

RESOLUTION NO. 12-046

**A RESOLUTION APPROVING AN ECONOMIC INCENTIVE
CONTRACT & LOAN AGREEMENT BETWEEN
HERNANDEZ & SOLIS, INC AND THE CITY OF PORT
ARTHUR SECTION 4A ECONOMIC DEVELOPMENT
CORPORATION**

WHEREAS, the City Council deems it in the public interest to authorize the City of Port Arthur 4A Economic Development Corporation (the "PAEDC") to enter into an Economic Incentive Contract & Loan Agreement with Hernandez & Solis, Inc (the "Agreement") attached as Exhibit "A"; and

WHEREAS, Germer Gertz, L.L.P. has indicated that Hernandez & Solis, Inc. has presented an application qualifying as a Section 4A project as set forth in the Executive Summary; and

WHEREAS, the PAEDC has reviewed the application and accompanying financial statements of Hernandez & Solis, Inc. together with guarantors of its obligations to PAEDC and recommends approval thereof; and

WHEREAS, the PAEDC will provide a loan and a conditional economic incentive grant/loan for equipment and inventory; and

WHEREAS, Hernandez & Solis, Inc. will receive a conditional grant/loan in the amount of \$60,000 and a loan in the amount of \$40,000; and

WHEREAS, Hernandez & Solis, Inc. shall increase its annual payroll to \$180,375.00 by December 31, 2016, as measured by the Internal Revenue Service (IRS) W-2 and W-3 forms to satisfy the performance milestones under the conditional grant/loan.

**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 PAEDC is herein authorized to enter into the Agreement with
Hernandez & Solis, Inc. represented by a \$60,000 conditional grant/loan and a \$40,000 loan.

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 7th day of Feb. A.D., 2012,
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Prince; Mayor Pro Tem Doucet;
Councilmembers Scott, Segler,
and Thomas.

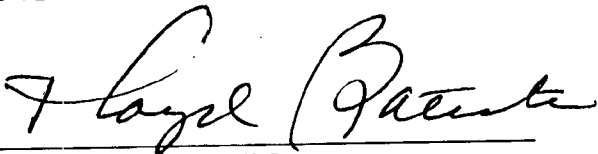
NOES: Councilmember Albright and Freeman.

Deloris Prince
Deloris "Bobbie" Prince, Mayor

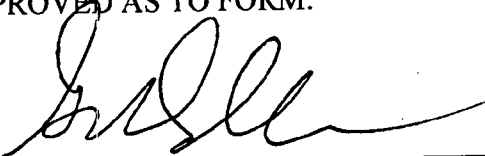
ATTEST:

Sherri Bellard
Sherri Bellard, City Secretary

APPROVED:


Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:


Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:

See Confidential Memo
Valecia R. Tizeno, City Attorney