

**NOTICE OF SPECIAL MEETING OF BOARD OF DIRECTORS OF  
BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)**

**Monday, June 1, 2020 – 1:00 P.M.**

**Virtual Meeting will be Broadcast via Facebook from  
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

*Please note that due to the COVID-19 Pandemic and State of Disaster Declaration by the Governor of Texas, and subsequent suspension of certain open-meeting statutes, this meeting of the BEDC will be a virtual meeting only. No staff or BEDC Board Members will be physically present at City Hall. To access the meeting, please visit the City of Bastrop's Facebook account at <https://www.facebook.com/bastroptx/>.*

**1. CALL TO ORDER**

\*\*\*\*\*

The Bastrop EDC Board reserves the right to convene into Executive Session at any time during the meeting regarding any agenda item in compliance with the Texas Open Meetings Act, Chapter 551 Government Code.

\*\*\*\*\*

**2. PUBLIC COMMENT(S)**

Due to the nature of this meeting and the need for social distancing, please email any public comments to the following email address prior to the beginning of the meeting at 1:00 p.m. June 1, 2020, with "Public Comments" in the subject line: [angela@bastropedc.org](mailto:angela@bastropedc.org).

**3. REGULAR BUSINESS & PRESENTATIONS**

3.1. Update and discussion on the 921 Main Street Building Project; and consideration, discussion and possible action on Resolution R-2020-14 of the BEDC approving a mosaic tile artist to be hired by the BEDC to complete a design for the entrance to the 921 Main Street Building Project. **(page 5)**

3.2. Consideration, discussion and possible action on Resolution R-2020-15 of the BEDC authorizing the BEDC's application for an Economic Development Administration (EDA) Assistance Grant and requesting approval of an amendment to the Bastrop Economic Development Corporation's FY 2019/2020 annual budget to allocate \$270,000.00 from reserve funds for a twenty percent (20%) match in the amount of \$1,350,000.00. **(page 8)**

3.3. Consideration, discussion and possible action on Resolution R-2020-16 of the BEDC approving and requesting approval of an amendment to the Bastrop Economic Development Corporation's FY 2019/2020 annual budget to allocate \$50,000.00 from reserve funds for the "Bastrop Strong" Initiative, and discussion regarding Bastrop Recovery Task Force and the "Bastrop Strong" Initiative. **(page 30)**

3.4. Update on COVID-19 Relief Grant awards. **(page 33)**

3.5. Discussion and direction for in-person special meeting and budget workshop to possibly be set for Monday, June 15, 2020, at 1:00 p.m. in City Council Chambers with the intended purpose of amending the current fiscal year's budget and setting the proposed budget for FY 2020/2021.

3.6. CEO report on BEDC activities.

#### 4. ADJOURNMENT

##### CERTIFICATE

I, Kathy Merrifield, EDC Office Manager of the Bastrop Economic Development Corporation (Bastrop EDC), certify that this Notice of Meeting was posted on the front window of the Bastrop EDC offices, 301 Hwy 71 W., Suite 214, at the Bastrop City Hall, 1311 Chestnut Street, and on the Bastrop EDC's website on this the 29th of May 2020 at 1:00 p.m. Copies of this agenda have been provided to those members of the media requesting such information.

*Kathy Merrifield*

Kathy Merrifield, BEDC Office Manager

THE BASTROP ECONOMIC DEVELOPMENT CORPORATION IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE MODIFICATIONS AND EQUAL ACCESS WILL BE PROVIDED UPON REQUEST. PLEASE CALL 512-303-9700.



## ADMINISTRATIVE ORDER OF THE CITY MANAGER

---

**RE: COVID-19**

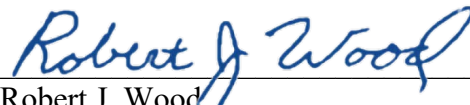
A.O. # 2020- 8

May 21, 2020

1. **Meeting Ordered:** There shall be a meeting of the Bastrop Economic Development Corporation Board to be held at via teleconference, at 1:00 pm on June 1, 2020.
2. **Definitions:**
  - *Meeting* as used in this Administrative Order shall mean regularly scheduled meetings of a Board of the City of Bastrop in which one or more items are to be considered.
  - *Board* as used in this Administrative Order shall mean all Boards, boards, commissions, task forces, councils, workgroups, etc., of the City of Bastrop, but does not include the Bastrop City Council.
3. **Repealer:** Any prior or conflicting Administrative Order is hereby *repealed* to the extent necessary to effectuate this Emergency Order.
4. **Authority:** This Administrative Order is hereby issued in accordance to the authority vested in my office and delegated to me by the Bastrop City Council and the Bastrop Mayor, pursuant to the authority granted by:
  - Texas Government Code Chapter 418,
  - City of Bastrop Home Rule Charter Section 4.04,
  - City of Bastrop Home Rule Charter Section 3.08,
  - City of Bastrop Code of Ordinances Article 1.08,
  - City of Bastrop Code of Ordinances Article 9.02.005
  - City of Bastrop Code of Ordinances Sections 1.02.002(b)(2), 1.04.003,
  - City of Bastrop Emergency Management Plan,
  - City of Bastrop Basic Emergency Management Plan, VI,A(2)
  - Bastrop County Preparedness & Response Plan (Pandemic Influenza), and
  - Declaration of Local Disaster executed on March 16, 2020 (as confirmed and extended by the City Council via Resolution R-2020-32 on March 16, 2020).

- 5. Official Determination:** In my official capacity as Interim City Manager for the City of Bastrop, I consider this action to be reasonable, prudent, and necessary for the preservation of life, and disaster mitigation, response, and recovery. This Order is critical to protecting the public health, safety and welfare while maintaining essential municipal services and operations.

**THUS ORDERED:**

by:   
Robert J. Wood  
Interim City Manager  
City of Bastrop

**Agenda Item: 3.1****AGENDA MEMORANDUM**

Meeting Date: June 1, 2020

Agenda Item: Update and discussion on the 921 Main Street Building Project; and consideration, discussion and possible action on Resolution R-2020-14 of the BEDC approving a mosaic tile artist to be hired by the BEDC to complete a design for the entrance to the 921 Main Street Building Project.

Prepared by: BEDC Staff

---

The first part of this is the update on the construction at 921 Main Street. As you can tell by driving by, the front wall is up and the interior structural elements are being erected. The foundation slab is being poured the morning of Friday, May 29<sup>th</sup>; we hired a concrete leveler to ensure the pour is level (cost estimate of \$500). Everything else is on budget and on schedule and there are no delays to report due to COVID-19 or the weather.

The second part of the 921 Main Street update is the mosaic art contest. We will need to evaluate and vote on the top artist to hire for the six foot by six foot mosaic tile art at the entrance to the 921 Main building. The theme is a generic theme of “Bastrop historic past and rich future”, and the BEDC team requests the Board make their decision based upon best design and cost/quote from each artist.

Attachments:

Draft Resolution

Mosaic designs and quotes to be submitted Sunday to Board for discussion at Monday’s Special Meeting.

---

**Recommendation** – Approve the Resolution as presented.

[**RECOMMENDED MOTION**] – I move to approve Resolution R-2020-14.



**RESOLUTION NO. R-2020-0014****A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING A MOSAIC TILE ARTIST TO BE HIRED BY THE BEDC TO COMPLETE A DESIGN FOR THE ENTRANCE TO THE 921 MAIN STREET BUILDING PROJECT; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE ALL NECESSARY PAPERWORK; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the “Act”); and

**WHEREAS**, the BEDC is currently erecting a building at 921 Main Street in Bastrop, Texas; and

**WHEREAS**, one of the recommendations of the BEDC strategic plan is to facilitate higher learning centers in the City of Bastrop, and the Art Institute maintaining classrooms both at 921 Main Street and at the Lost Pines Art Center achieves this goal of the BEDC’s strategic plan; and

**WHEREAS**, the BEDC would like to incorporate local art and local artists into the newly constructed building at 921 Main Street, and from May 22, 2020 through May 30, 2020 the BEDC conducted a request for designs and price quotes for artists who would like the opportunity to design and construct a mosaic tile piece representing “Bastrop’s past and future”; and

**WHEREAS**, the BEDC Board having been presented with designs and price quotes is making a decision to hire a single artist to construct a six foot by six foot tile mosaic art piece to become the property of the BEDC, and to be constructed within the construction timelines set forth by the BEDC; and

**WHEREAS**, the BEDC finds that the artist should to be \_\_\_\_\_.

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The Board hereby finds that all of the recitals above are true and correct and are incorporated herein as if restated in full.

**SECTION 2.** The Board approves a mosaic tile artist to be hired by the BEDC to complete and construct a six foot by six foot tile mosaic art piece to become the property of the BEDC and to be constructed within the construction timelines set forth by the BEDC for the entrance to the 921 Main Street building, and in an amount not to exceed \_\_\_\_\_.

**RESOLUTION NO. R-2020-0014**

**SECTION 3.** The Board authorizes BEDC’s Chief Executive Officer to take all necessary actions to hire this artist and to ensure compliance with the construction timeline and design guidelines.

**SECTION 4.** This Resolution is effective upon passage.

**PASSED AND APPROVED** on the \_\_\_\_\_ day of \_\_\_\_\_ 2020 by the Board of Directors of the Bastrop Economic Development Corporation.

BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C



## Agenda Item: 3.2

# AGENDA MEMORANDUM

Meeting Date: June 1, 2020

Agenda Item: Consideration, discussion and possible action on Resolution R-2020-15 of the BEDC approving and requesting approval of an amendment to the Bastrop Economic Development Corporation's FY 2019/2020 annual budget to allocate \$270,000.00 from reserve funds for a twenty percent (20%) match on an Economic Development Administration (EDA) Assistance Grant in the amount of \$1,350,000.00.

Prepared by: BEDC Staff

---

Garner Economics made three recommendations with regards to workforce training and development. One of the recommendations was to develop training and higher education opportunities for Bastrop residents. A second recommendation was to create an entrepreneurial center that could include a small business incubator and a makerspace. A third recommendation was to attract an institute of higher learning to the City of Bastrop for technical training skills and certification.

The purchase of the DigTech building and partnering with Austin Community College and Texas Workforce Solutions to train and provide classroom certifications to our local workforce accomplishes these three goals. The availability and use of Economic Development Administration (EDA) grant money to fund 80% of the cost would be a true gift to the City of Bastrop during these trying times. For these reasons, we are requesting the Board approve the application of the grant and the reserve fund match of 20% of the total project cost.

The Training Center would require very little work and retrofitting. It is currently the only property available for purchase in the city limits that meets all criteria. It possesses the required classroom space, square footage, infrastructure, building design, and parking availability for a workforce development and higher education training center.

Texas Local Government Code Section 501.101(1)-(2)(K) authorizes the BEDC to purchase "land, buildings, equipment, facilities, and improvements" for projects that are for the creation of primary jobs and found by the BEDC Board of Directors to be required or suitable for the development, retention, or expansion of "primary job training facilities for use by institutions of higher learning."

The total purchase includes the 11,594-square-foot building and four acres of land located at 402 Technology Drive in the Bastrop Business and Industrial Park ("Training Center"). It is currently



available at a purchase price of \$1,300,000. The estimated cost for repairs and improvements to the property is an amount not to exceed an additional \$50,000.

Purchasing this Training Center is the best solution to address all three of the above recommendations in the 2020 Strategic Plan, and would allow for the development, retention, and/or expansion of primary job training facilities for use by institutions of higher learning now in this time of high unemployment due to the COVID-19 crisis.

Attachments:

Draft Resolution R-2020-15

Photos of the building located at 402 Technology Drive

Purchase contract of building

---

**Recommendation** – Approve the Resolution as presented.

**[RECOMMENDED MOTION]** – I move to approve Resolution R-2020-15.



**A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION  
AUTHORIZING THE CORPORATION'S APPLICATION FOR AN ECONOMIC  
DEVELOPMENT ADMINISTRATION GRANT AND APPROVING AN AMENDMENT TO THE  
BASTROP ECONOMIC DEVELOPMENT CORPORATION'S FY 2019/2020 ANNUAL  
BUDGET TO ALLOCATE \$270,000.00 FROM RESERVE FUNDS FOR A TWENTY  
PERCENT (20%) MATCH ON AN ECONOMIC DEVELOPMENT ADMINISTRATION  
ASSISTANCE GRANT IN THE AMOUNT OF \$1,350,000.00 TO FACILITATE THE CAPITAL  
AND FACILITIES TO PROVIDE IMMEDIATE WORKFORCE TRAINING AND  
DEVELOPMENT COURSES AND CERTIFICATIONS; AUTHORIZING THE CHIEF  
EXECUTIVE OFFICER TO EXECUTE ALL NECESSARY PAPERWORK; AND  
ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"), and is acting with the approval of the governing body of the City of Bastrop, Texas (the "City"); and

**WHEREAS**, on May 7, 2020, the Economic Development Administration ("EDA") announced the FY 2020 Public Works and Economic Adjustment Assistance Notice of Funding Opportunity; and

**WHEREAS**, eligible applicants include "State, county, city, or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions"; and

**WHEREAS**, authorized uses of the grant funds include construction of business incubators; co-work spaces; training centers, and workforce development/expansion; and

**WHEREAS**, in 2019 the BEDC Board approved engaging Garner Economics LLC to perform a Strategic Plan for the BEDC and to make recommendations regarding an economic development action plan to attract talent and investment to the City of Bastrop, Texas; and

**WHEREAS**, Garner Economics made a presentation at a joint meeting of the Bastrop City Council and the BEDC Board of Directors on January 15, 2020; and

**WHEREAS**, one of the recommendations was to develop training and higher education opportunities for Bastrop residents; and

**WHEREAS**, a second recommendation was to create an entrepreneurial center that could include a small business incubator and a makerspace; and

**WHEREAS**, a third recommendation was to attract an institute of higher learning to the City of Bastrop for technical training skills and certification; and

**WHEREAS**, Texas Local Government Code Section 501.101(1)-(2)(K) authorizes BEDC to purchase “land, buildings, equipment, facilities, and improvements” for projects that are for the creation of primary jobs and found by the BEDC Board of Directors to be required or suitable for the development, retention, or expansion of “primary job training facilities for use by institutions of higher learning”; and

**WHEREAS**, the 11,594-square-foot building and four (4) acres of land located at 402 Technology Drive in the Bastrop Business and Industrial Park (“Training Center”) are currently available for purchase at a purchase price of \$1,300,000.00; and

**WHEREAS**, after careful evaluation and consideration by the Board, it is determined that the BEDC purchasing the Property would be a viable solution to addressing one, two and/or all three of the above three recommendations in the 2020 Strategic Plan, and would allow for the development, retention, and/or expansion of primary job training facilities for use by institutions of higher learning; and

**WHEREAS**, the Training Center needs very little work and retrofitting and is currently the only property available for purchase in the City limits that meets all criteria, and possesses the required classroom space, square footage, infrastructure, building design, and parking availability for a workforce development and higher education training center; and

**WHEREAS**, the BEDC authorizes the purchase of the real property and all improvements located at 402 Technology Drive, Bastrop, Texas 78602 for the strict purpose of developing the workforce in the Bastrop area by creating a training and learning certification center through partnerships with Bastrop Independent School District, Austin Community College, Texas Workforce Solutions, area businesses and business leaders, and additional higher learning institutions; and

**WHEREAS**, the Training Center will be able to train students in both a classroom and workshop environment with the approximate eight (8) traditional classrooms with high speed internet availability, and then the 5,000-square-foot insulated metal building workshop attached to the Training Center provides students the ability to earn their HVAC, welding, and plumbing certifications through Austin Community College’s curriculum and job placement through Texas Workforce Solutions, the BEDC and local businesses and apprenticeships; and

**WHEREAS**, the BEDC wishes to apply for these grant funds, which application requires a commitment of \$270,000, which is a twenty percent (20%) local match of the total project cost of \$1,350,000 for both the purchase of and improvements to the Training Center; and

**WHEREAS**, the BEDC adopted its FY 2019/2020 Annual Budget on August 19, 2019, which was subsequently adopted and authorized by the City of Bastrop City Council in September 2019; and

**WHEREAS**, the FY 2019/2020 Annual Budget did not include funding for the Training Center and the twenty percent (20%) match of \$270,000, so the FY 2019/2020 Annual Budget must be

amended to allocate this \$270,000.00 in reserve funds to provide the twenty percent (20%) match; and

**WHEREAS**, the FY 2019/2020 Annual Budget must be amended to allocate this \$270,000.00 in reserve funds to provide the twenty percent (20%) match for the purchase, repair and improvements of real property and capital to be used exclusively for workforce training, education, development and certifications at the Training Center at 402 Technology Drive, Bastrop, Texas 78602; and

**WHEREAS**, the BEDC approves of any restrictions to be placed upon the grant EDA and/or the Training Center as a condition of receiving the EDA grant; and

**WHEREAS**, the BEDC approves of the EDA grant application and approves of using the funds from the EDA grant in strict accordance with the terms required by the EDA, should it be approved and funded by the EDA, for the purchase and improvement of the Training Center in an amount not to exceed \$1,350,000.00, with the BEDC approving twenty (20%) percent of this sum to be broken down as follows: \$260,000 to be allocated from reserve funds for purchase of the Training Center and \$10,000 to be allocated from reserve funds as the twenty percent (20%) match for the total cost of repairs and improvements in the amount of \$50,000 for the Training Center; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The Board hereby finds that all of the recitals above are true and correct and are incorporated herein as if restated in full.

**SECTION 2.** The BEDC Board agrees to apply for the EDA grant herein and approves the request to fund a twenty percent (20%) match to the EDA funds.

**SECTION 3.** The Board approves an amendment to the FY 2019/2020 Annual Budget to allocate funds from the BEDC Reserve Fund Balance Account in the amount of \$270,000.00 to the appropriate BEDC account, to be determined by the City of Bastrop's Chief Financial Officer (the "Budget Amendment").

**SECTION 4.** The Board recommends and requests that the Budget Amendment approved hereby by the BEDC be considered and approved by the City of Bastrop City Council for the purposes stated herein.

**SECTION 5.** The Chief Executive Officer is hereby authorized and directed to prepare any instruments and execute all documents needed and reasonably necessary to fulfill the EDA grant paperwork and/or the intent expressed in the recitals herein.

**SECTION 6.** This Resolution is effective upon passage.

**DULY RESOLVED AND ADOPTED** on this \_\_\_\_\_ day of \_\_\_\_\_ 2020 by the Board of Directors of the Bastrop Economic Development Corporation.

BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C







COMMERCIAL CONTRACT - IMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED. ©Texas Association of REALTORS®, Inc. 2018

1. PARTIES: Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: 4 Nietos Ltd

Address: 402 Technology Dr Bastrop, TX 78602

Phone: 512-748-2414 E-mail:

Fax: Other:

Buyer: Bastrop EDC

Address: 301 Hwy 71 W, Suite 214

Phone: (512) 332-8870 E-mail: cameron@bastropedc.org

Fax: Other:

2. PROPERTY:

A. "Property" means that real property situated in Bastrop County, Texas at 402 Technology Dr Bastrop 78602 (address) and that is legally described on the attached Exhibit or as follows:

B. Seller will sell and convey the Property together with:

- (1) all buildings, improvements, and fixtures;
(2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
(3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
(4) Seller's interest in all licenses and permits related to the Property;
(5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
(6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
(7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except:

Any personal property not included in the sale must be removed by Seller prior to closing.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)

(If mineral rights are to be reserved an appropriate addendum should be attached.)

(If the Property is a condominium, attach Commercial Contract Condominium Addendum (TXR-1930) or (TXR-1946).)

3. SALES PRICE: At or before closing, Buyer will pay the following sales price for the Property:

A. Cash portion payable by Buyer at closing. \$

B. Sum of all financing described in Paragraph 4 \$

C. Sales price (sum of 3A and 3B). \$ 1,300,000.00



**4. FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3B as follows:

- A. Third Party Financing: One or more third party loans in the total amount of \$\_\_\_\_\_. This contract:
- (1) is not contingent upon Buyer obtaining third party financing.
- (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TXR-1931).
- B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TXR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$\_\_\_\_\_.
- C. Seller Financing: The delivery of a promissory note and deed of trust from Buyer to Seller under the terms of the attached Commercial Contract Financing Addendum (TXR-1931) in the amount of \$\_\_\_\_\_.

**5. EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$\_\_\_\_\_ as earnest money with \_\_\_\_\_ Angie Kana (title company) at \_\_\_\_\_ Independence Title (address) \_\_\_\_\_ (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$\_\_\_\_\_ with the title company to be made part of the earnest money on or before:
- (i) \_\_\_\_\_ days after Buyer's right to terminate under Paragraph 7B expires; or
- (ii) \_\_\_\_\_.
- Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

**6. TITLE POLICY, SURVEY, AND UCC SEARCH:****A. Title Policy:**

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
- (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
- (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
- (a) will not be amended or deleted from the title policy.
- (b) will be amended to read "shortages in areas" at the expense of  Buyer  Seller.
- (3) Within \_\_\_\_\_ days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within \_\_\_\_\_ days after the effective date:

- (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer \_\_\_\_\_ (*insert amount*) of the cost of the survey at closing, if closing occurs.
- (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company,  Seller  Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 30 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 30 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party \_\_\_\_\_ (*insert amount or percentage*) of the cost of the new or updated survey at closing, if closing occurs.

C. UCC Search:

- (1) Within \_\_\_\_\_ days after the effective date, Seller, at Seller's expense, will furnish Buyer a Uniform Commercial Code (UCC) search prepared by a reporting service and dated after the effective date. The search must identify documents that are on file with the Texas Secretary of State and the county where the Property is located that relate to all personal property on the Property and show, as debtor, Seller and all other owners of the personal property in the last 5 years.
- (2) Buyer does not require Seller to furnish a UCC search.

D. Buyer's Objections to the Commitment, Survey, and UCC Search:

- (1) Within \_\_\_\_\_ days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, any required survey, and any required UCC search, Buyer may object to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title to the real or personal property described in Paragraph 2 other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date Buyer actually receives the survey; or (ii) the deadline specified in Paragraph 6B.
- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.

(3) Buyer's failure to timely object or terminate under this Paragraph 6D is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

## 7. PROPERTY CONDITION:

A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing:

B. Feasibility Period: Buyer may terminate this contract for any reason within \_\_\_\_\_ days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

(a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ \_\_\_\_\_ that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

(b) Not later than 3 days after the effective date, Buyer must pay Seller \$ \_\_\_\_\_ as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

(2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional \_\_\_\_\_ days by depositing additional earnest money in the amount of \$ \_\_\_\_\_ with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

(1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

(2) Seller, at Seller's expense, will turn on all utilities necessary for Buyer to make inspections, studies, or assessments.

(3) Buyer must:

(a) employ only trained and qualified inspectors and assessors;

(b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;

(c) abide by any reasonable entry rules or requirements of Seller;

(d) not interfere with existing operations or occupants of the Property; and

(e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.

(4) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from

Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

- (1) Delivery of Property Information: Within \_\_\_\_\_ days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*
- (a) a current rent roll of all leases affecting the Property certified by Seller as true and correct;
  - (b) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
  - (c) a current inventory of all personal property to be conveyed under this contract and copies of any leases for such personal property;
  - (d) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
  - (e) copies of all current service, utility, maintenance, and management agreements relating to the ownership and operation of the Property;
  - (f) copies of current utility capacity letters from the Property's water and sewer service provider;
  - (g) copies of all current warranties and guaranties relating to all or part of the Property;
  - (h) copies of fire, hazard, liability, and other insurance policies that currently relate to the Property;
  - (i) copies of all leasing or commission agreements that currently relate to the tenants of all or part of the Property;
  - (j) a copy of the "as-built" plans and specifications and plat of the Property;
  - (k) copies of all invoices for utilities and repairs incurred by Seller for the Property in the 24 months immediately preceding the effective date;
  - (l) a copy of Seller's income and expense statement for the Property from \_\_\_\_\_ to \_\_\_\_\_;
  - (m) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
  - (n) real and personal property tax statements for the Property for the previous 2 calendar years;
  - (o) Tenant reconciliation statements including, operating expenses, insurance and taxes for the Property from \_\_\_\_\_ to \_\_\_\_\_; and
  - (p)

(2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*

- (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

**8. LEASES:**

- A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer’s written consent. Seller must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:
  - (1) any failure by Seller to comply with Seller’s obligations under the leases;
  - (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
  - (3) any non-occupancy of the leased premises by a tenant;
  - (4) any advance sums paid by a tenant under any lease;
  - (5) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
  - (6) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.
  
- B. Estoppel Certificates: Within \_\_\_\_\_ days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than \_\_\_\_\_ by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TXR Form 1938 – Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

**9. BROKERS:**

A. The brokers to this sale are:

Principal Broker: _____ _____ Agent: _____ Address: _____ _____ Phone & Fax: _____ E-mail: _____ License No.: _____	Cooperating Broker: _____ _____ Agent: _____ Address: _____ _____ Phone & Fax: _____ E-mail: _____ License No.: _____
--	--

Principal Broker: <i>(Check only one box)</i> <input type="checkbox"/> represents Seller only. <input type="checkbox"/> represents Buyer only. <input type="checkbox"/> is an intermediary between Seller and Buyer.	Cooperating Broker represents Buyer.
---	--------------------------------------

- B. Fees: *(Check only (1) or (2) below.)*  
*(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)*
  - (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties’ signatures to this contract.
  - (2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:

Cooperating Broker a total cash fee of:

\_\_\_\_\_ % of the sales price.

\_\_\_\_\_ % of the sales price.

\_\_\_\_\_.

\_\_\_\_\_.

The cash fees will be paid in \_\_\_\_\_ County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

*NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.*

C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

**10. CLOSING:**

A. The date of the closing of the sale (closing date) will be on or before the later of:

(1)  \_\_\_\_\_ days after the expiration of the feasibility period.

5/14/2020 (specific date).

\_\_\_\_\_.

(2) 7 days after objections made under Paragraph 6D have been cured or waived.

B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

C. At closing, Seller will execute and deliver to Buyer, at Seller's expense, a  general  special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

(1) with no liens, assessments, or Uniform Commercial Code or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;

(2) without any assumed loans in default; and

(3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

(1) tax statements showing no delinquent taxes on the Property;

(2) a bill of sale with warranties to title conveying title, free and clear of all liens, to any personal property defined as part of the Property in Paragraph 2 or sold under this contract;

(3) an assignment of all leases to or on the Property;

(4) to the extent that the following items are assignable, an assignment to Buyer of the following items as they relate to the Property or its operations:

(a) licenses and permits;

(b) service, utility, maintenance, management, and other contracts; and

(c) warranties and guaranties;

(5) a rent roll current on the day of the closing certified by Seller as true and correct;

(6) evidence that the person executing this contract is legally capable and authorized to bind Seller;

(7) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service together with appropriate tax forms; and

(8) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and the issuance of the title policy, all of which must be completed and executed by Seller as necessary.

E. At closing, Buyer will:

(1) pay the sales price in good funds acceptable to the title company;

- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in the Property a written statement that:
  - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
  - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

**11. POSSESSION:** Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

**12. SPECIAL PROVISIONS:** The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*

### 13. SALES EXPENSES:

- A. Seller's Expenses: Seller will pay for the following at or before closing:
  - (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
  - (2) release of Seller's loan liability, if applicable;
  - (3) tax statements or certificates;
  - (4) preparation of the deed and any bill of sale;
  - (5) one-half of any escrow fee;
  - (6) costs to record any documents to cure title objections that Seller must cure; and
  - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
  - (1) all loan expenses and fees;
  - (2) preparation fees of any deed of trust;
  - (3) recording fees for the deed and any deed of trust;
  - (4) premiums for flood and hazard insurance as may be required by Buyer's lender;
  - (5) one-half of any escrow fee; and
  - (6) other expenses that Buyer will pay under other provisions of this contract.

### 14. PRORATIONS:

#### A. Prorations:

- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.

(TXR-1801) 4-1-18 Initialed for Identification by Seller \_\_\_\_\_, \_\_\_\_\_ and Buyer \_\_\_\_\_, \_\_\_\_\_

Page 8 of 14

(2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.

(3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.

B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

## 15. DEFAULT:

A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(4) which Seller may pursue, or  
(Check if applicable)

enforce specific performance, or seek such other relief as may be provided by law.

B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:

- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
- (2) extend the time for performance up to 15 days and the closing will be extended as necessary.

C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:

- (1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
- (2) enforce specific performance, or seek such other relief as may be provided by law, or both.

## 16. CASUALTY LOSS AND CONDEMNATION:

A. If any part of the Property is damaged or destroyed by fire or other casualty after the effective date, Seller must restore the Property to its previous condition as soon as reasonably possible and not later than the closing date. If, without fault, Seller is unable to do so, Buyer may:

- (1) terminate this contract and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer;
- (2) extend the time for performance up to 15 days and closing will be extended as necessary; or
- (3) accept at closing: (i) the Property in its damaged condition; (ii) an assignment of any insurance proceeds Seller is entitled to receive along with the insurer's consent to the assignment; and (iii) a credit to the sales price in the amount of any unpaid deductible under the policy for the loss.



- B. If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:
- (1) terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer; or
  - (2) appear and defend the condemnation proceedings and any award will, at Buyer's election, belong to: (a) Seller and the sales price will be reduced by the same amount; or (b) Buyer and the sales price will not be reduced.

**17. ATTORNEY'S FEES:** If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

**18. ESCROW:**

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.
- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G.  Seller  Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

**19. MATERIAL FACTS:** To the best of Seller's knowledge and belief: *(Check only one box.)*

- A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408).
- B. Except as otherwise provided in this contract, Seller is not aware of:
- (1) any subsurface: structures, pits, waste, springs, or improvements;
  - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;

(TXR-1801) 4-1-18 Initialed for Identification by Seller \_\_\_\_\_, \_\_\_\_\_ and Buyer \_\_\_\_\_, \_\_\_\_\_

Page 10 of 14

- (3) any environmental hazards or conditions that materially affect the Property;
- (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
- (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
- (6) any wetlands, as defined by federal or state law or regulation, on the Property;
- (7) any threatened or endangered species or their habitat on the Property;
- (8) any present or past infestation of wood-destroying insects in the Property's improvements;
- (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
- (10) any material physical defects in the improvements on the Property; or
- (11) any condition on the Property that violates any law or ordinance.

*(Describe any exceptions to (1)-(11) in Paragraph 12 or an addendum.)*

**20. NOTICES:** All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

**21. DISPUTE RESOLUTION:** The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

**22. AGREEMENT OF THE PARTIES:**

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
- (1) Property Description Exhibit identified in Paragraph 2;
- (2) Commercial Contract Condominium Addendum (TXR-1930) or (TXR-1946);
- (3) Commercial Contract Financing Addendum (TXR-1931);
- (4) Commercial Property Condition Statement (TXR-1408);
- (5) Commercial Contract Addendum for Special Provisions (TXR-1940);
- (6) Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TXR-1906);
- (7) Notice to Purchaser of Real Property in a Water District (MUD);
- (8) Addendum for Coastal Area Property (TXR-1915);
- (9) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916);
- (10) Information About Brokerage Services (TXR-2501);
- (11) Information About Mineral Clauses in Contract Forms (TXR-2509); and
- (12)

(TXR-1801) 4-1-18 Initialed for Identification by Seller \_\_\_\_\_, \_\_\_\_\_ and Buyer \_\_\_\_\_, \_\_\_\_\_

Page 11 of 14

(Note: Counsel for Texas REALTORS® has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by Texas REALTORS® are appropriate for use with this form.)

E. Buyer  may  may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all of Buyer's obligations under this contract.

**23. TIME:** Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

**24. EFFECTIVE DATE:** The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

**25. ADDITIONAL NOTICES:**

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.
- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TXR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. If apartments or other residential units are on the Property and the units were built before 1978, federal law requires a lead-based paint and hazard disclosure statement to be made part of this contract (*the Addendum for Seller's Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (TXR-1906) may be used*).

- H. Section 1958.154, Occupations Code requires Seller to provide Buyer a copy of any mold remediation certificate issued for the Property during the 5 years preceding the date the Seller sells the Property.
- I. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- J. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- K. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: \_\_\_\_\_.

**26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on \_\_\_\_\_, the offer will lapse and become null and void.

**READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. CONSULT your attorney BEFORE signing.**

**Seller:** 4 Nietos Ltd

**Buyer:** Bastrop EDC

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

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

By (signature): \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: 4 Nietos Ltd

Printed Name: Bastrop EDC

Title: \_\_\_\_\_

Title: \_\_\_\_\_

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

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

By (signature): \_\_\_\_\_

By (signature): \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**AGREEMENT BETWEEN BROKERS**

*(use only if Paragraph 9B(1) is effective)*

Principal Broker agrees to pay \_\_\_\_\_ (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

- \$ \_\_\_\_\_, or
- \_\_\_\_\_ % of the sales price, or
- \_\_\_\_\_ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: \_\_\_\_\_ Cooperating Broker: \_\_\_\_\_  
 \_\_\_\_\_  
 By: \_\_\_\_\_ By: \_\_\_\_\_

**ATTORNEYS**

Seller's attorney: \_\_\_\_\_ Buyer's attorney: \_\_\_\_\_  
 \_\_\_\_\_  
 Address: \_\_\_\_\_ Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Phone & Fax: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_  
 E-mail: \_\_\_\_\_ E-mail: \_\_\_\_\_

Seller's attorney requests copies of documents, notices, and other information:

- the title company sends to Seller.
- Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

- the title company sends to Buyer.
- Seller sends to Buyer.

**ESCROW RECEIPT**

The title company acknowledges receipt of:

- A. the contract on this day \_\_\_\_\_ (effective date);
- B. earnest money in the amount of \$ \_\_\_\_\_ in the form of \_\_\_\_\_ on \_\_\_\_\_.

Title company: Angie Kana Address: Independence Title  
 \_\_\_\_\_  
 By: \_\_\_\_\_ Phone & Fax: \_\_\_\_\_  
 Assigned file number (GF#): \_\_\_\_\_ E-mail: \_\_\_\_\_



## Agenda Item: 3.3

# AGENDA MEMORANDUM

Meeting Date: June 1, 2020

Agenda Item: Consideration, discussion and possible action on Resolution R-2020-16 of the BEDC approving and requesting approval of an amendment to the Bastrop Economic Development Corporation's FY 2019/2020 annual budget to allocate \$50,000.00 from reserve funds for the "Bastrop Strong" Initiative, and discussion regarding Bastrop Recovery Task Force and the "Bastrop Strong" Initiative.

Prepared by: BEDC Staff

---

"Bastrop Strong" is a coalition between the City of Bastrop, Bastrop EDC, Visit Bastrop, and private sponsors to have a fund available when an economic disaster occurs affecting our city. We are working with the City to determine the matching amounts that each organization will contribute. These funds will only be matched with the City of Bastrop's funds should those be approved by the City Council in an amount not to exceed \$50,000. The money this year is going to be used to help City of Bastrop organizations and businesses who either (a) still need relief after all other relief funds are exhausted, (b) didn't qualify for relief funds, and/or (c) meet some other criteria for a "need" to be established by the Bastrop Strong coalition wherein the BEDC will be a single voting member of three.

Attachments:

Draft Resolution R-2020-16

---

**Recommendation** – Approve the Resolution as presented.

**[RECOMMENDED MOTION]** – I move to approve Resolution R-2020-16.



**RESOLUTION NO. R-2020-0016****A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING AND REQUESTING APPROVAL OF AN AMENDMENT TO THE BASTROP ECONOMIC DEVELOPMENT CORPORATION'S FY 2019/2020 ANNUAL BUDGET TO ALLOCATE UP TO \$50,000.00 FROM RESERVE FUNDS FOR CONTRIBUTION TO THE "BASTROP STRONG" INITIATIVE; AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE ALL NECESSARY PAPERWORK; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"); and

**WHEREAS**, the COVID-19 National Disaster has caused businesses and related organizations in Bastrop, Texas, to temporarily close and/or experience reductions in sales, workforce, capital development and/or business enterprise retractions for all size businesses located within the City of Bastrop; and

**WHEREAS**, businesses and related organizations desire to expand to the size, employment, enterprise and/or revenue levels experienced by those businesses prior to the retraction brought on by the National Disaster declaration and COVID-19 pandemic crisis; and

**WHEREAS**, Bastrop County has had at least twenty (20) federally declared disasters over the past two (2) decades that have caused economic distress; and

**WHEREAS**, "Bastrop Strong" is a coalition between the City of Bastrop, Bastrop EDC, Visit Bastrop, and private sponsors to have a fund available for the current COVID-19 disaster and future economic disasters affecting the City of Bastrop; and

**WHEREAS**, the Bastrop Strong program will contribute to the City of Bastrop by helping businesses expand to the size, employment, enterprise and/or revenue levels experienced by those businesses prior to any National Disaster declaration, including the COVID-19 National Disaster, creating a direct overall improvement/stimulus in the local economy now and in the future; and

**WHEREAS**, the BEDC finds that the Bastrop Strong program will promote and/or develop new or expanded business enterprises that create or retain primary jobs in substantial conformity with the Act; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

**RESOLUTION NO. R-2020-0016**

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:**

**SECTION 1.** The Board hereby finds that all of the recitals above are true and correct and are incorporated herein as if restated in full.

**SECTION 2.** The Board approves an amendment to the FY 2019/2020 Annual Budget to allocate funds from the BEDC Reserve Fund Balance Account in an amount to match the City’s contribution and not to exceed \$50,000.00 and to be placed into the appropriate fund to be established by City of Bastrop ordinance and to be determined by the City of Bastrop’s Chief Financial Officer (the “Budget Amendment”).

**SECTION 3.** The Board authorizes BEDC’s Chief Executive Officer to take all necessary actions and to execute all necessary documents to request approval of the Budget Amendment by Bastrop City Council and appropriate said funds accordingly.

**SECTION 4.** This Resolution is effective upon passage.

**PASSED AND APPROVED** on the \_\_\_\_\_ day of \_\_\_\_\_ 2020 by the Board of Directors of the Bastrop Economic Development Corporation.

BASTROP ECONOMIC  
DEVELOPMENT CORPORATION

\_\_\_\_\_  
Kathryn Nash, Board Chair

ATTEST:

\_\_\_\_\_  
Sam Kier, Board Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Denton, Navarro, Rocha, Bernal & Zech, P.C





## Agenda Item: 3.4

# AGENDA MEMORANDUM

Meeting Date: June 1, 2020

Agenda Item: Update and discussion on COVID-19 Relief Grant awards.

Prepared by: BEDC Staff

---

The BEDC began a second round of COVID-19 Relief Grants for City of Bastrop businesses on April 24<sup>th</sup>, and on May 11<sup>th</sup> awarded 109 total qualified applicants an additional \$215,000. Out of the 109 grant recipients, 68 were new applicants and 41 received funding through the first round of grants. This made a total of 130 grant recipients over the course of both rounds and \$400,000 in funds distributed. The City and BEDC have already distributed the \$215,000 from the FY 2019/2020 budget for the second round and we have completed the COVID-19 Relief Grants.

The only remaining funds for COVID-19 relief from the BEDC at this time are the Bastrop Strong funds to be voted on by the BEDC Board and City Council.

---

**Recommendation** – No recommendation – for informational purposes only.

