



****** PUBLIC NOTICE ******

**NOTICE OF A CORINTH ECONOMIC DEVELOPMENT CORPORATION (CEDC)
OF THE CITY OF CORINTH
REGULAR SESSION**

**Monday, August 5, 2019, 6:00 P.M.
City Hall
Conference Room - Room 102
3300 Corinth Parkway
Corinth, Texas 76208**

* Pursuant to Texas Government Code Section 551.002, a quorum of the City Council of Corinth may attend the following meeting and may participate in discussion on the agenda items listed below, but will not take any action.

CALL TO ORDER

CITIZENS COMMENTS

In accordance with the Open Meetings Act, the Board is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the published agenda items are appreciated by the Board and may be taken into consideration at this time or during that agenda item. *All remarks and questions addressed to the Board shall be addressed to the Board as a whole and not to any individual member thereof.* Section 30.041B Code of Ordinance of the City of Corinth.

CONSENT AGENDA

1. Consider and act on minutes from the July 8, 2019 meeting.

BUSINESS AGENDA

2. Consider and provide a recommendation to the City Council on the Requested Budget for the Corinth Economic Development Corporation for Fiscal Year 2019-2020.
3. Conveyance of real property located at 2003 Corinth Parkway from the City of Corinth to the Corinth Economic Development Corporation for economic development purposes.

REPORTS

4. Board Members
5. Executive Director

EXECUTIVE SESSION

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Board to seek advice from the City Attorney as to the posted subject matter of this Board Meeting, the Board will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

A. Deliberations concerning an infrastructure project to assist with development opportunities along Interstate Highway 35E.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the Board. The Board shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

ADJOURN

Posted this ____ day of _____, 2019 at ____ on the bulletin board at Corinth City Hall.

Jason Alexander, Economic Development Director
City of Corinth, Texas

EDC Regular Session

1.

Meeting Date: 08/05/2019

Title: Meeting Minutes

Submitted For: Jason Alexander, Director

Submitted By: Jason Alexander, Director

Finance Review: N/A

Legal Review: N/A

City Manager Review:

Strategic Goals:

AGENDA ITEM

Consider and act on minutes from the July 8, 2019 meeting.

AGENDA ITEM SUMMARY/BACKGROUND

The meeting minutes from the July 8, 2019 meeting.

RECOMMENDATION

N/A.

Attachments

July 8, 2019 Meeting Minutes

CORINTH ECONOMIC DEVELOPMENT CORPORATION
July 8, 2019

STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH

On this 8th day of July, 2019 the Corinth Economic Development Corporation (CEDC) of the City of Corinth, Texas, met in Special Session at 6:00 P.M. at Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members, to wit:

CEDC Board Members:

Tina Henderson – President, Council Representative
Jerry Blazewicz – Vice President
Grady Ray – Secretary
Brad Hinson – Director
Steve Holzwarth – Director

CEDC Board Members Absent:

Robert Goodwin – Director
Eric Wiser – Director

Others Present:

Bob Hart – City Manager
Jason Alexander – Executive Director
Helen-Eve Liebman – Planning and Development Director
Kimberly Pence – City Secretary

CALL TO ORDER:

President Tina Henderson called the meeting to order at 6:03 P.M.

CITIZENS COMMENTS

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There were no Citizens Comments made.

CONSENT AGENDA:

1. **Consider and act on minutes from the June 3, 2019 meeting.**
2. **Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending April 2019.**
3. **Consider and act on the Corinth Economic Development Corporation Financial Report for the period ending May 2019.**

There being no discussion, motion was made by Jerry Blazewicz to approve the Consent Agenda as presented. Seconded by Grady Ray.

AYES: Henderson, Ray, Blazewicz, Hinson, Holzwarth
NOES: None
ABSENT: Wisner, Goodwin

MOTION CARRIED

BUSINESS:

- 4. Receive an update and hold a discussion on the creation of a Tax Increment Reinvestment Zone (TIRZ) and Transit Oriented Development (TOD) District.**

Jason Alexander introduced the item to the Board of Directors. Bob Hart provided an update on the progress of the TIRZ and the TOD, which included the finalization of the TIRZ boundaries and conceptual illustrations of mixed-use development in the heart of Corinth.

Hart informed the Board of Directors that staff was moving into the second phase of the TIRZ analysis. Hart said that this phase would involve the financial plan and revenue projections for funding infrastructure from development and redevelopment activity within the TIRZ.

NO ACTION TAKEN

REPORTS AND UPDATES:

1. Board Members

None.

2. Executive Director

Alexander briefed the Board of Directors on the cultural exchange between the Cambodian Delegation and the City and the surrounding communities.

He also thanked President Henderson, Brad Hinson and Steve Holzwarth for volunteering to serve on the Comprehensive Plan Steering Committee.

No Closed Session.

CLOSED SESSION

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Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in executive session, any final action or vote taken will be in public by the Board. The Board shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

Reconvene in open session to take action, if necessary, on closed session items.

ADJOURN:

There being no further business, President Henderson adjourned the July 8, 2019 Special Session of the Corinth Economic Development Corporation at 6:33 P.M.

Kimberly Pence – City Secretary
Corinth Economic Development Corporation

Tina Henderson – President
Corinth Economic Development Corporation



ECONOMIC DEVELOPMENT FUND

The mission of the City of Corinth's Economic Development Corporation is to continually expand the property and sales tax base, encourage creation of jobs, promote tourism, improve the quality of life and facilitate a self-sustaining economy for the City.

Accomplishments for FY2018-19

- ✓ Incentivized the retention and expansion of Bill Utter Ford resulting in the retention and creation of at least 157 full-time employment positions and an enhanced aesthetic.
- ✓ Welcomed the state-of-the-art expansion of Huffines Kia & Subaru, an approximately \$14 million capital investment retaining and creating at least 70 full-time employment positions.
- ✓ Acquired approximately 18.2 acres at the southwest corner of the Interstate Highway 35E and Corinth Parkway Interchange in support of mixed-use development that will elevate the community's image and serve as a catalyst for new investment.
- ✓ Initiated conversations on the implementation of a Tax Increment Reinvestment Zone, primarily along Interstate Highway 35E, in support of the construction and operation of a commuter rail station and to provide a source of funds to create a thriving mixed-use destination within Corinth's core.

Goals & Objectives for FY2019-20

- ✓ In strategic coordination with diverse stakeholders, market and promote the competitive economic advantages of Corinth to targeted audiences and elevate the community's regional awareness.
- ✓ In alignment with the vision, priorities and goals of the Strategic Plan and the Tax Increment Reinvestment Zone, retain, expand and attract business and investment that will competitively position Corinth for growth and prosperity.
- ✓ Strengthen relationships and strategic partnerships with brokers, developers and other investors to bring unique restaurant and retail concepts to Corinth.
- ✓ Actively promote new development projects in Corinth to include Millennium Place, as well as high-profile properties like those along Interstate Highway 35E at conferences and trade shows of regional, national and international prestige.

New Program Funding for FY2019-20

Department	Project Description	One-Time Cost	On-going Cost	Total Cost
EDC	Wetlands and Flood Mitigation studies	\$ 150,000	\$ -	\$ 150,000
Total New Program Funding		\$ 150,000	\$ -	\$ 150,000

ECONOMIC DEVELOPMENT SALES TAX FUND

DESCRIPTION

The Economic Development Corporation (EDC) is committed to the promotion and retention of high quality development in all parts of the City and to ongoing improvement in the quality of life for its citizens. The EDC fund receives its revenue from a portion of the City's sales and use tax levied on eligible goods sold within the City of Corinth. A special election was held on November 5, 2002 for the purpose of creating a local .50% sales and use tax for Economic Development.

RESOURCE SUMMARY	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	2019-20 REQUESTED	2019-20 PACKAGES	2019-20 BUDGET
Sales Tax	\$ 796,002	\$ 823,975	\$ 823,975	\$ 848,694	\$ -	\$ 848,694
Investment Income	48,170	25,000	60,000	25,000	-	25,000
Interest Income	285	800	800	200	-	200
Miscellaneous	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
TOTAL REVENUES	\$ 844,457	\$ 849,775	\$ 884,775	\$ 873,894	\$ -	\$ 873,894
Use of Fund Balance	-	2,848,006	2,813,006	-	-	62,663
TOTAL RESOURCES	\$ 844,457	\$ 3,697,781	\$ 3,697,781	\$ 873,894	\$ -	\$ 936,557

EXPENDITURE SUMMARY	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	2019-20 REQUESTED	2019-20 PACKAGES	2019-20 BUDGET
Wages & Benefits	\$ 130,995	\$ 139,999	\$ 139,999	\$ 147,765	\$ -	\$ 147,765
Professional Fees	13,920	145,419	145,419	219,195	-	219,195
Maint. & Operations	8,104	315,081	315,081	237,777	-	237,777
Supplies	5,814	6,500	6,500	1,000	-	1,000
Utilities	-	-	-	-	-	-
Communications	3,537	2,278	2,278	2,461	-	2,461
Vehicle & Fuel	-	-	-	-	-	-
Training	12,791	30,633	30,633	27,074	-	27,074
Capital Outlay	-	2,952,671	2,952,671	-	150,000	150,000
Transfers	308,925	105,200	105,200	151,285	-	151,285
TOTAL EXPENDITURES	\$ 484,085	\$ 3,697,781	\$ 3,697,781	\$ 786,557	\$ 150,000	\$ 936,557

PROJECTED FUND BALANCE REVIEW	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	2019-20 REQUESTED	2019-20 PACKAGES	2019-20 BUDGET
Beginning Fund Balance	\$ 3,536,327	\$ 3,896,699	\$ 3,896,699	\$ 1,083,693	\$ -	\$ 1,083,693
Net Income	360,372	(2,848,006)	(2,813,006)	87,337	-	(62,663)
ENDING FUND BALANCE	\$ 3,896,699	\$ 1,048,693	\$ 1,083,693	\$ 1,171,030	\$ -	\$ 1,021,030

FTE (Full-Time Equivalents)	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	2019-20 REQUESTED	2019-20 CHANGES	2019-20 BUDGET
Management	1.00	1.00	1.00	1.00	-	1.00
TOTAL	1.00	1.00	1.00	1.00	-	1.00

NEW PROGRAM FUNDING

The budget includes \$150,000 for Wetlands and Flood Mitigation studies.

My Budget Worksheet

Account Summary

For Fiscal: 2018-2019 Period Ending: 08/31/2019

		2016-2017	2016-2017	2017-2018	2017-2018	2018-2019	2018-2019	Defined Budgets	2019-2020
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	2018-2019 YE	2019-2020 CM
Fund: 130 - ECONOMIC DEVELOPMENT CORP									
Revenue									
Department: 0000 - NON-DEPARTMENTAL									
Category: 402 - SALES TAXES									
130-0000-40200	SALES TAX	673,772.00	756,725.46	713,398.00	796,001.98	823,975.00	525,698.03	823,975.00	848,694.00
Category: 402 - SALES TAXES Total:		673,772.00	756,725.46	713,398.00	796,001.98	823,975.00	525,698.03	823,975.00	848,694.00
Category: 414 - INTEREST INCOME									
130-0000-41400	INVESTMENT INCOME	8,000.00	28,591.78	18,000.00	48,170.44	25,000.00	54,224.88	60,000.00	25,000.00
130-0000-41410	INTEREST INCOME	400.00	906.62	800.00	285.30	800.00	345.61	800.00	200.00
Category: 414 - INTEREST INCOME Total:		8,400.00	29,498.40	18,800.00	48,455.74	25,800.00	54,570.49	60,800.00	25,200.00
Category: 415 - MISCELLANEOUS									
130-0000-41500	MISCELLANEOUS INCOME	0.00	62.69	0.00	0.00	0.00	0.00		
Category: 415 - MISCELLANEOUS Total:		0.00	62.69	0.00	0.00	0.00	0.00	0.00	0.00
Department: 0000 - NON-DEPARTMENTAL Total:		682,172.00	786,286.55	732,198.00	844,457.72	849,775.00	580,268.52	884,775.00	873,894.00
Revenue Total:		682,172.00	786,286.55	732,198.00	844,457.72	849,775.00	580,268.52	884,775.00	873,894.00

My Budget Worksheet

For Fiscal: 2018-2019 Period Ending: 08/31/2019

		Defined Budgets							
		2016-2017	2016-2017	2017-2018	2017-2018	2018-2019	2018-2019	2018-2019	2019-2020
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	YE	CM
Expense									
Department: 1700 - ECONOMIC DEVELOPMENT									
Category: 500 - WAGES & BENEFITS									
130-1700-50100	SALARIES	94,760.00	91,753.72	97,606.00	97,289.45	105,984.00	85,258.18	105,984.00	112,326.00
130-1700-50203	LONGEVITY PAY	96.00	96.00	168.00	168.00	240.00	228.00	240.00	384.00
130-1700-50204	CAR ALLOWANCE	4,800.00	4,800.00	4,800.00	4,800.00	4,800.00	4,000.00	4,800.00	4,800.00
130-1700-50300	HEALTH INSURANCE	9,351.00	9,350.80	9,966.00	9,930.88	7,998.00	6,831.80	7,998.00	7,718.00
130-1700-50301	DENTAL INSURANCE	335.00	334.80	351.00	334.80	352.00	275.00	352.00	347.00
130-1700-50302	LIFE & DISABILITY INSURANCE	366.00	352.80	404.00	359.92	416.00	312.66	416.00	432.00
130-1700-50303	BROKER FEES	208.00	179.81	208.00	191.27	208.00	131.82	208.00	208.00
130-1700-50304	PHS FEES	114.00	108.00	114.00	108.00	114.00	105.93	114.00	114.00
130-1700-50305	TMRS EMPLOYER	15,563.00	15,509.97	16,370.00	16,369.54	17,351.00	14,370.68	17,351.00	18,754.00
130-1700-50306	PRIOR PERIOD ADJUSTMENT	0.00	0.00	0.00	-1,005.00	0.00	0.00		
130-1700-50310	401A	390.00	390.00	405.00	405.00	390.00	315.00	390.00	390.00
130-1700-50316	EAP	19.00	19.08	43.00	43.08	80.00	75.90	80.00	80.00
130-1700-50317	COBRA ADMINISTRATION FEE	7.00	0.00	7.00	0.00	7.00	0.00	7.00	7.00
130-1700-50320	WORKERS COMP	314.00	313.47	346.00	336.62	360.00	122.73	360.00	389.00
130-1700-50401	MEDICARE EMPLOYER	1,458.00	1,458.65	1,501.00	1,500.94	1,519.00	1,305.23	1,519.00	1,636.00
130-1700-50405	TEXAS EMPLOYMENT COMM.	146.00	9.00	180.00	162.00	180.00	9.00	180.00	180.00
Category: 500 - WAGES & BENEFITS Total:		127,927.00	124,676.10	132,469.00	130,994.50	139,999.00	113,341.93	139,999.00	147,765.00
Category: 510 - PROF. SERV & CONTRACTUAL									
130-1700-51100	PROFESSIONAL SERVICES	68,844.00	68,426.07	61,700.00	2,950.00	126,329.00	57,300.00	126,329.00	217,000.00
130-1700-51300	LEGAL FEES	17,200.00	7,173.00	17,035.00	9,142.50	17,200.00	7,144.00	17,200.00	
130-1700-51400	P&L INSURANCE	1,618.00	1,617.24	1,827.00	1,827.24	1,890.00	1,698.21	1,890.00	2,195.00
Category: 510 - PROF. SERV & CONTRACTUAL Total:		87,662.00	77,216.31	80,562.00	13,919.74	145,419.00	66,142.21	145,419.00	219,195.00
Category: 520 - MAINTENANCE & OPERATIONS									
130-1700-52000	ADVERTISING	7,500.00	1,722.52	7,500.00	2,376.23	82,500.00	2,788.10	82,500.00	7,500.00
130-1700-52002	POSTAGE	25.00	20.53	0.00	0.00	100.00	0.00	100.00	100.00
130-1700-52003	PRINTING	400.00	0.00	400.00	0.00	400.00	0.00	400.00	400.00
130-1700-52004	COPIER CHARGES	225.00	0.00	200.00	0.29	0.00	0.00		
130-1700-52030	EQUIPMENT RENTAL	0.00	0.00	1,000.00	560.71	783.00	436.70	783.00	
130-1700-52040	MAINTENANCE	0.00	0.00	0.00	0.00	2,000.00	0.00	2,000.00	

My Budget Worksheet

For Fiscal: 2018-2019 Period Ending: 08/31/2019

		Defined Budgets							
		2016-2017	2016-2017	2017-2018	2017-2018	2018-2019	2018-2019	2018-2019	2019-2020
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	YE	CM
130-1700-52210	BOARDS & COMMITTEE EXPENSE	0.00	0.00	0.00	0.00	1,200.00	0.00	1,200.00	1,200.00
130-1700-52215	PROMOTIONAL FEES	15,450.00	2,450.00	18,673.00	3,422.50	19,308.00	2,376.27	19,308.00	19,507.00
130-1700-52230	PROJECT INCENTIVES	150,000.00	0.00	160,000.00	0.00	200,000.00	144,790.00	200,000.00	200,000.00
130-1700-52500	DUES & SUBSCRIPTIONS	3,970.00	1,450.25	4,290.00	1,744.00	8,790.00	2,325.00	8,790.00	9,070.00
Category: 520 - MAINTENANCE & OPERATIONS Total:		177,570.00	5,643.30	192,063.00	8,103.73	315,081.00	152,716.07	315,081.00	237,777.00
Category: 530 - SUPPLIES									
130-1700-53001	OFFICE SUPPLIES	900.00	173.46	1,899.00	1,384.46	1,000.00	1,151.29	1,000.00	1,000.00
130-1700-53205	OFFICE EQUIPMENT	0.00	0.00	4,430.00	4,429.60	5,500.00	3,880.60	5,500.00	
Category: 530 - SUPPLIES Total:		900.00	173.46	6,329.00	5,814.06	6,500.00	5,031.89	6,500.00	1,000.00
Category: 540 - UTILITIES									
130-1700-54200	CELLPHONE	900.00	900.00	900.00	900.00	900.00	750.00	900.00	900.00
Category: 540 - UTILITIES Total:		900.00	900.00	900.00	900.00	900.00	750.00	900.00	900.00
Category: 541 - COMMUNICATION									
130-1700-54100	TELEPHONE	156.00	72.20	156.00	67.40	0.00	0.00		
130-1700-54104	WAN	0.00	0.00	71.00	34.44	0.00	0.00		
130-1700-54105	INTERNET	484.00	483.47	331.00	191.88	0.00	0.00		
130-1700-54106	AIRCARD	504.00	429.67	504.00	434.88	456.00	323.31	456.00	444.00
130-1700-54107	COMPUTER LICENSING	2,070.00	1,202.32	2,170.00	1,908.30	922.00	252.48	922.00	1,117.00
Category: 541 - COMMUNICATION Total:		3,214.00	2,187.66	3,232.00	2,636.90	1,378.00	575.79	1,378.00	1,561.00
Category: 560 - TRAVEL & TRAINING									
130-1700-56000	TRAINING	11,075.00	3,928.00	16,075.00	7,393.37	16,075.00	3,215.02	16,075.00	11,575.00
130-1700-56100	TRAVEL/MEALS/LODGING	13,500.00	5,433.96	13,500.00	5,386.61	13,770.00	5,010.87	13,770.00	14,695.00
130-1700-56200	MILEAGE	750.00	677.48	773.00	10.63	788.00	9.43	788.00	804.00
Category: 560 - TRAVEL & TRAINING Total:		25,325.00	10,039.44	30,348.00	12,790.61	30,633.00	8,235.32	30,633.00	27,074.00
Category: 570 - CAPITAL OUTLAY									
130-1700-57000	CAPITAL OUTLAY	125,000.00	0.00	0.00	0.00	2,952,671.00	2,902,671.02	2,952,671.00	150,000.00
Category: 570 - CAPITAL OUTLAY Total:		125,000.00	0.00	0.00	0.00	2,952,671.00	2,902,671.02	2,952,671.00	150,000.00
Category: 590 - TRANSFERS & COST ALLOC.									
130-1700-59001	COST ALLOCATION OUT-GENERA...	93,302.00	93,302.00	83,042.00	83,042.00	54,317.00	54,317.00	54,317.00	100,208.00
130-1700-59101	TRANSFER OUT	50,000.00	50,000.00	225,000.00	225,000.00	50,000.00	0.00	50,000.00	50,000.00

My Budget Worksheet

For Fiscal: 2018-2019 Period Ending: 08/31/2019

		Defined Budgets							
		2016-2017	2016-2017	2017-2018	2017-2018	2018-2019	2018-2019	2018-2019	2019-2020
		Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity	YE	CM
130-1700-59111	TRANSFER OUT - TECH REPLACE...	604.00	604.00	883.00	883.00	883.00	883.00	883.00	1,077.00
Category: 590 - TRANSFERS & COST ALLOC. Total:		143,906.00	143,906.00	308,925.00	308,925.00	105,200.00	55,200.00	105,200.00	151,285.00
Department: 1700 - ECONOMIC DEVELOPMENT Total:		692,404.00	364,742.27	754,828.00	484,084.54	3,697,781.00	3,304,664.23	3,697,781.00	936,557.00
Expense Total:		692,404.00	364,742.27	754,828.00	484,084.54	3,697,781.00	3,304,664.23	3,697,781.00	936,557.00
Fund: 130 - ECONOMIC DEVELOPMENT CORP Surplus (Deficit):		-10,232.00	421,544.28	-22,630.00	360,373.18	-2,848,006.00	-2,724,395.71	-2,813,006.00	-62,663.00

EDC Regular Session

3.

Meeting Date: 08/05/2019
Title: Conveyance of Real Property from the City of Corinth to the Corinth Economic Development Corporation
Submitted By: Jason Alexander, Director
Finance Review: N/A **Legal Review:** N/A
City Manager Review:
Strategic Goals: Land Development
Infrastructure Development
Economic Development
Citizen Engagement & Proactive Government

AGENDA ITEM

Conveyance of real property located at 2003 Corinth Parkway from the City of Corinth to the Corinth Economic Development Corporation for economic development purposes.

AGENDA ITEM SUMMARY/BACKGROUND

The City of Corinth (the "**City**") desires to convey real property located at 2003 Corinth Parkway, which is the former site of the Police Station comprising of approximately 1.7983 acres (the "**Property**"), to the Corinth Economic Development Corporation (the "**CEDC**") for economic development purposes. Sec. 253.012 of the Texas Local Government Code authorizes municipalities to transfer real property or an interest in real property to an economic development corporation without having to comply with the notice and bidding requirements under Sec. 272.001 of the Texas Local Government Code. The transfer of the property is to occur for cash consideration of \$10.00, and the City and the CEDC agree as follows:

- The CEDC will only use the Property for public purposes (economic development) in accordance with state law.
- The CEDC understands that the Property will revert back to the ownership of the City if it fails to use the Property for economic development purposes in accordance with state law.
- The CEDC, upon the sale of the Property to any future third party interest, will deliver all proceeds from such sale to the City.
- The City agrees to demolish the structures on the Property at its expense, and to otherwise maintain and repair the Property also at no expense to the CEDC.

The Property is located within the proposed Tax Increment Reinvestment Zone ("**TIRZ**") and the Transit Oriented Development ("**TOD**") District, and is intended to play a catalytic role --- as an economic development incentive --- to attract new investment, to create employment opportunities and to enhance the community's quality of life.

As consideration for the conveyance of the Property, the CEDC will pay to the City a sum of \$10.00.

RECOMMENDATION

Staff recommends that the CEDC approve the conveyance of the Property from the City to the CEDC for economic development purposes.

Fiscal Impact

Source of Funding: Corinth Economic Development Corporation

FINANCIAL SUMMARY:

As consideration for the conveyance of the Property from the City to the CEDC, the City will pay the City a sum of \$10.00.

Attachments

Sales Agreement

shown in Paragraph 21. If the Commitment and Exception Documents are not delivered to Buyer within the specified time, the time for delivery will be automatically extended up to 15 days or 3 days before the Closing Date, whichever is earlier. If the Commitment and Exception Documents are not delivered within the time required, Buyer may terminate this contract and the earnest money will be refunded to Buyer.

C. SURVEY: The survey must be made by a registered professional land surveyor acceptable to the Title Company and Buyer's lender(s). (Check one box only)

- (1) Within _____ days after the Effective Date of this contract, Seller shall furnish to Buyer and Title Company Seller's existing survey of the Property and a Residential Real Property Affidavit promulgated by the Texas Department of Insurance (T-47 Affidavit). **If Seller fails to furnish the existing survey or affidavit within the time prescribed, Buyer shall obtain a new survey at Seller's expense no later than 3 days prior to Closing Date.** If the existing survey or affidavit is not acceptable to Title Company or Buyer's lender(s), Buyer shall obtain a new survey at Seller's Buyer's expense no later than 3 days prior to Closing Date.
- (2) Within ³⁰_____ days after the Effective Date of this contract, Buyer shall obtain a new survey at Buyer's expense. Buyer is deemed to receive the survey on the date of actual receipt or the date specified in this paragraph, whichever is earlier.
- (3) Within _____ days after the Effective Date of this contract, Seller, at Seller's expense shall furnish a new survey to Buyer.

D. OBJECTIONS: Buyer may object in writing to (i) defects, exceptions, or encumbrances to title: disclosed on the survey other than items 6A(1) through (7) above; or disclosed in the Commitment other than items 6A(1) through (9) above; (ii) any portion of the Property lying in a special flood hazard area (Zone V or A) as shown on the current Federal Emergency Management Agency map; or (iii) any exceptions which prohibit the following use or activity:

Buyer must object the earlier of (i) the Closing Date or (ii) _____ days after Buyer receives the Commitment, Exception Documents, and the survey. Buyer's failure to object within the time allowed will constitute a waiver of Buyer's right to object; except that the requirements in Schedule C of the Commitment are not waived. Provided Seller is not obligated to incur any expense, Seller shall cure any timely objections of Buyer or any third party lender within 15 days after Seller receives the objections (Cure Period) and the Closing Date will be extended as necessary. If objections are not cured within the Cure Period, Buyer may, by delivering notice to Seller within 5 days after the end of the Cure Period: (i) terminate this contract and the earnest money will be refunded to Buyer; or (ii) waive the objections. If Buyer does not terminate within the time required, Buyer shall be deemed to have waived the objections. If the Commitment or Survey is revised or any new Exception Document(s) is delivered, Buyer may object to any new matter revealed in the revised Commitment or Survey or new Exception Document(s) within the same time stated in this paragraph to make objections beginning when the revised Commitment, Survey, or Exception Document(s) is delivered to Buyer.

E. TITLE NOTICES:

(1) ABSTRACT OR TITLE POLICY: Broker advises Buyer to have an abstract of title covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a Title Policy. If a Title Policy is furnished, the Commitment should be promptly reviewed by an attorney of Buyer's choice due to the time limitations on Buyer's right to object.

(2) MEMBERSHIP IN PROPERTY OWNERS ASSOCIATION(S): The Property is is not subject to mandatory membership in a property owners association(s). If the Property is subject to mandatory membership in a property owners association(s), Seller notifies Buyer under §5.012, Texas Property Code, that, as a purchaser of property in the residential community identified in Paragraph 2 in which the Property is located, you are obligated to be a member of the property owners association(s). Restrictive covenants governing the use and occupancy of the Property and all dedicatory instruments governing the establishment, maintenance, and operation of this residential community have been or will be recorded in the Real Property Records of the county in which the Property is located. Copies of the restrictive covenants and dedicatory instruments may be obtained from the county clerk. **You are obligated to pay assessments to the property owners association(s). The amount of the assessments is subject to change. Your failure to pay the assessments could result in enforcement of the association's lien on and the foreclosure of the Property.**

Section 207.003, Property Code, entitles an owner to receive copies of any document that governs the establishment, maintenance, or operation of a subdivision, including, but not limited to, restrictions, bylaws, rules and regulations, and a resale certificate from a property owners' association. A resale certificate contains information including, but not limited to, statements specifying the amount and frequency of regular assessments and the style and cause number of lawsuits to which the property owners' association is a party, other than lawsuits relating to unpaid ad valorem taxes of an individual member of the association. These documents must be made available to you by the property owners' association or the association's agent on your request.

If Buyer is concerned about these matters, the TREC promulgated Addendum for Property Subject to Mandatory Membership in a Property Owners Association should be used.

- (3) **STATUTORY TAX DISTRICTS:** If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fee of the district prior to final execution of this contract.
- (4) **TIDE WATERS:** If the Property abuts the tidally influenced waters of the state, §33.135, Texas Natural Resources Code, requires a notice regarding coastal area property to be included in the contract. An addendum containing the notice promulgated by TREC or required by the parties must be used.
- (5) **ANNEXATION:** If the Property is located outside the limits of a municipality, Seller notifies Buyer under §5.011, Texas Property Code, that the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
- (6) **PROPERTY LOCATED IN A CERTIFICATED SERVICE AREA OF A UTILITY SERVICE PROVIDER:** Notice required by §13.257, Water Code: The real property, described in Paragraph 2, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned Buyer hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in Paragraph 2 or at closing of purchase of the real property.
- (7) **PUBLIC IMPROVEMENT DISTRICTS:** If the Property is in a public improvement district, §5.014, Property Code, requires Seller to notify Buyer as follows: As a purchaser of this parcel of real property you are obligated to pay an assessment to a municipality or county for an improvement project undertaken by a public improvement district under Chapter 372, Local Government Code. The assessment may be due annually or in periodic installments. More information concerning the amount of the assessment and the due dates of that assessment may be obtained from the municipality or county levying the assessment. The amount of the assessments is subject to change. Your failure to pay the assessments could result in a lien on and the foreclosure of your property.
- (8) **TEXAS AGRICULTURAL DEVELOPMENT DISTRICT:** The Property is is not located in a Texas Agricultural Development District. For additional information, contact the Texas Department of Agriculture.
- (9) **TRANSFER FEES:** If the Property is subject to a private transfer fee obligation, §5.205, Property Code requires Seller to notify Buyer as follows: The private transfer fee obligation may be governed by Chapter 5, Subchapter G of the Texas Property Code.
- (10) **PROPANE GAS SYSTEM SERVICE AREA:** If the Property is located in a propane gas system service area owned by a distribution system retailer, Seller must give Buyer written notice as required by §141.010, Texas Utilities Code. An addendum containing the notice approved by TREC or required by the parties should be used.
- (11) **NOTICE OF WATER LEVEL FLUCTUATIONS:** If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."

7. PROPERTY CONDITION:

A. **ACCESS, INSPECTIONS AND UTILITIES:** Seller shall permit Buyer and Buyer's agents access to the Property at reasonable times. Buyer may have the Property inspected by inspectors selected by Buyer and licensed by TREC or otherwise permitted by law to make inspections. Seller at Seller's expense shall immediately cause existing utilities to be turned on and shall keep the utilities on during the time this contract is in effect.

NOTICE: Buyer should determine the availability of utilities to the Property suitable to satisfy Buyer's needs.

B. **ACCEPTANCE OF PROPERTY CONDITION:** "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7B (1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

- (1) Buyer accepts the Property As Is.
 (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: _____

(Do not insert general phrases, such as "subject to inspections" that do not identify specific repairs and treatments.)

C. **COMPLETION OF REPAIRS:** Unless otherwise agreed in writing: (i) Seller shall complete all agreed repairs and treatments prior to the Closing Date; and (ii) all required permits must be obtained, and repairs and treatments must be performed by persons who are licensed to provide such repairs or treatments or, if no license is required by law, are commercially engaged in the trade of providing such repairs or treatments. At Buyer's election, any transferable warranties received by Seller with respect to the repairs and treatments will be transferred to Buyer at Buyer's expense. If Seller fails to complete any agreed repairs and treatments prior to the Closing Date, Buyer may exercise remedies under Paragraph 15 or extend the Closing Date up to 5 days, if necessary, for Seller to complete repairs and treatments.

D. **ENVIRONMENTAL MATTERS:** Buyer is advised that the presence of wetlands, toxic substances, including asbestos and wastes or other environmental hazards, or the presence of a threatened or endangered species or its habitat may affect Buyer's intended use of the Property. If Buyer is concerned about these matters, an addendum promulgated by TREC or required by the parties should be used.

E. **SELLER'S DISCLOSURES:** Except as otherwise disclosed in this contract, Seller has no knowledge of the following:

- (1) any flooding of the Property which has had a material adverse effect on the use of the Property;
- (2) any pending or threatened litigation, condemnation, or special assessment affecting the Property;
- (3) any environmental hazards that materially and adversely affect the Property;
- (4) any dumpsite, landfill, or underground tanks or containers now or previously located on the Property;
- (5) any wetlands, as defined by federal or state law or regulation, affecting the Property; or
- (6) any threatened or endangered species or their habitat affecting the Property.

8. BROKERS' FEES: All obligations of the parties for payment of brokers' fees are contained in separate written agreements.

9. CLOSING:

A. The closing of the sale will be on or before September 6, 2019, or within 7 days after objections made under Paragraph 6D have been cured or waived, whichever date is later (Closing Date). If either party fails to close the sale by the Closing Date, the non-defaulting party may exercise the remedies contained in Paragraph 15.

B. At closing:

- (1) Seller shall execute and deliver a general warranty deed conveying title to the Property to Buyer and showing no additional exceptions to those permitted in Paragraph 6 and furnish tax statements or certificates showing no delinquent taxes on the Property.
- (2) Buyer shall pay the Sales Price in good funds acceptable to the escrow agent.
- (3) Seller and Buyer shall execute and deliver any notices, statements, certificates, affidavits, releases, loan documents and other documents reasonably required for the closing of the sale and the issuance of the Title Policy.
- (4) There will be no liens, assessments, or security interests against the Property which will not be satisfied out of the sales proceeds unless securing the payment of any loans assumed by Buyer and assumed loans will not be in default.

10. POSSESSION:

A. **Buyer's Possession:** Seller shall deliver to Buyer possession of the Property in its present or required condition upon closing and funding.

B. **Leases:**

- (1) After the Effective Date, Seller may not execute any lease (including but not limited to mineral leases) or convey any interest in the Property without Buyer's written consent.
- (2) If the Property is subject to any lease to which Seller is a party, Seller shall deliver to Buyer copies of the lease(s) and any move-in condition form signed by the tenant within 7 days after the Effective Date of the contract.

11. SPECIAL PROVISIONS: (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holders from adding factual statements or business details for which a contract addendum or other form has been promulgated by TREC for mandatory use.) In accordance with Sec. 253.012 of the Texas Local Government Code, the Buyer agrees to purchase the Property from the Seller subject to the following provisions: (i) to only use the property in a manner that primarily promotes a public purpose (economic development) of the municipality; (ii) the ownership of the property automatically reverts to the Seller if the Buyer at any time fails to use the property for economic development purposes; and (iii) when the Buyer sells the property to any third party interest, all of the proceeds from such sale will go to the Seller. The Seller agrees to demolish the structures on the property at no expense to the Buyer and to otherwise maintain and repair the Property also at no expense to the Buyer.

12. SETTLEMENT AND OTHER EXPENSES:

- A. The following expenses must be paid at or prior to closing:
- (1) Expenses payable by Seller (Seller's Expenses):
 - (a) Releases of existing liens, including prepayment penalties and recording fees; release of Seller's loan liability; tax statements or certificates; preparation of deed; one-half of escrow fee; and other expenses payable by Seller under this contract.
 - (b) Seller shall also pay an amount not to exceed \$ _____⁻⁰⁻ to be applied in the following order: Buyer's Expenses which Buyer is prohibited from paying by FHA, VA, Texas Veterans Land Board or other governmental loan programs, and then to other Buyer's Expenses as allowed by the lender.
 - (2) Expenses payable by Buyer (Buyer's Expenses): Appraisal fees; loan application fees; origination charges; credit reports; preparation of loan documents; interest on the notes from date of disbursement to one month prior to dates of first monthly payments; recording fees; copies of easements and restrictions; loan title policy with endorsements required by lender; loan-related inspection fees; photos; amortization schedules; one-half of escrow fee; all prepaid items, including required premiums for flood and hazard insurance, reserve deposits for insurance, ad valorem taxes and special governmental assessments; final compliance inspection; courier fee; repair inspection; underwriting fee; wire transfer fee; expenses incident to any loan; Private Mortgage Insurance Premium (PMI), VA Loan Funding Fee, or FHA Mortgage Insurance Premium (MIP) as required by the lender; and other expenses payable by Buyer under this contract.
- B. If any expense exceeds an amount expressly stated in this contract for such expense to be paid by a party, that party may terminate this contract unless the other party agrees to pay such excess. Buyer may not pay charges and fees expressly prohibited by FHA, VA, Texas Veterans Land Board or other governmental loan program regulations.

13. PRORATIONS AND ROLLBACK TAXES:

- A. PRORATIONS: Taxes for the current year, interest, maintenance fees, assessments, dues and rents will be prorated through the Closing Date. The tax proration may be calculated taking into consideration any change in exemptions that will affect the current year's taxes. If taxes for the current year vary from the amount prorated at closing, the parties shall adjust the prorations when tax statements for the current year are available. If taxes are not paid at or prior to closing, Buyer shall pay taxes for the current year.
- B. ROLLBACK TAXES: If this sale or Buyer's use of the Property after closing results in the assessment of additional taxes, penalties or interest (Assessments) for periods prior to closing, the Assessments will be the obligation of Buyer. If Assessments are imposed because of Seller's use or change in use of the Property prior to closing, the Assessments will be the obligation of Seller. Obligations imposed by this paragraph will survive closing.

14. CASUALTY LOSS: If any part of the Property is damaged or destroyed by fire or other casualty after the Effective Date of this contract, Seller shall restore the Property to its previous condition as soon as reasonably possible, but in any event by the Closing Date. If Seller fails to do so due to factors beyond Seller's control, Buyer may (a) terminate this contract and the earnest money will be refunded to Buyer (b) extend the time for performance up to 15 days and the Closing Date will be extended as necessary or (c) accept the Property in its damaged condition with an assignment of insurance proceeds, if permitted by Seller's insurance carrier, and receive credit from Seller at closing in the amount of the deductible under the insurance policy. Seller's obligations under this paragraph are independent of any other obligations of Seller under this contract.**15. DEFAULT:** If Buyer fails to comply with this contract, Buyer will be in default, and Seller may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money as liquidated damages, thereby releasing both parties from this contract. If Seller fails to comply with this contract, Seller will be in default and Buyer may (a) enforce specific performance, seek such other relief as may be provided by law, or both, or (b) terminate this contract and receive the earnest money, thereby releasing both parties from this contract.**16. MEDIATION:** It is the policy of the State of Texas to encourage resolution of disputes through alternative dispute resolution procedures such as mediation. Any dispute between Seller and Buyer related to this contract which is not resolved through informal discussion will be submitted to a mutually acceptable mediation service or provider. The parties to the mediation shall bear the mediation costs equally. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.**17. ATTORNEY'S FEES:** A Buyer, Seller, Listing Broker, Other Broker, or escrow agent who prevails in any legal proceeding related to this contract is entitled to recover reasonable attorney's fees and all costs of such proceeding.**18. ESCROW:**

- A. ESCROW: The escrow agent is not (i) a party to this contract and does not have liability for the performance or nonperformance of any party to this contract, (ii) liable for interest on the earnest money and (iii) liable for the loss of any earnest money caused by the failure of any financial institution in which the earnest money has been deposited unless the financial institution is acting as escrow agent.
- B. EXPENSES: At closing, the earnest money must be applied first to any cash down payment, then to Buyer's Expenses and any excess refunded to Buyer. If no closing occurs, escrow

agent may: (i) require a written release of liability of the escrow agent from all parties, (ii) require payment of unpaid expenses incurred on behalf of a party, and (iii) only deduct from the earnest money the amount of unpaid expenses incurred on behalf of the party receiving the earnest money.

- C. DEMAND: Upon termination of this contract, either party or the escrow agent may send a release of earnest money to each party and the parties shall execute counterparts of the release and deliver same to the escrow agent. If either party fails to execute the release, either party may make a written demand to the escrow agent for the earnest money. If only one party makes written demand for the earnest money, escrow agent shall promptly provide a copy of the demand to the other party. If escrow agent does not receive written objection to the demand from the other party within 15 days, escrow agent may disburse the earnest money to the party making demand reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and escrow agent may pay the same to the creditors. If escrow agent complies with the provisions of this paragraph, each party hereby releases escrow agent from all adverse claims related to the disbursement of the earnest money.
- D. DAMAGES: Any party who wrongfully fails or refuses to sign a release acceptable to the escrow agent within 7 days of receipt of the request will be liable to the other party for (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- E. NOTICES: Escrow agent's notices will be effective when sent in compliance with Paragraph 21. Notice of objection to the demand will be deemed effective upon receipt by escrow agent.

19. REPRESENTATIONS: All covenants, representations and warranties in this contract survive closing. If any representation of Seller in this contract is untrue on the Closing Date, Seller will be in default. Unless expressly prohibited by written agreement, Seller may continue to show the Property and receive, negotiate and accept back up offers.

20. FEDERAL TAX REQUIREMENTS: If Seller is a "foreign person," as defined by Internal Revenue Code and its regulations, or if Seller fails to deliver an affidavit or a certificate of non-foreign status to Buyer that Seller is not a "foreign person," then Buyer shall withhold from the sales proceeds an amount sufficient to comply with applicable tax law and deliver the same to the Internal Revenue Service together with appropriate tax forms. Internal Revenue Service regulations require filing written reports if currency in excess of specified amounts is received in the transaction.

21. NOTICES: All notices from one party to the other must be in writing and are effective when mailed to, hand-delivered at, or transmitted by fax or electronic transmission as follows:

To Buyer
at: 3300 Corinth Parkway
Corinth, Texas 76208

Phone: (940) 498-3295

Fax: (940) 498-7574

E-mail: Jason.alexander@cityofcorinth.com

To Seller
at: 3300 Corinth Parkway
Corinth, Texas 76208

Phone: (940) 498-3200

Fax: (940) 498-7574

E-mail: bob.hart@cityofcorinth.com

22. AGREEMENT OF PARTIES: This contract contains the entire agreement of the parties and cannot be changed except by their written agreement. Addenda which are a part of this contract are (check all applicable boxes):

- Third Party Financing Addendum
- Seller Financing Addendum
- Addendum for Property Subject to Mandatory Membership in a Property Owners Association
- Buyer's Temporary Residential Lease
- Seller's Temporary Residential Lease
- Addendum for Reservation of Oil, Gas and Other Minerals
- Addendum for "Back-Up" Contract
- Addendum Concerning Right to Terminate Due to Lender's Appraisal
- Addendum for Coastal Area Property
- Environmental Assessment, Threatened or Endangered Species and Wetlands Addendum
- Addendum for Property Located Seaward of the Gulf Intracoastal Waterway
- Addendum for Sale of Other Property by Buyer
- Addendum for Property in a Propane Gas System Service Area
- Other (list): _____

23. TERMINATION OPTION: For nominal consideration, the receipt of which is hereby acknowledged by Seller, and Buyer's agreement to pay Seller \$_____ (Option Fee) within 3 days after the Effective Date of this contract, Seller grants Buyer the unrestricted right to terminate this contract by giving notice of termination to Seller within _____ days after the Effective Date of this contract (Option Period). Notices under this paragraph must be given by 5:00 p.m. (local time where the Property is located) by the date specified. If no dollar amount is stated as the Option Fee or if Buyer fails to pay the Option Fee to Seller within the time prescribed, this paragraph will not be a part of this contract and Buyer shall not have the unrestricted right to terminate this contract. If Buyer gives notice of termination within the time prescribed, the Option Fee will not be refunded; however, any earnest money will be refunded to Buyer. The Option Fee will will not be credited to the Sales Price at closing. **Time is of the essence for this paragraph and strict compliance with the time for performance is required.**

24. CONSULT AN ATTORNEY BEFORE SIGNING: TREC rules prohibit real estate license holders from giving legal advice. READ THIS CONTRACT CAREFULLY.

Buyer's
Attorney is: Patricia Adams

Seller's
Attorney is: Patricia Adams

Messer Fort McDonald

Messer Fort McDonald

Phone: (972) 668-6400

Phone: (972) 668-6400

Fax: (972) 668-6414

Fax: (972) 668-6414

E-mail: patricia@txmunicipallaw.com

E-mail: patricia@txmunicipallaw.com

**EXECUTED the 8TH day of August, 2019 (Effective Date).
(BROKER: FILL IN THE DATE OF FINAL ACCEPTANCE.)**

Buyer

Seller

Buyer

Seller



The form of this contract has been approved by the Texas Real Estate Commission. TREC forms are intended for use only by trained real estate license holders. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not intended for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, (512) 936-3000 (<http://www.trec.texas.gov>) TREC NO. 9-13. This form replaces TREC NO. 9-12.

BROKER INFORMATION
(Print name(s) only. Do not sign)

N/A

Other Broker Firm _____ License No. _____

represents Buyer only as Buyer's agent
 Seller as Listing Broker's subagent

Associate's Name _____ License No. _____

Associate's Email Address _____ Phone _____

Licensed Supervisor of Associate _____ License No. _____

Other Broker's Address _____ Phone _____

City _____ State _____ Zip _____

N/A

Listing Broker Firm _____ License No. _____

represents Seller and Buyer as an intermediary
 Seller only as Seller's agent

Listing Associate's Name _____ License No. _____

Listing Associate's Email Address _____ Phone _____

Licensed Supervisor of Listing Associate _____ License No. _____

Listing Broker's Office Address _____ Phone _____

City _____ State _____ Zip _____

Selling Associate's Name _____ License No. _____

Selling Associate's Email Address _____ Phone _____

Licensed Supervisor of Selling Associate _____ License No. _____

Selling Associate's Office Address _____

City _____ State _____ Zip _____

Listing Broker has agreed to pay Other Broker _____ N/A _____ of the total sales price when the Listing Broker's fee is received. Escrow agent is authorized and directed to pay Other Broker from Listing Broker's fee at closing.

OPTION FEE RECEIPT

Receipt of \$ _____ (Option Fee) in the form of _____
is acknowledged.

Seller or Listing Broker _____ Date

EARNEST MONEY RECEIPT

Receipt of \$ _____ Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____
Address _____ Phone _____
City _____ State _____ Zip _____ Fax _____

CONTRACT RECEIPT

Receipt of the Contract is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date _____
Address _____ Phone _____
City _____ State _____ Zip _____ Fax _____

ADDITIONAL EARNEST MONEY RECEIPT

Receipt of \$ _____ additional Earnest Money in the form of _____
is acknowledged.

Escrow Agent _____ Received by _____ Email Address _____ Date/Time _____
Address _____ Phone _____
City _____ State _____ Zip _____ Fax _____