown revitalization, strategic planning and organizational development, among others. Additional ASR staff may include the following senior associates: Elizabeth Thorstensen and Carrie Ridgeway. Liz has experience in institutional capacity building, neighborhood revitalization and strategic

planning. Carrie has experience in local and regional economic development, economic and demographic research and analysis, and strategic planning.

BUDGET

IEDC will complete all base tasks (Tasks 1-4) of the scope of services for \$60,000 including all professional fees and expenses. The optional final presentation can be completed for an additional \$5,500.

Background Report and Initial Staff Visit	\$13,000
Site Visit Preparation	\$3,500
Full Team Site Visit	\$27,000
Final Report	\$16,500
Subtotal	\$60,000
Optional Final Presentation	\$6,000
Total	\$66,000

For \$60,000 base amount

Professional fees and indirect costs: \$46,000

Expenses: \$14,000

Total **\$60,000**

IEDC Qualifications

The International Economic Development Council (IEDC), a 501c(3), is the leading association serving economic development professionals and those in allied fields. IEDC's 4,500 members are committed to building local and regional economies worldwide. For more than 30 years, IEDC has been providing quality services that help find solutions to the complex and varied issues of economic development. IEDC's technical assistance ranges from helping counties develop economic development strategic plans to assisting at-risk urban neighborhoods with small-scale revitalization and development efforts.

The IEDC membership includes many types of organizations: city departments, development authorities, regional economic development organizations, utilities, consultants, neighborhood groups and nonprofit organizations. IEDC members direct nationally recognized programs in large metropolitan areas such as Chicago, IL and San Diego, CA; smaller cities such as Poughkeepsie, NY and Abilene, Texas; and rural communities such as Eastern Idaho and Oxford Hills, Maine.

IEDC has extensive experience assisting communities with program evaluation and strategic planning. For example, IEDC has recently provided advisory services to the following communities:

Washington, DC. IEDC assessed two District of Columbia redevelopment authorities and put forth scenarios for restructuring. The project analyzed current structures and activities, introduced comparative city economic development organization case studies, and offered scenarios of future organizational structures for Washington DC. The project was conducted under the Deputy Mayor's Office for Planning & Economic Development.

Tulsa, Oklahoma. IEDC assisted the City of Tulsa in the creation of a strategic economic development plan. IEDC inventoried current policies and programs, and investigated three comparable cities to identify best practices. The plan defined performance measures and benchmarks.

Yonkers, New York. IEDC reviewed The Yonkers Industrial Development Agency (YIDA) role in local economic development and provided observations and recommendations for improving effectiveness.

Louisville, Kentucky. IEDC evaluated the 17-acre former Rhodia chemical plant located in an underutilized industrial area just south of the central business district. The plant, recently purchased by the city, had been closed for 10 years. The IEDC team examined options for redevelopment and marketing to recommend a course of action. The site was complicated by the need to cleanup the contamination and remove a number of obsolete structures.

Mesa, Arizona. The City of Mesa retained IEDC, in cooperation with the International Council of Shopping Centers (ICSC), to develop a strategy for reinventing the Fiesta Mall regional retail district. Having served as the city's retail flagship property since its

construction in 1979, Fiesta Mall was now under significant competition from newer retail centers nearby. The expert panel examined ways to reposition the district to compete effectively with current and proposed retail development.

Springfield, Missouri. The City of Springfield retained IEDC to examine the redevelopment feasibility of the MFA Milling site, a former grain storage mill that had been idle for many years and had recently been purchased by the city for redevelopment. An IEDC advisory services panel evaluated the site and other surrounding properties and projects and assessed real estate activities in the city and region. The advisory team recommended mixed-use development and funding options for the site.

Prince George's County, Maryland. IEDC developed a five-year economic development strategic plan highlighting six priority areas: workforce and industry development, neighborhood redevelopment, financial tools, technology initiatives, transit-oriented development, and entrepreneurship.

Hamilton County, Ohio. IEDC assessed the county's role in economic development and provided policy alternatives and recommendations for improving the county's effectiveness. IEDC made recommendations for strategic planning, image and branding, roles for the county's nonprofit economic development company, relationship with Cincinnati, arts district development, riverfront development, land assembly, and tax increment financing.

West Palm Beach, Florida. IEDC prepared an economic development strategic plan for West Palm Beach and assisted them in their efforts to elevate the importance of economic development to the city; improve viability of and integration between districts; and increase organizational capacity, coordination and partnerships.

Southwest King County, Washington. IEDC worked with the Southwest King County to define, market, and implement an economic development strategy. IEDC organized a site visit, facilitated an expert panel, and prepared a final report that included an analysis of a previous draft strategy, recommended appropriate economic development strategies, and listed specific suggested actions to implement the strategies.

Charlotte, North Carolina. Based on research on economic development activities and practices from other cities, IEDC made recommendations to the City for new strategies and organizational approaches to economic development.

Toledo, Ohio. IEDC evaluated Toledo's economic development programs and the roles and responsibilities of the region's economic development organizations. The recommended changes addressed the region's desire to better align economic development initiatives with their overall goals.

Dallas, Texas. IEDC evaluated city and regional economic development organizations and organized and facilitated an economic development forum. The IEDC panel made recommendations to improve the services of the City and affiliated nonprofit economic development organizations.

Targeted Area Redevelopment, U.S. Environmental Protection Agency, 2005

This publication examines core issues and best practices in targeted area redevelopment, which derives synergy from the improvement of multiple properties. In targeted area redevelopment, localities, with state enabling legislation and through a public participation process, designate physically, economically and underutilized areas for redevelopment. IEDC reviewed the approach of states that have successfully implemented targeted area redevelopment, identified best practices, and explored ways to improve redevelopment at the policy level.

Michigan Urban Agenda: Best Practices in Urban Redevelopment—IEDC assisted the Michigan Economic Development Corporation (MEDC) with the development of an Urban Agenda for the state of Michigan. To assist MEDC in this effort, IEDC conducted research on best practices in urban redevelopment. The first phase included a survey of best practices covering all aspects of urban redevelopment—from predevelopment to construction. After working with MEDC to identify priority areas for further research, IEDC conducted in-depth case study research of best practices in those specific areas of interest to MEDC. IEDC examined land assembly and acquisition, market-rate housing, and building code revisions for rehabilitation.



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

December 11, 2008

Mr. Stephen Fitzgibbons
City Manager
City of Port Arthur, City Hall
444 4th St.
Port Arthur, TX 77641-1089

Dear Stephen:

The International Economic development Council (IEDC) is pleased to provide the attached proposal for economic development strategic assessment and implementation plan. The City of Port Arthur has identified the need for economic development, especially in the downtown. We believe that we can provide valuable support to the City towards implementing its economic development goals.

The primary mission of IEDC is to provide leadership and excellence in economic development for communities, members, and partners worldwide. We draw on the experience of our over 4,500 members to help develop and revitalize local and regional economies. IEDC's Advisory Services and Research Department assists communities in their economic development efforts through client-oriented technical assistance and customized research. Our membership base of local and state government officials, industry professionals, and private consultants, serves as a key resource for our work.

Our technical assistance ranges from helping cities develop economic development strategic plans to assisting at-risk urban neighborhoods with small-scale revitalization and development. We have developed comprehensive economic development plans for Prince George's County MD; Tulsa, OK; Abilene, TX; Hull, UK; Feicheng, China; Rock Hill, SC; and Charlotte, NC. We've also conducted strategic assessments for Columbus, OH; New Orleans, LA; Hamilton County, OH; Dallas, TX; Wheeling, WV; King County, Washington; and Washington, DC. We've also assisted cities, such as Springfield, MO; Louisville, KY; Mesa, AZ; and Arlington, VA; in site specific redevelopment strategies. Finally, we've worked on redevelopment policy through our work for the State of MI and U.S. EPA.

We appreciate the opportunity to offer our services. Please contact me with any questions or comments.

Sincerely,



Jeffrey A. Finkle, CEcD
President & CEO

cc: Floyd Batiste

Exhibit "B"

IEDC Contract

TERMS AND CONDITIONS OF AGREEMENT

1. **THIS AGREEMENT** is made by and between the International Economic Development Council, a non-stock corporation organized and existing under the laws of the State of Wisconsin and having a principal place of business at 734 15th Street, N.W., Suite 900, Washington, DC 20005 (hereinafter referred to as "Consultant"), the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC"), and the City of Port Arthur ("City") hereinafter referred to as "Clients". This Agreement expressly contemplates that certain work will be subcontracted to subcontractors. Subcontractor selection is subject to Clients approval.
2. **THE SERVICES** — Consultant agrees to provide the consulting and implementation services specified in the Scope of Services section of Consultant's Assessment, dated _____ and attached as Addendum A (Addendum A being hereinafter referred to as the "Services"). In brief, Consultant will help Clients.
3. **FEES AND INVOICES** — Clients will pay Consultant the total sum of \$60,000 for the Services, including all professional fees and expenses. Consultant will invoice Clients monthly based on an estimated percentage of completion. For purposes of estimating percentage of completion, the price is allocated among tasks in the scope of services in Addendum A. Clients will pay Consultant's invoices within thirty (30) days of receipt. Consultant reserves the right to halt further performance of services if any invoice is not paid when due, and to withdraw from this contract if such failure to pay continues after notice is repeated.
4. **TIME FOR PERFORMANCE** — Time is extremely important to this Agreement but cannot control a professional services contract. Consultant recognizes that Clients wish to accomplish this project in accordance with the schedule outlined in the scope of services in Addendum A. Consultant will use all reasonable means to attempt to make that possible. Clients will, to the best of their ability, provide prompt responses and comments to Consultant to facilitate this process.
5. **USE OF WORK PRODUCT** — All analysis, reports, and data compiled or prepared pursuant to this Agreement are the property of the Clients, although Consultant may retain physical possession of them. The foregoing notwithstanding, after six (6) months from the completion of the work, the Consultant may publish, disclose, distribute, and otherwise use, in whole or in part, any reports, data, materials, or other work product prepared under this Agreement, unless prohibited in writing by the clients or by the Texas Open Records Act.
6. **TERMINATION**
 - (a) Each party has the right to terminate this Agreement upon thirty (30) days notice.

(b) Rights and Obligations of the Parties on Termination -- Clients shall pay all amounts then due, including any expenses, promptly upon termination of this Agreement. Upon receipt of all amounts then due, Consultant shall promptly provide to Clients all Work Product, whether or not in partial or incomplete form, which has been produced or compiled by Consultant up to the date of termination.

7. **ENTIRE AGREEMENT** — This Agreement, including Appendix A and any referenced attachments hereto, constitutes the entire agreement between Consultant and Clients on this subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement separately, on the dates indicated by their respected signature blocks below. If the date of this Agreement becomes material for any reason, the date of the last signing party shall become the date of execution.

INTERNATIONAL ECONOMIC DEVELOPMENT COUNCIL

By: _____

Its: **PRESIDENT & CEO**

Date: _____

By: _____

Its: _____

Date: _____

**CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT COUNCIL**

By: _____

Its: **PRESIDENT**

Date: _____

By: _____

Its: **SECRETARY**

Date: _____

CITY OF PORT ARTHUR

By: _____

Its: **CITY MANAGER**

Date: _____