

NOTICE OF PUBLIC HEARING  
THE FREEPORT CITY COUNCIL  
MONDAY , MARCH 17TH, 2014, 6:00 P.M.  
FREEPORT MUNICIPAL COURT ROOM  
FREEPORT POLICE DEPARTMENT, 430 NORTH BRAZOSPORT BLVD.  
FREEPORT, TEXAS  
AGENDA  
FORMAL SESSION

1. Call to order.
2. Invocation.
3. Pledge of Allegiance.
4. Consideration of approving the March 3rd, 2014 Council Minutes. Pg. 311-312
5. Attending citizens and their business.
6. Proclamation designating the month of May as “Motorcycle Safety and Awareness Month”. Pg. 313
7. Proclamation designating the month of April 2014 as “Fair Housing Month”. Pg. 314
8. **Public Hearing** to consider designating the following described real property located within the corporate boundaries of the city as a reinvestment zone for the purpose of entering into an agreement with the owner of owners thereof granting a tax abatement: Pg. 315  
  
A portion of Lots 435A, 435A-1, 436A, 436A-1, 436B, 437A, 437A1, 437B, 458A, 463, 464, Part Lots 459, 460, 461, 462, Brazos Coast Investment Company Subdivision, Division 14, Abstract 49, and Lots 17, 18, 19, 50A, 51 to 54, 55A, 56A-PT, 14A, 15A, 16-20, 21A, closed ROW, Brazos Coast Investment Company Subdivision, Division 15, S.F. Austin Survey, Abstract 19, Brazoria County, Texas.
9. Consideration of approving Ordinance No. 2014-2062 designating improvements to land located within the Incorporated Limits of said City as a Reinvestment Zone to be known as the BASF Corporation Reinvestment Zone and providing for its initial term and the renewal thereof. Pg. 316-318
10. Consideration of approving Resolution No. 2014-2436 granting a tax abatement to BASF Corporation pursuant to the terms and conditions of and authorizing the Mayor and the City Secretary to execute and attest, respectively, a tax abatement agreement with the said BASF Corporation. Pg. 319-330

11. **Public Hearing** to consider designating the following described real property located within the corporate boundaries of the City as a reinvestment zone for the purpose of entering into an agreement with the owner or owners thereof granting a tax abatement:  
Pg. 331  
  
Lots 22, 23 and 24, Block 15 of the Velasco Townsite, according to the map or plat recorded in Volume 32, page 14 of the Deed Records of Brazoria County, Texas, known locally as 203 South Gulf Boulevard, Freeport Texas 77541.
12. Consideration of approving Ordinance No. 2014-2063 designating improvements to land located within the incorporated limits of said City, as a Reinvestment Zone to be known as the Signal Electronics, Inc., Reinvestment Zone and providing for its initial term and the renewal thereof. Pg. 332-334
13. Consideration of approving Resolution No. 2014-2437 granting a tax abatement to Signal Electronics Inc. pursuant to the terms and conditions of and authorizing the Mayor and City Secretary to execute and attest, respectively a tax abatement agreement with the said Signal Electronics, Inc. Pg. 335-347
14. Consideration of approving Ordinance No. 2014-2064 amending Chapter 90 of the Code of Ordinance of said City to add thereto a new section, to be known as section 90.50, requiring the owner or person in control of any dog to immediately remove and dispose of, in a sanitary manner, any feces left by such dog on any residential, commercial or public premises in the city; requiring the owner or person in control of a dog at any residential; commercial or public premises in the city to have in possession a container or other instrument suitable for the removal and disposal of such dog's feces in a sanitary manner. Pg. 348-351
15. Consideration of accepting a revised Deed Without Warranty from the Velasco Drainage District and authorizing the Mayor to sign and acknowledge and City Secretary to attest the Deed Without Warranty from the Velasco Drainage District along the North and South side of the Old Brazos River, excluding the Tidal Gate and the area around it. Pg. 352-367

Work Session:

- A. Discussion regarding an Automatic Municipal Kiosk.

Adjourn

Items not necessary discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

In compliance with the Americans with Disabilities Act, the City of Freeport will provide for reasonable accommodations for persons attending City Council Meetings. Request should be received 48 hours prior to the meeting. Please contact the City Secretary office at 979-233-3526.

I, Delia Munoz City Secretary for the City of Freeport, Texas certify that this agenda was posted on the official bulletin board/glass door of City Hall, facing the rear parking lot of the building, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, March 14<sup>th</sup>, 2014 at or before 5:00 p.m.

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Delia Munoz - City Secretary  
City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the Freeport City Council met on March 3, 2014 at 6:00 p.m. at the Freeport Municipal Court Room, 430 North Brazosport Boulevard, Freeport, Texas for the purpose of considering the following agenda items:

City Council: Mayor Norma M. Garcia  
Councilwoman Michelle Kent  
Councilman Fred Bolton  
Councilwoman Sandra Loeza - Absent  
Councilwoman Sandra Barbree

Staff: Gilbert Arispe, Assistant City Manager  
Wallace Shaw, City Attorney  
Delia Munoz, City Secretary  
Brian Davis, Fire Chief  
Dan Pennington, Police Chief  
Nat Hickey, Property Manager

Visitors: Jerry Meeks  
Manning Rollerson  
Audrey Pena  
Shannon Daughtry

Call to order.

Mayor Norma M. Garcia called the meeting to order at 6:00 p.m.

Invocation.

Wallace Shaw offered the invocation.

Pledge of Allegiance.

Mayor Norma M. Garcia led the Pledge of Allegiance.

Consideration of approving the February 18th, 2014 Council Minutes.

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting "aye", Council unanimously approved the February 18<sup>th</sup>, 2014 Council Minutes.

Attending citizens and their business.

Mayor Garcia announced that Freeport LNG will hold a meeting at the Brazosport College on March 4, 2014.

Consideration of approving Ordinance No. 2014-2061 calling the Charter Review Amendment Election on the question of adopting three amendments to the Home Rule Charter of said City.

On a motion by Councilwoman Kent, seconded by Councilman Bolton, with all present voting "aye", Council unanimously approved Ordinance No. 2014-2061 calling the Charter Review Amendment Election on the question of adopting three amendments to the Home Rule Charter of said City.

Consideration of approving and signing a re-plat for Associated Builders and Contractors, Velasco Townsite; being a subdivision of 17.82 acres; Lots 1-12, Block 43; All of Blocks 44, 45, 46, 53, 54 55, Lots 1-12, Block 56; closed alleys through Blocks 44, 45, 46, 53, 54, 55 and Close portions of Britt Bailey Street, Ave. I, J, and K of Velasco Townsite, Brazoria County, Texas.

On a motion by Councilwoman Barbree, seconded by Councilwoman Kent, with all present voting "aye", Council unanimously approved signing a re-plat for Associated Builders and Contractors, Velasco Townsite; being a subdivision of 17.82 acres; Lots 1-12, Block 43; All of Blocks 44, 45, 46, 53, 54 55, Lots 1-12, Block 56; closed alleys through Blocks 44, 45, 46, 53, 54, 55 and Close portions of Britt Bailey Street, Ave. I, J, and K of Velasco Townsite, Brazoria County, Texas.

Consideration of the approval of a request from the Associated Builders & Contractors 25<sup>th</sup> Annual Cook-off, for a street closure of East & West Park from 4<sup>th</sup> Street to Second Street, beginning on Friday March 21st at 7:00 a.m. and ending on Sunday at noon also close off Broad St. from W. Park to E. Park beginning at 5:00 p.m. on Friday the 21<sup>st</sup> and ending on Sunday at noon.

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting "aye", Council unanimously approved a request from the Associated Builders & Contractors 25<sup>th</sup> Annual Cook-off, for a street closure of East & West Park from 4<sup>th</sup> Street to Second Street, beginning on Friday March 21st at 7:00 a.m. and ending on Sunday at noon also close off Broad St. from W. Park to E. Park beginning at 5:00 p.m. on Friday the 21<sup>st</sup> and ending on Sunday at noon.

Adjourn

On a motion by Councilwoman Kent, seconded by Councilwoman Barbree, with all present voting "aye", Mayor Garcia adjourned the meeting at 6:05 p.m.

\_\_\_\_\_  
Mayor Norma Moreno Garcia  
City of Freeport, Texas

\_\_\_\_\_  
City Secretary – Delia Munoz  
City of Freeport, Texas

## PROCLAMATION

### MOTORCYCLE SAFETY AND AWARENESS MONTH

WHEREAS, today's society is finding more citizens involved in motorcycling on the roads of our country; and

WHEREAS, motorcyclists are roughly unprotected and much more likely to be injured or killed in a crash than other vehicle drivers; and

WHEREAS, campaigns have helped inform riders and motorists alike on motorcycle safety issues to reduce motorcycle related risks, injuries, and most of all fatalities, through a comprehensive approach to motorcycle safety; and

WHEREAS, it is the responsibility of all who put themselves behind the wheel, to become aware of motorcyclists, regarding them with the same respect as any other vehicle traveling the highways of this country; and

WHEREAS, urging all of our community to become aware of the inherent danger involved in operating a motorcycle and give the operator the respect on the road they deserve;

NOW, THEREFORE, I Norma Moreno Garcia, Mayor of the City of Freeport, Texas do hereby proclaim the month of May 2014 as Motorcycle Safety and Awareness month in Freeport, Texas

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MAYOR NORMA MORENO GARCIA  
CITY OF FREEPORT, TEXAS



**PROCLAMATION**

**WHEREAS**, the Department of Housing and Urban Development has initiated the sponsorship of activities during the month of April of each year designed to reinforce the Department's commitment to the concept of Fair Housing and Equal Opportunity; and

**WHEREAS**, the City of \_\_\_\_\_ affirmatively supports federal objectives related to Fair Housing and Equal Opportunity.

**NOW, THEREFORE, I**, \_\_\_\_\_, Mayor of the City of \_\_\_\_\_, Texas, do hereby proclaim the month of April, 2014 as:

**"FAIR HOUSING MONTH"**

and urge all local officials and public and private organizations to join activities designed to further Fair Housing objectives.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the Seal of the City of \_\_\_\_\_ to be affixed this the \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Mayor

NOTICE OF PUBLIC HEARING

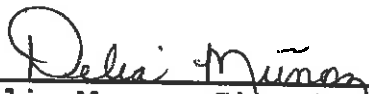
The City Council of the City of Freeport, Texas, will hold a public hearing on Monday, the 17th day of March, 2014, beginning at 6:00, p.m., in the Police Department Municipal Courtroom located therein at 430 North Brazosport Boulevard, Freeport, Brazoria County, Texas, to consider designating the following described real property located within the corporate boundaries of the City as a reinvestment zone for the purpose of entering into an agreement with the owner or owners thereof granting a tax abatement:

A portion of Lots 435A, 435A-1, 436A, 436A-1, 436B, 437A, 437A1, 437B, 458A, 463, 464, PART Lots 459, 460, 461, 462, Brazos Coast Investment Company Subdivision, Division 14, Abstract 49, and Lots 17, 18, 19, 50A, 51 to 54, 55A, 56A-PT, 14A, 15A, 16-20, 21A, Closed ROW, Brazos Coast Investment Company Subdivision, Division 15, S.F. Austin Survey, Abstract 19, Brazoria County, Texas.

At the same hearing, the City Council will consider whether or not to enter into an agreement granting a tax abatement to the owner or owners of the above described property.

All interested persons will be given an opportunity to speak and present evidence for or against such designation and for and against such abatement.

By order of the City Council the 18th day of February, 2014.

  
\_\_\_\_\_  
Delia Munoz, City Secretary  
City of Freeport, Texas

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; CONTAINING FINDINGS OF FACT; DESIGNATING IMPROVEMENTS TO LAND LOCATED WITHIN THE INCORPORATED LIMITS OF SAID CITY AS A REINVESTMENT ZONE TO BE KNOWN AS THE BASF CORPORATION REINVESTMENT ZONE AND PROVIDING FOR ITS INITIAL TERM AND THE RENEWAL THEREOF; CONTAINING SAVINGS CLAUSES; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Freeport, Texas, is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Sections 51.072 and 54.004 of the Local Government Code, Subchapter B of Chapter 312 of the Property Tax Code and Sections 2.01, 2.02 and 9.18 of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Resolution; and,

WHEREAS, the City Council of the City of Freeport has determined and does here now declare that the adoption of this ordinance is necessary to the health, safety and general welfare of the inhabitants of said City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

First, the City Council of the City of Freeport, Texas, (herein after sometimes "the City") makes the following findings of fact:

(1) That by its Resolution 2013-2411 adopted August 5, 2013, the City Council of the City, pursuant to Subchapter B of Chapter 312 of the Property Tax Code, adopted a resolution establishing a tax abatement and reinvestment zone policy and adopting guidelines and criteria for the same.

(2) That pursuant to such guidelines and criteria, on February 12, 2014, BASF Corporation (hereinafter sometimes "the Owner") filed a written application for a tax abatement for and the designation of a reinvestment zone consisting of improvements to the hereinafter described land for which the Owner is requesting a tax abatement.

(3) That the land the improvements of which the Owner seeks to have



designated as a reinvestment zone is within the corporate limits of the City.

(4) That the adoption of this ordinance designating such reinvestment zone was preceded by a public hearing at which all interested persons were given the opportunity to speak and present evidence for or against such designation.

(5) That written notice of such hearing was given to the presiding officer of each of the other taxing units having real property within such zone more than seven (7) days prior to the date of such hearing.

(6) That notice of such hearing was also published in a newspaper of general circulation within the City of Freeport, Texas, more than seven (7) days prior to the date of such hearing.

(7) That the designation of such zone is reasonably likely to contribute to the retention or expansion of primary employment or attract major investment to such zone.

Second, the request of the Owner to have the improvements to the following described land, to-wit:

A portion of Lots 435A, 435A-1, 436A, 436A-1, 436B, 437A, 437A1, 437B, 458A, 463, 464, PART Lots 459, 460, 461, 462, Brazos Coast Investment Company Subdivision, Division 14, Abstract 49, and Lots 17, 18, 19, 50A, 51 to 54, 55A, 56A-PT, 14A, 15A, 16-20, 21A, Closed ROW, Brazos Coast Investment Company Subdivision, Division 15, S.F. Austin Survey, Abstract 19, Brazoria County, Texas,

designated as a reinvestment zone, as such zone is defined in Subchapter B of Chapter 312 of the Property Tax Code and in the guidelines and criteria adopted by the above mentioned resolution, is hereby approved and such improvements to such land is hereby designated as the BASF Corporation Reinvestment Zone.

Third, as provided in Subchapter B of Chapter 312 of the Property Tax Code, such designation shall last for an initial term of five (5) years from the date on which this ordinance is read, passed and adopted as indicated below; and such designation may be renewed, with the consent of the City Council of the City of Freeport, Texas, for successive periods up to five (5) additional years.

Fourth, this ordinance is cumulative of and in addition to all other ordinances of the City of Freeport, Texas, on the same subject and all such ordinances are hereby expressly saved from repeal. Provided however, where this ordinance and the comprehensive zoning ordinance of the city conflict or overlap, the zoning ordinance shall prevail and where this ordinance and any other ordinance conflict or overlap, whichever imposes the more stringent regulations or penalties, as the case may be, shall prevail.

Fifth, nothing contained in this ordinance shall cause any rights heretofore vested to be altered, affected or impaired in any way and all such rights may be hereafter enforced as if this ordinance had not been adopted.

Sixth, in the event any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

Seventh, this ordinance shall take effect and be in force from and after its passage and adoption.

READ, PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 200~.

\_\_\_\_\_  
Norma Moreno Garcia, Mayor  
City of Freeport, Texas

ATTEST:

\_\_\_\_\_  
Delia Munoz, City Secretary  
City of Freeport, Texas

APPROVED AS TO FORM ONLY:

\_\_\_\_\_  
Wallace Shaw, City Attorney,  
City of Freeport, Texas

C:\Freeport.Abt\BASF-TaxAbte-ReinvZn-Ord

AN RESOLUTION OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; MAKING FINDINGS OF FACT; GRANTING A TAX ABATEMENT TO BASF CORPORATION PURSUANT TO THE TERMS AND CONDITIONS OF AND AUTHORIZING THE MAYOR AND CITY SECRETARY TO EXECUTE AND ATTEST, RESPECTIVELY, A TAX ABATEMENT AGREEMENT WITH THE SAID BASF CORPORATION; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THE ORIGINAL OF THIS RESOLUTION SHALL BE MAINTAINED BY THE CITY SECRETARY IN THE PERMANENT RECORDS THEREOF.

WHEREAS, the City of Freeport, Texas, hereinafter sometimes "the City," is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Sections 51.072 and 54.004 of the Local Government Code, Subchapter B of Chapter 312 of the Property Tax Code and Sections 2.01, 2.02 and 9.18 of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Resolution; and,

WHEREAS, the City Council of the City of Freeport has determined to here now declare that the adoption of this resolution is necessary to the health, safety and general welfare of the inhabitants of the City and the economic development of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

First, the City Council of the City of Freeport (hereinafter sometimes "the City") makes the following findings of fact:

(1) That BY its Resolution 2013-2411 adopted August 5, 2013, the City Council of the City, pursuant to Subchapter B of Chapter 312 of the Property Tax Code, established a tax abatement and reinvestment zone policy and adopting guidelines and criteria for the City.

(2) That on February 12, 2014, pursuant to such guidelines and criteria, BASF Corporation (hereinafter sometimes "the Owner") filed a written application requesting a tax abatement for and the designation of a reinvestment zone consisting of improvements to be made to he hereinafter described land.

(3) That the land for which the Owner seeks to have designated as a reinvestment zone is within the corporate limits of the City.

(4) That prior to the adoption of this resolution, there was read, passed and adopted by the City Council of the City Ordinance No. \_\_\_\_\_ approving such request and designating such land as a reinvestment zone as such zone is defined in Subchapter B of Chapter 312 of the Property Tax Code and in the guidelines and criteria adopted by the above mentioned resolution.

(5) That the adoption of Ordinance No. \_\_\_\_\_ was preceded by a public hearing at which all interested persons were given the opportunity to speak and present evidence for or against such designation.

(6) That written notice of such hearing was given to the presiding officer of each of the other taxing units having real property within such zone more than seven (7) days prior to the date of such hearing.

(8) That notice of such hearing was also published in a newspaper of general circulation within the City of Freeport, Texas, more than seven (7) days prior to the date of such hearing.

(9) That in Ordinance No. \_\_\_\_\_, the City Council of the City found that the designation of such zone is reasonably likely to contribute to the retention or expansion of primary employment or attract major investment to such zone.

Second, the tax abatement requested by the above mentioned application is hereby granted pursuant to the terms and conditions of and the Mayor and City Secretary of the City of Freeport, Texas, are hereby authorized to execute and attest, respectively, the Tax Abatement Agreement with the Owner, a copy of which marked Exhibit "A" is attached hereto and made a part hereof for all purposes as if set forth herein at this point in full.

Third, if any section or provision of this resolution is found to be unconstitutional, void or inoperative by a court of competent jurisdiction, such section or provision, if any, is hereby declared to be severable from the remaining sections and provisions hereof which provisions shall remain in full force and effect.

TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement (this "Agreement") is made by and between the City of Freeport, Texas a municipal corporation and home-rule city ( the "City"), and BASF CORPORATION, having a permit to do business in Texas( the "Owner"), the owner of interests in real property located within the Zone (as defined below).

W I T N E S S E T H:

WHEREAS, the creation and retention of job opportunities within the City is paramount to the City's continued economic development; and

WHEREAS, the Owner desires to construct a pipeline upon real property located within the City, as shown in the attached Exhibit "A"; and

WHEREAS, the Owner has filed a written request for tax abatement, dated as of February 12, 2014, in accordance with the City's Resolution Resolution No. 2013-2411 adopted August 5, 2013 (hereinafter "the Resolution") which establishes the property tax abatement program for the City of Freeport in designated reinvestment zones; and

WHEREAS, it is reasonably likely that this Agreement will contribute to the retention, expansion and creation of primary employment and will attract major investment in the Zone that would be of benefit to property within the Zone and that would contribute to the economic development of the City; and

WHEREAS, the City Council has determined that the Improvements are practical and are of benefit to the land within the Zone and to the City; and

WHEREAS, City Council finds that there will be no substantial potential adverse effect on the provision of City services or on the tax base caused by this Agreement; and

WHEREAS, the Owner has represented that the facility will be designed and constructed to meet all applicable federal, state, and local environmental degradation of hazard; and

WHEREAS, the City Council finds that the planned use of the Improvements, when constructed and operated in accordance with applicable environmental standards, will not constitute a hazard to public health, safety, or morals; and

WHEREAS, City Council finds that the terms of this Agreement meet the applicable requirements of the Resolution and The Texas Tax Code.

NOW THEREFORE,, the parties hereto, for and in consideration of the premises and mutual promises stated herein, agree as follows;

1. Definitions

The following terms shall have the meanings assigned below, unless otherwise defined or the context clearly requires otherwise.

"Abatement Period" means that period which commences on the first day of the Effective Date of Abatement and ends at the end of the last year of abatement as provided in Section 6(a).

"BCAD" means the Brazoria County Appraisal District.

"City" means the City of Freeport, Texas.

"City Manager" means the City Manager of the City.

"Effective Date of Abatement" means the January 1, 2017.

"Eligible Property" means a manufacturing facility, described in Exhibit "A" attached hereto, which expands the local tax base as those terms are defined in the Guidelines and Criteria for Tax Abatement in the City Freeport attached to and adopted by the Resolution.

"Improvements" means the improvements to the property, more fully described in Section 5 below, constituting the Project.

"Ordinance" means City of Freeport Ordinance Number \_\_\_\_\_, which created the Zone.

"Owner" means BASF CORPORATION.

"Project" means the improvements to be constructed by the Owner on the Real Property as more fully described in Section 5. below.

"Property" means the real property to be improved, as more fully described in Section 3(a) below.

"Resolution" means City of Freeport Resolution No. 2013-2411 adopted August 5, 2013, establishing the property tax abatement program for the City in designated reinvestment zones, for which an abatement is being granted.

"Tax Code" means the Texas Property Tax Code, as amended.

"Zone" means the BASF Corporation Reinvestment Zone, which is more particularly described in the Ordinance.

## 2. Authorization

This Agreement is authorized by Resolution which established the property tax abatement program for properties in designated reinvestment zones and by the Ordinance.

3. Property

- (a) A portion of Lots 435A, 435A-1, 436A, 436A-1, 436B, 437A, 437A1, 437B, 458A, 463, 464, PART Lots 459, 460, 461, 462, Brazos Coast Investment Company Subdivision, Division 14, Abstract 49, and Lots 17, 18, 19, 50A, 51 to 54, 55A, 56A-PT, 14A, 15A, 16-20, 21A, Closed ROW, Brazos Coast Investment Company Subdivision, Division 15, S.F. Astin Survey, Abstract 19, Brazoria County, Texas.
- (b) The BCAD tax account number(s) of the Property are: 2114-0230-007 and 2115-0004-110.

4. Representations and Warranties by the Owner

- (a) The Owner represents that the Owner owns the Property and that the Property is located within the boundaries of the Zone. The Owner represents that the Owner is authorized to execute this Agreement and to complete the Improvements described in Section 5 hereof and in the project description marked Exhibit "A" and attached hereto. Owner represents that as of January 1, 2014, the appraised value of the Property was approximately \$356,880.00. Owner represents and warrants that the construction of the Improvements described in Exhibit "A" will begin on or about January 1, 2015, and that construction of the Improvements will have been completed as of the effective date of this Agreement. The Owner represents and warrants that the construction of the Improvements shall be completed as described in Exhibit "A", all for the purpose of providing a pipeline infrastructure for a pipeline transporting chemicals to the Owner's manufacturing facility located outside the City. The total size of the Property is approximately 25.923 acres.
- (b) The Owner represents that no interest in the Property is held or leased by a member of the City Council or a member of the City's Planning Commission.
- (c) The Owner represents and warrants that the value of the Property will increase by at least \$120,000.00 upon completion of the Improvements.

- (d) The Owner represents and warrants that it will create employment as follows: 150 construction jobs at start, 600 at peak and 250 at finish. 10 permanent jobs at start up and 10 within 1 year for the remainder of the Abatement Period and continuing through the term of this Agreement, excepting accident, casualty, fire, explosion, or natural disaster that is found by the City Manager to substantially impact the Owner's ability to use the Project as specified in Section 5(c) below.
- (e) The Owner represents and warrants that the Improvements will not solely or primarily have the purpose of transferring employment from one part of the City to another.
- (f) The Owner represents and warrants that it will construct and operate the Project described in Exhibit "A" attached hereto and incorporated herein by this reference.
- (g) The Owner represents and warrants that the Improvements will be designed, constructed, and operated in accordance with all applicable federal, state, and local environmental regulations, and that the construction and operation of the Improvements will not cause environmental degradation or hazard to the Property or the environs of the City.
- (f) The Owner represents that the improvements are necessary because capacity cannot be provided efficiently utilizing its existing plant capacity when reasonable allowance is made for necessary improvements.

5. Terms of the Agreement

- (a) The Improvements shall be completed in accordance with the provisions of Exhibit "A" and the City's Building and other Standard Codes and shall conform to the City's Zoning Ordinance. In case of any conflict, the Building or Standard Code, or Zoning Ordinance as the case may be, shall prevail. In addition, the Owner shall comply with City's Subdivision Ordinance, if applicable.
- (b) The Owner shall make the Improvements substantially in conformity with the descriptions and specifications as described in Exhibit "A".



- (c) Upon completion of the Improvements, the Owner shall use the Property for the proposed use specified in this paragraph during the Abatement Period specified in Section 6 hereof. However, the City Council may approve a change from the proposed use in writing, if the City Council determines that the change is consistent with the guidelines adopted by the Resolution and with the City's general purpose of encouraging development or redevelopment of the Zone during the Abatement Period specified in Section 6 hereof. The proposed use of the Property (unless and until the City Council approves a change in use) is infrastructure for a pipeline transporting chemicals through the City between Port Freeport and the Owner's manufacturing plant located outside the City pursuant to and to the extent described in Exhibit A attached hereto and incorporated herein.
- (d) The Owner shall allow the City's employees access to the Property for the purpose of inspecting the Improvements to ensure that the Improvements were completed and are being maintained in accordance with the terms of this Agreement. All inspections will be made only after giving the Owner notice at least twenty-four (24) hours in advance thereof, and will be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Project. All inspections will be made with one (1) or more representatives of the Owner and in accordance with the owner's safety and security standards, but this shall not act as a limitation on the City's ability to perform any inspection or enter the affected property pursuant to the Code of Ordinances, the Building or other Standard Code or otherwise.
- (d) The Owner shall maintain the Improvements in good repair and condition during the Abatement Period specified in Section 6 hereof.
- (f) The Owner shall provide the City's employees access to all records requested and necessary for the purpose of conducting an audit of the Project. Any such audit shall be made only after giving the Owner notice at least seven (7) days in advance thereof, and will be conducted in such a manner as to not unreasonably interfere with the operation of the Project.
- (g) The Owner shall not assign this Agreement without the written approval of the City Council. In addition, any such assignment must be approved by City Council.

- (h) Not later than March 15th of each year during the Abatement Period, the Owner shall submit to the City Manager and the Chief Appraiser of BCAD a January employee count for the Project. The employee count submitted shall correspond to the Employment count reported in the Owner's "Employers Quarterly Report" to the Texas Workforce Employment Commission. The employee count submitted by the Owner shall be used to determine abatement eligibility for that year and be subject to audit, pursuant to the provisions of the guidelines attached to and adopted by the Resolution. The City Manager shall certify to the Chief Appraiser of BCAD whether the Owner is in compliance with the employment requirements of this Agreement.

6. Tax Abatement

- (a) Abatement on the Improvements specifically listed in Exhibit "A" shall be permitted only for the value of new "eligible property" constructed or added after January 1, 2015, subject to the limitation stated in subsection 5. above. In addition, this exemption from taxation is specifically subject to the rights of the holders of outstanding bonds of the City. The portion of the value of new eligible Improvements subject to the abatement shall be determined in accordance with the following schedule:

<u>Total Investment</u>	<u>Abatement Per Year</u>			
\$50,000 to \$100,000	90%	85%		
\$100,000 to \$1,000,000	90%	85%	80%	
Over \$1,000,000	100%	100%	100%	75% 50% 25% 25%

If the construction period extends beyond the number of years indicated above from the Effective Date of Abatement, the Improvements shall be considered completed for purposes of abatement and, in no case, shall the Abatement Period exceed the indicated number of years.

- (b) From the Effective Date of Abatement to the end of the Abatement Period, taxes shall be payable as follows:

1. The value of (I) the property on which the project is located without regard to any improvements thereon and (ii) any tangible personal property not attached to the land and for which an abatement has not been specifically granted shall be fully taxable;
  2. The base year value of any improvements on the property which are not eligible improvements shall be fully taxable;
  3. The additional value of the eligible improvements constructed after January 1, 2014, but before the effective date of this Agreement, shall be taxable in accordance with Section 6(a) of this Agreement.
  4. Any equipment or machinery, described in Exhibit "A" and installed in the property pursuant to this Agreement, that is removed from the property for longer than a temporary repair period, shall be fully taxable.
- (c) The City shall enter into only one tax abatement agreement for the Project described in Exhibit "A" of this Agreement during the existence of the Reinvestment Zone.

7. Default and Recapture

- (a) This Agreement shall terminate in the event that the use and operation of the facility for the purpose specified in Section 5. above is discontinued, for any reason excepting fire, explosion, other casualty or accident, or natural disaster, continuously for a period in excess of twelve (12) month during the Abatement Period. The Owner shall not be entitled to the abatement of taxes for that twelve month period during which the facility did not produce a product or service. The taxes abated during that twelve month period shall become immediately due and payable, and shall be paid to the City within sixty (60) days from the date of termination of this Agreement.
- (b) The Owner shall be in default hereof in the event that the Owner:
1. allows ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protect and/or contest; or

2. has made any material representation which is determined to be false or misleading in any respect; or
3. is in breach of any material warranty and fails to cure within 60 days from the date notice is provided thereof as described below (the "Cure Period"); or
4. violates any of the terms and conditions of this Agreement and fails to cure during the Cure Period.

(c) Should the City Council determine that the Owner is in default according to the terms and conditions of this Agreement, the City Manager shall notify the Owner in writing at the address stated in this Agreement, and if such default is not cured during the Cure period, then this Agreement may be terminated as to all parties and all taxes previously abated by virtue of this Agreement, shall be recaptured, and paid by the Owner within sixty (60) days of the termination.

8. Administration

- (a) For purposes of this Agreement, the value of the real and personal Property comprising the Zone, including the value of the Improvements listed in Exhibit "A" hereof, shall be the same as the value of the Improvements determined annually by the chief appraiser of BCAD. Each year, the Owner shall furnish the City with such information as may be necessary for calculating the amount of abatement. Once the value of the Improvements has been established and the amount of the abatement calculated, the chief appraiser of the BCAD shall notify the affected jurisdictions that levy taxes of the amount of assessment.
- (b) Upon the completion of construction of the Improvements, the City Manager shall annually evaluate each facility receiving abatement to ensure compliance with this Agreement and prepare a report of any violations of this Agreement.

9. Compliance with State and Local Regulations

Except as specifically provided herein, nothing in this Agreement shall be construed to alter or affect the obligation of the Owner to comply with any ordinance, rule or regulation of the City, or the laws and regulations of the State of Texas and the United States.

10. Merger

The parties agree that this Agreement contains all of the terms and conditions of the understanding of the parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by this Agreement.

11. Notice

All notices shall be in writing and unless hand delivered, shall be sent by U.S. Mail certified, return receipt requested. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following address:

To the Owner

If mailed or personally delivered:

Freeport Sight Manager  
602 Copper Road  
Freeport, TX 77541

To the City

If mailed or personally delivered:

City Manager  
200 West Second Street  
Freeport, TX 77541

Each party may designate a different address by giving the other party written notice ten (10) days in advance of such designation.

12. Effective Date

If approved by the Mayor and City Council, the Effective Date of this Agreement shall be the Effective Date of Abatement as defined in Section 1 hereof.

This agreement has been executed by the parties in multiple originals, each having full force and effect.

Pg. 329

BASF CORPORATION

BY: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Its \_\_\_\_\_

THE CITY OF FREEPORT, TEXAS

BY \_\_\_\_\_  
Its Mayor

ATTEST:

\_\_\_\_\_  
Its City Secretary

APPROVED AS TO FORM

\_\_\_\_\_  
City Attorney

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NOTICE OF PUBLIC HEARING

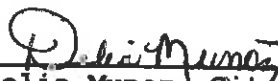
The City Council of the City of Freeport, Texas, will hold a public hearing on Monday, the 17th day of March, 2014, beginning at 6:00, p.m., in the Police Department Municipal Courtroom located therein at 430 North Brazosport Boulevard, Freeport, Brazoria County, Texas, to consider designating the following described real property located within the corporate boundaries of the City as a reinvestment zone for the purpose of entering into an agreement with the owner or owners thereof granting a tax abatement:

Lots 22, 23 and 24, Block 15 of the Velasco Townsite, according to the map or plat recorded in Volume 32, page 14 of the Deed Records of Brazoria County, Texas, known locally as 203 Gulf Blvd., Freeport, TX 77541.

At the same hearing, the City Council will consider whether or not to enter into an agreement granting a tax abatement to the owner or owners of the above described property.

All interested persons will be given an opportunity to speak and present evidence for or against such designation and for and against such abatement.

By order of the City Council the 18th day of February, 2014.

  
\_\_\_\_\_  
Delia Munoz, City Secretary  
City of Freeport, Texas

ORDINANCE NO. 2014-2063

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; CONTAINING FINDINGS OF FACT; DESIGNATING IMPROVEMENTS TO LAND LOCATED WITHIN THE INCORPORATED LIMITS OF SAID CITY AS A REINVESTMENT ZONE TO BE KNOWN AS THE SIGNAL ELECTRONICS, INC., REINVESTMENT ZONE AND PROVIDING FOR ITS INITIAL TERM AND THE RENEWAL THEREOF; CONTAINING SAVINGS CLAUSES; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Freeport, Texas, is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Sections 51.072 and 54.004 of the Local Government Code, Subchapter B of Chapter 312 of the Property Tax Code and Sections 2.01, 2.02 and 9.18 of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Resolution; and,

WHEREAS, the City Council of the City of Freeport has determined and does here now declare that the adoption of this ordinance is necessary to the health, safety and general welfare of the inhabitants of said City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

First, the City Council of the City of Freeport, Texas, (herein after sometimes "the City") makes the following findings of fact:

(1) That by Resolution 2013-2411 adopted August 5, 2013, the City Council of the City, pursuant to Subchapter B of Chapter 312 of the Property Tax Code, adopted a resolution establishing a tax abatement and reinvestment zone policy and adopting guidelines and criteria for the same.

(2) That pursuant to such guidelines and criteria, on February 14, 2014, SIGNAL ELECTRONICS, INC., (hereinafter sometimes "the Owner") filed a written application for a tax abatement for and the designation of a reinvestment zone consisting of improvements to the land for which the Owner is requesting a tax abatement.

(3) That the land on which the improvements which the Owner seeks to have



designated as a reinvestment zone is within the corporate limits of the City.

(4) That the adoption of this ordinance designating such reinvestment zone was preceded by a public hearing at which all interested persons were given the opportunity to speak and present evidence for or against such designation.

(5) That written notice of such hearing was given to the presiding officer of each of the other taxing units having real property within such zone more than seven (6) days prior to the date of such hearing.

(7) That notice of such hearing was also published in a newspaper of general circulation within the City of Freeport, Texas, more than seven (7) days prior to the date of such hearing.

(8) That the designation of such zone is reasonably likely to contribute to the retention or expansion of primary employment or attract major investment to such zone.

Second, the request of the Owner to have the improvements to the following described property, to-wit:

Lots 22, 23 and 24, Block 15 of the Velasco Townsite,  
according to the map or plat recorded in Volume 32,  
page 14 of the Deed Records of Brazoria County, Texas,

known locally as 203 Gulf Blvd., Freeport, TX 77541, designated as a reinvestment zone, as such zone is defined in Subchapter B of Chapter 312 of the Property Tax Code and in the guidelines and criteria adopted by the above mentioned resolution, is hereby approved and such improvements to such land are hereby designated as the Signal Electronics, Inc., Reinvestment Zone.

Third, as provided in Subchapter B of Chapter 312 of the Property Tax Code, such designation shall last for an initial term of five (5) years from the date on which this ordinance is read, passed and adopted as indicated below; and such designation may be renewed, with the consent of the City Council of the City of Freeport, Texas, for successive periods up to five (5) additional years.

Fourth, this ordinance is cumulative of and in addition to all other

ordinances of the City of Freeport, Texas, on the same subject and all such ordinances are hereby expressly saved from repeal. Provided however, where this ordinance and the comprehensive zoning ordinance of the city conflict or overlap, the zoning ordinance shall prevail and where this ordinance and any other ordinance conflict or overlap, whichever imposes the more stringent regulations or penalties, as the case may be, shall prevail.

Fifth, nothing contained in this ordinance shall cause any rights heretofore vested to be altered, affected or impaired in any way and all such rights may be hereafter enforced as if this ordinance had not been adopted.

Sixth, in the event any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

Seventh, this ordinance shall take effect and be in force from and after its passage and adoption.

READ, PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Norma Moreno Garcia, Mayor  
City of Freeport, Texas

ATTEST:

\_\_\_\_\_  
Delia Munoz, City Secretary  
City of Freeport, Texas

APPROVED AS TO FORM ONLY:

\_\_\_\_\_  
Wallace Shaw, City Attorney,  
City of Freeport, Texas

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AN RESOLUTION OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; MAKING FINDINGS OF FACT; GRANTING A TAX ABATEMENT TO SIGNAL ELECTRONICS, INC., PURSUANT TO THE TERMS AND CONDITIONS OF AND AUTHORIZING THE MAYOR AND CITY SECRETARY TO EXECUTE AND ATTEST, RESPECTIVELY, A TAX ABATEMENT AGREEMENT WITH THE SAID SIGNAL ELECTRONICS, INC.; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THE ORIGINAL OF THIS RESOLUTION SHALL BE MAINTAINED BY THE CITY SECRETARY IN THE PERMANENT RECORDS THEREOF.

WHEREAS, the City of Freeport, Texas, hereinafter sometimes "the City," is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Sections 51.072 and 54.004 of the Local Government Code, Subchapter B of Chapter 312 of the Property Tax Code and Sections 2.01, 2.02 and 9.18 of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Resolution; and,

WHEREAS, the City Council of the City of Freeport has determined to here now declare that the adoption of this resolution is necessary to the health, safety and general welfare of the inhabitants of the City and the economic development of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

First, the City Council of the City of Freeport (hereinafter sometimes "the City") makes the following findings of fact:

(1) That by Resolution 2013-2411 adopted August 5, 2013, the City Council of the City, pursuant to Subchapter B of Chapter 312 of the Property Tax Code, established a tax abatement and reinvestment zone policy and adopting guidelines and criteria for the City.

(2) That on February 14, 2014, pursuant to such guidelines and criteria, SIGNAL ELECTRONICS, INC., (hereinafter sometimes "the Owner") filed a written application requesting a tax abatement for and the designation of a reinvestment zone consisting of the hereinafter described land for which the Owner is requesting a tax abatement.

(3) That the land which the Owner seeks to have designated as a reinvestment zone is within the corporate limits of the City.

(4) That prior to the adoption of this resolution, there was read, passed and adopted by the City Council of the City Ordinance No. \_\_\_\_\_, approving such request and designating such land as a reinvestment zone as such zone is defined in Subchapter B of Chapter 312 of the Property Tax Code and in the guidelines and criteria adopted by the above mentioned resolution.

(5) That the adoption of Ordinance No. \_\_\_\_\_ was preceded by a public hearing at which all interested persons were given the opportunity to speak and present evidence for or against such designation.

(6) That written notice of such hearing was given to the presiding officer of each of the other taxing units having real property within such zone more than seven (7) days prior to the date of such hearing.

(8) That notice of such hearing was also published in a newspaper of general circulation within the City of Freeport, Texas, more than seven (7) days prior to the date of such hearing.]

(9) That in Ordinance No. \_\_\_\_\_, the City Council of the City found that the designation of such zone is reasonably likely to contribute to the retention or expansion of primary employment or attract major investment to such zone.

Second, the tax abatement requested by the above mentioned application is hereby granted pursuant to the terms and conditions of and the Mayor and City Secretary of the City of Freeport, Texas, are hereby authorized to execute and attest, respectively, the Tax Abatement Agreement with the Owner, a copy of which marked Exhibit "A" is attached hereto and made a part hereof for all purposes as if set forth herein at this point in full.

Third, if any section or provision of this resolution is found to be unconstitutional, void or inoperative by a court of competent jurisdiction, such section or provision, if any, is hereby declared to be severable from the remaining sections and provisions hereof which provisions shall remain in full force and effect.

Fourth, the original of this resolution, after execution and attestation, shall be maintained by the City Secretary in the permanent records of the City.

READ, PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

---

Norma Moreno Garcia, Mayor,  
City of Freeport, Texas

ATTEST:

---

Delia Munoz, City Secretary  
City of Freeport, Texas

APPROVED AS TO FORM ONLY:

---

Wallace Shaw, City Attorney,  
City of Freeport, Texas

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TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement (this "Agreement") is made by and between the City of Freeport, Texas a municipal corporation and home-rule city ( the "City"), and SIGNAL ELECTRONICS, INC., (the "Owner"), a Texas Corporation with its principal office in the City of Freeport, Texas, and the owner of interests in the real property located within the Zone (as defined below).

W I T N E S S E T H:

WHEREAS, the creation and retention of job opportunities within the City is paramount to the City's continued economic development; and

WHEREAS, the Owner desires to expand its marine, electronics and security systems sale and service business, as shown in the attached Exhibit "A" attached hereto and made a part hereof; and

WHEREAS, the Owner has filed a written request for tax abatement, dated as of February 14, 2014, in accordance with the City's Resolution No. 2013-2411 adopted August 5, 2013, (hereinafter "the Resolution") which establishes the property tax abatement program for the City of Freeport in designated reinvestment zones; and

WHEREAS, it is reasonably likely that this Agreement will [contribute to the retention, expansion and creation of primary employment and] will attract major investment in the Zone that would be of benefit to property within the Zone and that would contribute to the economic development of the City; and

WHEREAS, the City Council has determined that the Improvements are practical and are of benefit to the land within the Zone and to the City; and

WHEREAS, City Council finds that there will be no substantial potential adverse effect on the provision of City services or on the tax base caused by this Agreement; and

WHEREAS, the Owner has represented that the facility will be designed and constructed to meet all applicable federal, state, and local environmental degradation of hazard; and

WHEREAS, the City Council finds that the planned use of the Improvements, when constructed and operated in accordance with applicable environmental standards, will not constitute a hazard to public health, safety, or morals; and

WHEREAS, City Council finds that the terms of this Agreement meet the applicable requirements of the Resolution and the Texas Tax Code; and

NOW THEREFORE, the parties hereto, for and in consideration of the premises and mutual promises stated herein, agree as follows;

1. Definitions

The following terms shall have the meanings assigned below, unless otherwise defined or the context clearly requires otherwise.

"Abatement Period" means that period which commences on the first day of the Effective Date of Abatement and Ends at the end of the last year of abatement as Provided in Section 6(a).

"BCAD" means the Brazoria County Appraisal District.

"City" means the City of Freeport, Texas.

"City Manager" means the City Manager of the City.

"Effective Date of Abatement" means the January 1, 2015

"Eligible Property" means a manufacturing facility and new equipment or machinery described in Exhibit "B" attached hereto, which expands the local tax base as those terms are defined in the Guidelines and Criteria for Tax Abatement in the City of Freeport attached to and adopted by the Resolution.

"Improvements" means the improvements to the property, More fully described in Section 5 below, constituting The Project.

"Ordinance" means City of Freeport Ordinance Number \_\_\_\_\_, which created the Zone.

"Owner" means SIGNAL ELECTRONICS, INC.

"Project" means repairs to the existing building and the additional of additional improvements to the Real Property as more fully described in Section 5(c) below.

"Property" means the real property to be improved, as more fully described in Section 3(a) below.

"Resolution" means City of Freeport Resolution 2013-2411 adopted August 5, 2013, establishing the property tax abatement program for the City in designated reinvestment zones, for which abatement is being granted.

"Tax Code" means the Texas Property Tax Code, as amended.

"Zone" means the Signal Electronics, Inc. Reinvestment Zone, which is more particularly described in the Ordinance.

2. Authorization

This Agreement is authorized by Resolution which established the property tax abatement program for properties in designated reinvestment zones and by the Ordinance.

3. Property

- (a) The Street Address of the taxable real property to be improved under this Agreement is 203 South Gulf Boulevard, Freeport, Texas. It is more fully described Lots 22, 23 and 24, Block 15, Velasco Townsite, Brazoria County, Texas.
- (b) The BCAD tax account number(s) of the Property is/are: 8110-0184-000.

4. Representations and Warranties by the Owner

- (a) The Owner represents that the Owner owns the Property and that the Property is located within the boundaries of the Zone. The Owner represents that the Owner is authorized to execute this Agreement and to complete the Improvements described in Section 5 hereof and in the project description marked Exhibit "A" and attached hereto. The Owner represents that as of January 1, 2014, the Property had and approximates appraised value of \$7,800.00. Owner represents and warrants that the construction of the Improvements described in Exhibit "A" will begin on or about March 1, 2014, and that construction of the Improvements will have been completed as of the effective date of this Agreement. The Owner represents and warrants that the construction of the Improvements shall be completed as described in Exhibit "A", all for the purpose of conducting a marine electronics and security system sales and service business.
- (b) The Owner represents that no interest in the Property is held or leased by a member of the City Council or a member of the City's Planning Commission.
- (c) The Owner represents and warrants that the value of the Property will increase by at least \$105,000.00 upon completion of the Improvements.



- (d) The Owner represents and warrants that it will retain employment for at least five (5) people on a permanent basis in the City beginning no later than the effective date of abatement.
- (e) The Owner represents and warrants that the Improvements will not solely or primarily have the purpose of transferring employment from one part of the City to another.
- (f) The Owner represents and warrants that it will construct and operate the Project described in Exhibit "A" attached hereto and incorporated herein by this reference.
- (g) The Owner represents and warrants that the Improvements will be designed, constructed, and operated in accordance with all applicable federal, state, and local environmental regulations, and that the construction and operation of the Improvements will not cause environmental degradation or hazard to the Property or the environs of the City.
- (h) The Owner represents that the improvements are necessary because capacity cannot be provided efficiently utilizing its existing facilities when reasonable allowance is made for necessary improvements.

5. Terms of the Agreement

- (a) The Owner shall make the Improvements substantially in conformity with the descriptions, plans and specifications as described in Exhibit "A".
- (b) The Improvements shall be completed in accordance with the provisions of Exhibit "A" and the City's Building and other Standard Codes and shall conform to the City's Zoning Ordinance. In case of any conflict, the Building or Standard Code, or Zoning Ordinance as the case may be, shall prevail.
- (c) Upon completion of the Improvements, the Owner shall use the Property for the proposed use specified in this paragraph during the Abatement Period specified in Section 6 hereof. However, the City Council may approve a change from the proposed use in writing, if the City Council determines that the change is consistent with the guidelines adopted by the Resolution and with the City's general purpose of encouraging development or redevelopment of the Zone during the Abatement Period specified in Section 6 hereof. The proposed use of the Property (unless and until the City Council approves a change in use) is for marine, electronics and security

systems sale and service business, pursuant to and to the extent described in Exhibit "A" attached hereto and incorporated herein.

- (d) The Owner shall allow the City's employees access to the Property for the purpose of inspecting the Improvements to ensure that the Improvements were completed and are being maintained in accordance with the terms of this Agreement. All inspections will be made only after giving the Owner notice at least twenty-four (24) hours in advance thereof, and will be conducted in such manner as to not unreasonably interfere with the construction and/ or operation of the Project. All inspections will be made with one (1) or more representatives of the Owner and in accordance with the owner's safety and security standards, but this shall not act as a limitation on the City's ability to perform any inspection or enter the affected property pursuant to the Code of Ordinances, the Building or other Standard Code or otherwise.
- (e) The Owner shall maintain the Improvements in good repair and condition during the Abatement Period specified in Section 6 hereof.
- (f) The Owner shall provide the City's employees access to all records requested and necessary for the purpose of conducting an audit of the Project. Any such audit shall be made only after giving the Owner notice at least seven (7) days in advance thereof, and will be conducted in such a manner as to not unreasonably interfere with the operation of the Project.
- (g) The Owner shall not assign this Agreement without the written approval of the City Council. In addition, any such assignment must be approved by City Council.
- (h) Not later than March 15th of each year during the Abatement Period, the Owner shall submit to the City Manager and the Chief Appraiser of BCAD a January employee count for the Project. The employee count submitted shall correspond to the Employment count reported in the Owner's "Employers Quarterly Report" to the Texas Workforce Employment Commission. The employee count submitted by the Owner shall be used to determine abatement eligibility for that year and be subject to audit, pursuant to the provisions of the guidelines attached to and adopted by the Resolution. The City Manager shall certify to the Chief Appraiser of BCAD whether the Owner is in compliance with the employment requirements of this Agreement.

6. Tax Abatement

- (a) Abatement on the Improvements specifically listed in Exhibit "B" shall be permitted only for the value of new "eligible property" constructed or added after January 1, 2014, subject to the limitation stated in subsection 5(c) above. In addition, this exemption from taxation is specifically subject to the rights of the holders of outstanding bonds of the City. The portion of the value of new eligible Improvements subject to the abatement shall be determined in accordance with the following schedule:

Total Investment	Abatement Per Year			
\$50,000 to \$100,000	90%	85%		
\$100,000 to \$1,000,000	90%	85%	80%	
Over \$1,000,000	100%	100%	100%	75% 50% 25% 25%

If the construction period extends beyond number of years indicated above from the Effective Date of Abatement, the Improvements shall be considered completed for purposes of abatement and, in no case, shall the Abatement Period exceed three (3) years from the Effective Date of Abatement.

- (b) From the Effective Date of Abatement to the end of the Abatement Period, taxes shall be payable as follows:
1. The value of (i) the property on which the project is located without regard to any improvements thereon and (ii) any tangible personal property not attached to the land and for which an abatement has not been specifically granted shall be fully taxable;
  2. The base year value of any improvements on the property which are not eligible improvements shall be fully taxable;
  3. The additional value of the eligible improvements constructed after January 1, 2014 but before the effective date of this Agreement, shall be taxable in accordance with Section 6(a) of this Agreement.
  4. Any equipment or machinery, described in Exhibit "B" and installed in the property pursuant to this Agreement, that is removed from the property for longer than a temporary repair period, shall be fully taxable

- (c) The City shall enter into only one tax abatement agreement for the Project described in Exhibit "B" of this Agreement during the existence of the -- Reinvestment Zone.

7. Default and Recapture

- (a) This Agreement shall terminate in the event that the use and operation of the facility for the purpose specified in Section 5(c) above is discontinued, for any reason excepting fire, explosion, other casualty or accident, or natural disaster, continuously for a period in excess of twelve (12) month during the Abatement Period. The Owner shall not be entitled to the abatement of taxes for that twelve month period during which the facility did not produce a product or service. The taxes abated during that twelve month period shall become immediately due and payable, and shall be paid to the City within sixty (60) days from the date of termination of this Agreement.
- (b) The Owner shall be in default hereof in the event that the Owner:
1. allows ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protect and/or contest; or
  2. has made any material representation which is determined to be false or misleading in any respect; or
  3. is in breach of any material warranty and fails to cure within 60 days from the date notice is provided thereof as described below (the "Cure Period"); or
  4. violates any of the terms and conditions of this Agreement and fails to cure during the Cure Period.

- (c) Should the City Council determine that the Owner is in default according to the terms and conditions of this Agreement, the City Manager shall notify the Owner in writing at the address stated in this Agreement, and if such default is not cured during the Cure period, then this Agreement may be terminated as to all parties and all taxes previously abated by virtue of this Agreement, shall be recaptured, and paid by the Owner within sixty (60) days of the termination.

8. Administration

- (a) For purposes of this Agreement, the value of the real and personal Property comprising the Zone, including the value of the Improvements listed in Exhibit "A" hereof, shall be the same as the value of the Improvements determined annually by the chief appraiser of BCAD. Each year, the Owner shall furnish the City with such information as may be necessary for calculating the amount of abatement. Once the value of the Improvements has been established and the amount of the abatement calculated, the chief appraiser of the BCAD shall notify the affected jurisdictions that levy taxes of the amount of assessment.
- (b) Upon the completion of construction of the Improvements, the City Manager shall annually evaluate each facility receiving abatement to ensure compliance with this Agreement and prepare a report of any violations of this Agreement.

9. Compliance with State and Local Regulations

Except as specifically provided herein, nothing in this Agreement shall be construed to alter or affect the obligation of the Owner to comply with any ordinance, rule or regulation of the City, or the laws and regulations of the State of Texas and the United States.

10. Merger

The parties agree that this Agreement contains all of the terms and conditions of the understanding of the parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by this Agreement.

11. Notice

All notices shall be in writing and unless hand delivered, shall be sent by U.S. Mail certified, return receipt requested. If mailed, any notice or communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following address:

To the Owner  
Signal Electronics  
1744 West 4<sup>th</sup> St.  
Freeport, TX 77541

To the City  
If mailed or personally delivered:  
City Manager  
200 West Second Street  
Freeport, TX 77541

Each party may designate a different address by giving the other party written notice ten (10) days in advance of such designation.

12. Effective Date

If approved by the Mayor and City Council, the Effective Date of this Agreement shall be the Effective Date of Abatement as defined in Section 1 hereof.

This agreement has been executed by the parties in multiple originals, each having full force and effect.

Signal Electronics, Incorporated

BY: \_\_\_\_\_  
Its \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Its \_\_\_\_\_

THE CITY OF FREEPORT, TEXAS

BY \_\_\_\_\_  
It's Mayor

**ATTEST:**

\_\_\_\_\_  
**It's City Secretary**

**APPROVED AS TO FORM**

\_\_\_\_\_  
**City Attorney**

**C\Freeport.Abt\SignalElectronics-TaxAbate-Agr**

ORDINANCE NO. 2014-2064

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE AND DECLARING A NUISANCE; AMENDING CHAPTER 90 OF THE CODE OF ORDINANCES OF SAID CITY TO ADD THERETO A NEW SECTION, TO BE KNOWN AS SECTION 90.50, REQUIRING THE OWNER OR PERSON IN CONTROL OF ANY DOG TO IMMEDIATELY REMOVE AND DISPOSE OF, IN A SANITARY MANNER, ANY FECES LEFT BY SUCH DOG ON ANY RESIDENTIAL, COMMERCIAL OR PUBLIC PREMISES IN THE CITY; REQUIRING THE OWNER OR PERSON IN CONTROL OF A DOG AT ANY RESIDENTIAL, COMMERCIAL OR PUBLIC PREMISES IN THE CITY TO HAVE IN POSSESSION A CONTAINER OR OTHER INSTRUMENT SUITABLE FOR THE REMOVAL AND DISPOSAL OF SUCH DOG'S FECES IN A SANITARY MANNER; PROVIDING AN AFFIRMATIVE DEFENSE; PROVIDING THAT ANY PERSON VIOLATING SAID CODE, AS AMENDED BY THIS ORDINANCE, SHALL BE GUILTY OF A MISDEMEANOR AND ASSESSED A FINE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 10.99 OF SAID CODE OF ORDINANCES; PROVIDING THAT EACH DAY ANY SUCH VIOLATION CONTINUES SHALL CONSTITUTE A SEPARATE OFFENSE; CONTAINING SAVINGS CLAUSES; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS DESCRIPTIVE CAPTION HAS BEEN PUBLISHED TWICE IN THE BRAZOSPORT FACTS.

WHEREAS, the City of Freeport, Texas, ("the City") is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Sections 51.072, 54.001, 54.004 and 217.042 of the Local Government Code of Texas and Sections 2.01, 2.02 and Item (u) of Section 3.07 of the Home Rule Charter of the City authorize the City Council thereof to adopt the provisions of this Ordinance; and,

WHEREAS, the City Council of the City has determined and do here now declare that the adoption of this ordinance is necessary to the health, safety and general welfare of the inhabitants of said City.



NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

First, the City Council of the City hereby find and declares that the feces of dogs left on residential, commercial and public premises in the City constitutes a public nuisance which should be abated as hereinafter provided.

Second, Chapter 90 of the Code of Ordinances of the City of Freeport, Texas, is hereby amended to add thereto a new section, to be known as Section 90.50, which shall read as follows:

"Section 90.50 - Removal of Dog Feces

- (A) It shall be unlawful for any person to fail to immediately remove, in a sanitary manner, feces left by a dog owned or under the control of such person on any residential, commercial or public premises in the City.
- (B) It shall be unlawful for any person owning or having a dog under the control of such person to fail to have, in possession of such person, a container or other instrument suitable for the removal and disposal of the feces of such dog in a sanitary manner.
- (C) In any prosecution in the municipal court of the city or any other court of competent jurisdiction, it shall be an affirmative defense if the feces is left by a dog on a premises owned, leased or rented by the owner or person in control of such dog.
- (D) In any prosecution in the municipal court of the city or any other court of competent jurisdiction, proof that a dog is seen on any premises in the city during portions of any three out of five consecutive days shall be prima facie evidence that the owner or person leasing or renting such premises is the owner or person in control of such dog.
- (E) In any prosecution in the municipal court of the city or any other court of competent jurisdiction, proof that ownership of any premises is listed on the current tax roll of the city in the name of a person is prima facie evidence that such person is the owner of such premises and proof that the utilities furnished to such premises by the city is listed in the utility records of the city in a different name shall be prima facie evidence that the person in whose name the utilities are listed has leased or rented such premises from the owner thereof."

Third, any person violating the Code of Ordinances of the City, as amended by this ordinance, shall be guilty of a misdemeanor and upon conviction therefore assessed a fine as prescribed in Section 10.99 of said Code; and each day such violation continues and each part of any day any such violation occurs shall constitute a separate offense.

Fourth nothing contained in this ordinance shall cause any rights heretofore vested to be altered, affected or impaired in any way and all such rights may be hereafter enforced as if this ordinance had not been adopted.

Fifth, this ordinance is cumulative of and in addition to all other ordinances of the City on the same subject and all such ordinances are hereby expressly saved from repeal. Provided however, where this ordinance and another ordinance conflict or overlap, whichever imposes the more stringent regulations or penalties, as the case may be, shall prevail.

Sixth, no offense committed and no fine, forfeiture or penalty incurred prior to the effective date of this ordinance is to be affected by the adoption of this ordinance but the punishment for any offense committed and the recovery of any fines or forfeitures incurred prior to such date shall take place as if this ordinance had not been adopted.

Seventh, in the event any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

Eighth, this ordinance shall take effect and be in force from and after the descriptive caption of this ordinance has been published twice in the Brazosport Facts, the official newspaper of said City.

READ, PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

---

Norma Moreno Garcia, Mayor,  
City of Freeport, Texas

ATTEST:

---

Delia Muñoz, City Secretary,  
City of Freeport, Texas

APPROVED AS TO FORM ONLY:

---

Wallace Shaw, City Attorney,  
City of Freeport, Texas

C:\Freeport.Ord\Dog Waste Removal-Ord

## DEED WITHOUT WARRANTY

1-17-14 (2)

STATE OF TEXAS           §

COUNTY OF BRAZORIA   §

1. Grantor herein is Velasco Drainage District, a political subdivision of the State of Texas. Grantee herein is the City of Freeport, a Texas municipal corporation, whose address is 200 West Second Street, Freeport, Texas 77541.

2. The term "the Property" herein shall mean the following real property in Brazoria County, Texas, which Property is further described on Exhibit "A" hereto, and all improvements thereon:

- a. The Old Brazos River Levees along the north and south sides of the Old Brazos River in the City of Freeport, from Velasco Drainage District's Guillotine Gate, also known as the Tide Gate, which Tide Gate is shown on Exhibit "B" hereto, to the end of the Old Brazos River at Highway 288;
- b. The Old Brazos River Levee at the west end of the Old Brazos River in the City of Freeport, connecting the Old Brazos River Levee along the south side of the Old Brazos River in the City of Freeport (herein called "the Old Brazos River Levee South") with the Old Brazos River Levee along the north side of the Old Brazos River in the City of Freeport (herein called "the Old Brazos River Levee North");
- c. Low Water Pump Station, also known as Underpass Pump Station, which is shown on Exhibit "A" hereto, located approximately 375 feet north of the intersection of Second Street and the Union Pacific Railroad track, south of the Old Brazos River in the City of Freeport;
- d. Memorial Pump Station, which is shown on Exhibit "A" hereto, located approximately 320 feet south of the intersection of Britt Bailey Street and Avenue A, on the north side of the Old Brazos River in the City of Freeport; and
- e. The following land, regardless whether included in the area shown on Exhibit "A," described in an Easement Grant dated on or about December 9, 2009, from Western Seafood Company to Velasco Drainage District, recorded as Document No. 2009055558 in the Official Records of Brazoria County, Texas:

Parcels 5-8, being a total of 0.067 acres out of a 1.183 acre tract as recorded in Volume 1672, Pages 381-385 of the Deed Records of Brazoria County, Texas, out of the Velasco Townsite, out of the Eli Mitchell Survey, Abstract No. 99, out of the City of Freeport, out of the County of Brazoria, being more particularly described by metes and bounds on Exhibit "A" attached hereto and incorporated herein in full.

- f. LESS AND EXCEPT the Tide Gate, which is hereby defined as the Tide Gate itself, any of the area shown on Exhibit "B," the Map Showing the Limits of the Tide Gate Area, or any abutments, improvements, fixtures, or equipment thereon, and all of said Property described in this paragraph "f" is hereby RESERVED to Velasco Drainage District. The terms "Tide Gate" and "Guillotine Gate" herein shall mean the same thing.

3. Velasco Drainage District currently maintains and operates the levees and pumps stations on the Property.

4. On August 21, 1967, the City of Freeport deeded to Velasco Drainage District, without warranty, all right, title, and interest of the City of Freeport to certain levees, pursuant to a deed ("the 1967 Deed") recorded at Volume 1007, page 115 of the Deed Records of Brazoria County, Texas. However, that deed provided that the portion of the Old Brazos River Levee located on the south bank of the Old Brazos River and west of Velasco Drainage District's Guillotine Gate would automatically revert back to the City of Freeport if both: (1) that Guillotine Gate is installed; and (2) there is no necessity to increase the height of the portion of the Old Brazos River Levee South, located west of the Guillotine Gate. The conditions in the 1967 Deed for reverter have been satisfied. Therefore, the parties now agree that the portion of the Old Brazos River Levee on the south side of the Old Brazos River and west of Velasco Drainage District's Guillotine Gate has reverted to the City of Freeport, pursuant to the 1967 Deed; but the parties also agree that such reverter does not and shall never include the Guillotine Gate itself, the land shown on Exhibit "B" hereto, or any abutments, improvements, fixtures, or equipment thereon.

5. Velasco Drainage District, for good and valuable consideration hereby GRANTS AND CONVEYS WITHOUT WARRANTY, EXPRESS OR IMPLIED, unto the City of Freeport, all of Velasco Drainage District's right, title, and interest, if any, in and to "the Property" as defined herein and described on Exhibit "A" which is attached hereto and incorporated herein in full. However, this document shall convey only the type of estate (easement, fee title, or otherwise), if any, and the area, if any, owned by Velasco Drainage District, and Velasco Drainage District does not represent or warrant any such ownership. The consideration to the City of Freeport for this document is the prospects of title under this document, whether such title is ever adjudicated valid or not.

6. TO HAVE AND TO HOLD all of Velasco Drainage District's right, title and interest, if any, in and to the above described Property unto the City of Freeport, its successors and assigns forever, so that neither Velasco Drainage District nor its successors and assigns shall have, claim or demand any right or title to the Property, appurtenances, or any part thereof. However, as an exception to this conveyance, Velasco Drainage District RESERVES the right to regulate, permit, and/or deny any pipeline crossings, excavations, drilling, ground penetrations, construction, improvements, or alterations of the Property or on the Property (except by the City of Freeport or by its contractors while acting as such) as fully as if this conveyance had not been executed.

7. The City of Freeport accepts this conveyance and agrees to operate the levees and pump stations on the Property and to maintain them in good condition and repair; provided, however, that the City of Freeport may choose to replace any or all of said levees and pump stations with lawful and functionally equivalent facilities at the same or other locations, but any

replacement levees must protect at least the same area as the levees described herein. In the event of such replacement, the City of Freeport agrees to operate the replacement facilities and to maintain them in good condition and repair.

8. The City of Freeport agrees to defend any claim against Velasco Drainage District or its officers, officials, employees, personnel, and representatives, by any third person concerning or arising from the title to any of the Property, and the City of Freeport agrees to pay any liability of Velasco Drainage District or its above described personnel arising from such claim. However, this paragraph does not apply to claims for personal injury or any claims other than for title to the Property or damages arising from the title.

9. This document is the only agreement between the parties concerning the subject matter hereof. Each party represents and warrants that it has neither received nor relied upon any written or oral statements or representations concerning the subject matter of this document, except for the statements written in this document.

10. The parties wish to avoid any uncertainty as to whether this agreement is ever amended. Accordingly, this agreement may not be amended except by a writing signed by both parties and specifically stating that it amends this agreement.

11. This is not a third party contract, and no person except the parties hereto and their respective successors shall have any right to enforce any agreement herein.

12. Regardless of any other provision, the Property is conveyed AS-IS, WITH NO WARRANTIES OF ANY NATURE WHATSOEVER, EXPRESSED OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR HABITABILITY. THE WARRANTIES DISCLAIMED BY THIS PARAGRAPH INCLUDE, BUT ARE NOT LIMITED TO, WARRANTIES AS TO TITLE AND WARRANTIES AS TO THE PHYSICAL CONDITION OF THE PROPERTY.

VELASCO DRAINAGE DISTRICT

By: George L. Kidwell  
George W. Kidwell, Chairman

ATTEST:

F. Robert Hamlet  
F. Robert Hamlet, Secretary

ACCEPTED AND AGREED:

CITY OF FREEPORT

By: \_\_\_\_\_  
Norma Moreno Garcia, Mayor

ATTEST:

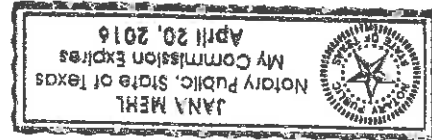
\_\_\_\_\_  
Delia Munoz, City Secretary

THE STATE OF TEXAS           §  
COUNTY OF BRAZORIA       §

This instrument was acknowledged before me, on the 10<sup>th</sup> day of March, 2014, by George L. Kidwell, as Chairman, on behalf of Velasco Drainage District.

Jana Mehl  
Notary Public in and for the State of Texas

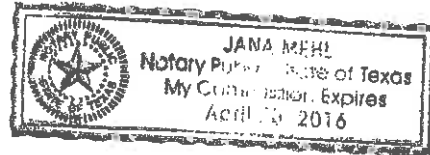
THE STATE OF TEXAS           §  
COUNTY OF BRAZORIA       §



This instrument was acknowledged before me, on the 10<sup>th</sup> day of March, 2014, by F. Robert Hamlet, as Secretary, on behalf of Velasco Drainage District.

Jana Mehl  
Notary Public in and for the State of Texas

THE STATE OF TEXAS           §  
COUNTY OF BRAZORIA       §



This instrument was acknowledged before me, on the \_\_\_ day of \_\_\_\_\_, 2014, by Norma Moreno Garcia, as Mayor, on behalf of the City of Freeport.

\_\_\_\_\_  
Notary Public in and for the State of Texas

THE STATE OF TEXAS           §  
COUNTY OF BRAZORIA       §

This instrument was acknowledged before me, on the \_\_\_ day of \_\_\_\_\_, 2014, by Delia Munoz, as City Secretary, on behalf of the City of Freeport.

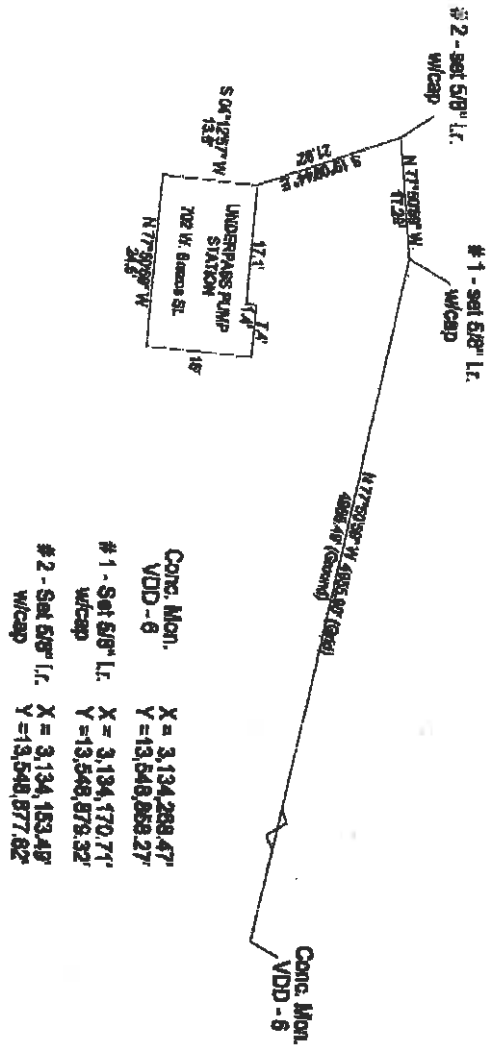
\_\_\_\_\_  
Notary Public in and for the State of Texas

EXHIBIT "A"  
INCLUDED IN "THE PROPERTY"





# UNDERPASS PUMP STATION (conc. slab w/ building)



Conc. Mon. VDD - 6	X = 3,134,289.47'
# 1 - Set 58" L.C. w/cap	X = 3,134,170.71'
# 2 - Set 58" L.C. w/cap	X = 3,134,183.48'
	Y = 13,548,858.27'
	Y = 13,548,878.32'
	Y = 13,548,877.82'

Scale 1" = 20'

Note - Bearings, distances and coordinates relate to the Texas State Plane Coordinate System, South Central Zone, NAD83.

**EXHIBIT "A"**

Parcels 5-8, being a total of 0.067 acres out of 1.183 acre tract as recorded in Volume 1672, Pages 381-385 of the Deed Records of Brazoria County, Texas, out of the Velasco Townsite, out of the Eli Mitchell Survey, Abstract No. 99, out of the City of Freeport, out of the County of Brazoria, being more particularly described by metes and bounds on Exhibit "A" attached hereto and incorporated herein in full.

**EXHIBIT "A"**

**PARCELS 5-8 (0.067 ACRES)  
OUT OF A 1.183 ACRE TRACT  
OUT OF THE VELASCO TOWN SITE  
OUT OF THE ELI MITCHELL SURVEY  
ABSTRACT NO. 99  
OUT OF THE CITY OF FREEPORT  
OUT OF THE COUNTY OF BRAZORIA  
OCTOBER 14, 2009**

Parcel 5-8, being a total of 0.067 Acres out of a 1.183 Acre Tract as recorded in Volume 1672, Pages 381-385 of the Deed Records of Brazoria County, Texas, out of the Velasco Town Site, out of the Eli Mitchell Survey, Abstract No. 99, out of the City of Freeport, out of the County of Brazoria, being described as follows:

**Parcel 5:  
0.023 Acres**

Commencing at a found 5/8" iron rod with a D&G plastic cap at the northwesterly corner of Block No. 30 of the Velasco Town site for the Point of Commencement;

Thence South 33 degrees 04 minutes 00 seconds West, a distance of 124.72 feet to a found 3/8 inch iron rod at the northerly line of a 20 foot wide alley and at the southwest corner of said Block No. 30;

Thence South 33 degrees 04 minutes 00 seconds West, a distance of 20.28 feet to a set 3/8 inch iron rod with a plastic cap stamped "TIPS 4679" at the southerly line of a 20 foot wide alley and at the northwesterly corner of said 1.183 Acre Tract;

Thence South 56 degrees 56 minutes 00 seconds East along the southerly line of said 20 foot wide alley a distance of 138.38 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679", being the Point of Beginning of Parcel 5;

Thence South 56 degrees 56 minutes 00 seconds East along the southerly line of same 20 foot alley a distance of 20.01 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679";

Thence South 33 degrees 04 minutes 00 seconds West, a distance of 46.73 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679" at the northerly line of Parcel 6;

Thence North 79 degrees 02 minutes 48 seconds West, along the said northerly line of Parcel 6 a distance of 21.15 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679" at the southwesterly corner of Parcel 5, being the Point of Beginning of Parcel 5;

Thence North 33 degrees 04 minutes 00 seconds East, a distance of 34.71 feet to Point of Beginning, said Parcel 5 being 0.023 Acres more or less as shown on the attached map.

Parcel 6  
0.040 Acres

Beginning at a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679", being the southwesterly corner of Parcel 5 as described above;

Thence North 79 degrees 02 minutes 48 seconds West, a distance of 36.33 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679";

Thence South 10 degrees 57 minutes 12 seconds West, a distance of 19.66 feet;

Thence South 76 degrees 23 minutes 56 seconds East, a distance of 15.44 feet;

Thence South 80 degrees 50 minutes 37 seconds East, a distance of 74.61 feet;

Thence North 10 degrees 57 minutes 12 seconds West, a distance of 28.09 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679";

Thence North 79 degrees 02 minutes 48 seconds West, a distance of 32.53 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679" at the southeasterly corner of Parcel 5;

Thence North 79 degrees 02 minutes 43 seconds West, a distance of 21.15 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679" at the Point of Beginning, said Parcel 6 being 0.040 acres more or less as shown on the attached map.

**Parcel 7**  
**0.001 Acres**

Commencing at the southwesterly corner of Parcel 6;

Thence South 10 degrees 57 minutes 12 seconds West, a distance of 20.02 feet to the northwesterly corner of Parcel 7 for the Point of Beginning;

Thence South 10 degrees 57 minutes 12 seconds West, a distance of 5.32 feet to a set 1/2 inch iron rod with a plastic cap stamped "RPLS 4679";

Thence North 26 degrees 23 minutes 56 seconds West, a distance of 10.06 feet;

Thence North 09 degrees 45 minutes 57 seconds East 4.85 feet;

Thence North 76 degrees 23 minutes 56 seconds West, a distance of 10.37 feet to the Point of Beginning, said Parcel 7 being 0.001 acres more or less as shown on the attached map.

**Parcel 8**  
**0.005 Acres**

Commencing at the southeasterly corner of Parcel 7 as the Point of Commencement;

Thence South 79 degrees 02 minutes 43 seconds East, a distance of 60.02 feet to the southwesterly corner of Parcel 8 for the Point of Beginning;

Thence South 75 degrees 02 minutes 48 seconds East, a distance of 29.52 feet to a set 5/8 inch iron rod with a plastic cap stamped "RPLS 4679";

Thence North 10 degrees 57 minutes 12 seconds West, a distance of 6.86 feet;

Thence North 80 degrees 50 minutes 37 seconds West, a distance of 19.66 feet;

Thence South 09 degrees 45 minutes 57 seconds West, a distance of 6.34 feet to the Point of Beginning, said Parcel 8 being 0.009 acres more or less as shown on the attached map.

**Note:**

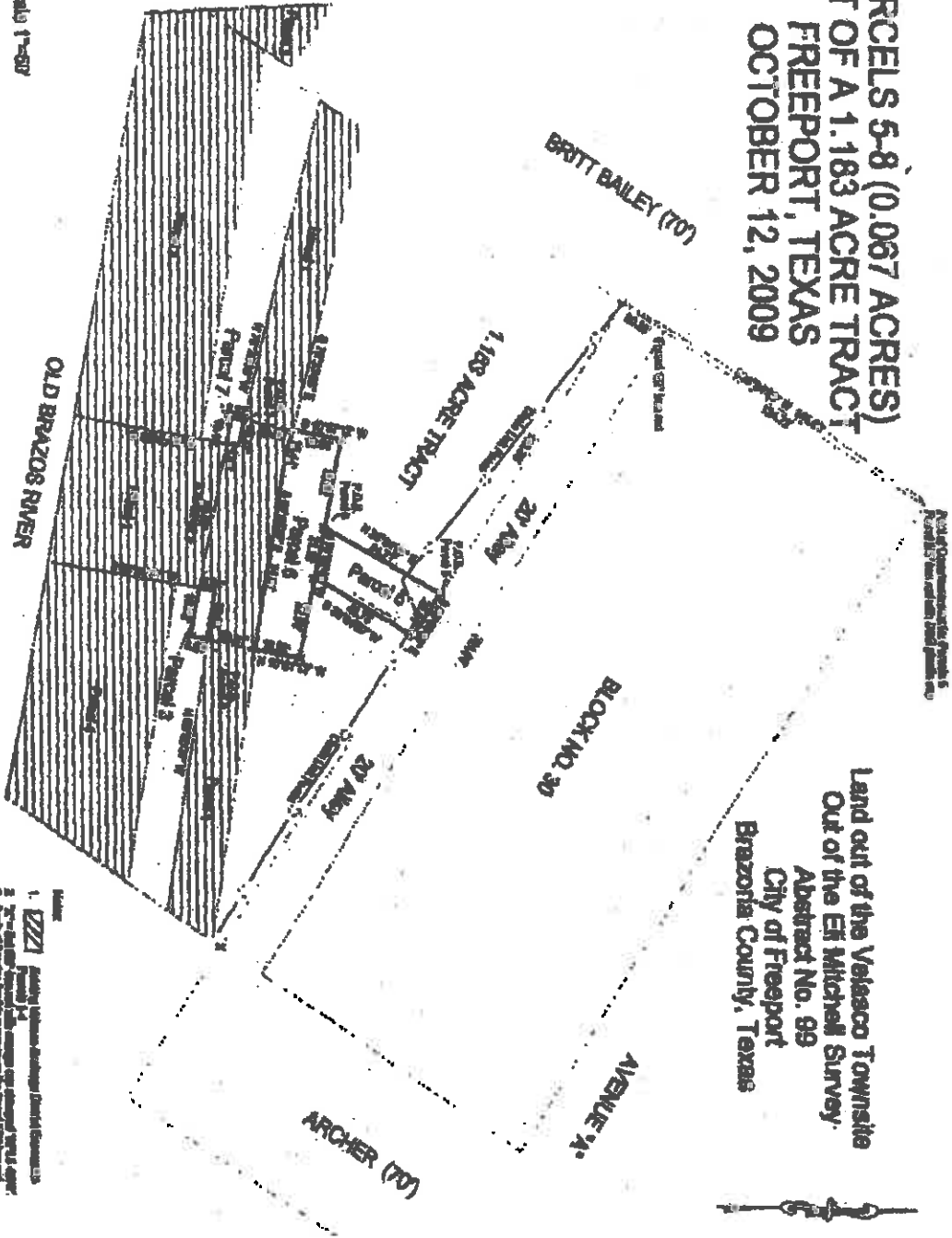
1. The Basis of Bearing for this survey was the found 5/8" iron rod with D&S plastic cap at the northwesterly corner of Block No. 30 and the found 1/2 inch iron rod at the southeast corner of Block No. 30.

2. The total acreage of Parcel 5-8 is 0.067 Acres.



Chris E. Gallon  
Registered Professional Land Surveyor  
Registration Number 4679

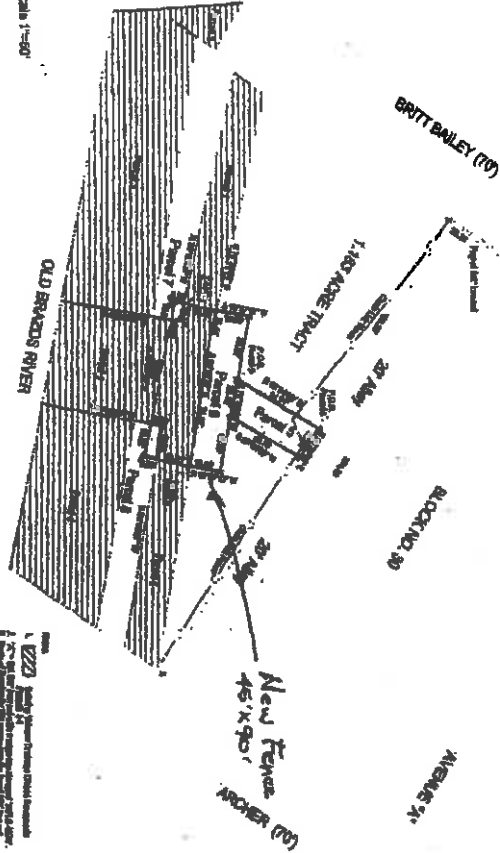
**PARCELS 5-8 (0.067 ACRES)  
OUT OF A 1.183 ACRE TRACT  
FREEPORT, TEXAS  
OCTOBER 12, 2009**





**PARCELS 5-8 (0.067 ACRES)  
OUT OF A 1.183 ACRE TRACT  
FREEPORT, TEXAS  
OCTOBER 12, 2009**

Land out of the Veterans Townsite  
Out of the El Nacimiento Survey  
Abstract No. 88  
City of Freeport  
Brazoria County, Texas

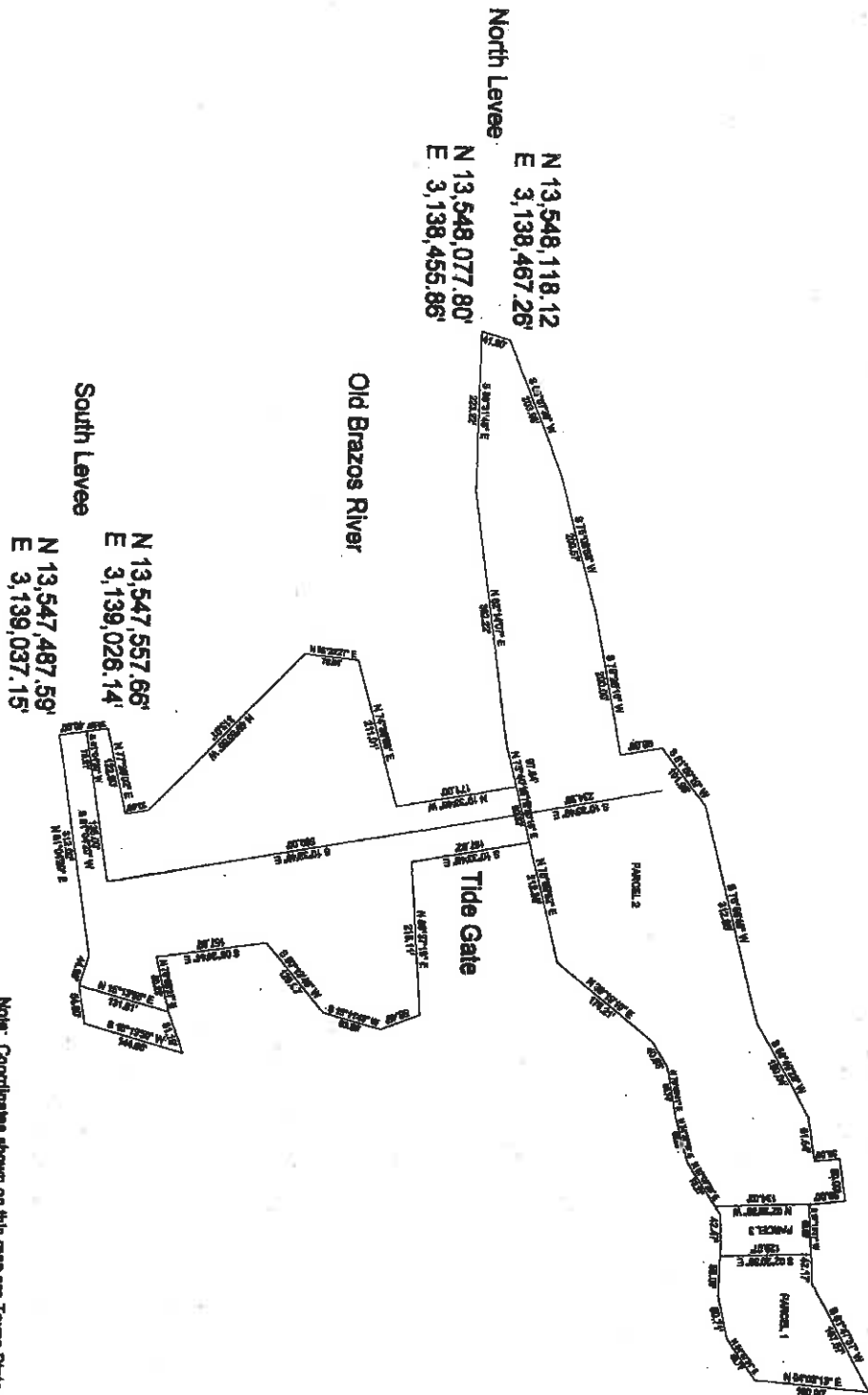


Scale 1"=40'  
Measured Contour Lines  
Plotted by TDS

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EXHIBIT "B"  
EXCLUDED FROM "THE PROPERTY"

# MAP SHOWING THE LIMITS OF THE TIDE GATE AREA



Note: Coordinates shown on this map are Texas State Plane  
Coordinates, South Central Zone, NAD83.

Scale = 1" = 200'