

RESOLUTION NO. 21-256

**A RESOLUTION APPROVING AMENDMENT NO. 1 TO THE
ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT
BETWEEN THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION AND TONY &
ANNE NGUYEN D/B/A RAI'S BAKERY**

WHEREAS, per Resolution 19-259 dated June 17, 2019, the City Council of the City of Port Arthur approved an Economic Incentive Contract & Loan Agreement (the "Agreement") between the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") and Tony & Anne Nguyen d/b/a Rai's Bakery ("Rai's Bakery") in an amount of \$59,277.00 to reimburse Rai's Bakery for equipment purchased for a Vietnamese bakery and distribution operation; and

WHEREAS, Rai's Bakery has requested an amendment to their Agreement to allow for more time to perform their contractual obligations as the construction on the new operation was halted due to effects of the recent pandemic; and

WHEREAS, the PAEDC Board of Directors at their regular Board meeting of June 7, 2021, approved extending the Agreement with Rai's Bakery by two additional years as detailed in Amendment Number 1 to the Agreement 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 Economic Incentive Contract & Loan Agreement between PAEDC and Tony & Anne Nguyen d/b/a Rai's Bakery.

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 22nd day of June A.D., 2021,
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote: AYES:
Mayor Bartie; Mayor Pro Tem Frank.
Councilmembers Holmes, Jones, Kinlaw
Marks and Moss.

NOES: None.


Thurman Bartie, Mayor


ATTEST:


Sheryi Bellard, City Secretary

APPROVED:


Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:


Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Valecia R. Tizeno, City Attorney

Exhibit "A"

21992

**FIRST AMENDMENT TO THE
ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT
BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
TONY & ANNE NGUYEN
D/B/A RAI'S BAKERY**

WHEREAS, Tony and Maryann Nguyen d/b/a/ Rai's Bakery ("Incentive Recipient") and the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") entered into an Economic Incentive Contract & Loan Agreement (the "Agreement") on July 10, 2019 pursuant to Resolution No. 19-259.

WHEREAS, the Agreement provided that Incentive Recipient would open a Vietnamese baker, Rai's Bakery, on Gulfway Drive in Port Arthur, Texas; and

WHEREAS, the Agreement provided that Incentive Recipient would receive a credit against payroll paid to full-time employees who are residents of Port Arthur as outlined in the Agreement; and

WHEREAS, Incentive Recipient has requested for PAEDC to modify the performance milestones to allow it additional time to perform its contractual obligations due to the Pandemic affecting the local economy; and

WHEREAS, the PAEDC Board of Directors agreed to amend the Agreement and performance milestones at its June 7, 2021 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 Incentive Contract & Loan Agreement between PAEDC and Incentive Recipient was approved by the PAEDC Board of Directors on June 7, 2021.
2. This Amendment to the Agreement shall be effective upon approval by the City of Port Arthur, Texas.
3. **Exhibit "C"** to the agreement is amended per the attached Performance Milestone Schedule (Modified) for Incentive Recipient attached hereto as **Exhibit "C"**.
4. The recitals to this Amendment are incorporated and fully referenced in this Amendment.
7. Other than the amendment set forth herein, Incentive Recipient and PAEDC ratify and affirm all terms and conditions of the Agreement dated July 10, 2019.

SIGNED AND AGREED to on this ____ day of _____, 2021.

**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 _____, 2021, by
_____ as President and _____ as Secretary on
behalf of City of Port Arthur Section 4A Economic Development Corporation.

Notary Public, State of Texas

Tony and Maryann Nguyen d/b/a/ Rai's Bakery

By: _____
Its: _____

THE STATE OF TEXAS

§
§
§

COUNTY OF JEFFERSON

This instrument was acknowledged before me on the ____ day of _____, 2021, by
_____ behalf of Tony and Maryann Nguyen d/b/a/ Rai's Bakery.

Notary Public, State of Texas

EXHIBIT C

PERFORMANCE MILESTONE SCHEDULE

Amended 06/14/2021

RAI'S BAKERY MILESTONE SCHEDULE

	<u>Deadline</u>	<u>Milestone</u>
(a)	JUNE 31, 2021	Rai's Bakery will issue a <u>status report</u> on the purchase of equipment and the equipment installation's estimated completion date to PAEDC
(b)	DECEMBER 31, 2021	Achieve full-time permanent employment of five (5) Port Arthur residents with average payroll of \$17,160 per employee
(c)	DECEMBER 31, 2021	Rai's Bakery's average annualized payroll for 5 Port Arthur residents is not less than \$85,800
(d)	MARCH 30, 2022	Rai's Bakery will provide PAEDC with W-2's for Port Arthur Residents Employed during 2021
(e)	DECEMBER 31, 2022	Rai's Bakery will maintain employment of a total of five (5) Port Arthur residents with an annualized payroll of \$85,800
(f)	MARCH 30, 2023	Rai's Bakery will provide PAEDC with W-2's for Port Arthur Residents Employed during 2022
(g)	MARCH 30, 2023	Rai's Bakery's total Port Arthur payroll for 2021 and 2022 for Port Arthur Residents must equal \$171,600
(h)	JUNE 30, 2023	PAEDC recommends to close Rai's Bakery file if all contractual requirements