

**CITY OF SEABROOK
RESOLUTION NO. 2019-06**

**EDC PROJECT DESIGNATION FOR KIWO INC. AND
APPROVAL OF SEDC EXPENDITURES FOR RETENTION, AND
SITE IMPROVEMENTS DUE TO TXDOT CONDEMNATION
PURSUANT TO PERFORMANCE AGREEMENT**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SEABROOK, TEXAS, APPROVING A PROJECT OF THE SEABROOK
ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE
BUSINESS INCENTIVES TO KIWO, INC IN AN AMOUNT NOT TO
EXCEED \$84,209.40 FOR BUSINESS RETENTION, EXPANSION, AND
CONSTRUCTION OF SITE IMPROVEMENTS DUE TO TXDOT
CONDEMNATION FOR 146 IMPROVEMENTS, ALL AS PROVIDED
FOR IN THE TERMS AND CONDITIONS OF THE “ECONOMIC
DEVELOPMENT AGREEMENT”, ATTACHED HERETO FOR
APPROVAL**

WHEREAS, on January 18, 1992, the voters of the City of Seabrook authorized the City of Seabrook to adopt a one-half cent sales and use tax to pay for the costs of projects authorized by Section 4B of Article 5190.6, V.T.C.S., as amended, and to pay for the principal and interest of bonds or other obligations issued to pay the costs of such designated projects; and

WHEREAS, the Seabrook Economic Development Corporation (“EDC”) was established to oversee the expenditures of tax monies, and bylaws were established for the operation of the EDC; and

WHEREAS, the EDC has analyzed potential projects that will meet the enabling legislation’s purposes and assist it in attracting new businesses, expanding existing businesses, creating jobs, and assisting in other statutorily authorized economic development programs; and

WHEREAS, the EDC has determined to undertake a project for economic development by providing funding from EDC sales tax revenue: to assist the retention of the business due to TxDot condemnation for improvements to Highway 146, for construction of site improvements including new sediment tank; the relocation of KIWO’s emulsion manufacturing operations to the City; to promote or develop new or expanded business enterprises and to create or retain primary jobs in or near the City of Seabrook, in a total amount not to exceed \$84,209.40 for the above referenced performance of KIWO, all as more specifically provided and controlled in the “Economic Development Agreement”, (“Agreement”), attached hereto and incorporated by reference, as generally authorized under Texas Local Government Code, Chapters 501, 505, including Sections 505.158, 505.302 and related provisions, and is an authorized project of the EDC being submitted for City Council approval; and

WHEREAS, the EDC met on February 7, 2019, and at that time took formal action to support and approve funding of incentives for KIWO, Inc., for its retention, site improvements to an existing approximate 25,000 square foot building site, (including removal and replacement of referenced sediment tank), that after completion of such improvements should generate an estimated \$16,000,000-\$20,000,000 annual gross sales, with an increase from 33 current employees, up to a total of 50 future employees at 1929 Marvin Circle, Seabrook, Texas 77586 (“Project”), pursuant to the Economic Development Agreement, attached hereto and incorporated by reference, (“Agreement”); and

WHEREAS, a public hearing was conducted by the EDC on February 7, 2019 to receive public input for such Project; and

WHEREAS, the EDC has determined to proceed with the subject Project, subject to City Council approval of the Agreement and approval/City acceptance of the Easement in accordance with law; and

WHEREAS, the City Council (“City”) desires to encourage the development or redevelopment within the city limits of the City of Seabrook, by specifically approving the EDC funding, as provided herein of Project incentives for KIWO, Inc., (“Applicant”) pursuant to the Agreement, attached hereto, as approved by the EDC and submitted to City Council for final approval; and

WHEREAS, the City Council finds that the funding incentives by the EDC pursuant to the Agreement, as provided herein will be reasonably likely to contribute to new or expanded business enterprises and the potential of the creation or retention of primary jobs, as provided by Chapters 501 and 505 of the Texas Local Government Code;

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

Section 1. That the facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. That the funding through SEDC sales tax revenue for this Project to assist KIWO, Inc. for its construction/site improvements of an existing approximate 25,000 square foot building at 1929 Marvin Circle, Seabrook, Texas 77586, employing 33 current employees with up to a total of 50 future employees promotes or develops new or expanded business enterprises and/or the creation or retention of primary jobs.

Section 3. The incentive funding by the SEDC to KIWO, Inc. reimbursing it for the referenced improvements, in an amount not to exceed \$84,209.40, as specifically provided by the “Economic Development Agreement” (“Agreement”), as approved by the Seabrook Economic Development Corporation (“SEDC”), attached hereto and incorporated by reference, is hereby approved by the City Council of the City of Seabrook.

ADOPTED AND APPROVED this the 19th day of March, 2019.

PASSED, APPROVED, AND ADOPTED on second and final reading this ___ day of _____, 2019.

CITY OF SEABROOK, TEXAS

BY: _____
Thomas G Kolupski
Mayor

ATTEST:

Robin Hicks, TRMC
City Secretary

APPROVED AS TO FORM:

Steven L. Weathered
City Attorney