

RESOLUTION NO. 10-304

**A RESOLUTION APPROVING THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION OPERATION DOWNTOWN FAÇADE AND SITE IMPROVEMENT DOWNTOWN GRANT WITH PORT ARTHUR HISTORICAL SOCIETY**

**WHEREAS**, pursuant to Resolution No. 09-333, the City of Port Arthur approved the PAEDC's Policies and Procedures for Site and Related Improvements to Downtown Port Arthur; and,

**WHEREAS**, in the aforementioned resolution, the City Council approved the Operation Downtown Program which is a conditional grant program available for facade and site improvements to commercial buildings located in Port Arthur Downtown target areas; and,

**WHEREAS**, the Museum of the Gulf Coast is located in the target area and has applied for façade improvements under the Operation Downtown Site Improvement Grant Program (a copy of the application is attached hereto as Exhibit "B"); and,

**WHEREAS**, on July 12, 2010, the PAEDC Board of Directors approved an Infrastructure Grant Agreement (Small Project) in the amount of \$6,125 to finance the cost of infrastructure improvement to Museum of the Gulf Coast.

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

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

**Section 2.** That the City Council herein approves the Infrastructure Grant Agreement (Small Project) between the PAEDC and the Museum of the Gulf Coast for \$6,125 in substantially the same form as attached hereto as Exhibit "A".

**Section 3.** That a copy of the caption of this resolution be spread upon the Minutes of the City Council.

**READ, ADOPTED AND APPROVED** on this 27<sup>th</sup> day of July A.D., 2010, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Prince; Mayor Pro Tem Albright;  
Councilmembers Chatman, Segler, Flood, Beard,  
Hiss and Henderson.

NOES: None

Deloris Prince  
Deloris "Bobbie" Prince, Mayor

ATTEST:

Terri Hanks  
Terri Hanks, City Secretary *(on behalf of)*

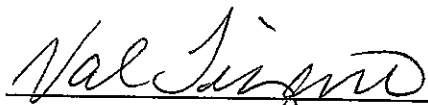
APPROVED:

Floyd Batiste  
Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:

Guy N. Goodson  
Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



**Valecia R. Tizeno, City Attorney**

**EXHIBIT "A"**

**City of Port Arthur Section 4A Economic Development Corporation  
OPERATION DOWNTOWN  
Infrastructure Grant Agreement  
(Small Project)**

This Infrastructure Grant Agreement (the "Grant Agreement") is executed as of this \_\_\_ day of \_\_\_\_\_, 2010 (the "Effective Date") between the **City of Port Arthur Section 4A Economic Development Corporation**, a Texas economic development corporation authorized to do business in the State of Texas under Section 504, Texas Local Government Code and as authorized by Resolution No. \_\_\_\_\_, City Council of the City of Port Arthur, 4173 39<sup>th</sup> Street, Port Arthur, Texas 77642 (the "PAEDC" or "Grantor") and the **Port Arthur Historical Society**, a Texas non-profit corporation, 700 Procter, Port Arthur, Texas 77642 (the "Grantee").

**RECITALS**

**A.** PAEDC administers funds under a downtown redevelopment initiative to provide specific infrastructure improvements necessary to promote and development new or expanding business enterprises in downtown Port Arthur, Texas ("Operation Downtown").

**B.** All grant funds provided under Operation Downtown shall be in accordance with Operation Downtown Site Improvement Grant Program as set forth in **Exhibit "A"** to this Grant Agreement.

**C.** PAEDC and Grantee agree that all reimbursements to Grantee are subject to the conditions, procedure and eligibility requirements specified in **Exhibit "A"** and as set forth in this Grant Agreement.

**D.** Grantee agrees that the grant to be provided by PAEDC shall be used solely to finance the cost of infrastructure improvements to the Museum of the Gulf Coast (the "Project") as specified in its Application submitted under the Site Improvement Grant Program attached hereto as **Exhibit "B"** and made a part hereof for all purposes (the "Application").

**E.** Grantee agrees to expend its best efforts to accomplish the infrastructure improvements described in the Application and as approved by PAEDC.

**NOW, THEREFORE, IN CONSIDERATION** of the RECITALS which are incorporated in this Grant Agreement as fully set forth below and for other good and valuable consideration of the receipt and sufficiency is hereby acknowledged, PAEDC and Grantee agree to the following conditions and procedures for the grant:

**1) Grant Amount and Approved Infrastructure Improvements.** PAEDC has agreed to provide a grant in the amount of \$6,125 (the "Grant Amount") to Grantee to fund qualified infrastructure improvements as set forth in the Bid Proposal dated April 26, 2010 attached hereto as **Exhibit "C"** and made a part hereof for all purposes (the "Cost Estimate"). Any costs in excess of

the Cost Estimate shall be solely borne by Grantee unless a supplemental grant is approved by PAEDC.

2) **Payment Procedures.** Reimbursement of the Grant Amount will be paid to Grantee upon completion of the Project. The Project will be considered complete when all of the following have been satisfied:

- a) PAEDC determines that all improvements set forth in the Cost Estimate attached as Exhibit "C" to this Grant Agreement have been completed;
- b) PAEDC determines that there is no unresolved permit or compliance issues with the City of Port Arthur related to the Project;
- c) PAEDC receives the following documentation from Grantee;
  - (i) copies of all signed contracts or work orders from all contractors, subcontractors and material suppliers that completed Project-related work;
  - (ii) copy of all paid invoices for Project-related work within invoices marked paid or signed and dated by the contractor with all Project expenditures having been paid by check by Grantee;
  - (iii) copy of lien waivers from all contractors, subcontractors and material suppliers that completed Project-related work.

3) **Timeline.** The Project shall begin only after the execution of this Grant Agreement. The Project shall be completed as set forth in the Application within 60 days from the later of (i) execution of this Grant Agreement or (ii) the issuance of a Notice to Proceed by Grantor to its contractor. PAEDC must receive from Grantee a written request for time extension prior to the expiration of the period set forth in the preceding sentence if any unforeseen delays occur. Granting an extension is at the sole discretion of PAEDC.

4) **Project Changes.** As stated herein, Grantee may make revisions to the Project, but may not make any improvements that result in changes to infrastructure improvements heretofore approved by PAEDC without PAEDC's approval. Grantee retains the right to expand the Project at its sole cost and expense with additional improvements or costs to be solely borne by Grantee.

5) **PAEDC Promotional Activities.** Grantee agrees to participate in the following promotional activities to showcase the renovations and the improvements:

- a) allow PAEDC to place a temporary sign on the property prior to and for a period of not to exceed \_\_\_ months after completion of the Project; the sign shall denote the assistance of PAEDC and the completion of the Project;
- b) allow PAEDC to place before and after pictures of the Project on the PAEDC website including the amount of assistance provided (total Project costs may also be included with the agreement of Grantee);
- c) reference the PAEDC as a recipient of a PAEDC Operation Downtown Site Improvement Grant information materials including the amount of assistance provided (total Project costs may also be included with the agreement of Grantee);
- d) participate in other promotional activities as deemed appropriate and agreed upon by PAEDC and Grantee;

6) **Operation Downtown Site Improvement Grant Program Eligibility.** The PAEDC requires at all times through the completion of funding of the grant that Grantee may ensure that all requirements of Operation Downtown including the matters as submitted in its Application are true and correct.

7) **Indemnification.** Grantee agrees to indemnify and hold PAEDC, its staff, officers and the City of Port Arthur, from any and all actions preceding claims, demands, costs, damages and expenses including reasonable attorneys' fees arising out of or related to the Project.

8) **Insurance.** Grantee shall maintain and keep in force during the term of the Project and at its expense casualty and liability insurance with a limit of liability no less than \$1 million and shall deliver evidence of the insurance naming the PAEDC as an additional named insured prior to the execution of this Grant Agreement.

9) **Assignability.** The rights and liabilities under this Agreement shall not be assigned by Grantee in whole or in part without the prior written consent of the PAEDC.

10) **Law and Ordinances.** Grantee shall be responsible to compliance with all applicable laws, regulations and ordinances including building and zoning codes and for obtaining all necessary building permits required for the Project.

11) **Governing Law.** This Grant Agreement shall be governed under the laws of the State of Texas, and venue for any matters arising under this Grant Agreement shall be in the courts of competent jurisdiction in Jefferson County, Texas.

**PORT ARTHUR HISTORICAL SOCIETY**

SIGNED AND AGREED TO on the 5 day of August, 2010.

**PORT ARTHUR HISTORICAL SOCIETY**

By: *Sammon*

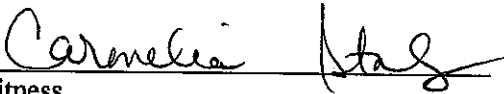
*Carmela Staley*  
Witness

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

SIGNED AND AGREED TO on the \_\_\_\_ day of \_\_\_\_\_, 2010.

  
\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

**ATTORNEY APPROVALS**

APPROVED AS TO FORM:

\_\_\_\_\_  
Guy N. Goodson  
General Counsel for PAEDC

VERIFIED AS CONSISTENT  
WITH CITY COUNCIL RESOLUTION:

Resolution Number: \_\_\_\_\_

\_\_\_\_\_  
Valecia R. Tizeno, City Attorney



# OPERATION DOWNTOWN

## **A Downtown Improvement Program of the City of Port Arthur Economic Development Corporation for Site Improvements and Related Improvements necessary to promote or develop new or expanded business enterprises**

A key element of a revitalization effort is the return of activity to a business corridor. These first few steps can be the spark to ignite interest and spur new business excitement. Operation Downtown provides a catalyst for these first steps. New site improvements and related improvements such as fresh paint, new awnings or complete façade rehabilitation all signal that something positive is happening. Operation Downtown is a conditional grant program available for site improvements and related improvements to business buildings located in Port Arthur Downtown Revitalization target areas (see attached map for target area boundaries). Projects will be granted up to \$250,000 to be matched by private or other source funds. For every three dollars of investment by private source funds into an Operation Downtown project Port Arthur Economic Development Corporation (PAEDC) will invest one dollar, not to exceed \$250,000 of public dollar investment.

**The purpose of Operation Downtown is to promote or develop new or expanded business enterprises in the designated downtown area as per the proposition approved by the voters in the May 2009 Special Election for site improvements and related improvements necessary to promote or develop new or expanded business enterprises which will also do the following:**

- Reverse the deterioration of business structures in the targeted areas.
- Enhance efforts to market vacant space and attract new businesses.
- Stimulate new, private investment and economic growth.
- Promote consistency in design and create a fresh and aesthetically pleasing environment.
- Assist property owners with the appropriate exterior rehabilitation of their buildings and bring them up to code.
- Reduce the perception of crime.
- Invest in historic preservation and rehabilitation.

This package contains other documents detailing the application process and information to assist you in completing the application. The package includes:

- o This cover letter
- o Basic Procedures and list of eligible projects
- o Blank Application
- o Map

For more information, contact:

Port Arthur Downtown Revitalization Program  
4173 39<sup>th</sup> Street  
Port Arthur, TX 77642  
409-963-0579

## **ELIGIBLE PROJECTS**

### ***Project Description***

A conditional loan forgivable over five years may be provided to owners of eligible properties to undertake site improvements and related improvements which can include comprehensive exterior repair and façade upgrades or renovations, and infrastructure improvements including sidewalk repairs and landscaping in and adjacent to the public right-of-way. Conditional loan will be forgiven over a three year period at a rate of one third per year that the property is occupied, upon approval by the Board of Directors of PAEDC. The conditional loan assistance is provided to the property owner on a reimbursement basis as the renovation project progresses. All conditional loans shall be secured by private sector matching investment of three to one dollar from the property owner or a financial institution. The conditional loan shall be secured by a mortgage on the improved real estate.

### ***Eligible Properties***

Applications may be submitted for business properties, either owner or tenant occupied within the Port Arthur Downtown Revitalization target areas. Owners of vacant buildings are encouraged to apply and improve property as a catalyst for future occupancy. Mixed use buildings with retail/commercial in the storefront are also encouraged.

### ***Non Eligible Properties***

Properties used primarily as residences are not eligible for Operation Downtown.

### ***Eligible Applicants***

Business property and business owners located in eligible areas may apply for assistance. Tenants must have a signed lease and the property owner's approval. The City Council of the City of Port Arthur may also apply for assistance.

#### Exceptions

The Port Arthur City Council and the PAEDC Board of Directors are each allowed a one time grant with no match up to \$250,000 to be used within the three year period of the Program dependent on availability of funds.

### ***Eligible Improvements***

Operation Downtown will fund site improvement and related improvement projects. All improvements must be permanent or fixed. Eligible improvements may include, but are not limited to:

- complete facade and site rehabilitation;
- replacement of broken window panes, aluminum or wood windows and broken store front glass;
- scraping, priming, and painting of window frames, cornice and store front;
- painting of brick facade and sites where brick has been previously painted;
- repair or replace deteriorating signage and brackets when attached to the building;
- repair or replace missing or broken tile;
- repair or replace worn awnings or canopies;
- removal of metal slipcovers to expose original materials;
- certain types of security elements or security recommendations;
- rehabilitation of the upper facade and site and display areas or side walls of a building may also be eligible if street level improvements are approved;
- roof repair when incidental to overall facade and site improvements.
- Restore old historical facades
- Other site improvements as authorized by the proposition approved by the voters in the May 2009 Special Election

Other minor repairs when incidental to overall facade improvements such as:

- ✓ exterior lighting;
- ✓ certain types of security elements or security recommendations;
- ✓ roof repair;
- ✓ repair of sidewalk, ADA accessibility;
- ✓ detached signage;
- ✓ new construction;
- ✓ parking lots;
- ✓ landscaping;
- ✓ other improvements as approved by the EDC

In addition, professional, architectural, and City permit fees may be included in the total improvement costs.

***Ineligible Improvements***

The following improvements are not eligible for funding:

- burglar bars;
- fencing;

**BASIC PROCEDURE**

***Step 1 - Applicant Eligibility***

- Business or property owners are eligible to apply for Operation Downtown funds if the business is 1 - located within a Port Arthur Downtown Revitalization target area; and 2 - utilized primarily for business purpose (this does NOT include residences or apartments).
- For information for Port Arthur Downtown Revitalization target area boundaries see map included herein or contact the Operation Downtown Coordinator or Port Arthur Downtown Revitalization Coordinator or the EDC CEO.
- If needed, a meeting at the site with the applicant, their contractor and Port Arthur Downtown Revitalization staff can be arranged to discuss the application process, area design guidelines and/or to develop a preliminary design concept.

***Step 2 - Complete The Application***

- The application (enclosed herein) is to be completed by the applicant (business owner, property owner or tenant). A completed application must contain information for all three parts: applicant information, property information and project information. Incomplete applications may result in delays in processing.
- Design assistance or preliminary project discussion meetings may be arranged if the applicant is uncertain what improvements are needed or would like suggestion. Inquires may be made to the Operation Downtown Coordinator at 409-963-0579.
- A completed application should be submitted to:  
Port Arthur Downtown Revitalization Program  
Port Arthur Economic Development Corporation  
ATTN: Floyd Batiste, CEO  
4173 39<sup>th</sup> Street, Port Arthur, TX 77642
- Once an application is received, the Operation Downtown Coordinator will confirm eligibility of the site and the proposed scope of work, notify the applicant that the application has been received and is under review, and arrange a Project Review meeting.

- Projects that are eligible for funding will be considered on a first come, first served basis. There is no deadline; applications are accepted year round. However, projects may be limited due to budget constraints and funding availability. All approved projects must be completed within 18 months of contract date.

### ***Step 3 - Project Review & Contract Execution***

- A Project Review meeting is required to be conducted prior to contract execution and construction beginning.
- A Design Review Team (Sub committee from PAEDC Board) will conduct the Project Review meeting with the applicant to review the application. A site visit may also be helpful but is not required.
- The Design Review Team will discuss the merits of the project and form a **recommendation** to either fund the project, or require the applicant to make changes and re-submit.
- The Design Review Team recommendation is presented to the PAEDC Board of Directors.
- If the recommendation is accepted by the EDC Board of Directors, the Design Review Team recommendation will be presented to the applicant to accept or withdraw.
- If approved, a Grant Agreement (contract) will be prepared by the EDC and affiliated attorneys or by the City Attorney and then forwarded to the EDC Board of Directors and to the City Council for approval
- The applicant and the EDC will sign the Grant Agreement. A fully executed Grant Agreement will be returned to the applicant. An Affirmative Covenant of Maintenance document is also signed and filed with the County Clerk's Office. **Start of the construction prior to the date of contract signing will void the grant.**

### ***Step 4 – Construction***

- A Pre-Construction Meeting will be held to go over construction scope of work, change orders, as well as other procedures. This meeting will usually be held on site, prior to construction but after the contract is signed. It is helpful if the applicants as well as contractors are present.
- If the improvements require a building permit, or approval from the Texas Historic Design and Review Commission, the applicant must comply. The City of Port Arthur Planning staff may be able to assist in the process on the applicant's behalf.
- A Sub committee from Board or City staff may monitor the progress and make periodic inspections during the project.

### ***Step 5 – Reimbursement***

- Funds will be provided on a reimbursement basis ONLY.
- Reimbursement will be processed at 90% rate with 10% retained until completion of the work.

- Applicant will contact the PAEDC or City staff to conduct a final inspection. If all parties are satisfied with the work, the PAEDC and applicant will sign off on completion of the improvement.
- The applicant will complete the Project Completion form and submit it along with copies of invoices, canceled checks, asking for final reimbursement of applicable costs.
- When **all** work and documentation is received, the PAEDC staff will request payment. A final check will be sent to the applicant.

Downtown Revitalization Target Area Map



The boundaries of the Downtown Revitalization Target area are Lakeshore Drive to the south, Houston Avenue to the west, 9<sup>th</sup> Street to the north and Lake Charles Avenue to the East. Properties on both sides of the right-of-way of the boundary roads will be considered for Operation Downtown funding.

# **EXHIBIT B**



**OPERATION DOWNTOWN  
Site Improvement Grant Program  
Application**

**APPLICANT INFORMATION**

Is the applicant a: Corporation Partnership Proprietorship Individual

Name of Applicant: d/b/a

Port Arthur Historical Society

Mailing Address:

700 Procter

Contact Name: Sam Monroe

Title: President

Telephone: Work Home 409-984-6100

Email: Sam.Monroe@lamarpa.edu

Type of Business: Museum

**PROPERTY INFORMATION**

The Port Arthur Downtown Revitalization Target Area: See the attached map

Street address of property to be improved: 720 Procter

Legal Description: Lot Block Tax Account No Lot 5, Block 142, City

Does the applicant own or lease the property. Own

If leasing, please include copy of lease agreement and letter of approval from owner.

Is the property currently: occupied X vacant     if vacant, when will property be occupied (date)                     

What is the current and proposed use of the property?

Museum

How many **full time** employees, if any, does the business currently employ?

5

Do you anticipate hiring additional employees after the proposed improvements are complete? Yes     No X

If so, how many more?

**PROJECT INFORMATION**

Description of Site Improvements and related improvements including improvements to facade:

The project requested is to install a new facade on Museum east wing located at 720 Procter.

Estimated total cost of project: \$ 24,500 (Attach Project Budget form)

Grant funds are available from **\$50,000 to \$250,000** per eligible property.

When does the project need to begin? June 1 Estimated time to complete  
(Date)

*Mike Barnett Construction*

*P.O. Box 245*

*1701 Port Neches Ave.*

*Port Neches, Texas 77651*

*(409) 727-5673 • Fax (409) 727-2905*

April 26, 2010

Lamar State College Port Arthur

Proctor St.

Port Arthur, TX, 77642

**Ref: Gulf Coast Museum - Addendum**

We propose to furnish all material and labor to perform the following scope of work for a sum of **Twenty-Four Thousand Five Hundred Dollars and no cents (\$ 24,500.00)**, plus applicable sales tax.

1. Remove the stucco surface and replace with EIFS from the steel lintel that is supporting the original brick surface with stucco overlaid to the foundation.
2. Remove all framing from same lintel area to above door height.
3. Furnish and install 2 x 6 framing from lintel to ground base level.
4. Furnish and install glue laminated header beam across opening and tie back to each steel I beam.
5. Furnish and install OSB plywood with Tyvek moisture barrier to make ready for EIFS installation.
6. Install expansion control joint at steel lintel.
7. Furnish and install all clips and bracing required.
8. Furnish and install EIFS overlay trim on stucco above lintel, skim surface to allow for new texture and fiberglass mat application.
9. Remove existing siding in entry area; including ceiling, frame, make ready, and install EIFS.
10. Reinstall lettering.
11. Provide contractor warranty. (warranty does not include unforeseen structural issues)

**\* Exclusions:** We are not responsible for the integrity of the existing upper brick structure. We are also not including repairs to the interior side and does not include any door repair or replacement.

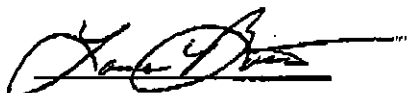
**\*\* Note:** Colors and texture will match other areas of museum. This is a complete price for the work. Please disregard all previous price quotes.

Thank you for the opportunity to bid on this project. If I can help in any way, feel free to call me at any time.

*If you would like for us to perform the above scope of work, please sign below and return to us as soon as possible. At that time, you will be put on the Work to Perform list. Payment is due 30 days upon completion.*

Mike Barnett Construction

Accepted by:



Lance Barnett (General Manager)

\_\_\_\_\_  
(Signature)