

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

Monday, August 21, 2017 – 5:00 P.M.

Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

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)

3. REGULAR BUSINESS & PRESENTATIONS

- 3.1. Approval of meeting minutes of the Regular Board Meeting of July 17, 2017, and the Special Meeting of July 31, 2017. **(page 3)**
- 3.2. Consideration, discussion and possible action on Resolution R-2017-0012 of the Bastrop EDC to enter into a Professional Services Agreement Contract with Bowman Consulting for the Downtown Trail Expansion Project. **(page 7)**
- 3.3. Consideration, discussion and possible action on Resolution R-2017-0013 of the Bastrop EDC approving the Technology Drive/MLK Infrastructure Project. **(page 12)**
- 3.4. Consideration, discussion and possible action on Resolution R-2017-0014 of the Bastrop Economic Development Corporation engaging Kristen Savant, Norton Rose Fulbright US LLP, as Bond Counsel for the Bastrop EDC. **(page 14)**
- 3.5. Consideration, discussion and possible action on all matters incident and related to declaring the expectation to reimburse expenditures with proceeds of future debt, including the adoption of Resolution R-2017-0015 pertaining thereto. **(page 30)**
- 3.6. Consideration, discussion and possible action to approve the transfer of \$25,000 from the "Contingency" line item to the "380 Agreement Reimbursement" line item in the Bastrop EDC's FY 2016/2017 Budget. **(page 34)**
- 3.7. Consideration, discussion and possible action to approve Resolution R-2017-0016 of the Bastrop Economic Development Corporation approving an agreement for provision of administrative services and shared services between the City of Bastrop and the Bastrop Economic Development Corporation. **(page 36)**
- 3.8. Consideration, discussion and possible action to select a finalist for the 921 Main Street Redevelopment Project. **(page 43)**
- 3.9. Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for the building located at 916 Main Street (Law Office of Derek Van Gilder). **(page 62)**
- 3.10. Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for building signage located at 603 Chestnut Street (Lost Pines Art Bazaar). **(page 73)**

- 3.11. Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for the patio and signage located at 919 Main Street (former Baxters Building). **(page 85)**

--- Open Public Hearing ---

- 3.12. **PUBLIC HEARING** – Conduct a public hearing to receive input from the general public on the Bastrop Economic Development Corporation’s proposed budget for Fiscal Year 2017/2018. **(page 97)**

--- Close Public Hearing ---

- 3.13. The Bastrop Economic Development Corporation Board of Directors will consider, discuss and take possible action concerning the above item 3.12, i.e., the Public Hearing on the BEDC’s proposed budget for Fiscal Year 2017/2018, including but not limited to action to modify the proposed budget and/or to adopt the Fiscal Year 2017/2018 budget, as proposed or modified. **(page 99)**

4. EXECUTIVE SESSION

- 4.1. The Bastrop EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

(1) **Section 551.072** – Deliberation about the purchase, exchange, lease, or value of real property: ‘Project Sinkhole’ and/or ‘Project Revolution’.

(2) **Section 551.087** – Deliberation regarding economic development negotiations: ‘Project Curious George’ and/or ‘Project Be Well’.

- 4.2. The Bastrop EDC Board of Directors will reconvene into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein.

5. ADJOURNMENT

CERTIFICATE

I, Angela Ryan, Assistant Director 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 18th day of August 2017 at 5:00 p.m. Copies of this agenda have been provided to those members of the media requesting such information.

Angela Ryan

Angela Ryan, BEDC Assistant Director

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.



Agenda Item: 3.1

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Approval of meeting minutes of the Regular Board Meeting of July 17, 2017, and Special Board Meeting of July 31, 2017.

Prepared by: Angela Ryan, Assistant Director

The draft minutes from the 07/17/17 Board Meeting and the 07/31/17 Special Board Meeting are attached for the Board's review.

Attachments:

[Draft minutes from the Board Meeting of July 17, 2017]

[Draft minutes from the Special Board Meeting of July 31, 2017]

Recommendation

Approve the minutes as submitted.

[**RECOMMENDED MOTION**] I move to approve both sets of minutes as submitted.

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Monthly Meeting, July 17, 2017
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, July 17, 2017, at 6:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for a Monthly Meeting. Board members present were: Camilo Chavez, Drusilla Rogers, Sam Kier, Kevin Plunkett, Ron Spencer and Connie Schroeder. Board member Kathryn Nash was absent. Staff members present: Shawn Kirkpatrick, Angela Ryan, Jean Riemenschneider and Kathy Merrifield. BEDC Attorney Charlie Zech was also present.

1. **CALL TO ORDER** – Acting Board Chair Camilo Chavez called the Board Meeting to order at 6:00 p.m.
2. **PUBLIC COMMENT(S)** – There were no public comments.
3. **REGULAR BUSINESS & PRESENTATIONS**
 - 3.1. Welcome of new Board members. Mr. Chavez welcomed Sam Kier, Ron Spencer, Connie Schroeder and Kathryn Nash to the Board.
 - 3.2. Approval of meeting minutes of the Regular Board Meeting of June 19, 2017. Mr. Plunkett made the motion to approve the minutes as submitted, Ms. Rogers seconded and the motion passed.
 - 3.3. Acceptance of the Bastrop EDC's financial summary report for period ending June 30, 2017. Mr. Kirkpatrick reviewed the June financials. Mr. Plunkett made the motion to accept the financials as submitted, Ms. Rogers seconded and the motion passed.
 - 3.4. Consideration, discussion and possible action on election of 2017/2018 BEDC Officers: Chair, Vice-Chair, Secretary and Treasurer, and Assistant Secretary and Assistant Treasurer. Mr. Plunkett made the motion to reappoint Angela Ryan and Shawn Kirkpatrick as Assistant Secretary and Assistant Treasurer respectively, Ms. Rogers seconded and the motion passed. Mr. Spencer made the motion for Cam Chavez to be elected Chair, Mr. Plunkett seconded, and the motion passed, with Ms. Schroeder abstaining from the vote. Mr. Spencer made the motion for Kevin Plunkett to be elected Vice-Chair and Sam Kier to be elected Secretary/Treasurer. Ms. Rogers seconded and the motion passed.
 - 3.5. Consideration, discussion and possible action on Board meeting schedule for 2017/2018. Ms. Schroeder made the motion to accept the Board meeting schedule as presented and to change the start time of the meetings to 5:00 p.m., Mr. Spencer seconded and the motion passed.
 - 3.6. At 6:17 p.m., the Board opened a public hearing to provide information and receive input from the public regarding a proposed project being considered by the Bastrop EDC, funding of the Downtown Trail Expansion Project, in an amount not to exceed \$680,000. Mr. Kirkpatrick presented an overview of the Trail Expansion Project. Mr. Kirkpatrick said he expects the project to begin this fall and that TxDOT has already approved the bridge portion. Public comment was made in support of the project by Richard Smarzik. The public hearing was closed at 6:26 p.m.
 - 3.7. Consideration, discussion and possible action on Resolution R-2017-0009 of the Bastrop EDC to fund the Downtown Trail Expansion Project in an amount not to exceed \$680,000.

Ms. Rogers made the motion to approve Resolution 2017-0009, Mr. Spencer seconded and the motion passed.

- 3.8. **WORKSHOP SESSION:** The Bastrop EDC Board of Directors conducted a workshop session to preview and discuss the EDC's FY 2017/2018 budget, and to discuss the possibility of holding a special meeting and budget workshop on July 31, 2017. Mr. Kirkpatrick presented the draft budget for FY 2017/2018. It was decided there would be a special meeting on July 31, 2017, beginning at 5:00 p.m.

4. EXECUTIVE SESSION

- 4.1. At 7:12 p.m., the Bastrop EDC Board of Directors met in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:
- (1) **Section 551.072** – Deliberation about the purchase, exchange, lease, or value of real property: 'Project 1989' and/or 'Project Minerals'.
 - (2) **Section 551.087** – Deliberation regarding economic development negotiations: 'Project 1989', 'Project Be Well', and/or 'Project Minerals'.
- 4.2. At 8:09 p.m., the Bastrop EDC Board of Directors reconvened into open session to discuss, consider and/or take any action necessary related to the executive session noted herein.
- 4.3. Consideration, discussion and possible action on Resolution R-2017-10 approving the terms of an economic development performance agreement with Granite & Stone, LLC. Ms. Schroeder made the motion to approve Resolution 2017-0010, Ms. Rogers seconded and the motion passed. Mr. Spencer was not in the room for the vote.
- 4.4. Consideration, discussion and possible action on Resolution R-2017-11 approving the terms of a sales/purchase contract for the sale of a tract of land located in the Bastrop Business and Industrial Park to Granite & Stone, LLC. Ms. Schroeder made the motion to approve Resolution 2017-0011, Ms. Rogers seconded and the motion passed.

5. **ADJOURNMENT** – Board Chair Camilo Chavez adjourned the meeting at 8:16 p.m.

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Special Meeting, July 31, 2017
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, July 31, 2017, at 5:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for a Special Meeting. Board members present were: Drusilla Rogers, Sam Kier, Kevin Plunkett, Kathryn Nash, Ron Spencer, and Connie Schroeder. Board member Camilo Chavez was absent. Staff members present: Shawn Kirkpatrick, Angela Ryan, Jean Riemenschneider and Kathy Merrifield. BEDC Attorney was not present.

1. **CALL TO ORDER** – Vice-Chair Kevin Plunkett called the Board Meeting to order at 5:00 p.m.

2. **PUBLIC COMMENT(S)** – There were no public comments.

3. **WORKSHOP SESSION**

3.1. Board Training

- a) Bastrop EDC Overview (Shawn Kirkpatrick) – Mr. Kirkpatrick presented his “ABC Theory” of Economic Development.
- b) Review results from goal-setting workshop with Alysia Cook: goals, metrics, and key performance indicators (KPIs) – Ms. Cook presented a draft document summarizing all the above-referenced items.
- c) Q&A with staff and Alysia Cook about Economic Development – At the end of Ms. Cook’s presentation, the floor was opened for questions and comments. Ms. Schroeder would like to see timelines attached to the KPIs. There was general discussion about updating the Board on the EDC’s progress. Mr. Kirkpatrick asked that any additional comments or concerns be emailed to him and Angela Ryan.
- d) iPad training: Board Members each received an iPad for the purpose of reducing paper usage. All board packets and information will now be uploaded by EDC staff to a designated Dropbox account.

3.2. Presentation on infrastructure projects that promote new or expanded business development. Both projects were presented by Mr. Kirkpatrick. Eren Ulusoy from Bowman Consulting was in attendance to answer questions or concerns of the Board.

- a) Home Depot Way/Agnes road, drainage and related infrastructure extension
- b) Technology Drive/MLK road, drainage, and related infrastructure extension

3.3. Discussion regarding the EDC’s FY 2017/2018 budget. Mr. Kirkpatrick reviewed the budget a final time and explained next steps. There will be a Public Hearing at the August meeting, and the Board should be prepared to approve the 2017/2018 budget after the hearing. Once approved, there will be two readings before City Council and approval at the second September Council meeting. The new budget year begins October 1, 2017.

3.4. Discussion regarding the issuance of debt for infrastructure projects by the Bastrop EDC and retention of bond counsel and financial advisor. Mr. Kirkpatrick explained that he would be recommending Norton Rose Fulbright as bond counsel and Hilltop Securities as financial advisor at a future meeting. There will also be a reimbursement resolution for Board approval.

4. **ADJOURNMENT** – Vice-Chair Kevin Plunkett adjourned the meeting at 7:54 p.m.



Agenda Item: 3.2

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on Resolution R-2017-0012 of the Bastrop EDC to enter into a Professional Services Agreement Contract with Bowman Consulting for the Downtown Trail Expansion Project.

Prepared by: Shawn A. Kirkpatrick, Executive Director

Bowman Consulting has submitted a Scope of Services to develop Construction Plans, TxDOT Coordination and Permitting, Bid Docs and Bidding Support, and Owners Representation. The total cost of engineering services is \$54,500.

Approval of this Resolution will allow the EDC to execute the professional services agreement to begin the engineering development of the Project.

Attachments:

[Resolution]

[Professional Services Agreement (may be provided separately)]

[Trail Map]

Recommendation

[**Sample Motion**] I move to approve Resolution 2017-0012.

RESOLUTION NO. R-2017-0012**A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION
ENTERING INTO A PROFESSIONAL SERVICES AGREEMENT
WITH BOWMAN CONSULTING FOR THE DOWNTOWN TRAIL EXPANSION PROJECT.**

WHEREAS, the Bastrop Economic Development Corporation Board of Directors has found the Downtown Trail Expansion Project as an allowable project under Texas Local Government Code Chapter Section 505.152 and 505.158 through Resolution 2017-009; and

WHEREAS, in the Fiscal Year 2016-2107 budget, the Bastrop Economic Development Corporation allocated \$180,000 for the Project; and

WHEREAS, Bowman Consulting has proposed a Scope of Services for the preparation of construction plans, permitting and owner representation during the construction of the Project.

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

SECTION 1.

- a. The Board authorizes the Chair and/or Executive Director to execute the Professional Services Agreement [**Exhibit A**] with Bowman Consulting.

SECTION 2. Approval

PASSED AND APPROVED on the 21st day of August 2017, by the Board of Directors of the Bastrop Economic Development Corporation.

[SIGNATURE PAGE FOLLOWS]

RESOLUTION NO. R-2017-0012

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Camilo Chavez, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

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

DRAFT

RESOLUTION NO. R-2017-0012

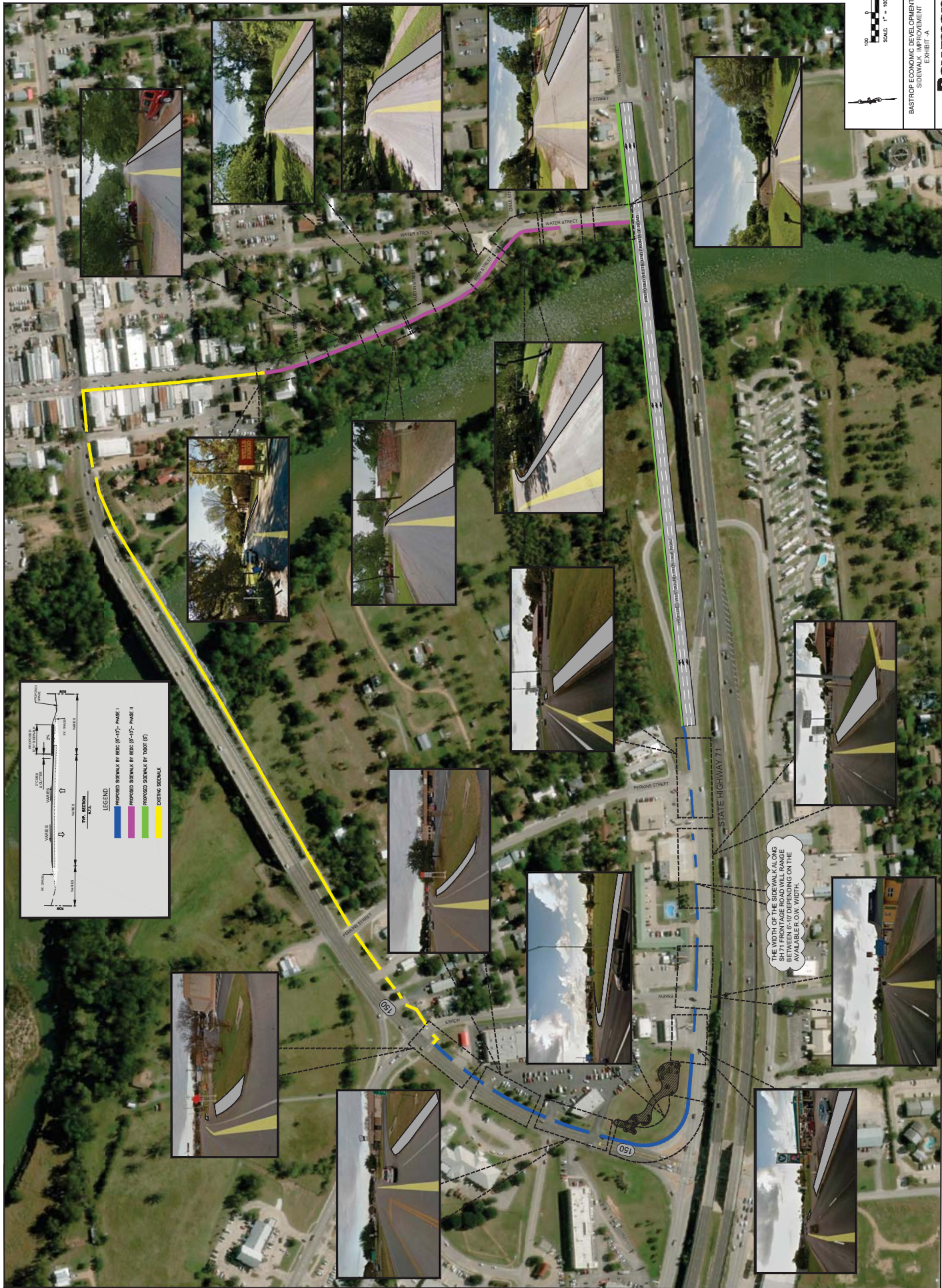
Exhibit "A"

Professional Service Agreement by and between the BEDC and Bowman Consulting for services related to the Downtown Trail Expansion Project (18 pages).

DRAFT



NOTES:
 1. SIDEWALK WIDTH SHALL VARY FROM 8'-0" TO 12'-0" DEPENDING ON AVAILABLE R.O.W. WIDTH.
 2. SIDEWALK SHALL BE CONCRETE CURB ON



THE WIDTH OF THE SIDEWALK ALONG SH 71 FROM FACE ROAD WILL RANGE FROM 8'-0" TO 12'-0" DEPENDING ON THE AVAILABLE R.O.W. WIDTH.



Agenda Item: 3.3

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on Resolution R-2017-0013 of the Bastrop EDC approving the Technology Drive/MLK Infrastructure Project.

Prepared by: Shawn Kirkpatrick, Executive Director

In order to bring the Business Park into compliance with the City of Bastrop's development regulations, this project provides a second ingress and egress route. Attached is the Opinion of Probable Cost estimate provided by Bowman Consulting.

In addition, the project provides for 10.5 +/- acres of additional shovel-ready sites. Granite & Stone, LLC, is committed to acquiring and developing 5.5 +/- acres of the 10.5 +/- acres.

This resolution puts forward the legal "finding of facts" that this is an eligible project of the EDC.

Attachments:

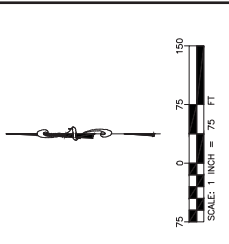
[Resolution] (The resolution is currently at legal review. If it is not ready in time for the packet, it will be sent out separately. Copies will be available at the meeting for the public.)

[Opinion of Probable Cost (OPC) for the Project]

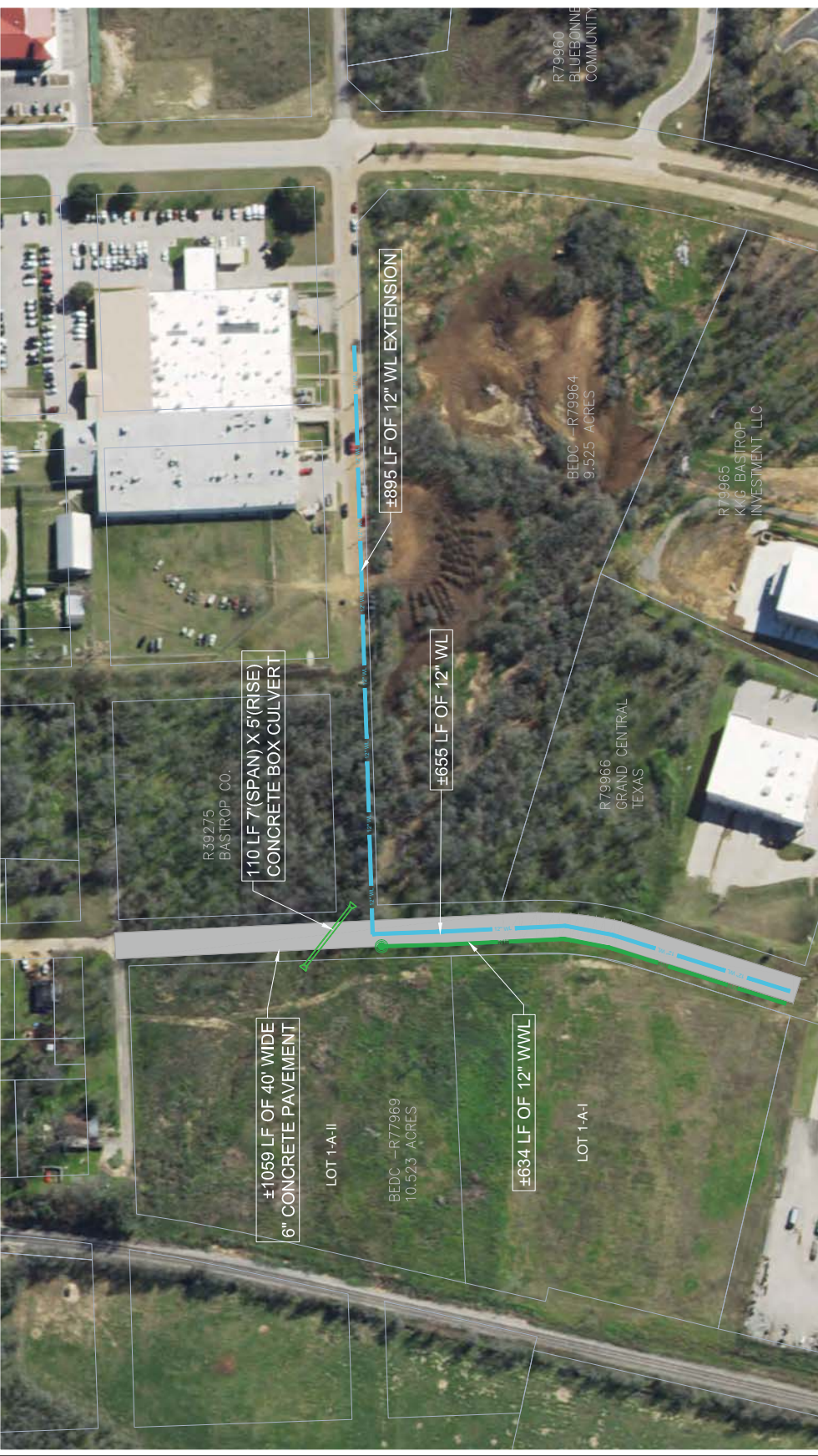
Recommendation

Approve as presented.

[RECOMMENDED MOTION] I move to approve Resolution 2017-0013.



PRELIMINARY



THIS DOCUMENT IS FOR INFORMATION PURPOSES ONLY. IT IS NOT TO BE USED FOR CONSTRUCTION PURPOSES.

BASTROP ECONOMIC DEVELOPMENT
 TECHNOLOGY DRIVE AND WATER LINE EXTENSION

Bowman CONSULTING

1120 S. Capital of Texas Hwy. • Building 3, Suite 220 • Austin, Texas 78746
 Phone: (512) 327-1150 • Fax: (512) 327-4052 • www.bowmanconsulting.com
 TBPE Firm Registration No. F-14309

ENGINEER'S PROBABLE COST ESTIMATE

1. TECHNOLOGY DRIVE				
Bid Item	Description	Quantity	Unit Price	Total
1.1	12" WATER LINE EXTENSION			
1.1	12" 1200 (5' x 14.5') including pipe, fittings, testbursts, and appurtenances (all depths)	656	LF \$46.00	\$46,276.00
1.2	Trench Safety	656	LF \$1.00	\$656.00
1.3	Shoring	2	EA \$2,700.00	\$5,400.00
1.4	Shoring Firm Hydrant Assembly, including pipe fittings, testbursts, valve hydrant, and all required appurtenances	2	EA \$3,463.00	\$6,926.00
1.5	Excavation and Sedimentation/vegetation	1	LS \$2,677.80	\$2,677.80
	SUBTOTAL			\$58,235.80
BID SUMMARY				
	CONCRETE PAVEMENT			\$569,206.54
	12" WATER LINE EXTENSION			\$59,233.80
	DESIGN AND PROJECT MANAGEMENT			\$720,000.00
	5% Contingency			\$39,750.20
	TOTAL BID			\$1,428,190.54
*Note: Bonds are excluded				

2. CONCRETE PAVEMENT				
Bid Item	Description	Quantity	Unit Price	Total
2.1	6" Concrete Pavement	42,350	SF \$1.50	\$63,525.00
2.2	Concrete Curbs and Gutters	2,118	LF \$15.00	\$31,770.00
2.3	Concrete Voids	655	LF \$46.00	\$30,130.00
2.4	Shoring	2	EA \$2,700.00	\$5,400.00
2.5	Shoring Firm Hydrant Assembly, including pipe fittings, testbursts, valve hydrant, and all required appurtenances	2	EA \$3,463.00	\$6,926.00
2.6	Excavation and Sedimentation/vegetation	1	LS \$2,677.80	\$2,677.80
2.7	Water Meters	3	EA \$2,000.00	\$6,000.00
2.8	Water Meters	3	EA \$2,000.00	\$6,000.00
2.9	24" Storm Sewer Pipe	75	LF \$10.00	\$750.00
2.10	24" SRP 20 Watermeter Line including pipe, testbursts, and other appurtenances (6" depth)	604	LF \$90.00	\$54,360.00
2.11	# Manhole (6" depth)	2	EA \$5,200.00	\$10,400.00
2.12	Trench Safety	1,289	LF \$1.00	\$1,289.00
2.13	Shoring	2	EA \$2,700.00	\$5,400.00
2.14	# 42" Box Culvert	110	LF \$650.00	\$71,500.00
2.15	Excavation and Sedimentation/vegetation	1	LS \$47,659.54	\$47,659.54
	SUBTOTAL			\$399,806.54



Agenda Item: 3.4

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on Resolution R-2017-0014 of the Bastrop Economic Development Corporation engaging Kristen Savant, Norton Rose Fulbright US LLP, as Bond Counsel for the Bastrop EDC.

Prepared by: Shawn Kirkpatrick, Executive Director

As discussed with the Board during the Special Board Meeting and Workshop regarding the EDC considering a debt issuance, the engagement of bond legal counsel is necessary. I have previously worked with Kristen Savant at Norton Rose Fulbright US LLP in their Dallas office. Her responsiveness and knowledge related to the issuance of debt for municipalities and EDCs is impressive. EDC's general counsel, Denton Navarro, et al., does not practice in this highly specialized area of law.

Attached is an engagement agreement with Norton Rose Fulbright US LLP.

BIO – Kristen Savant

Kristen Savant joined the Dallas office in 1998. Previously, Kristen served as law clerk to the Honorable John V. Parker, United States District Court Judge for the Middle District of Louisiana.

Kristen focuses her practice on public finance matters. She serves as bond counsel and underwriters' counsel in debt offerings and business transactions for school districts, junior college districts, cities, counties and special-purpose districts.

Attachments:

[Resolution]

[Engagement Agreement]

Recommendation

[RECOMMENDED MOTION] I move to approve Resolution 2017-0014 engaging Norton Rose Fulbright US LLC as bond counsel for the Bastrop EDC.

RESOLUTION NO. R-2017-0014**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING A LETTER OF REPRESENTATION FOR LEGAL SERVICES (BOND COUNSEL) BETWEEN NORTON ROSE FULBRIGHT US, LLP, AND THE BASTROP ECONOMIC DEVELOPMENT CORPORATION; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING 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, in order to fulfill its public purpose in advancing qualifying projects under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, the BEDC requires certain professional services, including without limitation, legal and financial services; and

WHEREAS, financial and legal expenses are included within the term “cost” with respect to qualifying projects and are therefore authorized expenditures, as provided by Texas Local Government Code § 501.152; and

WHEREAS, the BEDC is authorized by Texas Local Government Code, Chapter 501, Subchapter E to issue bonds to support the cost of qualifying projects, subject to the requirements provided therein; and

WHEREAS, after careful evaluation and consideration by the Board, it has determined that legal services are necessary to ensure that the authorization, sale and issuance of bonds required to fund certain qualifying projects comply with state and federal law, and that these services can be provided efficiently and competently by the Norton Rose Fulbright US, LLP, law firm under a letter of engagement agreement by and between the parties as attached hereto as Exhibit “A” (the “Agreement”).

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

SECTION 1. That 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. On this date, the 21st day of August 2017, the BEDC hereby finds that the procurement and provision of certain specialized legal services is necessary for the BEDC’s proper advancement of qualifying projects under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, and Board hereby approves the terms of the Agreement by and between the BEDC and Norton Rose Fulbright US, LLP, for the provision of such services, as set forth and attached hereto as Exhibit “A”.

SECTION 3. The Board authorizes Chair Camilo Chavez and/or Executive Director Shawn

RESOLUTION NO. R-2017-0014

Kirkpatrick to take all necessary actions including the execution of the Agreement and related documentation, if any.

SECTION 4. This Resolution is effective upon passage.

PASSED AND APPROVED on the 21st day of August 2017, by the Board of Directors of the Bastrop Economic Development Corporation.

[SIGNATURE PAGE FOLLOWS]

DRAFT

RESOLUTION NO. R-2017-0014

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Camilo Chavez, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

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

DRAFT

RESOLUTION NO. R-2017-0014

Exhibit "A"

Agreement by and between the BEDC and Norton Rose Fulbright US, LLP, for the provision of legal services (11 pages).

DRAFT



August 21, 2017

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-7932
United States

Tel +1 214 855 8000
Fax +1 214 855 8200
nortonrosefulbright.com

Re: Bastrop Economic Development Corporation Sales Tax Revenue Bonds, Series 2017

Ladies and Gentlemen:

We sincerely appreciate the opportunity to serve the Bastrop Economic Development Corporation (the "Corporation") as bond counsel. This letter confirms that Norton Rose Fulbright US LLP will represent the Corporation in connection with the proposed authorization, sale, and issuance of the referenced bonds or other debt obligations (the "Obligations"). Your acceptance of that representation (the "Representation") becomes effective upon the execution and return of the enclosed copy of this letter.

Terms of Engagement

This letter sets out the terms of our engagement in the Representation. Certain of those terms are included in the body of this letter, and additional terms are contained in the attached document, entitled *Additional Terms of Engagement*. That document is expressly incorporated into this letter, and it should be read carefully. The execution and return of the enclosed copy of this letter constitutes an unqualified agreement to all the terms set forth in this letter and in the attached *Additional Terms of Engagement*.

It is understood and agreed that our engagement is limited to the Representation. We are not being retained as general counsel, and our acceptance of this engagement does not imply any undertaking to provide legal services other than those set forth in this letter.

As bond counsel, we expect to perform the following duties:

- (1) prepare and review documents necessary or appropriate to the authorization, issuance, sale, and delivery of the Obligations, and coordinate the authorization and execution of such documents;
- (2) subject to completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Obligations, the source of payment and security for the Obligations, and the federal income tax treatment of interest on the Obligations;

- (3) assist you in seeking from other governmental authorities such approvals, permissions, and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, sale, and delivery of the Obligations;
- (4) review legal issues relating to the structure of the Obligations;
- (5) prepare election proceedings if appropriate;
- (6) assist you in reviewing those sections of the official statement, private placement memorandum, or other form of offering or disclosure document which describe the terms of the Obligations and the opinion described in paragraph (2) above to be disseminated in connection with the sale of the Obligations;
- (7) assist in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Obligations and, after initial delivery of the Obligations, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking; and
- (8) assist in presenting information relating to the legality of the Obligations to bond rating organizations and providers of credit enhancement if applicable.

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

Our engagement is to advise you with respect to legal issues only; we understand that you have engaged First Southwest, A Division of Hilltop Securities Inc., as your financial advisor, and unless otherwise instructed by you we will consult with and take direction from your financial advisor in the issuance of the Obligations. Our duties as bond counsel specifically do not include:

- (1) except as described in paragraph (6) above, or except as specifically engaged for such purpose, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Obligations, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading;
- (2) preparing requests for tax rulings from the Internal Revenue Service;

- (3) preparing blue sky or investment surveys with respect to the Obligations;
- (4) drafting of state constitutional amendments or preparation of authorizing legislation;
- (5) making an investigation or expressing any view of the creditworthiness of you or of the Obligations or any obligor therefor;
- (6) except as specifically engaged for such purpose, responding to Internal Revenue Service audits or Securities and Exchange Commission investigations; or
- (8) any other matter not specifically set forth above that is not required to render the Bond Opinion.

Our Personnel Who Will Be Working on the Obligations

I would have primary responsibility for servicing the account of the Corporation. Tax support would be provided by Joy Ellis (Partner). You may call, write, or e-mail me or Diane Callahan (Senior Paralegal), whenever you have any questions about the Representation. Other firm personnel, including firm lawyers and paralegals will participate in the Representation if, in our judgment, their participation is necessary or appropriate.

Our Legal Fees and Costs

For and in consideration of serving as Bond Counsel, our suggested fee schedule is attached hereto as Attachment 1. It should also be noted that payment of our fee is contingent on the issuance and delivery of the Obligations.

Conflicts of Interest

Before accepting the Representation, we have undertaken reasonable and customary efforts to determine whether there are any potential conflicts of interest that would bar our firm from representing you in connection with the issuance of the Obligations. Based on information available to us, we are not aware of any potential disqualification. We reviewed that issue in accordance with the rules of professional responsibility adopted in Texas. We believe that those rules, rather than the rules of any other jurisdiction, are applicable to the Representation; and the execution and return of the enclosed copy of this letter by you represents an express agreement to the applicability of those rules.

August 21, 2017
Page 4

↑
NORTON ROSE FULBRIGHT

Conclusion

This letter and the attached *Additional Terms of Engagement* constitute the entire terms of the engagement of Norton Rose Fulbright (Norton Rose Fulbright US LLP) in the Representation. These written terms of engagement are not subject to any oral agreements or understandings, and they can be modified only by further written agreement signed both by you and Norton Rose Fulbright (Norton Rose Fulbright US LLP). Unless expressly stated in these terms of engagement, no obligation or undertaking shall be implied on the part of either the Bastrop Economic Development Corporation or Norton Rose Fulbright US LLP.

Please carefully review this letter and the attached *Additional Terms of Engagement*. If both documents are acceptable, please sign and return the enclosed copy of this letter so that we may commence the Representation.

Very truly yours,

By: _____
Kristen Savant

BASTROP ECONOMIC DEVELOPMENT CORPORATION, AGREES TO AND ACCEPTS THIS LETTER AND THE ATTACHED TERMS OF ENGAGEMENT:

BASTROP ECONOMIC DEVELOPMENT CORPORATION

By: _____

Title: _____

Date: _____



**ATTACHMENT 1
FEE SCHEDULE**

Base fee of \$5,750.00, plus \$1.00 per \$1,000 in principal amount of Obligations issued. This amount includes all out-of-pocket expenses, except for the Attorney General's examination fee.

NORTON ROSE FULBRIGHT (NORTON ROSE FULBRIGHT US LLP)***Additional Terms of Engagement***

This is a supplement to our engagement letter, dated August 21, 2017. The purpose of this document is to set out additional terms of our agreement to provide the representation described in our engagement letter (the "Representation") concerning representation of you in connection with the issuance of the Obligations described in the engagement letter. Because these additional terms of engagement are a part of our agreement to provide legal services, you should review them carefully and should promptly communicate to us any questions concerning this document. We suggest that you retain this statement of additional terms along with our engagement letter and any related documents.

The Scope of the Representation

As lawyers, we undertake to provide representation and advice on the legal matters for which we are engaged. It is important for our clients to have a clear understanding of the legal services that we have agreed to provide. Thus, if there are any questions about the scope of the Representation that we are to provide in connection with issuance of the Obligations, please raise those questions promptly, so that we may resolve them at the outset of the Representation.

Any expressions on our part concerning the outcome of the Representation, or any other legal matters, are based on our professional judgment and are not guarantees. Such expressions, even when described as opinions, are necessarily limited by our knowledge of the facts and are based on our views of the state of the law at the time they are expressed.

Upon accepting this engagement on your behalf, Norton Rose Fulbright (Norton Rose Fulbright US LLP) agrees to do the following: (1) provide legal counsel in accordance with these terms of engagement and the related engagement letter, and in reliance upon information and guidance provided by you; and (2) keep you reasonably informed about the status and progress of the Representation.

To enable us to provide effective representation, you agree to do the following: (1) disclose to us, fully and accurately and on a timely basis, all facts and documents that are or might be material or that we may request, (2) keep us apprised on a timely basis of all developments relating to the Representation that are or might be material, (3) attend meetings, conferences, and other proceedings when it is reasonable to do so, and (4) otherwise cooperate fully with us.

Our firm has been engaged to provide legal services as Bond Counsel in connection with the Representation, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations. Unless we are actually engaged after the completion of the Representation to provide additional advice on such issues, the firm has no continuing obligation to give advice with respect to any future legal developments that may pertain to the Obligations, as specifically defined in our engagement letter. After completion of the Representation, changes may occur in the applicable laws or regulations that could affect your future rights and liabilities in regard to the Obligations.

It is further agreed that the attorney-client relationship terminates upon initial issuance of the Obligations.

Who Will Provide the Legal Services

Customarily, each client of the firm has a relationship principally with one attorney, or perhaps a few attorneys. At the same time, however, the work required in the Representation, or parts of it, may be performed by other firm personnel, including lawyers and legal assistants. Such delegation may be for the purpose of involving other firm personnel with special expertise in a given area or for the purpose of providing services on an efficient and timely basis.

Our Relationships With Others

Our law firm represents many companies and individuals. In some instances, the applicable rules of professional conduct may limit our ability to represent clients with conflicting or potentially conflicting interests. Those rules of conduct often allow us to exercise our independent judgment in determining whether our relationship with one client prevents us from representing another. In other situations, we may be permitted to represent a client only if the other clients consent to that representation.

Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, it is our policy that the governing rules will be those applicable to the particular office of our firm that prepares the engagement letter for a particular matter. The acceptance by you of our engagement letter constitutes an express agreement with that policy, unless the engagement letter specifically states that some other rules of professional responsibility will govern our attorney-client relationship.

If a controversy unrelated to the Obligations develops between you and any other client of the firm, we will follow the applicable rules of professional responsibility to determine whether we may represent either you or the other client in the unrelated controversy.

You understand that we represent many investment banking firms, commercial banks, and other parties to public finance transactions from time to time in connection with other issues, including your financial advisor and potential underwriters for your securities, and you do not object to our continued representation (in connection with other issues) of any such firm with respect to which you choose to do business in connection with issuance of the Obligations, since doing so is how we are able to gain the experience we need to represent you effectively.

In addition to our representation of other companies and individuals, we also regularly represent lawyers and law firms. As a result, opposing counsel to any party in connection with the issuance of the Obligations may be a lawyer or law firm that we may represent now or in the future. Likewise, opposing counsel to any party in connection with the issuance of the Obligations may represent our firm now or in the future. Further, we have professional and personal relationships with many other attorneys, often because of our participation in bar associations and other professional organizations. It is our professional judgment that such relationships with other attorneys do not adversely affect our ability to represent any client. The acceptance of these terms of engagement represents an unqualified consent to any such

relationships between our firm and other lawyers or law firms, even counsel who is representing a party that is adverse to you in connection with the issuance of the Obligations that is the subject of this engagement or in some other matter.

Disclaimer

Norton Rose Fulbright (Norton Rose Fulbright US LLP) has made no promises or guarantees to you about the outcome of the Representation or the issuance of the Obligations, and nothing in these terms of engagement shall be construed as such a promise or guarantee. Our representation of you will not affect our responsibility to render an objective bond counsel Bond Opinion.

Termination

At any time, you may, with or without cause, terminate the Representation by notifying us of your intention to do so. Any such termination of services will not affect the obligation to pay legal services

rendered and expenses incurred before termination, as well as additional services and charges incurred in connection with an orderly transition of the matters relating to issuance of the Obligations.

We are subject to the codes or rules of professional responsibility for the jurisdictions in which we practice. There are several types of conduct or circumstances that could result in our withdrawing from representing a client, including, for example, the following: non-payment of fees or costs; misrepresentation or failure to disclose material facts; fraudulent or criminal conduct; action contrary to our advice; and conflict of interest with another client. We try to identify in advance and discuss with our clients any situation that may lead to our withdrawal.

A failure by you to meet any obligations under these terms of engagement shall entitle Norton Rose Fulbright (Norton Rose Fulbright US LLP) to terminate the Representation. In that event, you will take all steps necessary to release Norton Rose Fulbright (Norton Rose Fulbright US LLP) of any further obligations in the Representation or the issuance of the Obligations, including without limitation the execution of any documents necessary to effectuate our withdrawal from the Representation or the issuance of the Obligations. The right of Norton Rose Fulbright (Norton Rose Fulbright US LLP) to withdraw in such circumstances is in addition to any rights created by statute or recognized by the governing rules of professional conduct.

Billing Arrangements and Terms of Payment

Our engagement letter specifically explains our fees for services in connection with issuance of the Obligations. We will give notice if an account becomes delinquent, and it is further agreed that any delinquent account must be paid upon the giving of such notice. If the delinquency continues and you do not arrange satisfactory payment terms, we may withdraw from the Representation and pursue collection of our account.

Document Retention

At the close of any matter, we send our files in that matter to a storage facility for storage at our expense. The attorney closing the file determines how long we will maintain the files in storage. After that time, we will destroy the documents in the stored files.

At the conclusion of the Representation, we return to the client any documents that are specifically requested to be returned. As to any documents so returned, we may elect to keep a copy of the documents in our stored files.

Standards of Professionalism and Attorney Complaint Information

Pursuant to rules promulgated by the Texas Supreme Court and the State Bar of Texas, we are to advise our clients of the contents of the Texas Lawyer's Creed, a copy of which is attached. In addition, we are to advise clients that the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. A brochure entitled *Attorney Complaint Information* is available at all of our Texas offices and is likewise available upon request. A client that has any questions about State Bar's disciplinary process should call the Office of the General Counsel of the State Bar of Texas at 1-800-932-1900 toll free.

THE TEXAS LAWYER'S CREED — A Mandate for Professionalism

The Texas Supreme Court and the Texas Court of Criminal Appeals adopted this Creed, with the requirement that lawyers advise their clients of its contents when undertaking representation.

I am a lawyer; I am entrusted by the People of Texas to preserve and improve our legal system. I am licensed by the Supreme Court of Texas. I must therefore abide by the Texas Disciplinary Rules of Professional Conduct, but I know that Professionalism requires more than merely avoiding the violation of laws and rules. I am committed to this Creed for no other reason than it is right.

I. OUR LEGAL SYSTEM. A lawyer owes to the administration of justice personal dignity, integrity, and independence. A lawyer should always adhere to the highest principles of professionalism. I am passionately proud of my profession. Therefore, "My word is my bond." I am responsible to assure that all persons have access to competent representation regardless of wealth or position in life. I commit myself to an adequate and effective pro bono program. I am obligated to educate my clients, the public, and other lawyers regarding the spirit and letter of this Creed. I will always be conscious of my duty to the judicial system.

II. LAWYER TO CLIENT. A lawyer owes to a client allegiance, learning, skill, and industry. A lawyer shall employ all appropriate means to protect and advance the client's legitimate rights, claims, and objectives. A lawyer shall not be deterred by any real or imagined fear of judicial disfavor or public unpopularity, nor be influenced by mere self-interest. I will advise my client of the contents of this Creed when undertaking representation. I will endeavor to achieve my client's lawful objectives in legal transactions and in litigation as quickly and economically as possible. I will be loyal and committed to my client's lawful objectives, but I will not permit that loyalty and commitment to interfere with my duty to provide objective and independent advice. I will advise my client that civility and courtesy are expected and are not a sign of weakness. I will advise my client of proper and expected behavior. I will treat adverse parties and witnesses with fairness and due consideration. A client has no right to demand

that I abuse anyone or indulge in any offensive conduct. I will advise my client that we will not pursue conduct which is intended primarily to harass or drain the financial resources of the opposing party. I will advise my client that we will not pursue tactics which are intended primarily for delay. I will advise my client that we will not pursue any course of action which is without merit. I will advise my client that I reserve the right to determine whether to grant accommodations to opposing counsel in all matters that do not adversely affect my client's lawful objectives. A client has no right to instruct me to refuse reasonable requests made by other counsel. I will advise my client regarding the availability of mediation, arbitration, and other alternative methods of resolving and settling disputes.

III. LAWYER TO LAWYER. A lawyer owes to opposing counsel, in the conduct of legal transactions and the pursuit of litigation, courtesy, candor, cooperation, and scrupulous observance of all agreements and mutual understandings. Ill feelings between clients shall not influence a lawyer's conduct, attitude, or demeanor toward opposing counsel. A lawyer shall not engage in unprofessional conduct in retaliation against other unprofessional conduct. I will be courteous, civil, and prompt in oral and written communications. I will not quarrel over matters of form or style, but I will concentrate on matters of substance. I will identify for other counsel or parties all changes I have made in documents submitted for review. I will attempt to prepare documents which correctly reflect the agreement of the parties. I will not include provisions which have not been agreed upon or omit provisions which are necessary to reflect the agreement of the parties. I will notify opposing counsel, and, if appropriate, the Court or other persons, as soon as practicable, when hearings, depositions, meetings, conferences or closings are canceled. I will agree to reasonable requests for extensions of time and for waiver of procedural formalities, provided legitimate objectives of my client will

not be adversely affected. I will not serve motions or pleadings in any manner that unfairly limits another party's opportunity to respond. I will attempt to resolve by agreement my objections to matters contained in pleadings and discovery requests and responses. I can disagree without being disagreeable. I recognize that effective representation does not require antagonistic or obnoxious behavior. I will neither encourage nor knowingly permit my client or anyone under my control to do anything which would be unethical or improper if done by me. I will not, without good cause, attribute bad motives or unethical conduct to opposing counsel nor bring the profession into disrepute by unfounded accusations of impropriety. I will avoid disparaging personal remarks or acrimony towards opposing counsel, parties and witnesses. I will not be influenced by any ill feeling between clients. I will abstain from any allusion to personal peculiarities or idiosyncrasies of opposing counsel. I will not take advantage, by causing any default or dismissal to be rendered, when I know the identity of an opposing counsel, without first inquiring about that counsel's intention to proceed. I will promptly submit orders to the Court. I will deliver copies to opposing counsel before or contemporaneously with submission to the court. I will promptly approve the form of orders which accurately reflect the substance of the rulings of the Court. I will not attempt to gain an unfair advantage by sending the Court or its staff correspondence or copies of correspondence. I will not arbitrarily schedule a deposition, Court appearance, or hearing until a good faith effort has been made to schedule it by agreement. I will readily stipulate to undisputed facts in order to avoid needless costs or inconvenience for any party. I will refrain from excessive and abusive discovery. I will comply with all reasonable discovery requests. I will

not resist discovery requests which are not objectionable. I will not make objections nor give instructions to a witness for the purpose of delaying or obstructing the discovery process. I will encourage witnesses to respond to all deposition questions which are reasonably understandable. I will neither encourage nor permit my witness to quibble about words where their meaning is reasonably clear. I will not seek Court intervention to obtain discovery which is clearly improper and not discoverable. I will not seek sanctions or disqualification unless it is necessary for protection of my client's lawful objectives or is fully justified by the circumstances.

IV. LAWYER AND JUDGE. Lawyers and judges owe each other respect, diligence, candor, punctuality, and protection against unjust and improper criticism and attack. Lawyers and judges are equally responsible to protect the dignity and independence of the Court and the profession. I will always recognize that the position of judge is the symbol of both the judicial system and administration of justice. I will refrain from conduct that degrades this symbol. I will conduct myself in court in a professional manner and demonstrate my respect for the Court and the law. I will treat counsel, opposing parties, the Court, and members of the Court staff with courtesy and civility. I will be punctual. I will not engage in any conduct which offends the dignity and decorum of proceedings. I will not knowingly misrepresent, mischaracterize, misquote or miscite facts or authorities to gain an advantage. I will respect the rulings of the Court. I will give the issues in controversy deliberate, impartial and studied analysis and consideration. I will be considerate of the time constraints and pressures imposed upon the Court, Court staff and counsel in efforts to administer justice and resolve disputes.



Agenda Item: 3.5

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on all matters incident and related to declaring the expectation to reimburse expenditures with proceeds of future debt, including the adoption of Resolution R-2017-0015 pertaining thereto.

Prepared by: Shawn Kirkpatrick, Executive Director

Because the EDC is considering a debt issuance related to a project(s), the Board can put into place a resolution to reimburse itself from bond proceeds for expenses related to the project(s) prior to the issuance of the debt. This ensures that expenditures made prior to the debt issuance can be refunded to the EDC and will help expedite the process,

Out of an abundance of caution, the resolution covers both proposed infrastructure projects to be budgeted for FY 2017/2018: Agnes/Home Depot Way and Technology/MLK. This provides the Board flexibility should circumstances change at a later date. It allows for the use of bond funds for only one project, both projects, or neither project.

The current policy direction of the Board is to fund the \$1.2 million Agnes/Home Depot Way Project utilizing bond funds – an estimated debt schedule is attached. The \$1.6 million Technology/MLK Infrastructure project is currently anticipated to be funded with fund balance.

Attachments:

[Resolution]

[Debt Service Schedule]

Recommendation

Approve as presented.

[RECOMMENDED MOTION] I move to approve Resolution 2017-15.

RESOLUTION NO. R-2017-0015

**A RESOLUTION OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION
DECLARING EXPECTATION TO REIMBURSE
EXPENDITURES WITH PROCEEDS OF FUTURE DEBT**

THE STATE OF TEXAS	§	
	§	BASTROP ECONOMIC DEVELOPMENT
COUNTY OF BASTROP	§	CORPORATION

WHEREAS, the Bastrop Economic Development Corporation (the "Issuer") intends to issue debt for infrastructure street improvements and extensions to promote or develop new and expanded business enterprises, including Agnes/Home Depot Way and the Technology/MLK Extension at Bastrop Business and Industrial Park (collectively, the "Projects") and currently desires and expects to reimburse the capital expenditures with proceeds of such debt; and

WHEREAS, prior to the issuance of such obligations, the City of Bastrop (the "City") and/or the Issuer may make expenditures for the Projects from existing funds on hand, and it is the intent of the Issuer to reimburse the City or the Issuer, as the case may be, for such expenditures with the proceeds of sale of such obligations; and

WHEREAS, under Treas. Reg. § 1.150-2 (the "Regulations"), an official intent to reimburse expenditures with the proceeds of tax exempt obligations must be made within 60 days of the date of the original expenditure; and

WHEREAS, the Issuer desires to preserve its ability to reimburse the expenditures with proceeds of taxable or tax exempt obligations.

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

The Issuer reasonably expects to reimburse capital expenditures with respect to the Projects with proceeds of debt hereafter to be incurred by the Issuer, and that this resolution shall constitute a declaration of official intent. The maximum principal amount of obligations expected to be issued for the Projects is \$2,800,000.

PASSED AND APPROVED on this 21st day of August 2017.

[SIGNATURE PAGE FOLLOWS]

RESOLUTION NO. R-2017-0015

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Camilo Chavez, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

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

DRAFT

**Bastrop Economic Development Corporation
Preliminary Debt Schedules**

Scenario 1 - Based on Providing \$1.2 Million in Project Funds to BEDC; No Debt Service Reserve Fund

Fiscal Year End	10 Year Term - 2.90%			15 Year Term - 3.30%			20 Year Term - 3.75%		
	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Interest	Total P+I
2017									
2018	\$ 120,000	\$ 21,045	\$ 141,045	\$ 80,000	\$ 23,948	\$ 103,948	\$ 60,000	\$ 27,214	\$ 87,214
2019	105,000	32,770	137,770	65,000	38,610	103,610	45,000	44,625	89,625
2020	110,000	29,725	139,725	70,000	36,465	106,465	45,000	42,938	87,938
2021	120,000	26,535	146,535	70,000	34,155	104,155	50,000	41,250	91,250
2022	125,000	23,055	148,055	75,000	31,845	106,845	50,000	39,375	89,375
2023	125,000	19,430	144,430	75,000	29,370	104,370	50,000	37,500	87,500
2024	130,000	15,805	145,805	80,000	26,895	106,895	55,000	35,625	90,625
2025	135,000	12,035	147,035	80,000	24,255	104,255	55,000	33,563	88,563
2026	140,000	8,120	148,120	85,000	21,615	106,615	55,000	31,500	86,500
2027	140,000	4,060	144,060	85,000	18,810	103,810	60,000	29,438	89,438
2028				90,000	16,005	106,005	60,000	27,188	87,188
2029				95,000	13,035	108,035	65,000	24,938	89,938
2030				95,000	9,900	104,900	65,000	22,500	87,500
2031				100,000	6,765	106,765	70,000	20,063	90,063
2032				105,000	3,465	108,465	70,000	17,438	87,438
2033							75,000	14,813	89,813
2034							75,000	12,000	87,000
2035							80,000	9,188	89,188
2036							80,000	6,188	86,188
2037							85,000	3,188	88,188
	\$ 1,250,000	\$ 192,580	\$ 1,442,580	\$ 1,250,000	\$ 335,138	\$ 1,585,138	\$ 1,250,000	\$ 520,526	\$ 1,770,526

Note: Structures assume bank qualified, tax-exempt issuances of debt. Sizing includes all estimated costs of issuance. No debt service reserve fund is included. Interest rates are estimated; preliminary, subject to change.





Agenda Item: 3.6

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action to approve the transfer of \$25,000 from the "Contingency" line item to the "380 Agreement Reimbursement" line item in the Bastrop EDC's FY 2016/2017 Budget.

Prepared by: Shawn A. Kirkpatrick, Executive Director

The Bastrop EDC adopted Financial Policies & Procedures #2017-0003 which restricts the allocation of "Contingency Funds." In order to ensure the EDC has sufficient budgetary funding to meet our potential obligations for Sales Tax Rebates for Burleson Crossing and Buc-ee's for FY 2016-2017, the EDC staff is recommending reallocating the \$25,000 in Contingency (601-70-00-5900) to 380 Agreement Reimbursements (601-70-00-5644).

Bastrop EDC Financial Policies & Procedures - #2017-0003

I. Financial Administration

5. Internal Financial Control Policy related to annually budgeted "Contingency Funds".

- a) The Bastrop EDC Executive Director and/or staff may remove, commit, obligate or spend funds held by the EDC as "Contingency Funds" in an amount not to exceed \$1,000, after obtaining prior written approval of the EDC Board Chair. (IFC #1)
- b) Neither the Executive Director nor the staff of the Bastrop EDC may remove, commit, obligate or spend more than \$1,000 of the funds held by the EDC as "Contingency Funds" without prior notice to and formal approval by a majority vote of the EDC Board of Directors. (IFC #2)

Attachment:

[Sales Tax Rebate Table]

Recommendation

[Sample Motion] I move to authorize the transfer of \$25,000 in the FY 2016-2017 budget from 601-70-00-5900 "Contingency" to 601-70-00-5644 "380 Agreement Reimbursements" and authorize the Board Chair and Secretary/Treasurer to execute any necessary documents.



SALES TAX REBATES

APRIL 5, 2017

The EDC has two outstanding Sales Tax Rebate Agreements with Burleson Crossing and Buc-ee's. The Burleson Crossing agreement is 15 years or \$2.5 million, and the Buc-ee's agreement is 10 years or \$700,000, whichever comes first. Each according to projections will reimburse prior to the end of the terms in 2022 and 2020, respectively.

Sales Tax Rebates

Fiscal Year	Burleson Crossing	Buc-ee's	Fiscal Year Total
2008/2009	35,985		35,985
2009/2010	94,441		94,441
2010/2011	79,224		79,224
2011/2012	131,358		131,358
2012/2013	139,330	51,854	191,184
2013/2014	148,706	82,503	231,209
2014/2015	201,477	88,370	289,847
2015/2016	230,777	92,914	323,691
2016/2017	235,000	94,000	329,000
2017/2018	254,054	98,947	360,000
2018/2019	274,653	104,155	380,000
2019/2020	296,922	87,256	390,000
2020/2021	320,997		330,000
2021/2022	57,075		60,000
2022/2023			
2023/2024			
	\$ 2,500,000	\$ 700,000	\$ 3,200,000



Agenda Item: 3.7

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action to approve Resolution R-2017-0016 of the Bastrop Economic Development Corporation approving an agreement for provision of administrative services and shared services between the City of Bastrop and the Bastrop Economic Development Corporation.

Prepared by: Shawn Kirkpatrick, Executive Director

This Agreement provides for the City of Bastrop to provide certain administrative and shared services to the EDC. The EDC is obligated to reimburse the City for the actual cost of administrative and shared services provided. Based on the previous two years of actual billings, the City and EDC agreed to a lump sum of \$18,000 for administrative services provided and actual allocated costs for shared services.

Attachments:
[Resolution]
[Services Agreement]

Recommendation

Approve as presented.

[RECOMMENDED MOTION] I move to approve Resolution R-2017-0016.

RESOLUTION NO. R-2017-0016**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING AN AGREEMENT FOR THE PROVISION OF ADMINISTRATIVE SERVICES AND SHARED SERVICES BETWEEN THE CITY OF BASTROP AND THE BASTROP ECONOMIC DEVELOPMENT CORPORATION; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; AND, PROVIDING 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, in order to fulfill its public purpose in advancing qualifying projects under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, the BEDC requires certain administrative services and support, including without limitation, financial, bookkeeping, records management, information technology, and employee benefit services and support; and

WHEREAS, administrative expenses are included within the term “cost” with respect to qualifying projects and are therefore authorized expenditures, as provided by Texas Local Government Code § 501.152; and

WHEREAS, after careful evaluation and consideration by the Board, it has determined that these services and support can be provided most beneficially, efficiently and economically by the City of Bastrop, BEDC’s authorizing unit, under a service agreement by and between the parties as attached hereto as Exhibit “A” (the “Agreement”); and

WHEREAS, the City is prohibited under Texas Local Government Code § 501.007 from granting public money or another thing of value (i.e., services) in aid of the BEDC, unless such value is provided under a contract authorized by Texas Local Government Code § 380.002; and

WHEREAS, in accordance with the terms of the Agreement, the BEDC will compensate the City of Bastrop \$18,000 per year during the term of the Agreement to compensate the City for the cost of providing said services and support.

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

SECTION 1. That 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. On this date, the 21st day of August 2017, the BEDC hereby finds that the provision of certain administrative services is necessary for the BEDC’s proper advancement of qualifying projects under Texas Local Government Code, Chapters 501

RESOLUTION NO. R-2017-0016

and 505, *et seq.*, as amended, and hereby approves the terms of the Agreement by and between the BEDC and the City of Bastrop for the provision of services and support as set forth and attached hereto as Exhibit "A".

SECTION 3. The Board authorizes Chair Camilo Chavez and/or Executive Director Shawn Kirkpatrick to take all necessary actions including the execution of the Agreement and related documentation, if any.

SECTION 4. This Resolution is effective upon passage.

PASSED AND APPROVED on the 21st day of August 2017, by the Board of Directors of the Bastrop Economic Development Corporation.

[SIGNATURE PAGE FOLLOWS]

DRAFT

RESOLUTION NO. R-2017-0016

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Camilo Chavez, Board Chair

ATTEST:

Sam Kier, Board Secretary

APPROVED AS TO FORM:

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

DRAFT

AGREEMENT FOR PROVISION OF ADMINISTRATIVE AND SHARED SERVICES
BETWEEN THE CITY OF BASTROP AND
THE BASTROP ECONOMIC DEVELOPMENT CORPORATION

THE STATE OF TEXAS

KNOWN ALL MEN BY THESE PRESENTS:

COUNTY OF BASTROP

THIS AGREEMENT, executed the ___ day of _____, 2017 ("Day of Execution"), by and between the CITY OF BASTROP, a municipal corporation, acting by and through its City Council, situated in Bastrop County, Texas (hereinafter referred to as "City"), and the Bastrop Economic Development Corporation (hereinafter referred to as "BEDC") acting by and through its Chair of the Board as follows:

WITNESSETH:

I.

The City agrees to provide certain administrative and shared services to the BEDC according to the terms of this agreement. Administrative services the City shall perform for the BEDC shall include:

1. Preparing all financial and investment reports and keeping all financial books and records required by the BEDC's Bylaws.
2. Providing accounts payable, payroll, purchasing and other bookkeeping services with oversight and training of such services.
3. Providing for a repository of records, office and conference space.
4. Providing information technology services.

Shared Services the City provides to the BEDC include:

1. Comprehensive Annual Financial Review ("Audit") of the BEDC financial records and transactions.
2. Employment benefits for the employees of the BEDC.
3. Technology software, licenses, maintenance, and services which the EDC utilizes.

It is understood and agreed that access to City staff resources by the BEDC is secondary to the needs of the City Council of the City of Bastrop.

II.

Administrative Services

Subject to the BEDC continuing to contract with the City for administrative services provided for herein, the BEDC will pay to the City for its services pursuant to this agreement, in the form of a flat fee in the amount of eighteen thousand dollars and no cents (\$18,000.00) per year (the "Services Fee"). The Services Fee shall be prorated and paid monthly over the budget year.

Shared Services

The City shall allocate to the BEDC the cost associated with reoccurring and contractual services which the BEDC utilizes and receives benefit. The BEDC will reimburse the City for the actual allocated cost for these shared services, excluding the annual Audit.

The City contracts on behalf of the BEDC to have an independent annual Audit of its financial records and transactions; as such, the City provides staff resources to facilitate the Audit. The BEDC is obligated to reimburse the City for the actual allocated cost associated with the Audit plus 20% for the associated cost of City resources.

The City on a quarterly basis shall invoice the BEDC its actual cost of these Shared Services, which is payable within 30 days of invoice.

Termination

In the event of the termination of this agreement, the BEDC will be responsible for paying the City only the portion of the cost allocated to periods prior to the effective date of the termination of the agreement.

III.

It is the express purpose of this agreement for the City to provide certain administrative and shared services to the BEDC.

IV.

Subject to early termination as provided in Article V below, this agreement shall be in effect for a period of one year commencing October 1, 2017, and ending September 30, 2018, and said agreement shall be extended for additional one-year terms thereafter under the same terms and conditions unless one party gives to the other party written notification at least thirty (30) days prior to the end of the existing term of its desire to terminate or amend the agreement.

V.

- 1. This agreement may be terminated by the City or BEDC, in whole, or from time to time, in part, upon thirty (30) days' notice from the terminating party to the other party. Termination shall be effective thirty (30) days after delivery of Notice of Termination specifying to what extent performance or work under the agreement shall be terminated thirty (30) days after receipt by the notified party.
- 2. After receipt of a Notice of Termination:
 - a. City shall cease the provision of services on the date as specified in the thirty (30) day Notice of Termination to the extent possible.
 - b. City shall, within 10 days, provide notice of any provision of services to be terminated except as may be agreed upon by the Parties.
 - c. The BEDC shall pay all expenses incurred through the date of termination.

VI.

This Agreement shall take effect on the Day of Execution.

IN WITNESS WHEREOF, the parties have executed this Agreement in the year and on the day indicated.

BASTROP ECONOMIC DEVELOPMENT CORPORATION

CITY OF BASTROP, TEXAS

Camilo Chavez, Board Chair

Connie B. Schroeder, Mayor



Agenda Item: 3.8

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action to select a finalist for the 921 Main Street Redevelopment Project.

Prepared by: Shawn A. Kirkpatrick, Executive Director

The Bastrop EDC released a Request for Qualifications and Proposals (RFQ) for the 921 Main Street Redevelopment on April 24, 2017. Two proposals were received by the RFQ deadline of 5:00 p.m. on June 23, 2017, one by Stone Cobalt Partners and the second by Stewardship Strategies. The RFQ established an initial RFQ committee of two members of the EDC Board (as appointed by the Board Chair), the EDC Executive Director, and the City of Bastrop Main Street Director. Kevin Plunkett and Ron Spencer were appointed by acting chair Cam Chavez. The committee met and reviewed the responses, provided initial feedback, and requested additional information from each of the respondents. Each respondent provided answers to the additional requested information and the committee followed up with a final review meeting.

Following a thorough evaluation, the committee recommends the Stone Cobalt Partners (S/C Partners) as the finalist to redevelop 921 Main Street.

The overview of the S/C Partners project is retail/restaurant located on the first floor, offices on the second floor, with a possible rooftop terrace for events. S/C Partners has proposed a master lease of the second-floor office to the EDC, which would sub-lease space to Visit Bastrop and possibly the City of Bastrop Main Street Program. The review committee highly encourages offering the second-floor office to the private sector for some period of time to attract new company(ies) to Bastrop and downtown. The first-floor retail/restaurant recruiting is supported by a highly qualified commercial broker with extensive experience and knowledge of Bastrop.

Attachments:

[Stone Cobalt Partners RFQ Response]

[Stone Cobalt Partners Additional Materials]

Recommendation

[Sample Motion] I move to select Stone Cobalt Partners as the finalist for the 921 Main Street RFQ, instruct staff to assist the developer in preparing a public presentation at a future EDC Board meeting, and negotiate in good faith to reach a mutually agreeable Performance Agreement for consideration.



COBALT
REAL ESTATE
DEVELOPMENT

STONE COBALT PARTNERS

June 23, 2017



Statement of Qualifications Presented to Bastrop Economic Development Corporation

921 Main Street Redevelopment



13785 Research Blvd., Suite 125
Austin, Texas 78750
713.515.8242

STONE COBALT PARTNERS

June 20, 2017

Bastrop Economic Development Corporation
Attention: Shawn A. Kirkpatrick
Executive Director
301 Hwy 71 West, Suite 214
Bastrop, Texas 78602

Re: Statement of Qualifications for 921 Main Street Redevelopment

Dear Mr. Kirkpatrick:

Stone Cobalt Partners is pleased to submit our qualifications for consideration as developer/owner of 921 Main Street. We have assembled a highly-skilled and experienced team that is very knowledgeable about this particular site. We believe the combination of our companies' expertise partnering with architects and engineers that have extensive knowledge of this site provide Bastrop EDC with a great team member in the successful development of this property.

One of our team's specialties is working with EDCs and cities throughout Central Texas in public-private partnerships (P3s). Cobalt is soon to break ground on a conference hotel project in Marble Falls, which is one of the most innovative P3s ever done in Texas.

We look forward to working with you to develop a quality project at 921 Main Street.

Sincerely,

Stone Cobalt Partners

Tom Mote

Tom Mote
Partner
tom@cobaltdevco.com

Guy Dudley

Guy Dudley
Partner
guyd@stonedevelopmentgrp.com



1. Project Understanding

Stone Cobalt Partners has studied the market and we believe the best use for a new building will be office over retail/restaurant. We plan on working hand-in-hand with the EDC, Main Street and city officials to ensure what is built works both economically and politically. We have studied a number of different tenant uses and at this time expect to talk with the EDC, DMO, Main Street and/or possible other public organizations about being tenants on the second floor. In addition, we would like to explore the possibility of a roof terrace to serve as space for special events, particularly those that may interface with Hyatt Lost Pines. Using 921 Main as an alternative site for special events at the Hyatt could help drive traffic into downtown and support a unique restaurant downstairs.

To ensure our building is aggressively marketed and leased, we expect to contract with a strong Austin commercial real estate firm, REOC Austin. Bob Springer will serve as the leasing agent. Bob also has a background in economic development and previously served as the director of LCRA's economic development department.



2. Key Entity / Team

Company Name: Stone Cobalt Partners

Legal Status: Specific purpose corporation to be formed
 Address: 13785 Research Blvd., Suite 125, Austin, TX 78750
 Phone: 713-515-8242 | Email: tom@cobaltdevco.com
 Primary Contact: Tom Mote

Stone Cobalt Partners will be a special purpose entity for developing and owning 921 Main. Our team will work with Bastrop EDC on designing a P3 structure that will ensure the project's success. We have assembled a highly-skilled team that is very knowledgeable about this particular site and our team members are experienced in dealing with the many nuances of working with EDCs in Texas. Information about the companies that comprise the Stone-Cobalt team is detailed below.



Cobalt Real Estate Development is a boutique development firm focused on developing, financing, and operating mixed-use lifestyle centers, hotel and conference

centers projects, and residential master planned developments. Cobalt and its partners are working on more than \$335 million in development projects around the state of Texas, with more than 40% involving some level of public-private collaboration. Tom Mote is the founder of Cobalt, which has offices in Houston and Austin.



Stone Development Group, Inc. is an Austin-based real estate development and construction firm. Stone was founded in 2012 by Guy Dudley, a licensed civil engineer with over seventeen years of experience in the land development and construction industry. Our work includes

land development for subdivision, multi-family, mixed-use, retail and office projects in Central Texas. We provide our clients with services from pre-planning to final construction in order to ensure added value to the property, prompt execution and project cost savings.

Our focus throughout the development and construction process is to maintain outstanding communication between all parties involved with a consistent attention on delivering a completed project on-time and on-budget.



KSA is an industry leader with a proven track record in the fields of civil engineering and architectural design. Founded in 1978, KSA provides a broad range of consulting, management, engineering, architecture, planning, surveying, and construction services to our clients across the south-central United States.

KSA is dedicated to making life better in communities. That's why they work every day to improve the quality of life for their communities by making city halls, courthouses, fire stations, police stations, libraries, community buildings, roads, bridges, water, air, and airports safer. From conception to final completion, their knowledgeable teams oversee all aspects of each project on which we work. This attention to detail has resulted in consistent client satisfaction and an excellent reputation throughout the region. It has also led to a high percentage of repeat clients. In fact, they have been serving many of the same clients throughout their 39-year history.

KSA has been working with the Bastrop EDC for the past two years on identifying and attracting quality developers to the city. They are thoroughly knowledgeable about this particular site and their architects and engineers did the remediation study for the property. They understand the issues surrounding the adjacent tenants and necessary remediation on the shared walls.

KSA has two certified economic developers (CEcD) on staff, Eric Davis and Hunter Hilburn. Eric Davis is helping lead the KSA team in interfacing with Stone-Cobalt.



3. Background and Experience

The Stone-Cobalt partnership is being established as a special entity to develop this single property. The team members of Stone, Cobalt and KSA each have significant development experience as individuals. In order to meet the RFQ requirements in the next section, Completed Projects, we are highlighting three projects done by Tom Mote. In this experience section we are highlighting some other completed projects that show the overall background and experience of our various team members.

Current & Completed Projects – Stone Development Group, Inc.



The Shops at Avery Place*

Dublin, Ohio

PROJECT TYPE | Retail, Mixed Use
SIZE | 13,800 sq. ft.
DATE COMPLETED | 2005
DESIGN TEAM | James Bean Architect, Inc.; Bird & Bull Engineers and Surveyors; M-Engineering
SERVICE AREAS | Land Development, Development, Preconstruction, Construction Management, Design/Build, Leasing

The Shops at Avery Place was constructed as a neighborhood shopping center which is leased to five national and regional tenants, all on long term leases. This 13,801 sq. ft. facility is on 3.56 acres and is part of a mixed-use 24-acre project which includes the Shops at Avery Place, office and medical office that service the Dublin Methodist Hospital located 1/4 mile south of The Shops at Avery Place. This facility combined award-winning architecture with outdoor patio seating and pond features to draw activity from the 25,000 cars passing the site daily.

**Guy Dudley performed this work with a previous firm.*



Subway

Shiner, Texas

PROJECT TYPE | Restaurant
SIZE | 1,600 sq. ft.
DATE COMPLETED | 2014
PARTNERS | Stone Development + Two Private Investors

A remarkable property in a remarkable little town in Texas presented our team with a unique opportunity to bring Shiner, Texas, its first franchised restaurant in decades. Stone Development converted this vacant store front on 7th Street in a building built in the 1800's. Stone worked with the mayor and city to gain approval, and led the development from site selection through design and construction to final occupancy.

PROJECT NAME	LOCATION	AMOUNT (\$M)	SCOPE	ROLE
Robertson North	Gonzales, Texas	7.8	65-Unit Multi-Family	Developer/ General Contractor
Diamond A/Goss BBQ	Belmont, Texas	1.2	Gas Station/Convenience Store	General Contractor
Barton Ridge	Austin, Texas	3.5	Infrastructure for 70 luxury home site	General Contractor
Nolte Farms Infrastructure	Seguin, Texas	14	Infrastructure for 100-acre mixed use site	General Contractor
River House	Seguin, Texas	21	200-Unit Apartment Building	Developer / General Contractor
Wildflower Pediatrics	Austin, Texas	1.2	Medical Office	Developer / General Contractor

Current & Completed Projects – KSA Engineers, Inc.



921 North Main Street - Phase I Assessment and Conceptual Planning

Bastrop, Texas

PROJECT MANAGER | John Selmer, AIA, NCARB, LEED AP BD+C
YEAR COMPLETED | March 2017
PROJECT COST | \$35,000

KSA was engaged to prepare a report for the 921 Main Street site located in Downtown Bastrop, Texas. The report is comprised of conceptual designs for the adaptive re-use of the site, the associated Opinions of Cost, and conceptual elevations for new infill construction of a two story building. Diagrams and drawings were prepared to show the relationships involved. The report provided four planning options (listed below) along with Opinions of Cost for each. It also provided conceptual elevations for Front and Rear of a proposed new building and landscape concepts for a pocket park plan.

Remediation Planning including Opinions of Cost included:

(1) Retain existing building slab, keep or remove rear wall, and remediate exposed adjacent building walls; (2) Removal of all or portion of existing slab, keep or remove rear wall, remove existing structure at rear of site, and remediate exposed adjacent building walls; (3) Retain existing slab, keep or remove rear wall, remove existing structure at rear of site, provide roof structure, and remediate exposed adjacent building walls; and (4) Construct new building on site, roof and facade plans, remove existing rear wall and structure, and parapet wall/roof recommendations for adjacent building walls.



General Information

The 921 North Main site previously accommodated a drugstore which was damaged by fire and rebuilt in the early 1980's. Another fire consumed the building and resulted in severe damage that led to its complete demolition in 2003. Since that time the property was used for public events until 2016 when concerns about the site drainage and the existing rear wall prompted the City to close access to the area.

Within the context of Downtown Bastrop, this site is in an excellent location. The downtown character of Bastrop is quite unique and all areas of interest are within short walking distances. Most of the existing buildings have maintained their "original" look and character and this enhances the vernacular architecture of Main Street. The site is uniquely located to have direct street frontage on Main Street, as well as, access from the rear with connection to an existing parking lot.



Tucker Hill Office Building Development

McKinney, Texas

PROJECT MANAGER | Brian Wyatt, AIA, NCARB

YEAR COMPLETED | Currently under construction; September 2017 (est)

PROJECT COST | \$9,500,000

Through referral from an existing client, KSA was contacted to design a 3-story office/retail building in the new urbanist community of Tucker Hill. With this development, Crown Sterling Properties wanted to heighten the exposure of their anchor tenant while giving them a larger and more functional space than their current location. Before final design began, KSA conducted extensive research of codes, ordinances and deed restrictions that enabled KSA to accommodate a diverse mixed use facility while remaining within the stringent design guidelines. We worked with the deed administrators and city officials to provide class "A" office and retail space that fit the character and vision of Tucker Hill and the McKinney P&Z. The anchor tenant will occupy roughly 40% of the building, allowing the remaining area to be leased for profit. KSA configured all the leased tenant spaces for maximum

accessibility, exposure and adaptability. The space was also designed to accommodate potential reconfigurations. To find the perfect balance between budget and amenity, we worked with our structural consultant to employ a hybrid steel/wood podium structure for the building. Our site plan concept reinforces the existing streetscape by placing the building along the public sidewalk. This position allows for pedestrian access to ground level storefronts directly from the neighborhood sidewalks. The ground floor will accommodate a bank, dentist, coffee shop, retail space and a grand lobby for the offices above. The second and third floors will house a large real estate firm and title company. The exterior facade is designed to blend into the community and is patterned after the original turn-of-the-century feel of downtown McKinney.

Despite the fast-paced design schedule, we accomplished the client's goal of providing attractive, high demand office space to our client's anchor (and future) tenants. Our rapid response time during the permitting process kept the tight design schedule on track. We worked closely with the developer and their construction management team to ensure every design decision was properly weighted against the budget for a high return of investment.



Preston @ Wade Crossing

Frisco, Texas

PROJECT MANAGER | Brian Wyatt, AIA, NCARB

YEAR COMPLETED | Ongoing; June 2017 (est)

PROJECT COST | \$21,000,000

KSA designed the mixed use development located on a 14-acre site in Frisco, Texas. The project will include three, single-story retail buildings totaling 78,000 square feet and 14, single-story office buildings totaling 70,000 square feet.

The retail buildings will be a façade shell with demising fire rated walls that separate future tenant spaces. The exterior will be comprised of tilt-walls with a typical interior steel framing and a concrete foundation. A foundation trench for future utilities will be designed along the rear wall in case of future expansion.

Accommodations for future roof top HVAC systems will be made on the structural roof framing plan. Speculative loading, main panels, non-permanent lighting and space heating will be designed for future tenant needs.

The office buildings will be either 4,500 or 5,625 square feet with wood wall framing and a wood pitched roof with the required concrete foundation. The footprint will be limited to either 45' x 100' or 45' x 125'. Like the retail buildings, speculative loading, main panels, non-permanent lighting and space heating will be designed for future tenant needs. There will be a low-profile monument sign at the Preston Road entrance.



Summit at Rivery Park – Planned Urban Development (Current)

Georgetown, Texas

Summit at Rivery Park is a 33-acre mixed use Planned Urban Development done through a public-private venture with the City of Georgetown, Williamson County, and several developers including Novak Brothers Development as the master developer. Containing a 222-room Sheraton Hotel and Conference Center, 120 luxury brownstone units, and 225 Class A apartments, Summit also features a 200,000 square foot Town Center currently in construction. Phase I will open on July 1, 2017, and has 50,000 square feet of retail and restaurant space with 15,000 square feet of office space built above. Phase II commences Q1 2018. Cobalt serves as a joint venture partner with the master developer, Novak Brothers, the first of three active deals this joint venture is engaged in.



ABS Plaza – Office Development/Expansion Project (1998-1999)

Houston, Texas

ABS Plaza was originally built in the mid-1970's as a 150,000 square foot brick and glass building in the Northbelt area of Houston. The building's tenant, the American Bureau of Shipping, approached the landlord about moving their corporate facilities from New York to the site, which required the expansion of their current building. Over the course of eleven months, the adjacent building was demolished and a 68,000 square foot expansion wing was constructed and attached to the original building while it was fully occupied. Using the expansion wing as swing space, the original building was then gutted and renovated while the building systems were modernized, with new finishes to match the new wing. (Tom Mote, Hines and others)



Cisco II Research Park – Office Development (2001)

Austin, Texas

Cisco Systems wanted to expand their space at Research Park, and approached the landlord in 2000 to build an additional building next door. Over the course of twelve months the 59,000 square foot light office building called Cisco II was constructed, fitted out, and occupied by Cisco's testing and prototype teams. (Tom Mote, HRPT Properties Trust and others)

Tom Mote

President



EDUCATION | Master of Arts in Communications and Business, Bob Jones University; Bachelor of Arts in Communications and Business, Bob Jones University

PROFESSIONAL LICENSES & CERTIFICATIONS | Project Management and Executive Real Estate Certifications

PROFESSIONAL AFFILIATIONS | Advisory Board, College of Liberal and Applied Arts, Stephen F. Austin State University (2008 - Present)

Tom Mote is a 25-year veteran of the commercial real estate industry. During his career, he has managed asset portfolios in excess of \$9.2 billion in value, started three new ventures, and served in director and executive level roles in three other organizations. He's directly overseen the financing, acquisition, and disposition of more than \$4 billion in assets, and has specific expertise in Capital Structuring, Asset Management, and Project Turnarounds.

He holds B.A. and M.A. degrees in Communications and Business from Bob Jones University in Greenville, South Carolina, and completed certification training in Project Management at the University of Michigan and Executive Real Estate at the University of Southern California. He currently serves on the Advisory Board to the College of Liberal and Applied Arts at Stephen F. Austin State University, where he has been a member since 2008.

Edward E. "Guy" Dudley, III, P.E., LEED AP

CEO & Founder



EDUCATION | Master of Science in Engineering – Construction Engineering & Project Management, University of Texas at Austin, 2003; Bachelor of Science in Architectural Engineering, University of Texas at Austin, 2003; Bachelor of Arts in Business Economics, University of Texas at Austin, 1997

PROFESSIONAL LICENSES & CERTIFICATIONS | LEED AP; Professional Engineer / TX #108556

PROFESSIONAL AFFILIATIONS | Institute for Leadership in Capital Projects – Previous Advisory Board Member

Mr. Dudley is a LEED AP certified, licensed Professional Engineer, who is an action oriented leader and team builder that looks at the big picture, sets goals, and emphasizes efforts for front-end planning to provide optimal opportunity for project success. He is a strong manager when working with entire teams of employees, contractors, and customers. Mr. Dudley has history of successfully managing projects to ensure that costs projects come in either under budget or in line with budgeted projections, while maintaining scheduling, safety, and environmental expectations. He takes pride in the work he accomplishes as evidenced by his dedication and determination to provide organized and well-planned project planning from conception to completion. Mr. Dudley holds himself to a high level of integrity and expectations that he transforms into ongoing successful relationships with all employees, contractors, and customers involved in a project.



Bob Fisher, P.E. – KSA

Facility Services Director

EDUCATION | Bachelor of Science in Mechanical Engineering, Texas Tech University, 1979
PROFESSIONAL LICENSES & CERTIFICATIONS | Professional Engineer / TX #95047, 2004
PROFESSIONAL AFFILIATIONS | Academy of Mechanical Engineers, Louisiana Engineering Society, National Society of Professional Engineers

Since Bob joined KSA over 20 years ago, he's been instrumental in bringing challenging and diverse projects to the firm. He has decades of experience providing thoughtful project oversight for projects of varying size and complexity. As principal-in-charge, Bob will establish the project team including selecting and engaging sub-consultants such as geotechnical and traffic engineers. He will also appoint the engineering team, define the project budget as it relates to scheduling and staff allocation, and be available to communicate the project status to the owner, the engineering staff and elected officials as needed.

In recent years, Bob has overseen the development of hangars for the New Braunfels Regional Airport in New Braunfels, Texas and provided project oversight for the North Forty mixed-use development in Frisco, Texas – a \$20M project that includes 580 parking spaces, an access road, de-acceleration lanes and drainage. He is also leading a team that is providing site engineering services for a Jiffy Lube in Dallas, Texas. That project includes drainage and pavement designs for parking and sidewalks.

Bob is a graduate of Texas Tech University and was inducted into their Academy of Mechanical Engineers in April 2015. The Academy of Mechanical Engineers is comprised Texas Tech alumni and supporters who have earned distinction through professional, civic or humanitarian accomplishments.

Bob is currently serving as one of KSA's regional managers and ensures quality, timely work for each project he supervises. With over 30 years of experience, Bob has been a key contributor to the successful completion of many KSA projects.

Brian Wyatt, AIA, NCARB – KSA

Design Architect

EDUCATION | Master of Architecture, Louisiana Tech University, 2010; Bachelor of Science in Architectural Studies, Louisiana Tech University, 2009
PROFESSIONAL LICENSES & CERTIFICATIONS | Architecture / LA #7835, 2013; TX #24846, 2015
PROFESSIONAL AFFILIATIONS | American Institute of Architects - Louisiana National Council of Architectural Registration Boards

Brian Wyatt, AIA, RA, is a registered architect with seven years of experience. He has a strong professional background that includes architecture, construction, land surveying, facility planning, and geographical information systems. In his seven years of architectural experience, he has worked on a diverse range of projects, specializing in assembly, educational, and healthcare design. Brian oversees every aspect of project delivery and takes pride in ensuring clarity and continuity from concept planning through construction.





Mike Burns, P.E. – KSA

Principal-in-Charge

EDUCATION | Bachelor of Science in Mechanical Engineering, Texas A&M University, 1981
PROFESSIONAL LICENSES & CERTIFICATIONS | Professional Engineer / TX #59990, 1986
 TxDOT Precertification / TX #3952

PROFESSIONAL AFFILIATIONS | American Society of Civil Engineers, International Council of Shopping Centers, National Society of Professional Engineers, Permian Basin Petroleum Association, Society of American Military Engineers

Mike Burns, P.E., has more than 35 years of experience providing civil engineering design and management for a wide array of projects, including land development, municipal streets and thoroughfares, drainage improvements, aviation, energy services, bridge design and inspection, downtown development, park development, sewer collection systems, and water distribution systems. Mike is using this experience in serving as KSA's Director of Development Services for KSA's private development work throughout the State of Texas.

During Mike's professional career, he has served as design engineer or project manager on numerous commercial, retail and single family residential developments across North and East Texas. Currently, Mike is assisting developers with their new, large, multi-use development projects in Frisco, McKinney, Corsicana, Terrell and Palestine. Mike has been exposed to many different municipal development codes to plan and develop successful projects.

Mike understands the collaborative effort required to complete a successful development project. From the site selection process and the conceptual layouts to the construction completion and building occupancy, communication and coordination is critical between developers, regulatory agencies, municipal staff and boards, utility providers, and suppliers and contractors. Mike will provide the project oversight and necessary quality control to make sure KSA completes successful projects for owners and developers.

John Selmer, AIA, NCARB, LEED AP BD+C – KSA

Project Architect

EDUCATION | Master of Architecture, Tulane University, 2004; Bachelor of Science in Civil Engineering, Tulane University, 1994; Bachelor of Science in Architecture, Tulane University, 1993

PROFESSIONAL LICENSES & CERTIFICATIONS | Architecture / LA #5669, 2001; TX #19483, 2006; AR #4679, 2011; NM #005269, 2013; LEED AP BD+C / #10107010, 2009

PROFESSIONAL AFFILIATIONS | American Institute of Architects - Louisiana, AIA - Shreveport Chapter, National Council of Architectural Registration Boards

John Selmer, AIA, NCARB, LEED AP BD+C, is the architectural services manager for KSA. He is a LEED Accredited Professional and recognizes the need for smart design that utilizes environmentally conscious strategies that will ensure that our decisions, designs, and projects do not inhibit future opportunities. He has extensive experience in all aspects of architecture projects and has served as project manager for projects of all varieties and sizes.





Eric J. Davis, CEcD, CCIM – KSA

Economic Development Services Manager / P3 Liaison

EDUCATION | Bachelor of Science in Public Relations, Stephen F. Austin State University, 1978

PROFESSIONAL LICENSES & CERTIFICATIONS | Real Estate Broker, Texas; Commercial Real Estate Institute - CCIM; International Economic Development Council - CEcD

Eric Davis is the Development Services Manager for KSA. His work includes overseeing business park designs for EDCs, developing public-private real estate partnerships, coordinating public infrastructure development for projects, site selection, negotiating incentive packages and helping cities attract developers.

Eric has over three decades of experience in commercial real estate and economic development. He holds certifications as both a Certified Economic Developer (CEcD) and a CCIM as an expert in commercial investment real estate. He is a licensed Texas real estate broker.

Eric started his real estate and economic development career in 1984 in Tyler, Texas. He spent six years as a commercial leasing agent, construction project manager and real estate developer. From 1990 to 1997, he served as the executive vice president of the Tyler Economic Development Corporation. From 1997 to 2003 he served as the first president of the Sherman Economic Development Corporation.

Eric became the president of the Greater Owensboro Chamber of Commerce & Economic Development Corporation in Owensboro, Kentucky in 2003. He led an eight person staff and oversaw the operations of both corporations in Kentucky's third largest city. He was appointed by the governor to The Kentucky Governor's Life Sciences & Biotechnology Advisory Committee and was involved in tobacco plant-based biotechnology efforts.

Eric is a graduate of Stephen F. Austin State University and currently serves on the College of Liberal & Applied Arts Advisory Board where he was named the 2012 Alumnus of the Year. He is a contributing author to the book *Toward a More Livable World – Social Dimensions of Sustainability* (SFA University Press). He has been a consultant to several cities on their economic development plans and forging public-private partnerships.

He has served on numerous boards including the Texas Economic Development Council. He was involved in the formation of the STAR Site Documentation Program, a TEDC initiative.

Eric is working with or has completed projects with EDCs throughout Texas and the U.S. including:

- Athens EDC
- **Bastrop EDC**
- Bowie EDC
- Bridgeport EDC
- Burlleson EDC
- Center EDC
- Dumas EDC
- Eastland EDC
- Greenville EDC
- Henderson EDC
- Keene EDC
- Kendall County EDC
- Kilgore EDC
- Lindale EDC
- Lufkin EDC
- Marble Falls EDC
- Maverick County EDC
- Mexia EDC
- Mt. Vernon EDC
- Palestine EDC
- Paris EDC
- Sulphur Springs EDC
- Terrell EDC
- Tyler EDC



6. Financial Capability

The developer has the financial capacity to carry our internal operations as private development entities, including the execution of this project and the projects we currently working on with other investors. We look to our outside investors to provide the majority of the capital coming into our projects, and for this project we will be looking for approximately \$400k of equity capital from two specific sources which we have already contacted (representing 25% of the capital stack for the project), and sourcing our debt package with one of two smaller regional lenders, both with local offices in the Austin area. Both lenders have established critical criteria for lending on this project which includes the Bastrop EDC as a master lessee of the upstairs space, with another lease agreement prior to the funding of this project.



7. Project Financing

We anticipate, based on the current capital market markets for this type and size of deal, that the outside equity coming into our project will require approximately 15.00% to 18.50% overall return on their investment. We believe the current cost of capital for debt is in the 5.5% to 6.00% for this type and size of project. This rate will be based on a LIBOR or Prime index, and will float during the construction period and become fixed once the project is occupied. These packages and rates vary widely based on the lender, their special goals for originating debt in the market at the time, and a number of other factors.

8. References

REFERENCE FOR	NAME	COMPANY (AT THAT TIME)	ROLE	PHONE NUMBER	PROJECT
Stone Development	Viviene Ngo	First State Bank	Banker	512.231.8821	Anderson Mill/ Wildflower*
Stone Development	Laurie Logue	Broadway Bank	Banker	512.465.6589	Barton Ridge*
Stone Development	Tom LeBeau	DCTA	Vice President of Rail Construction	817.456.4972	A-Train
Stone Development	David Buzzell	City of Round Rock	Parks and Recreation Director	512.341.3345	Old Settlers Park
Stone Development	Richard Goss		Owner	830.857.0683	Diamond A/Goss BBQ*
Stone Development	Melinda Mills		Owner	361.401.1715	Shiner Subway*
Cobalt Real Estate Development	Christian Fletcher	Marble Falls EDC	Executive Director	830.798.7079	Conference Hotel

* For more project information, please see Section 3. Background and Experience.

From: Thomas Mote [<mailto:tom@cobaltdevco.com>]
Sent: Tuesday, August 01, 2017 3:12 PM
To: Jean Riemenschneider <jean@bastropedc.org>
Subject: Re: RFQ Information

Jean:

Good afternoon. Thank you for your patience as we consulted our partners on the questions you posed regarding the RFQ and Proposal for the 921 Main Street property. We appreciated your time on Friday discussing this, and wanted to provide our responses below. I've taken the liberty of consolidating your questions and the responses together, and we'd be glad to formalize this a little more if that's helpful.

Q: Do you have client interest in the project (retailers, restaurants, etc.)? If so, will you please provide a list and what those projects may look like regarding space and needs.

A: We have not actively marketed the project yet, primarily because we can't legally represent that we're doing the project until it's been awarded to us. With that being said, our Novak Cobalt affiliate has enjoyed a good bit of success in drawing well-qualified local restaurants to our Summit at Rivery Park project in Georgetown. The first phase of that town center is opening in the next couple of weeks, and each of those restaurants is tucked under office space exactly the way this row of buildings is configured along Main Street in Bastrop. Those restaurant operators are a combination of local restaurants that wanted to offer alternatives to their current menus, new restaurant concepts (one from New York and one from Spokane), and Austin-based restaurants that wanted a Georgetown location. We'd be happy to go into greater detail about how we'd shape a search for the right restaurant and operator, both of which are critical to having a successful tenant paying rent and generating sales tax revenue on the lower level.

Our leasing team at REOC Partners has already begun assembling specific target lists for microbrew and brewpub type establishments, and we would tailor our efforts to gaps in the current food offerings in downtown Bastrop.

Do you have alternative options if the city entities do not lease the space?

A: Based primarily on the economics of construction, we believe the space on Level 2 is best suited to office usage. Our leasing team at REOC Partners, and in the event the Bastrop EDC wanted us to engage in the project, we would commence those marketing efforts immediately. While we do not believe it is in the interests of us, our investors and lenders, the Bastrop EDC, or Main Street to have additional storefront buildings on Main Street sitting vacant, we would take our construction start-up cues from pre-leasing requirements of our lenders, which would normally require at least 50% of the building to be leased prior to construction. We are open to the approach that the City, the EDC, and the DMO deems best, and believe these projects work best when all of the parties have realistic conversations about expectations and then provide full transparency about the activities during the lease-up efforts. We enjoy that kind of relationship with each of our public partners.

Q: They have also asked what the job creations and tax revenues will be from the project.

A: Based on our best estimates, we see approximately 24-30 employees working in a brewpub of 4,000sf (assuming a two-meal restaurant with an 11a-10p type opening and happy hour). This would translate closest to approximately 18 full-time equivalents downstairs, with space upstairs on Level 2 for approximately 16 professionals based on the current IFMA SF/Employee Statistics. Our best estimate without running a full RIMSII-type calculation is approximately 34 permanent jobs, not including those created during the local economic impact and job creation during the construction process.

Based on a building replacement cost approach , we would expect the taxable value on this building to be \$1.5M. There would be additional taxable value of restaurant equipment added to this.

Q: Concepts for floor plans.

A: Please find attached a conceptual plan we developed for the EDC several months ago based on a three-level property. Please note we recognize that the project in question will be a two-level building, and that some of this visualization is out of date as a result. We're glad to update this if it's helpful, I just didn't want to make you wait for that kind of work product as we responded to your questions.

Please shout if you have any further questions. We look forward to working with you and your team on this project.

Best,
Tom



On Jul 26, 2017, at 2:27 PM, Jean Riemenschneider <jean@bastropedc.org> wrote:

The committee had a few questions.

Do you have client interest in the project (retailers, restaurants, etc.)? If so, will you please provide a list and what those projects may look like regarding space and needs.

Do you have alternative options if the city entities do not lease the space?

They have also asked what the job creations and tax revenues will be from the project.

Concepts for floor plans.

I will be headed into a meeting shortly, but would be available for a call after 5 if you have time.

*Thank you,
Jean*

Jean Riemenschneider
Economic Development Project Manager
Bastrop Economic Development Corporation
301 Hwy 71 W, Suite 214, Bastrop, Texas 78602
(512) 303-9700 Metro | (512) 332-8873 Direct
jean@bastropedc.org
www.bastropedc.org

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Agenda Item: 3.9

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for the building located at 916 Main Street (Law Office of Derek Van Gilder).

Prepared by: Shawn A. Kirkpatrick, Executive Director

At the BEDC Board meeting on June 19, 2017, the Charek Corporation was approved for a BIG grant in the amount of \$7,100 for renovations to the building at 916 Main Street, the Law Office of Derek Van Gilder. The project included modifying interior walls, replacing the front door, installing windows, and installing an awning over the windows.

Due to a change in the scope of work for the project, they are requesting an additional grant in the amount of \$2,900, bringing the total revised project cost to \$20,100. The total amount the EDC would be reimbursing is \$10,000, which is the maximum allowed by the program.

The application was reviewed by the Main Street Design committee and accepted as complete and program-eligible. Under the BIG program guidelines, the applicant is required to enter into a performance agreement with the EDC.

Attachments:

[BIG Application]

[Draft Performance Agreement]

Recommendation

Approve the attached performance agreement.

[RECOMMENDED MOTION] I move to approve a Bastrop Economic Development Corporation Business Incentive Grant Agreement (BIG #2017-007) for the building located at 916 Main Street, for FY 2017, and authorize the Executive Director to execute the agreement on behalf of the EDC.

"Supplemental"

BIG FY 16-17 APPLICATION

Applicant Information

Applicant's Name: The Charek Corporation

Applicant's Mailing Address: 916 Main Street, Bastrop, TX 78602

Federal Tax ID Number: 74-2729007

Daytime Phone Number: 512-303-4747

Cell Phone: 512-789-4747

Email Address: derek@vangilderlaw.com, deedee.pedd

Status of applicant (please check one)

Property owner with vacant facility

Property owner with tenant business

Property owner/operator of existing business on property

Owner of property is a/an (please check one)

Individual

Partnership (attach copy of Partnership Agreement)

Corporation/profit (attach copy of Articles of Incorporation)

Corporation/non-profit (attach list of officers and directors)

Trust (attach copy of Trust Agreement)

Other, please explain:

Length of ownership: 22

Date Purchased: 1995

Property Information

Address of property to be improved: 916 Main Street, Bastrop, LA

Legal Description of subject property: Bld Blk 9 WW ST, Acres 0.6

Tax Assessor Parcel Number (s): R33848

Year built: 1975

Square footage: 2200

Name and phone number of current tenant(s), if applicable:

Law Office Of Derek R. Van Gilder (512) 303-4747

Planned use of building after improvements are made:

Law Office of Derek R. Van Gilder

Project Description - please provide a detailed description of the proposed business improvement grant for your building:

See Rendering and "revised proposal"

Please obtain the following documentation to accompany your application:

1. Current photograph of building exterior.
2. Historic photographs of building exterior if available.
3. Drawings and/or rendering accurately depicting the extent of the proposed work.
4. Brief history of the building and any previous improvement work done to the building that you are aware of.
5. Current assessed property value. \$210,000

④ Purchased building from Coy Craig 1995.
Added front window, awning, repainted
building, rewired electric, remodel
restrooms, modernized kitchen and restrooms.
Add ~~asphalt~~ and parking in rear of building.
Carport

Bastrop BIG Program Checklist FY 16-17

Completed Application including:

1. If the property is owned by someone other than an individual attach one of the following:
- ✓ 2. Copy of Articles of Incorporation
- ✓ 3. List of officers and directors
- ✓ 4. Copy of Trust Document
- ✓ 5. Current photograph of building exterior
6. Historic photographs of building exterior if available
- ✓ 7. Drawings and/or rendering accurately depicting the extent of the proposed work
- ✓ 8. Brief history of the building and any previous improvement work done to the building that you are aware of.
- ✓ 9. Current Assessed Value
- ✓ 10. Detailed project budget, outline selected bids and total project amount.
- ✓ 11. Completed Scoring Criteria
- ✓ 12. Completed Checklist

I certify to the best of my knowledge that I have submitted all of the required information to apply for approval of the BIG Program and that the information is correct.

I have read and agree to abide by the BIG Program Application Guidelines.

Applicant Name: DEREK R. VAN GILDER

Applicant Signature: 

Date: 7/17/17

Bastrop BIG Program FY 16-17 Scoring Application

SCORING CATEGORIES

Possible Points

Select one entry per category if applicable 35

Location

Located in the Historic Main Street Area	5
Located in the Main Street Program Area	4
Located along a commercial corridor leading downtown	3
Located along a commercial corridor	2
Other location	0

Points Earned *5*

Local Landmark Designation

Designated by Historic Landmark Commission as a Historic Landmark	5
Designated by Historic Landmark Commission as a Significant Landmark	4

Points Earned *0*

Economic Impact of future use

Retail/Restaurant/Tourism	5
Public or Non-Profit	4
Professional Service	3

Points Earned *3*

Use of Structure

Application is part of a project that will allow reoccupation of a structure that is currently vacant and has been for:

Three or more years	5
Two to three years	4
One to two years	3
Less than a year	2
Structure is currently occupied	0

Points Earned *0*

Age of Structure as of October 1 of current fiscal year

Over 50 years	5
40-49 years	4
30-39 years	3

20-29 years	2
10-19 years	1
Less than 9	0

Points Earned 4

Danger of Structure

Structure is currently threatened: Structure is currently threatened or likely to be within 1 year. Severe deterioration evident, threatened loss of entire structure. Roof damage, severe structural damage. 5

Structure is in moderate danger: Structure is moderately threatened or likely to be within 1 to 5 years. Deterioration has begun, but does not pose immediate threat of collapse. 4

Structure is in potential danger: Localized minor damage to structure, limited damage to major features. 3

Structure is not in danger: Project is cosmetic. 2

Points Earned 2

Previous Funding

Applicant has not applied for or received funding from the Mega Grant or Façade Grant Program in the past five (5) years. 5

Applicant has applied before and satisfactorily completed the project. 4

Points Earned 5

Total Points 19

**BASTROP ECONOMIC DEVELOPMENT CORPORATION
BUSINESS INCENTIVE GRANT PROGRAM STANDARD
AGREEMENT**

**THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF BASTROP §**

THIS IS AN AGREEMENT, made and entered into by and between the Bastrop Economic Development Corporation, an Economic Development Corporation created by and through the laws of the State of Texas, hereinafter called “BEDC”, acting by and through its duly authorized representative, and The Charek Corporation, hereinafter called “GRANTEE,” acting by and through its duly authorized representative.

W I T N E S S E T H:

WHEREAS, commercial property owners desire to generate adequate rents and revenues from their commercial buildings while creating a sense of pride in their investment; and

WHEREAS, the BEDC through the Bastrop Incentive Grant (“BIG”) Program wishes to maintain and improve the quality of life for its citizens, attract outside spending, generate additional jobs, and increase sales tax by fostering economically viable commercial districts; and

WHEREAS, the objective of the BIG Program is to provide assistance to those who are attempting to improve the appearance of commercial properties along commercial corridors and those who wish to preserve, save, and improve historic properties in Bastrop; and

WHEREAS, the BEDC has created and approved a process whereby buildings located within the City of Bastrop may apply for a BIG Program grant from the BEDC.

II.

NOWHEREFORE, upon an affirmative vote of the majority of the BEDC Board, on August 21, 2017, the BEDC determined that GRANTEE qualified for a reimbursement grant (the “Reimbursement”) in the amount of \$2,900.00 for the improvements as provided for in its application, and that said Reimbursement shall be distributed to GRANTEE under the following terms and conditions:

- (a) For and in consideration of the Reimbursement to GRANTEE by the BEDC, the funds distributed are intended to reimburse GRANTEE for the eligible expenses associated with improvements to the building at 916 Main Street (the “Project”). All reimbursements shall be for the Project and its associated eligible costs as submitted by the GRANTEE and approved by the Main Street Design Committee and the BEDC.
- (b) The Reimbursement shall be contingent on compliance with the Project, this Agreement, the ordinances of the City of Bastrop, the laws of the State of Texas, and the Bastrop Business Incentive Grant (BIG) Program Guidelines, Application, Criteria & Checklist (the “Guidelines”) as attached hereto as Exhibit A and incorporated herein as if fully set forth herein.
- (c) Upon completion of the Project, GRANTEE shall submit a final financial accounting to the BEDC (the “Report”) showing a line item accounting of all eligible costs expended during the Project, which shall be accompanied by the check register of all related expenditures. Invoices, receipts or other proofs of expenditures shall be presented with the Report. The BEDC shall be the sole and final decision maker as to the sufficiency of the Report and associated invoices, receipts or other proofs of expenditures and may deny all or partial reimbursement for lack of sufficiency.
- (d) The Project shall be completed and the Report submitted by September 30, 2017.

(e) Upon submission of the Report and associated invoices, receipts and other proofs of expenditures, the BEDC shall verify compliance with this Agreement and distribute the reimbursement.

III.

GRANTEE agrees not to change or alter the final Project without prior written approval from the Main Street Program office for five (5) years from the date of the GRANTEE signing this Agreement (the "Grant Period"). The property must remain in commercial use during the Grant Period. If a change in use occurs and the property is not used for commercial purposes for longer than any 180 day period, then GRANTEE shall be required to reimburse 100% of the Funds back to the BEDC.

GRANTEE shall maintain ownership of the property for five (5) years immediately following the submission of the Report. If this requirement is not met the GRANTEE shall reimburse BEDC the Funds as provided:

Property sold within 2 years = reimburse 100%

Property sold within 3 years = reimburse 75%

Property sold within 4 years = reimburse 50%

Property sold within 5 years = reimburse 25%

IV.

It is understood and agreed that in the event any provision of this Agreement is inconsistent with requirements of law, the requirements of law will control and the parties shall revert to their respective positions which would otherwise be enjoyed or occupied by the respective parties for the terms of this contract.

V.

The foregoing instrument in writing between the parties herein constitutes the entire Agreement between the parties, relative to the funds made the basis hereof, and any other written or oral agreement with the BEDC being expressly waived by GRANTEE.

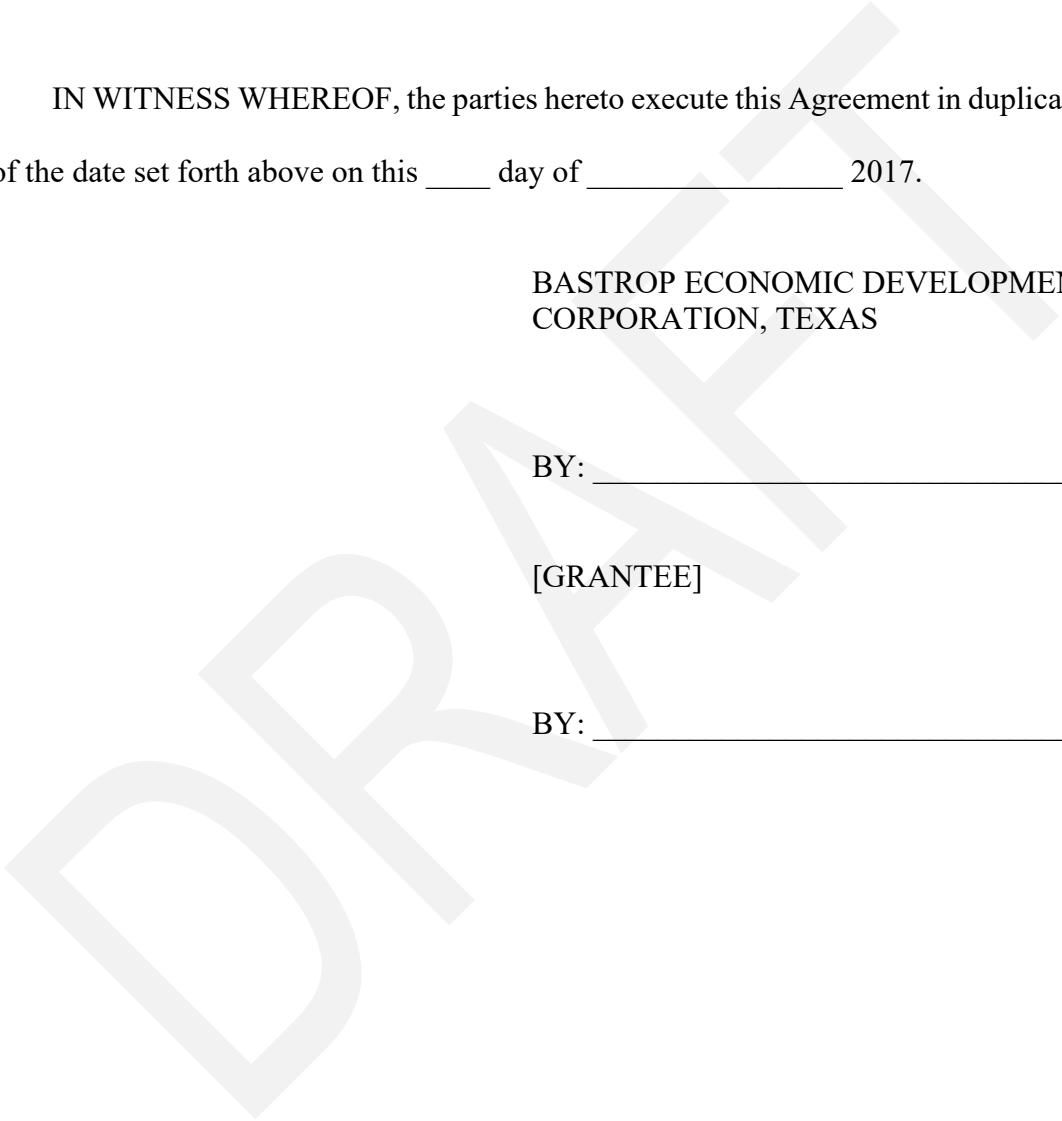
IN WITNESS WHEREOF, the parties hereto execute this Agreement in duplicate originals as of the date set forth above on this ____ day of _____ 2017.

BASTROP ECONOMIC DEVELOPMENT CORPORATION, TEXAS

BY: _____

[GRANTEE]

BY: _____





Agenda Item: 3.10

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for building signage located at 603 Chestnut Street (Lost Pines Art Bazaar).

Prepared by: Shawn A. Kirkpatrick, Executive Director

Naseem Khonsari has submitted an application for a BIG grant on behalf of KKG Bastrop Investments, owner of the Lost Pines Art Bazaar located at 603 Chestnut Street.

They are requesting a grant in the amount of \$1,421 for signage, 50% of the total estimated project cost of \$2,842.

The application was reviewed by the Main Street Design committee and accepted as complete and program-eligible. Under the BIG program guidelines, the applicant is required to enter into a performance agreement with the EDC.

Attachments:

[BIG Application]

[Draft Performance Agreement]

Recommendation

Approve the attached performance agreement.

[RECOMMENDED MOTION] I move to approve a Bastrop Economic Development Corporation Business Incentive Grant Agreement (BIG #2017-008) for the building located at 603 Chestnut Street, for FY 2017, and authorize the Executive Director to execute the agreement on behalf of the EDC.

BIG FY 16-17 APPLICATION

Applicant Information

Applicant's Name: KKG BASTROP INVESTMENTS

Applicant's Mailing Address: 407 LAUREL DR FRIENDSWOOD, TX 77546

Federal Tax ID Number: 26-0166269

Daytime Phone Number: 832-231-5177

Cell Phone: 832-231-5177

Email Address: naseem@lostpinesartbazaar.com

Status of applicant (please check one)

Property owner with vacant facility

Property owner with tenant business

Property owner/operator of existing business on property

Owner of property is a/an (please check one)

Individual

Partnership (attach copy of Partnership Agreement)

Corporation/profit (attach copy of Articles of Incorporation)

Corporation/non-profit (attach list of officers and directors)

Trust (attach copy of Trust Agreement)

Other, please explain:

Length of ownership: 10+ YEARS Date Purchased: 2007

Property Information

Address of property to be improved: 603 CHESTNUT ST

Legal Description of subject property: BUILDING BLOCK 9 W W. St.

Tax Assessor Parcel Number (s): R33953

Year built: 1926 Square footage: 6,298

Name and phone number of current tenant(s), if applicable:

Lost Pines Art Bazaar, Kazem Khonsari 713-539-5322

CONTACT: NASEEM KHONSARI 832-231-5177

Planned use of building after improvements are made:

see attachment pg. 1

Project Description - please provide a detailed description of the proposed business improvement grant for your building:

see attachment pg. 1

Please obtain the following documentation to accompany your application:

1. Current photograph of building exterior.
2. Historic photographs of building exterior if available. - not available (attached best I could find)
3. Drawings and/or rendering accurately depicting the extent of the proposed work.
4. Brief history of the building and any previous improvement work done to the building that you are aware of.
5. Current assessed property value. \$331,749

Bastrop BIG Program Checklist FY 16-17

Completed Application including:

1. If the property is owned by someone other than an individual attach one of the following:
2. Copy of Articles of Incorporation *attached*
3. List of officers and directors
4. Copy of Trust Document
5. Current photograph of building exterior *attached*
6. Historic photographs of building exterior if available *attached*
7. Drawings and/or rendering accurately depicting the extent of the proposed work *attached*
8. Brief history of the building and any previous improvement work done to the building that you are aware of. *attached*
9. Current Assessed Value *\$331,744* property tax DOC. *attached*
10. Detailed project budget, outline selected bids and total project amount. *attached*
11. Completed Scoring Criteria *attached*
12. Completed Checklist

I certify to the best of my knowledge that I have submitted all of the required information to apply for approval of the BIG Program and that the information is correct.

I have read and agree to abide by the BIG Program Application Guidelines.

Applicant Name: *KKG Bastrop Investments*

Applicant Signature: 

Date: *8/11/2017*

Page 1

Planned use of building after improvements are made:

Building use will continue as is with Lost Pines Art Bazaar remaining as tenant business.

Project Description:

Building improvements proposed for signage are being made to increase visibility for building and direct traffic in to building from both Chestnut St. and alley b. Alley B currently has no store signage. Façade signage was left blank in two areas with intention to eventually add signage to it. The current hanging sign on facade will be updated with current logo to create a cohesive look and branding for the business. The total proposal is for 3 sign additions and/or updates. Sign application paperwork to city is attached with item 3.

Bastrop BIG Program FY 16-17 Scoring Application

SCORING CATEGORIES

Possible Points

Select one entry per category if applicable 35

Location

- Located in the Historic Main Street Area 5
- Located in the Main Street Program Area 4
- Located along a commercial corridor leading downtown 3
- Located along a commercial corridor 2
- Other location 0

Points Earned

Local Landmark Designation

- Designated by Historic Landmark Commission as a Historic Landmark 5
- Designated by Historic Landmark Commission as a Significant Landmark 4

Points Earned

Economic Impact of future use

- Retail/Restaurant/Tourism 5
- Public or Non-Profit 4
- Professional Service 3

Points Earned

Use of Structure

Application is part of a project that will allow reoccupation of a structure that is currently vacant and has been for:

- Three or more years 5
- Two to three years 4
- One to two years 3
- Less than a year 2
- Structure is currently occupied 0

Points Earned

Age of Structure as of October 1 of current fiscal year

- Over 50 years 5
- 40-49 years 4
- 30-39 years 3

20-29 years	2
10-19 years	1
Less than 9	0

Points Earned

Danger of Structure

Structure is currently threatened: Structure is currently threatened or likely to be within 1 year. Severe deterioration evident, threatened loss of entire structure. Roof damage, severe structural damage. 5

Structure is in moderate danger: Structure is moderately threatened or likely to be within 1 to 5 years. Deterioration has begun, but does not pose immediate threat of collapse. 4

Structure is in potential danger: Localized minor damage to structure, limited damage to major features. 3

Structure is not in danger: Project is cosmetic. 2

Points Earned

Previous Funding

Applicant has not applied for or received funding from the Mega Grant or Façade Grant Program in the past five (5) years. 5

Applicant has applied before and satisfactorily completed the project. 4

Points Earned

Total Points 27 of 35

**BASTROP ECONOMIC DEVELOPMENT CORPORATION
BUSINESS INCENTIVE GRANT PROGRAM STANDARD
AGREEMENT**

**THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF BASTROP §**

THIS IS AN AGREEMENT, made and entered into by and between the Bastrop Economic Development Corporation, an Economic Development Corporation created by and through the laws of the State of Texas, hereinafter called “BEDC”, acting by and through its duly authorized representative, and KKG Bastrop Investments, hereinafter called “GRANTEE,” acting by and through its duly authorized representative.

W I T N E S S E T H:

WHEREAS, commercial property owners desire to generate adequate rents and revenues from their commercial buildings while creating a sense of pride in their investment; and

WHEREAS, the BEDC through the Bastrop Incentive Grant (“BIG”) Program wishes to maintain and improve the quality of life for its citizens, attract outside spending, generate additional jobs, and increase sales tax by fostering economically viable commercial districts; and

WHEREAS, the objective of the BIG Program is to provide assistance to those who are attempting to improve the appearance of commercial properties along commercial corridors and those who wish to preserve, save, and improve historic properties in Bastrop; and

WHEREAS, the BEDC has created and approved a process whereby buildings located within the City of Bastrop may apply for a BIG Program grant from the BEDC.

II.

NOWHEREFORE, upon an affirmative vote of the majority of the BEDC Board, on August 21, 2017, the BEDC determined that GRANTEE qualified for a reimbursement grant (the “Reimbursement”) in the amount of \$1,421.00 for the improvements as provided for in its application, and that said Reimbursement shall be distributed to GRANTEE under the following terms and conditions:

- (a) For and in consideration of the Reimbursement to GRANTEE by the BEDC, the funds distributed are intended to reimburse GRANTEE for the eligible expenses associated with improvements to the building at 603 Chestnut Street (the “Project”). All reimbursements shall be for the Project and its associated eligible costs as submitted by the GRANTEE and approved by the Main Street Design Committee and the BEDC.
- (b) The Reimbursement shall be contingent on compliance with the Project, this Agreement, the ordinances of the City of Bastrop, the laws of the State of Texas, and the Bastrop Business Incentive Grant (BIG) Program Guidelines, Application, Criteria & Checklist (the “Guidelines”) as attached hereto as Exhibit A and incorporated herein as if fully set forth herein.
- (c) Upon completion of the Project, GRANTEE shall submit a final financial accounting to the BEDC (the “Report”) showing a line item accounting of all eligible costs expended during the Project, which shall be accompanied by the check register of all related expenditures. Invoices, receipts or other proofs of expenditures shall be presented with the Report. The BEDC shall be the sole and final decision maker as to the sufficiency of the Report and associated invoices, receipts or other proofs of expenditures and may deny all or partial reimbursement for lack of sufficiency.
- (d) The Project shall be completed and the Report submitted by September 30, 2017.

(e) Upon submission of the Report and associated invoices, receipts and other proofs of expenditures, the BEDC shall verify compliance with this Agreement and distribute the reimbursement.

III.

GRANTEE agrees not to change or alter the final Project without prior written approval from the Main Street Program office for five (5) years from the date of the GRANTEE signing this Agreement (the "Grant Period"). The property must remain in commercial use during the Grant Period. If a change in use occurs and the property is not used for commercial purposes for longer than any 180 day period, then GRANTEE shall be required to reimburse 100% of the Funds back to the BEDC.

GRANTEE shall maintain ownership of the property for five (5) years immediately following the submission of the Report. If this requirement is not met the GRANTEE shall reimburse BEDC the Funds as provided:

Property sold within 2 years = reimburse 100%

Property sold within 3 years = reimburse 75%

Property sold within 4 years = reimburse 50%

Property sold within 5 years = reimburse 25%

IV.

It is understood and agreed that in the event any provision of this Agreement is inconsistent with requirements of law, the requirements of law will control and the parties shall revert to their respective positions which would otherwise be enjoyed or occupied by the respective parties for the terms of this contract.

V.

The foregoing instrument in writing between the parties herein constitutes the entire Agreement between the parties, relative to the funds made the basis hereof, and any other written or oral agreement with the BEDC being expressly waived by GRANTEE.

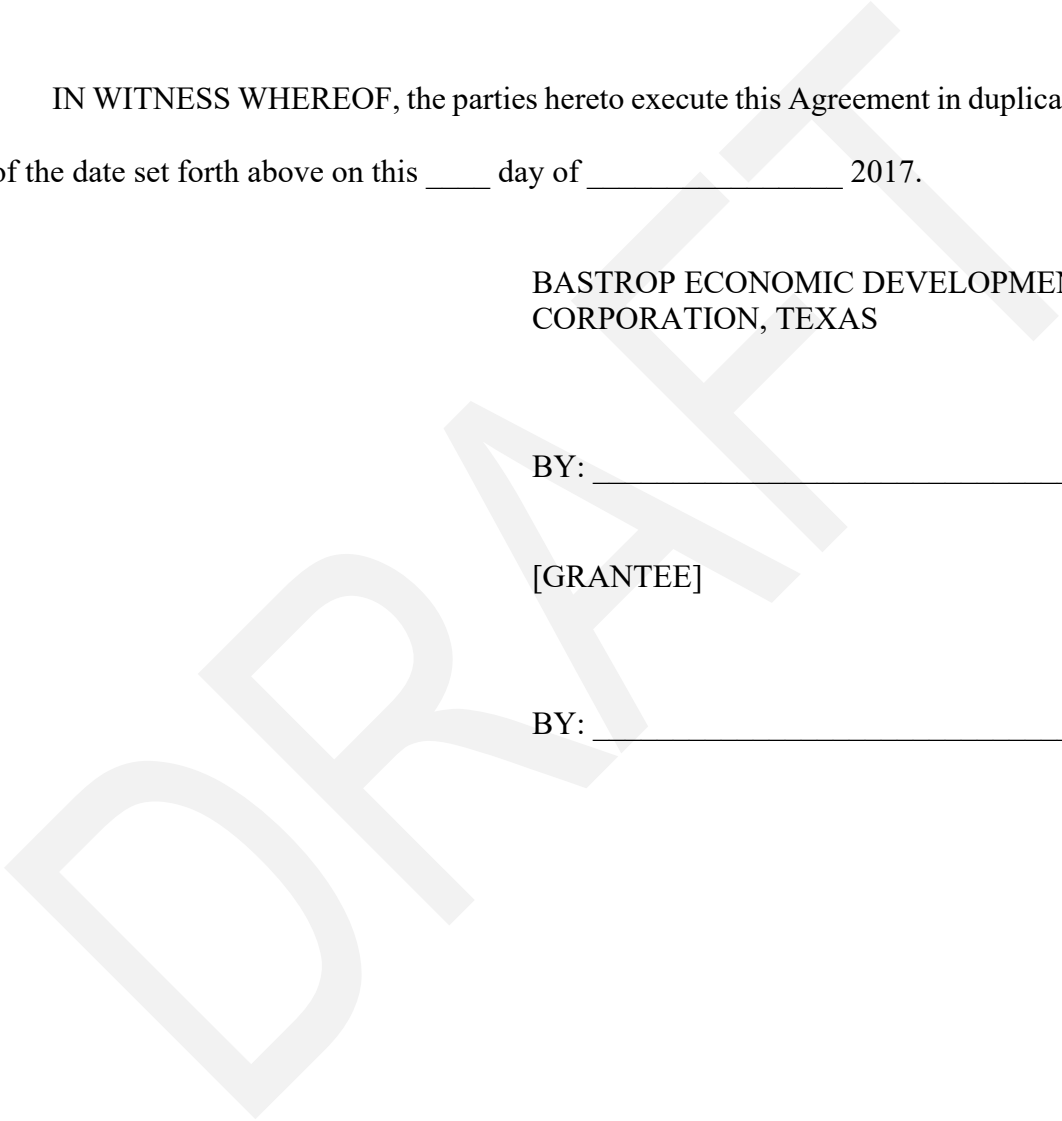
IN WITNESS WHEREOF, the parties hereto execute this Agreement in duplicate originals as of the date set forth above on this ____ day of _____ 2017.

BASTROP ECONOMIC DEVELOPMENT CORPORATION, TEXAS

BY: _____

[GRANTEE]

BY: _____





Agenda Item: 3.11

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: Consideration, discussion and possible action on approving a Business Incentive Grant (BIG) Agreement for the patio and signage located at 919 Main Street (former Baxters on Main Building).

Prepared by: Shawn A. Kirkpatrick, Executive Director

Raymah Davis, owner of the building located at 919 Main Street, has submitted an application for a grant to remodel the outdoor patio and replace the signage on the front of the building.

She is requesting a grant in the amount of \$5,175, 50% of the total estimated project cost of \$10,350.

The application was reviewed by the Main Street Design committee and accepted as complete and program-eligible. Under the BIG program guidelines, the applicant is required to enter into a performance agreement with the EDC.

Attachments:

[BIG Application]

[Draft Performance Agreement]

Recommendation

Approve the attached performance agreement.

[RECOMMENDED MOTION] I move to approve a Bastrop Economic Development Corporation Business Incentive Grant Agreement (BIG #2017-009) for the building located at 919 Main Street, for FY 2017, and authorize the Executive Director to execute the agreement on behalf of the EDC.

BIG FY 16-17 APPLICATION

Applicant Information

Applicant's Name: Raymah Davis, owner

Applicant's Mailing Address: 561 Old Lake Rd. Smithville, TX 78957

Federal Tax ID Number:

Daytime Phone Number:

Cell Phone: 5128483588

Email Address: raymah.davis@co.bastrop.tx.us

Status of applicant (please check one)

Property owner with vacant facility

Property owner with tenant business

Property owner/operator of existing business on property

Owner of property is a/an (please check one)

Individual

Partnership (attach copy of Partnership Agreement)

Corporation/profit (attach copy of Articles of Incorporation)

Corporation/non-profit (attach list of officers and directors)

Trust (attach copy of Trust Agreement)

Other, please explain:

Length of ownership: 14 years Date Purchased: 2003

Property Information

Address of property to be improved: 919 Main St. Bastrop, TX

Legal Description of subject property: .307 acres out of Block 4

Tax Assessor Parcel Number (s):

Year built: 1890 Square footage: 8000

Name and phone number of current tenant(s), if applicable:

Baxters on Main

Planned use of building after improvements are made:

Long term lease with new tenant, restaurant and outdoor patio

Project Description - please provide a detailed description of the proposed business improvement grant for your building:

See attached project description and cost.

Please obtain the following documentation to accompany your application:

1. **Current photograph of building exterior.**
2. **Historic photographs of building exterior if available.**
3. **Drawings and/or rendering accurately depicting the extent of the proposed work.**
4. **Brief history of the building and any previous improvement work done to the building that you are aware of.**
5. **Current assessed property value. Property Value 785K**

Bastrop BIG Program FY 16-17 Scoring Application

SCORING CATEGORIES

Possible Points

Select one entry per category if applicable

35

Location

Located in the Historic Main Street Area

5

Located in the Main Street Program Area

4

Located along a commercial corridor leading downtown

3

Located along a commercial corridor

2

Other location

0

Points Earned

Local Landmark Designation

Designated by Historic Landmark Commission as a Historic Landmark

5

Designated by Historic Landmark Commission as a Significant Landmark

4

Points Earned

Economic Impact of future use

Retail/Restaurant/Tourism

5

Public or Non-Profit

4

Professional Service

3

Points Earned

Use of Structure

Application is part of a project that will allow reoccupation of a structure that is currently vacant and has been for:

Three or more years

5

Two to three years

4

One to two years

3

Less than a year

2

Structure is currently occupied

0

Points Earned

Age of Structure as of October 1 of current fiscal year

Over 50 years

5

40-49 years

4

30-39 years

3

20-29 years	2
10-19 years	1
Less than 9	0

Points Earned

Danger of Structure

Structure is currently threatened: Structure is currently threatened or likely to be within 1 year. Severe deterioration evident, threatened loss of entire structure. Roof damage, severe structural damage. 5

Structure is in moderate danger: Structure is moderately threatened or likely to be within 1 to 5 years. Deterioration has begun, but does not pose immediate threat of collapse. 4

Structure is in potential danger: Localized minor damage to structure, limited damage to major features. 3

Structure is not in danger: Project is cosmetic. 2

Points Earned

Previous Funding

Applicant has not applied for or received funding from the Mega Grant or Façade Grant Program in the past five (5) years. 5

Applicant has applied before and satisfactorily completed the project. 4

Points Earned

Total Points 29 points

Bastrop BIG Program Checklist FY 16-17

Completed Application including:

1. If the property is owned by someone other than an individual attach one of the following:
2. Copy of Articles of Incorporation
3. List of officers and directors
4. Copy of Trust Document
- ✓5. Current photograph of building exterior
- ✓6. Historic photographs of building exterior if available
- ✓7. Drawings and/or rendering accurately depicting the extent of the proposed work
- ✓8. Brief history of the building and any previous improvement work done to the building that you are aware of.
- ✓9. Current Assessed Value
- ✓10. Detailed project budget, outline selected bids and total project amount.
- ✓11. Completed Scoring Criteria
- ✓12. Completed Checklist

I certify to the best of my knowledge that I have submitted all of the required information to apply for approval of the BIG Program and that the information is correct.

I have read and agree to abide by the BIG Program Application Guidelines.

Applicant Name: *Rayman Davis*

Applicant Signature: *Rayman Davis*

Date: *7-27-17*

PROJECT DESCRIPTION

1. Remodel with enclosure of existing outdoor patio on the east side of the Baxters building. Concrete to be poured for 2 locations; Frame an area 9 ft high x 95 ft length; Exterior w board/button siding with lattice and 2 main entrance gates; Interior with reclaimed sheet metal; new electrical w/ 10 ft spacing on new interior wall; tie in with existing plumbing w/ 2 faucets; drainage to existing sewer connections; 3 strands of 60ft outdoor lighting for the enclosed patio. **\$7900.00 (attached drawing)**
2. Replace existing Baxters on Main signage on front of building with new tenant signage (36 in x120 in). Install new tenant hanging signage (14 in x 24 in) on sidewalk. Front signage will be an acrylic base with 3 dimensional letters and numbers. Sidewalk signage will be acrylic base painted black. The pricing includes design, materials, construction and installation. Signage must be approved by City of Bastrop Planning Department. **\$2450.00 (attached drawing of front and sidewalk signage).**

**BASTROP ECONOMIC DEVELOPMENT CORPORATION
BUSINESS INCENTIVE GRANT PROGRAM STANDARD
AGREEMENT**

**THE STATE OF TEXAS §
 § **KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF BASTROP §**

THIS IS AN AGREEMENT, made and entered into by and between the Bastrop Economic Development Corporation, an Economic Development Corporation created by and through the laws of the State of Texas, hereinafter called “BEDC”, acting by and through its duly authorized representative, and Raymah Davis, hereinafter called “GRANTEE,” acting by and through its duly authorized representative.

WITNESSETH:

WHEREAS, commercial property owners desire to generate adequate rents and revenues from their commercial buildings while creating a sense of pride in their investment; and

WHEREAS, the BEDC through the Bastrop Incentive Grant (“BIG”) Program wishes to maintain and improve the quality of life for its citizens, attract outside spending, generate additional jobs, and increase sales tax by fostering economically viable commercial districts; and

WHEREAS, the objective of the BIG Program is to provide assistance to those who are attempting to improve the appearance of commercial properties along commercial corridors and those who wish to preserve, save, and improve historic properties in Bastrop; and

WHEREAS, the BEDC has created and approved a process whereby buildings located within the City of Bastrop may apply for a BIG Program grant from the BEDC.

II.

NOWHEREFORE, upon an affirmative vote of the majority of the BEDC Board, on August 21, 2017, the BEDC determined that GRANTEE qualified for a reimbursement grant (the “Reimbursement”) in the amount of \$5,175.00 for the improvements as provided for in its application, and that said Reimbursement shall be distributed to GRANTEE under the following terms and conditions:

- (a) For and in consideration of the Reimbursement to GRANTEE by the BEDC, the funds distributed are intended to reimburse GRANTEE for the eligible expenses associated with improvements to the building at 919 Main Street (the “Project”). All reimbursements shall be for the Project and its associated eligible costs as submitted by the GRANTEE and approved by the Main Street Design Committee and the BEDC.
- (b) The Reimbursement shall be contingent on compliance with the Project, this Agreement, the ordinances of the City of Bastrop, the laws of the State of Texas, and the Bastrop Business Incentive Grant (BIG) Program Guidelines, Application, Criteria & Checklist (the “Guidelines”) as attached hereto as Exhibit A and incorporated herein as if fully set forth herein.
- (c) Upon completion of the Project, GRANTEE shall submit a final financial accounting to the BEDC (the “Report”) showing a line item accounting of all eligible costs expended during the Project, which shall be accompanied by the check register of all related expenditures. Invoices, receipts or other proofs of expenditures shall be presented with the Report. The BEDC shall be the sole and final decision maker as to the sufficiency of the Report and associated invoices, receipts or other proofs of expenditures and may deny all or partial reimbursement for lack of sufficiency.
- (d) The Project shall be completed and the Report submitted by September 30, 2017.

(e) Upon submission of the Report and associated invoices, receipts and other proofs of expenditures, the BEDC shall verify compliance with this Agreement and distribute the reimbursement.

III.

GRANTEE agrees not to change or alter the final Project without prior written approval from the Main Street Program office for five (5) years from the date of the GRANTEE signing this Agreement (the "Grant Period"). The property must remain in commercial use during the Grant Period. If a change in use occurs and the property is not used for commercial purposes for longer than any 180 day period, then GRANTEE shall be required to reimburse 100% of the Funds back to the BEDC.

GRANTEE shall maintain ownership of the property for five (5) years immediately following the submission of the Report. If this requirement is not met the GRANTEE shall reimburse BEDC the Funds as provided:

Property sold within 2 years = reimburse 100%

Property sold within 3 years = reimburse 75%

Property sold within 4 years = reimburse 50%

Property sold within 5 years = reimburse 25%

IV.

It is understood and agreed that in the event any provision of this Agreement is inconsistent with requirements of law, the requirements of law will control and the parties shall revert to their respective positions which would otherwise be enjoyed or occupied by the respective parties for the terms of this contract.

V.

The foregoing instrument in writing between the parties herein constitutes the entire Agreement between the parties, relative to the funds made the basis hereof, and any other written or oral agreement with the BEDC being expressly waived by GRANTEE.

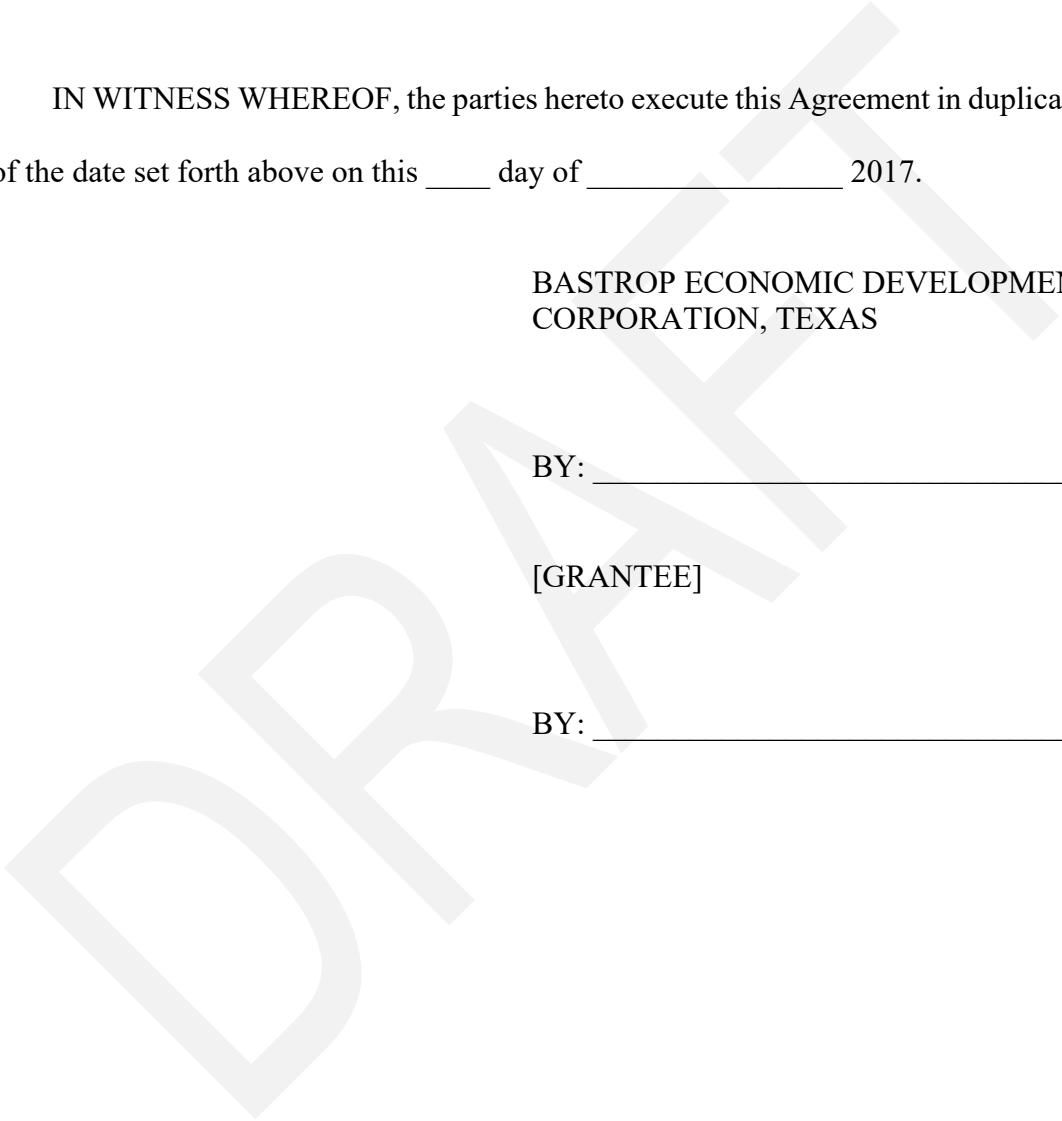
IN WITNESS WHEREOF, the parties hereto execute this Agreement in duplicate originals as of the date set forth above on this ____ day of _____ 2017.

BASTROP ECONOMIC DEVELOPMENT CORPORATION, TEXAS

BY: _____

[GRANTEE]

BY: _____





Agenda Item: 3.12

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: **PUBLIC HEARING** – Conduct a public hearing to receive input from the general public on the Bastrop Economic Development Corporation’s proposed budget for Fiscal Year 2017/2018.

Prepared by: Shawn Kirkpatrick, Executive Director

As part of the budget process, the EDC holds a public hearing to receive input from the community.

Attachment:
[Public Hearing Notice]

Recommendation

No action required.

NOTICE OF PUBLIC HEARING
 BASTROP ECONOMIC DEVELOPMENT CORPORATION
 MONDAY, AUGUST 21, 2017 – 5:00 P.M.

NOTICE IS HEREBY GIVEN THAT THE BASTROP ECONOMIC DEVELOPMENT CORPORATION (“BEDC”) ESTABLISHED UNDER ARTICLE 5190.6, SEC 4B, OF THE TEXAS REVISED CIVIL STATUTES, *ET SEQ.*, (NOW LGC CHAPTERS 501 AND 505, *ET SEQ.*) WILL CONDUCT A PUBLIC HEARING ON MONDAY, AUGUST 21, 2017, AT 5:00 PM AT 1311 CHESTNUT STREET, IN THE CITY COUNCIL CHAMBERS, BASTROP, TEXAS 78602 ON THE PROPOSED FY 2017/18 ECONOMIC DEVELOPMENT CORPORATION BUDGET. THIS MEETING IS OPEN TO THE PUBLIC AND ANY MEMBER OF THE PUBLIC MAY COMMENT ACCORDING TO THE PROCEDURES OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS. A BUDGET SUMMARY IS INCLUDED BELOW. COPIES OF THE PROPOSED BUDGET ARE AVAILABLE FOR INSPECTION BY THE PUBLIC IN THE BASTROP ECONOMIC DEVELOPMENT OFFICE, 301 HIGHWAY 71 WEST, SUITE 214, DURING REGULAR BUSINESS HOURS BETWEEN THE HOURS OF 8:00 AM TO 5:00 PM MONDAY THROUGH FRIDAY.

BASTROP ECONOMIC DEVELOPMENT CORPORATION
 PROPOSED FY2017/2018 BUDGET

ESTIMATED BEGINNING BALANCE	\$3,971,402.00
REVENUES	
SALES TAX RECEIPTS	\$2,209,500.00
BOND PROCEEDS	\$1,245,000.00
REAL ESTATE	\$215,622.00
OTHER REVENUE	\$13,800.00
INTEREST	\$25,000.00
TOTAL REVENUES	\$3,708,922.00
TOTAL FUNDS	\$7,680,324.00
EXPENDITURES	
PERSONNEL	\$355,433.00
OPERATIONS	\$125,140.00
MARKETING & ADVERTISING	\$135,000.00
PROFESSIONAL SERVICES	\$92,000.00
CITY PROJECTS/SUPPORT	\$158,300.00
BEDC PROJECTS/GRANTS	\$614,612.00
DEBT SERVICE	\$426,480.00
CAPITAL PROJECTS	\$3,209,500.00
CONTINGENCY	\$25,000
TOTAL EXPENDITURES	\$5,141,465.00
ENDING BALANCE	\$2,538,859.00

I, Angela Ryan, Assistant Director of the Bastrop Economic Development Corporation, do hereby certify that this Notice of Public Hearing was posted on: (1) the bulletin board of the City Hall, 1311 Chestnut Street, Bastrop, Texas, (2) at the office of the BEDC, located at 301 Highway 71 West, Suite 214, Bastrop, Texas, and/or (3) on the website of the BEDC at www.bastropedc.org, at places readily accessible to the general public at all times, at a date and time that preceded the hearing by a minimum of 72 hours. Further, I certify that this Notice was published in the *Bastrop Advertiser* on AUGUST 19, 2017.

Angela Ryan

Angela Ryan, BEDC Assistant Director



Agenda Item: 3.13

AGENDA MEMORANDUM

Meeting Date: August 21, 2017

Agenda Item: The Bastrop Economic Development Corporation Board of Directors will consider, discuss and take possible action concerning the above item 3.12, i.e., the Public Hearing on the BEDC's proposed budget for Fiscal Year 2017/2018, including but not limited to action to modify the proposed budget and/or to adopt the Fiscal Year 2017/2018 budget, as proposed or modified.

Prepared by: Shawn Kirkpatrick, Executive Director

The EDC Board has provided guidance throughout the budget process for the FY 2017/2018 budget. Attached is the final budget entered into the City of Bastrop accounting system for approval.

EDC staff has prepared an FY 2017/2018 Budget Booklet, including the EDC budget, annual work plan, and supporting documentation, which is available separately from the Board packet.

Attachment:
[EDC Budget]

Recommendation

Approve as presented.

[RECOMMENDED MOTION] I move to approve the FY 2017/2018 budget as presented.

08/18/2017

100

BASE BUDGET REPORT

AS OF: SEPTEMBER 30TH, 2017

601-BASTROP E.D.C. FUND

REVENUES	AME	2015-2016 ACTUAL	2016-2017 BUDGET	Y-T-D ACTUAL	% OF BUDGET	2016-2017 PROJ ACTUAL	2017-2018 BASE BUDGET
<u>TAXES & PENALTIES</u>							
00-00-4005 SALES TAX		<u>2,159,801.33</u>	<u>2,209,500</u>	<u>1,788,741.37</u>	<u>80.96</u>	<u>2,118,250</u>	<u>2,209,500.00</u>
TOTAL TAXES & PENALTIES		2,159,801.33	2,209,500	1,788,741.37	80.96	2,118,250	2,209,500.00
<u>CHARGES FOR SERVICES</u>							
00-00-4047 LEASE AGREEMENT		<u>13,800.00</u>	<u>13,800</u>	<u>12,650.00</u>	<u>91.67</u>	<u>13,800</u>	<u>13,800.00</u>
TOTAL CHARGES FOR SERVICES		13,800.00	13,800	12,650.00	91.67	13,800	13,800.00
<u>OTHER REVENUE</u>							
TOTAL OTHER REVENUE		0.00	0	0.00	0.00	0	0.00
<u>INTEREST INCOME</u>							
00-00-4400 INTEREST INCOME		<u>13,517.84</u>	<u>10,000</u>	<u>26,368.90</u>	<u>263.69</u>	<u>9,000</u>	<u>24,000.00</u>
00-00-4401 INTEREST RECEIVED ON NOTES		<u>1,479.63</u>	<u>1,500</u>	<u>977.50</u>	<u>65.17</u>	<u>1,500</u>	<u>1,000.00</u>
TOTAL INTEREST INCOME		14,997.47	11,500	27,346.40	237.79	10,500	25,000.00
<u>MISCELLANEOUS</u>							
00-00-4512 LAND/OTHER SALES		<u>53,237.01</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>130,000</u>	<u>215,622.00</u>
00-00-4558 BEDC GRANT RECEIPTS		<u>6,000.00</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>6,000</u>	<u>0.00</u>
TOTAL MISCELLANEOUS		59,237.01	0	0.00	0.00	136,000	215,622.00
<u>TRANSFERS-IN</u>							
00-00-4736 TRANS IN - FUND #724		<u>1,703.50</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
TOTAL TRANSFERS-IN		1,703.50	0	0.00	0.00	0	0.00
<u>OTHER SOURCES</u>							
00-00-4805 GAIN/LOSS ON SALE OF FIXED AS		<u>75,752.68</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
00-00-4810 BOND PROCEEDS		<u>0.00</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>1,245,000.00</u>
TOTAL OTHER SOURCES		75,752.68	0	0.00	0.00	0	1,245,000.00
TOTAL REVENUE		2,325,291.99	2,234,800	1,828,737.77	81.83	2,278,550	3,708,922.00

BASE BUDGET REPORT

AS OF: SEPTEMBER 30TH, 2017

601-BASTROP E.D.C. FUND

EXPENDITURES	AME	2015-2016 ACTUAL	2016-2017 BUDGET	Y-T-D ACTUAL	% OF BUDGET	2016-2017 PROJ ACTUAL	2017-2018 BASE BUDGET
NON-DEPARTMENT							
=====							
00-NON-PROGRAM							
=====							
TOTAL 00-NON-PROGRAM		0.00	0	0.00	0.00	0	0.00

TOTAL NON-DEPARTMENT		0.00	0	0.00	0.00	0	0.00
BEDC ADMINISTRATION							
=====							
00-NON-PROGRAM							
=====							
<u>PERSONNEL COSTS</u>							
70-00-5101 BEDC OPERATIONAL SALARIES		209,863.14	233,478	172,362.27	73.82	239,478	259,350.00
70-00-5112 COMPENSATED ABSENCES EDC		3,183.81	0	0.00	0.00	0	0.00
70-00-5116 LONGEVITY		258.00	450	408.00	90.67	408	581.00
70-00-5117 OVERTIME		37.50	0	0.00	0.00	0	0.00
70-00-5150 SOCIAL SECURITY		16,355.68	17,930	12,815.56	71.48	17,930	19,920.00
70-00-5151 RETIREMENT		22,890.71	27,050	19,963.40	73.80	27,050	30,090.00
70-00-5155 GROUP INSURANCE		22,195.12	28,988	22,503.85	77.63	28,988	35,992.00
70-00-5156 WORKER'S COMPENSATION		456.86	500	458.25	91.65	605	500.00
70-00-5159 RETIREE BENEFITS EXP		<u>12,348.16</u>	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
TOTAL PERSONNEL COSTS		287,588.98	308,396	228,511.33	74.10	314,459	346,433.00
<u>SUPPLIES & MATERIALS</u>							
70-00-5201 OPERATIONAL SUPPLIES (OFFIC		5,033.73	7,000	5,302.57	75.75	7,000	7,000.00
70-00-5203 POSTAGE		201.96	360	74.16	20.60	120	360.00
70-00-5206 OFFICE EQUIPMENT		<u>10,615.81</u>	<u>10,200</u>	<u>8,554.91</u>	<u>83.87</u>	<u>10,200</u>	<u>8,500.00</u>
TOTAL SUPPLIES & MATERIALS		15,851.50	17,560	13,931.64	79.34	17,320	15,860.00
<u>MAINTENANCE & REPAIRS</u>							
70-00-5301 MAINT OF EQUIPMENT		309.98	1,000	330.00	33.00	1,000	1,000.00
70-00-5331 INDUSTRIAL PARK MAINT EXP		2,300.00	0	0.00	0.00	0	20,000.00
70-00-5345 BUILDING REPAIRS & MAINT.		<u>14,156.24</u>	<u>3,600</u>	<u>3,011.86</u>	<u>83.66</u>	<u>3,600</u>	<u>3,600.00</u>
TOTAL MAINTENANCE & REPAIRS		16,766.22	4,600	3,341.86	72.65	4,600	24,600.00

BASE BUDGET REPORT

AS OF: SEPTEMBER 30TH, 2017

601-BASTROP E.D.C. FUND

EXPENDITURES	AME	2015-2016 ACTUAL	2016-2017 BUDGET	Y-T-D ACTUAL	% OF BUDGET	2016-2017 PROJ ACTUAL	2017-2018 BASE BUDGET
<u>OCCUPANCY</u>							
70-00-5401	COMMUNICATIONS	9,396.50	11,550	6,515.71	56.41	9,000	9,000.00
70-00-5402	OFFICE RENTAL	36,000.00	36,000	36,000.00	100.00	36,000	36,000.00
70-00-5403	UTILITIES	<u>4,312.66</u>	<u>4,680</u>	<u>2,992.98</u>	<u>63.95</u>	<u>2,400</u>	<u>3,480.00</u>
	TOTAL OCCUPANCY	49,709.16	52,230	45,508.69	87.13	47,400	48,480.00
<u>CONTRACTUAL SERVICES</u>							
70-00-5505	PROFESSIONAL SERVICES	48,701.37	66,300	48,455.68	73.09	66,300	30,000.00
70-00-5518	AUDIT	0.00	0	0.00	0.00	0	5,000.00
70-00-5525	LEGALS	28,995.39	30,000	15,815.34	52.72	30,000	24,000.00
70-00-5526	LEGAL PROJECTS	0.00	0	0.00	0.00	0	12,000.00
70-00-5530	ENGINEERING	16,475.00	15,000	8,333.75	55.56	15,000	15,000.00
70-00-5540	PROPERTY INSURANCE	769.49	1,200	523.14	43.60	524	1,200.00
70-00-5561	CONTRACTUAL SERVICES	6,000.00	6,000	5,000.00	83.33	6,000	6,000.00
70-00-5574	CITY PROJECTS & PROGRAMS	88,234.38	139,000	52,949.55	38.09	90,000	83,250.00
70-00-5575	CITY SHARED SERVICES	0.00	0	0.00	0.00	0	7,050.00
70-00-5596	MAIN STREET PROG SUPPORT	40,000.00	40,000	36,666.63	91.67	40,000	50,000.00
70-00-5598	CITY ADMINISTRATIVE SUPPORT	<u>36,198.25</u>	<u>50,000</u>	<u>29,502.01</u>	<u>59.00</u>	<u>40,000</u>	<u>18,000.00</u>
	TOTAL CONTRACTUAL SERVICES	265,373.88	347,500	197,246.10	56.76	287,824	251,500.00
<u>OTHER CHARGES</u>							
70-00-5600	DEPRECIATION EXPENSE	123,855.00	0	0.00	0.00	0	0.00
70-00-5603	MARKETING TRAVEL	8,831.23	28,000	25,328.42	90.46	28,000	28,000.00
70-00-5604	BUSINESS DEVELOPMENT	13,089.52	10,000	4,688.87	46.89	10,000	10,000.00
70-00-5605	TRAINING TRAVEL	9,331.89	15,000	12,721.14	84.81	15,000	12,000.00
70-00-5606	AUTO ALLOWANCE - STAFF	0.00	6,000	0.00	0.00	0	9,000.00
70-00-5610	ISSUANCE COST (15,002.00)	0	18,554.56	0.00	0	45,000.00
70-00-5611	BILLBOARDS	7,500.00	0	0.00	0.00	0	0.00
70-00-5615	DUES, SUBSCRIPTIONS & PUBLI	10,681.39	11,284	11,067.59	98.08	11,284	24,000.00
70-00-5631	BONDS FOR BEDC OFFICERS	646.86	1,000	832.13	83.21	850	1,000.00
70-00-5633	LOCAL/MISC ADV & SPONSORSHI	10,373.00	18,000	14,211.19	78.95	18,000	18,000.00
70-00-5634	NATIONAL/REG ADV & MARKETIN	25,058.22	30,000	15,238.26	50.79	30,000	42,000.00
70-00-5635	REGIONAL ADV & MARKETING	0.00	11,000	8,635.04	78.50	11,000	0.00
70-00-5636	DIGITAL ADV & MARKETING	0.00	10,000	4,750.00	47.50	10,000	10,000.00
70-00-5637	SPECIAL ADV & MARKETING	0.00	12,000	0.00	0.00	12,000	15,000.00
70-00-5640	SPL PROJ-REDEVELOPMENT GRAN	2,607.90	50,000	12,577.80	25.16	50,000	50,000.00
70-00-5641	SPL EDUC & WORKFORCE DEVELO	6,635.68	12,000	4,941.45	41.18	10,000	30,000.00
70-00-5642	SPL ENTREPRENEURIAL/SM BUS	2,634.32	10,000	7,059.55	70.60	10,000	20,000.00
70-00-5643	SPL RETAIL RECRUITING	0.00	0	0.00	0.00	0	25,000.00
70-00-5644	380 AGREEMENT REIMBURSEMENT	323,691.25	329,000	259,705.74	78.94	354,000	360,000.00
70-00-5645	WATER RIGHTS PROP FUNDING	0.00	60,000	0.00	0.00	60,000	60,000.00
70-00-5646	LAND/GRANT REBATES	42,493.85	49,205	28,000.00	56.90	46,779	28,050.00
70-00-5649	SPL PRJT DISASTER RELIEF GR	0.00	10,000	0.00	0.00	0	10,000.00
70-00-5650	SPL PRJT BUS RETEN & EXPAN	0.00	8,000	1,962.59	24.53	8,000	10,000.00
70-00-5689	OPPORTUNITY AUSTIN	10,000.00	10,000	0.00	0.00	10,000	10,000.00
70-00-5691	CLOSING COSTS	0.00	0	0.00	0.00	0	21,562.00
70-00-5700	TARGETED MARKETING	<u>23,985.28</u>	<u>0</u>	<u>1,079.01</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>

BASE BUDGET REPORT

AS OF: SEPTEMBER 30TH, 2017

601-BASTROP E.D.C. FUND

EXPENDITURES	AME	2015-2016 ACTUAL	2016-2017 BUDGET	Y-T-D ACTUAL	% OF BUDGET	2016-2017 PROJ ACTUAL	2017-2018 BASE BUDGET
TOTAL OTHER CHARGES		606,413.39	690,489	431,353.34	62.47	694,913	838,612.00
<u>CONTINGENCY</u>							
70-00-5900 CONTINGENCY		0.00	25,000	0.00	0.00	0	25,000.00
TOTAL CONTINGENCY		0.00	25,000	0.00	0.00	0	25,000.00
<u>CAPITAL OUTLAY</u>							
70-00-6713 TRAIL SYS FROM ESKEW TO HWY		0.00	180,000	16,231.86	9.02	20,500	409,500.00
70-00-6714 921 MAINSTREET PROJECT		0.00	100,000	45,082.72	45.08	50,000	0.00
70-00-6715 BIP TECHNOLOGY/MLK INFRASTR		0.00	0	0.00	0.00	0	1,600,000.00
70-00-6716 AGNES/HOME DEPOT INFRASTRUC		0.00	0	0.00	0.00	0	1,200,000.00
TOTAL CAPITAL OUTLAY		0.00	280,000	61,314.58	21.90	70,500	3,209,500.00
<u>DEBT SERVICE</u>							
70-00-7133 C OF O SERIES 2013 PRINCIPL		0.00	70,000	64,166.63	91.67	70,000	71,000.00
70-00-7134 C OF O SERIES 2013 INTEREST		101,008.74	98,700	90,473.90	91.67	98,700	96,599.00
70-00-7137 C OF O SERIES 2010 PRINCIPA		0.00	45,110	41,350.87	91.67	45,110	46,498.00
70-00-7138 C OF O SERIES 2010 INTEREST		33,494.34	32,013	29,344.92	91.67	32,013	9,503.00
70-00-7156 GO REFUNDING 2017-INT		0.00	0	0.00	0.00	0	19,000.00
70-00-7160 INTEREST ACCRUED (956.88)	0	0.00	0.00	0	0.00
70-00-7501 C OF O SERIES 2008A PRINCIP		0.00	370,000	370,000.00	100.00	370,000	0.00
70-00-7502 C OF O SERIES 2008A, INTERE		18,005.74	16,828	16,827.50	100.00	16,828	0.00
70-00-7605 BOND PRINCIPAL 2018		0.00	0	0.00	0.00	0	48,750.00
70-00-7606 BOND INTEREST 2018		0.00	0	0.00	0.00	0	27,023.00
TOTAL DEBT SERVICE		151,551.94	632,651	612,163.82	96.76	632,651	318,373.00
TOTAL 00-NON-PROGRAM		1,393,255.07	2,358,426	1,593,371.36	67.56	2,069,667	5,078,358.00
ADMINISTRATION							
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<u>CAPITAL OUTLAY</u>							
TOTAL CAPITAL OUTLAY		0.00	0	0.00	0.00	0	0.00
<u>DEBT SERVICE</u>							
70-10-7097 INTEREST EXPENSE ON FNB NOT		3,191.13	500	0.00	0.00	500	500.00
70-10-7603 BOND PRINCIPAL 2006		0.00	50,000	45,833.37	91.67	50,000	55,000.00
70-10-7604 BOND INTEREST 2006		20,745.00	9,912	9,085.45	91.66	9,912	7,607.00
TOTAL DEBT SERVICE		23,936.13	60,412	54,918.82	90.91	60,412	63,107.00
TOTAL ADMINISTRATION		23,936.13	60,412	54,918.82	90.91	60,412	63,107.00
TOTAL BEDC ADMINISTRATION		1,417,191.20	2,418,838	1,648,290.18	68.14	2,130,079	5,141,465.00
*** TOTAL EXPENSES ***		1,417,191.20	2,418,838	1,648,290.18	68.14	2,130,079	5,141,465.00
*** END OF REPORT ***							