



P. R. NO. 20606  
12/5/2018 KVM

RESOLUTION NO. 18-541

**A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE  
ECONOMIC DEVELOPMENT CONDITIONAL GRANT  
AGREEMENT BETWEEN THE CITY OF PORT ARTHUR  
SECTION 4A ECONOMIC DEVELOPMENT CORPORATION  
AND JOE'S SHOPPING PLAZA, LLC**

**WHEREAS**, per Resolution 18-208 dated May 22, 2018, the City Council of the City of Port Arthur approved an Economic Development Conditional Grant Agreement (the "Agreement") between the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") and Joe's Shopping Plaza, LLC. ("Joe's Plaza") in an amount of \$350,000 for the purpose of making qualified infrastructure improvements to property on Jimmy Johnson Blvd. for the development of a shopping plaza; and

**WHEREAS**, the Agreement states that PAEDC will reimburse Joe's Plaza 88% of the conditional grant upon submission of a certificate of occupancy evidencing tenant occupation, and the remaining 12% will be reimbursed once a second certificate of occupancy is submitted evidencing occupation of a second tenant; and

**WHEREAS**, Joe's Plaza has had to make significant investment in the development of infrastructure to the undeveloped property; and

**WHEREAS**, the PAEDC Board of Directors met on December 3, 2018, and approved to amend the terms of the Agreement allowing reimbursement in three phases rather than two so that Joe's Plaza will receive funding following the infrastructure improvements made and approved an amended milestone schedule included in the First Amendment to the Economic Development Conditional Grant Agreement between PAEDC and Joe's Plaza attached hereto as **Exhibit "A"**.

**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 of the City of Port Arthur approves Amendment No. 1 to the Agreement between PAEDC and Joe's Shopping Plaza, LLC as denoted in the Amendment attached hereto as **Exhibit "A"**.

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

**READ, ADOPTED AND APPROVED** on this 18<sup>th</sup> day of December A.D., 2018,  
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote: AYES:  
Mayor Freeman; Mayor Pro Tem Kinlaw;  
Councilmembers Scott, Jones, Osuch, Moser  
and Frank.

NOES: None.

ATTEST:

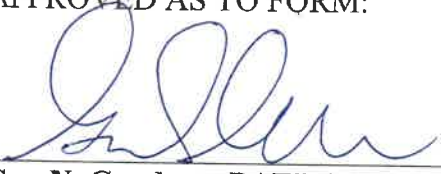
  
Derrick Freeman, Mayor

  
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”**

**FIRST AMENDMENT TO THE  
ECONOMIC DEVELOPMENT CONDITIONAL GRANT AGREEMENT  
BETWEEN  
THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT  
CORPORATION  
AND  
JOE'S SHOPPING PLAZA, LLC**

**WHEREAS**, Joe's Shopping Plaza, LLC ("Joe's Shopping Plaza") and the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") entered into an Economic Development Conditional Grant Agreement (the "Agreement") on July 3, 2018 pursuant to Resolution No. 18-208;

**WHEREAS**, the Agreement provided that Joe's Shopping Plaza would make infrastructure improvements to property located at 3400 Jimmy Johnson Blvd. in Port Arthur, Texas for the construction of a restaurant and ice cream and fruit shop; and

**WHEREAS**, the Agreement provided that Joe's Shopping Plaza would receive eighty eight (88%) percent of the conditional grant upon receipt of a certificate of occupancy evidencing a tenant occupying 7,500 square feet and Joe's Shopping Plaza would receive the remaining twelve (12%) percent of the conditional grant upon receipt of a certificate of occupancy evidencing a tenant occupying 1,000 square feet; and

**WHEREAS**, Joe's Shopping Plaza has had to make significant investment in the development of the infrastructure to the undeveloped property; and

**WHEREAS**, PAEDC Board of Directors considered amending the terms of the Agreement allowing reimbursement in three phases rather than two so that Joe's Shopping Plaza could receive funding following the infrastructure improvements; and

**WHEREAS**, the PAEDC Board of Directors agreed to amend the Agreement and performance milestones at its December 3, 2018 regular meeting.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION** that:

1. This Amendment to the Economic Development Conditional Grant Agreement between PAEDC and Joe's Shopping Plaza was approved by the PAEDC Board of Directors on December 3, 2018.
2. This Amendment to the Agreement shall be effective upon approval by the City of Port Arthur, Texas.
3. Section 6(a) is amended as follows:

**a. Performance by PAEDC**

- i. PAEDC shall conditionally grant INCENTIVE RECIPIENT not to exceed \$350,000 for the purpose of making qualified infrastructure improvements for the construction of the Building.
- ii. INCENTIVE RECIPIENT will provide PAEDC evidence of completion of the infrastructure improvements as set forth in **Exhibit "B"** and upon receipt PAEDC will reimburse INCENTIVE RECIPIENT forty percent (40%) of the Conditional Grant.
- iii. INCENTIVE RECIPIENT will provide PAEDC a certificate of occupancy for the first commercial space of approximately 7,500 square feet of the Building and upon receipt of that certificate of occupancy, PAEDC will reimburse INCENTIVE RECIPIENT thirty percent (30%) of the Conditional Grant;
- iv. INCENTIVE RECIPIENT will provide PAEDC a certificate of occupancy for a second commercial space of approximately 1,000 square feet of the Building and upon receipt of the certificate of occupancy, PAEDC will reimburse INCENTIVE RECIPIENT thirty percent (30%) of the Conditional Grant; and

These are PAEDC's only obligations.

4. Exhibit C to the agreement is amended per the attached Performance Milestone Schedule (Modified) for Joe's Shopping Plaza, LLC attached hereto as Exhibit "C".

5. The recitals to this Amendment are incorporated and fully referenced in this Amendment.

6. Other than the amendment set forth herein, Joe's Shopping Plaza and PAEDC ratify and affirm all terms and conditions of the Agreement dated July 3, 2018.

SIGNED AND AGREED to on this \_\_\_\_ day of \_\_\_\_\_, 2018.

**City of Port Arthur Section 4A  
Economic Development Corporation**

By: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

THE STATE OF TEXAS                   §  
   §  
COUNTY OF JEFFERSON               §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2018, by  
\_\_\_\_\_ as President and \_\_\_\_\_ as Secretary on  
behalf of City of Port Arthur Section 4A Economic Development Corporation.

\_\_\_\_\_  
Notary Public, State of Texas

**Joe's Shopping Plaza, LLC**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

THE STATE OF TEXAS

§  
§  
§

COUNTY OF JEFFERSON

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2018, by  
\_\_\_\_\_ behalf of Joe's Shopping Plaza, LLC.

\_\_\_\_\_  
Notary Public, State of Texas



## EXHIBIT "C"

### PERFORMANCE MILESTONE SCHEDULE (Modified)

#### JOE'S SHOPPING PLAZA, LLC

	DATE	MILESTONE
(a)	June 30, 2018	Review approved construction plans by the City of Port Arthur and projected costs with PAEDC CEO for the construction of the project at 3400 Jimmy Johnson Blvd., Port Arthur, Texas
(b)	October 31, 2018	Joe's Shopping Plaza, LLC issue a status report to PAEDC CEO on Project construction at 3400 Jimmy Johnson Blvd., Port Arthur, Texas
(c)	December 31, 2018	Joe's Shopping Plaza, LLC will provide evidence of completion of the qualifying infrastructure improvements. PAEDC will issue 40% of Economic Incentive Grant
(d)	March 31, 2019	Joe's Shopping Plaza, LLC obtain Certificate of Occupancy for the first 7,500 square feet of space and provide a copy to the PAEDC CEO.  PAEDC will issue 30% of Economic Incentive Grant
(e)	July 31, 2019	Joe's Shopping Plaza, LLC issue a status report to PAEDC CEO on remaining 1,000 sq. ft. Project construction at 3400 Jimmy Johnson Blvd., Port Arthur, Texas
(f)	November 30, 2019	Joe's Shopping Plaza, LLC obtain Certificate of Occupancy for the remaining 1,000 square feet of space and provide a copy to the PAEDC CEO.  PAEDC issue the remaining 30% of Economic Incentive Grant
(g)	December 31, 2019	Joe's Shopping Plaza, LLC meets all of their contractual agreement. File is closed.
(h)	December 31, 2019	PAEDC Board of Directors release Letter of Credit to Joe's Shopping Plaza, LLC