

RESOLUTION NO. 12-144

**A RESOLUTION APPROVING A MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY OF PORT
ARTHUR AND THE PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, the City of Port Arthur owns a 9.545 acre tract of property located at 3451 57th Street, which includes a 26,044 square foot Office Building and a 8,000 square foot warehouse building; and

WHEREAS, on January 31, 2012, the City of Port Arthur and the Port Arthur Section 4A Economic Development Corporation on, submitted a joint application to the U.S. Department of Commerce Economic Development Administration (EDA) for grant funding to renovate and expand the City owned building at 3451 57th Street; and

WHEREAS, the City will lease this improved and expanded building to Climate Controlled Containers, Inc., at a market based monthly rental for the purpose of light manufacturing; and

WHEREAS, a Specific Use Permit has been approved which will allow light manufacturing and assembly process at that location; and

WHEREAS, the Port Arthur Section Economic Development Corporation will enter into an economic incentive agreement with Climate Controlled Containers, Inc., to facilitate its light manufacturing business activities; and

WHEREAS, the Port Arthur Section 4A Economic Development Corporation will act as the lead recipient in working with the EDA on all matters related to the grant; and

**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 Manager and the PAEDC CEO is herein authorized to execute the Memorandum of Understanding between the City of Port Arthur and the Port Arthur Section 4A Economic Development Corporation in substantially the same form 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 2nd day of April A.D., 2012,
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

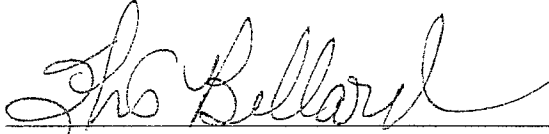
Mayor Prince; Mayor Pro Tem Osueji;
Councilmembers Scott, Segler, Beard and Thomas

NOES:

None.

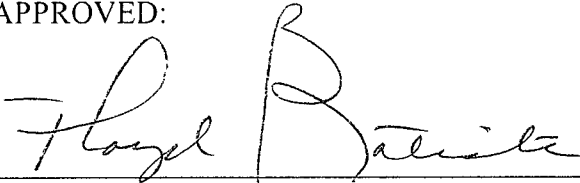
Deloris Prince
Deloris "Bobbie" Prince, Mayor

ATTEST:



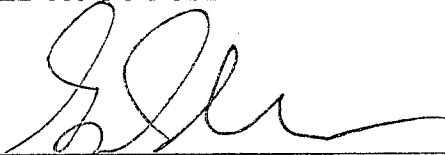
Sherri Bellard, City Secretary

APPROVED:



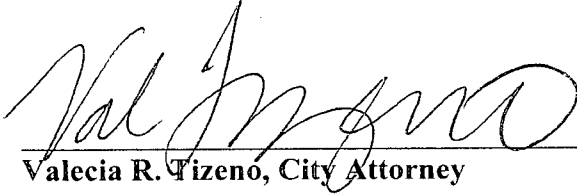
Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:



Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Valecia R. Tizen, City Attorney

Exhibit "A"

Memorandum of Understanding
Between the
City of Port Arthur, Texas
And
The City of Port Arthur Section 4A Economic Development Corporation

This Memorandum of Understanding is made this ____ day of April, 2012, by and between the City of Port Arthur and the Port Arthur Section 4A Economic Development Corporation, which together, hereafter shall be referred to as the "Applicants" in furtherance of their Joint Application for Federal Assistance (the "Application") submitted on the 31st day of January 2012, to the U.S. Department of Commerce, Economic Development Administration ("EDA").

In consideration of the mutual provisions, covenants and responsibilities hereinafter set forth, the parties understand that:

1. The City of Port Arthur, Texas will use a \$1.0 million grant from the EDA to renovate and expand a City owned building located at 3457 57th Street. The City will lease this improved and expanded building to Climate Controlled Containers, Inc. at a market based monthly rental for the manufacturing purposes.
2. The Port Arthur Section 4A Economic Development Corporation will enter into an economic incentive agreement with Climate Controlled Containers, Inc., providing the following economic incentives to facilitate its manufacturing activities:
 - a. \$400,000 for the purchase of the required manufacturing equipment; and
 - b. Up to \$225,000 over a five year periods (2012-2017) to facilitate the placement of 75% of the created jobs to Port Arthur residents.

3. The Port Arthur Economic Development Corporation will act as the lead recipient in working with the EDA on all post-approval matters.

Accepted and signed this _____ day of _____, 2012.

John Comeaux,
Acting City Manager
City of Port Arthur, Texas

Floyd Batiste,
Executive Director
Port Arthur Section 4A
Economic Development
Corporation