

RESOLUTION NO. 21-538

A RESOLUTION AUTHORIZING THE LEASE OF OFFICE SPACE LOCATED WITHIN 501 PROCTER STREET BY THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION TO THE SOLCO GROUP, LLC

WHEREAS, the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") is the owner of the office building located at 501 Procter Street; and

WHEREAS, The Solco Group, LLC ("Solco") has submitted a Letter of Intent to lease Suite 321, 402 sq. ft. of space on the second floor of the building at 501 Procter St. from the PAEDC as they prepare to move their corporate headquarters to the City of Port Arthur as denoted in **Exhibit "A"**; and

WHEREAS, the PAEDC Board of Directors, at their Regular Board Meeting of December 6, 2021, deemed it in the best interest of the citizens of Port Arthur to lease the office space located on the third floor of the building at 501 Procter Street to Solco at a monthly rental rate of \$562.80 (\$1.40 per square foot) not to exceed twelve months as detailed in the Short Term Rental Agreement attached hereto as **Exhibit "B"**.

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 Port Arthur Section 4A Economic Development Corporation is herein authorized to execute a Short Term Rental Agreement with Solco in substantially the same form as the Agreement attached hereto as **Exhibit "B"**.

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 20th day of Dec. 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 Councilmember Holmes, Jones
Marks and Moses.

NOES: None


Thurman Bartie, Mayor

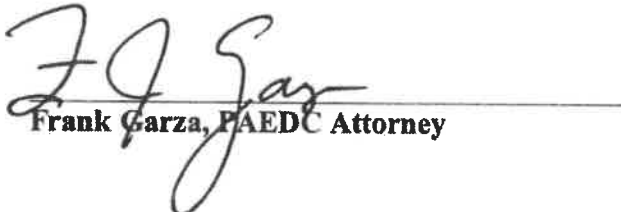
ATTEST:


Sherri Bellard, City Secretary

APPROVED:


George Davis, Interim PAEDC CEO

APPROVED AS TO FORM:


Frank Garza, PAEDC Attorney

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "Val Tizen". The signature is fluid and cursive, with the first name "Val" and the last name "Tizen" clearly distinguishable.

Valecia R. Tizen, City Attorney

EXHIBIT “A”



THE SOLCO GROUP, LLC

AVIATION AND TRANSPORTATION PLANNING / ENGINEERING / RESEARCH / CONSULTING

Mr. George Davis, Interim Director
Port Arthur Economic Development Corporation
501 Procter St., STE 100
Port Arthur, TX 77640
409-963-0579

November 16, 2021

Subject: Notice of Intend to Lease Office Space

Dear Mr. Davis,

The Solco Group, LLC (TSG) is developing plans to move the corporate headquarters to the City of Port Arthur, Texas. Please accept this letter as our intent to lease a small office from the Port Arthur Economic Development Corporation.

We are interested in leasing office suite #321, from the PAEDC, at your best possible lease rate, for approximately 4 months. This will be a temporary office location for TSG until new office space is available at the upcoming PAEDC Center for Business and Community Development Press Building.

We hope to utilize all of the available PAEDC amenities including periodic use of the conference rooms (when available), common area breakrooms, WIFI, etc. If approved, we plan to take occupancy immediately. Contact us at 409-237-0200 if you have any questions. Thank you for all you do for the City of Port Arthur.

Sincerely,

Kelvin L. Solco, PE, MBA
The Solco Group, LLC
Planning - Engineering - Research - Consulting
A Texas certified ACDBE/DBE/SBE/HUB/MBE firm
Beaumont, TX 77720
Office: 409-237-0200
Cell: 817-564-6895
Fax: 409-237-0700

EXHIBIT “B”

SHORT TERM RENTAL AGREEMENT

THIS SHORT TERM RENTAL AGREEMENT (the "Agreement") made and entered into on the ____ day of _____, 2021 (the "Effective Date"), by and between the **City of Port Arthur Section 4A Economic Development Corporation** (hereinafter referred to as Landlord), whose address is 501 Procter, Port Arthur, Texas 77640 and **Solco Group, LLC.** for office space (hereinafter referred to as "Tenant"), whose address is _____

WITNESSETH:

FOR AND IN CONSIDERATION of the Agreement, covenants, and conditions hereinafter stipulated to be paid and performed by Tenant, Landlord does hereby demise and let unto Tenant and Tenant does hereby accept and let from Landlord, the following described property situated in the City of Port Arthur, County of Jefferson, Texas, described as follows, to-wit:

Office space located on the third floor of the 501 Procter Building as described in Exhibit "A" attached to this Agreement.

SECTION 1. The term of this Agreement shall commence on the Effective Date and continue on a month to month basis not exceeding twelve (12) months from the effective date. This Agreement may be terminated for any reason by either party by providing a thirty (30) day written notice.

SECTION 2. The Tenant agrees to pay \$562.80 per month to the Landlord for the demised premises, pursuant to the following described terms and conditions. Payment will be made monthly with the payment due by the 5th day of the month.

SECTION 3. Tenant shall have, hold and use the demised premises for the purposes of conducting the business activities of Solco Group, LLC.

SECTION 4. Tenant will, at all times, attempt to act in a prudent manner to conserve the amount of utilities consumed. Landlord shall furnish and pay for, as and when due, all utilities consumed or used incident to the demised premises, such as electricity, gas, water, sewer and all other public utilities of every nature, kind and description used in said premises.

SECTION 5. Tenant will, at all times, take good and ordinary care and precaution for the preservation of the demised premises. Landlord shall furnish janitorial services.

SECTION 6. Any notice required to be given by either party to the other party under the terms of this Agreement shall be served upon such party by United States Certified Mail as follows:

To Landlord:

City of Port Arthur Section 4A
Economic Development Corporation
501 Procter
Port Arthur, Texas 77640

To Tenant: Solco Group, LLC

SECTION 7. Tenant shall not, without the previous consent in writing of the Landlord, assign this Agreement or sublet the whole or any part of the demised premises or permit the demised premises or any part thereof to be used or occupied by others. In the event Landlord consents to any such assignment or subletting, Tenant shall remain and continue primarily liable for the performance of the covenants and obligations on his part to be performed under this Agreement during the term of the lease.

SECTION 8. Landlord agrees to keep the building improvements erected on the demised premises insured against loss or damage by fire and all standard extended coverage perils for the full, fair insurable value thereof in a solvent and responsible company or companies authorized to do business in the State of Texas.

SECTION 9. At the expiration of the tenancy hereby created and any extended term thereof, Tenant shall surrender the Agreement premises in the same condition as the Agreement premises were in upon delivery of possession thereto under this Agreement, reasonable wear and tear excepted, and damage by unavoidable casualty excepted, and Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of this Agreement.

SECTION 10. The Landlord covenants to keep and maintain, at Landlord's expense, said demised premises and facilities in a state of tenantable repair during the term of the Agreement; provided, however, that Landlord shall not be called upon to make any such repairs occasioned by the acts of negligence of the Tenant, its agents, patrons, or employees, except where covered under Landlord's fire and extended coverage insurance. Tenant agrees to maintain renter's insurance and provide proof of same to Landlord upon request. Notwithstanding any contrary provisions of this Lease, Landlord shall not be responsible for any loss of or damage to property of Tenant located on the Leased Premises, except where caused by the willful act or omission or negligence of Landlord, or Landlord's agents, employees or contractors.

SECTION 11. Should the demised office building be totally or substantially destroyed by fire, the elements or otherwise, so as to render the demised office building untenable, either party shall have the option to cancel the remaining portion of this Agreement for any extended term or period hereof. Tenant shall have no obligation to pay rent of any nature so long as the demised office building is untenable.

SECTION 12.

a. Failure on the part of the Tenant to pay any installment of rent as above set out as and when the same becomes due and payable, or failure of Tenant promptly and faithfully to keep and perform each and every covenant agreed and stipulated herein on the part of the Tenant to be kept and performed, shall, at the option of the Landlord, cause a forfeiture of this Agreement.

b. Nothing contained in the foregoing shall be construed to waive either party's right to cancel this Agreement in the event of any forfeiture or breach on the part of the other party hereto, all of which rights or cancellation are herein specifically reserved.

c. Prior to a declaration of forfeiture for default in payment of rent or additional rent, Landlord shall give to Tenant a Notice in writing thirty (30) days prior thereto in the manner provided by Section 6 hereof, during which time Tenant may purge itself on the grounds of forfeiture by paying such rent.

d. As to default by Tenant in performing covenants other than for payment of rent prior to a declaration of forfeiture, Landlord shall give to Tenant a notice in writing 30 days prior thereto in the manner provided for by Section 6 during which time Tenant may purge itself on the grounds of forfeiture by curing the stated grounds of forfeiture within such 30 days or within such longer term as may be reasonably necessary to cure such defect.

SECTION 13. Tenant agrees to pay any and all taxes and fees required by the State of Texas, Jefferson County, and/or the City of Port Arthur associated with running its business.

SECTION 14. Landlord covenants that the Tenant, on paying the rent herein reserved and performing the covenants and agreements hereof, shall peaceably have, hold, and enjoy the demised premises and all rights, easement, and privileges belonging or otherwise pertaining thereto, during the full term of this Agreement, and any extension thereof.

SECTION 15. Landlord will provide paved parking area sufficient for the operation of Tenant's business on the Agreement premises, without additional cost to Tenant. Landlord will maintain such parking lot throughout the term of this Agreement and any extension thereof in a serviceable condition. Landlord agrees to keep all parking areas provided to Tenant clean and free of trash and debris.

SECTION 16. INDEMNITY AND PUBLIC LIABILITY. THE TENANT SHALL SAVE LANDLORD HARMLESS AND INDEMNIFY LANDLORD FROM ALL INJURY, LOSS, CLAIMS OR DAMAGE TO ANY PERSON OR PROPERTY WHILE ON THE LEASED PREMISES, UNLESS CAUSED BY THE WILLFUL ACTS OR OMISSIONS OR GROSS NEGLIGENCE OF LANDLORD, ITS EMPLOYEES, AGENTS, LICENSEES OR CONTRACTORS. TENANT SHALL MAINTAIN, WITH RESPECT TO THE LEASED PREMISES.

SECTION 17. Applicable Law- All matters pertaining to this agreement (including its interpretation, application, validity, performance and breach) in whatever jurisdiction action may be brought, shall be governed by, construed and enforced in accordance with the laws of the State of Texas. The parties herein waive trial by jury and agree to submit to the personal jurisdiction and

venue of a court of subject matter jurisdiction located in Jefferson County, State of Texas. In the event that litigation results from or arises out of this Agreement or the performance thereof, the parties agree to reimburse the prevailing party's reasonable attorney's fees, court costs, and all other expenses, whether or not taxable by the court as costs, in addition to any other relief to which the prevailing party may be entitled.

SECTION 18. Entire Agreement - The parties hereto acknowledge that this Agreement sets forth the entire Agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change or modification except by the execution of a written instrument subscribed to by the parties hereto.

IN WITNESS WHEREOF, this Rental Agreement has been duly executed in duplicate originals on the day and date hereinabove set forth.

LANDLORD:

CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION

Board President; Date:

Board Secretary; Date:

TENANT:

SOLCO GROUP, LLC

By:

; Date:

(Tenant's acknowledgment)