

ECONOMIC DEVELOPMENT CONTRACT

STATE OF TEXAS	§	
COUNTY OF HARRIS	§	KNOW ALL MEN BY THESE PRESENTS
COUNTY OF GALVESTON	§	

THIS CONTRACT is made by and between the CITY OF LEAGUE CITY, TEXAS (the "City"), and BAY AREA HOUSTON ECONOMIC PARTNERSHIP (the "Provider").

W I T N E S S E T H :

WHEREAS, the City is actively seeking ways and means to promote prosperous development of business, industry and commerce within the City, and to promote the location and development of new businesses and industries in the City, and as the retention and expansion of existing businesses; and

WHEREAS, the City has committed to provide, or cause to be provided through economic development contracts with nonprofit economic development organizations such as the Provider, certain economic development services in furtherance of the City's statutory goals referred to above and to promote the economic welfare and well-being of the City and its residents by, among other things, providing for the expansion of the tax base of League City and also providing for the expansion of the employment base of League City, thereby enhancing the health, safety, and welfare of the residents of the City; and

WHEREAS, in consideration for providing such economic development services pursuant to such contracts, the City agreed to pay certain necessary expenses in contracting for such services with nonprofit economic development organizations such as the Provider; and

WHEREAS, the Provider was formed for the purposes, among others, of promoting and encouraging, or causing to be promoted and encouraged, the formation of new businesses and the retention and expansion of existing businesses, the relocation of existing businesses, and the general diversification of the economy in all or a portion of Harris County and the surrounding area including all or a portion of Galveston County, which areas include the City; and

WHEREAS, the City and the Provider entered into a contract effective from October 1, 2015 to September 30, 2016 pursuant to which the Provider provided, or caused to be provided, economic services of the kind and type described herein in exchange for consideration from the City; and

WHEREAS, the City desires to contract with the Provider to provide, or cause to be provided, economic development services herein described in all or a portion of Harris County and Galveston County upon the expiration on September 30, 2016 of that earlier contract by and between the City and the Provider; and

WHEREAS, the City and the Provider agree that to foster and promote competition, to assure the integrity of the competitive process, and to protect proprietary or innovative business strategies and concepts, information and data developed, generated or received by the Provider shall remain privileged and confidential except as herein provided, subject to the provisions of Chapter 552 of the Texas Government Code, as amended (the Public Information Act).

NOW, THEREFORE, for and in consideration of the premises and mutual covenants herein contained, it is agreed as follows:

## ARTICLE I

### Qualifications of the Provider

#### Section 1.01: Representations and Warranties of Provider

Provider hereby represents and warrants as follows:

a) The Provider is engaged in an ongoing effort to attract new businesses to all or a portion of Harris County and all or a portion of Galveston County, and to encourage the retention and expansion of existing businesses in all or a portion of Harris County and all or a portion of Galveston County.

b) The Provider covenants that it will provide its own funds to assist in attracting business and encouraging expansion and retention of existing businesses.

c) The Provider covenants that it shall actively work to productively coordinate its activities with other area economic development organizations within Harris County and Galveston County in an effort to reduce duplication of services and to enhance cooperation throughout Harris County and Galveston County.

d) The Provider represents and warrants that it is a nonprofit economic development organization, the principal purpose of which is the promotion of economic development in all or a portion of Harris County and all or a portion of Galveston County.

e) The Provider covenants that it shall actively work and coordinate economic development activities with the City's economic development coordinator.

## ARTICLE II

### Scope of Services

#### Section 2.01: Services to be Provided

The Provider shall provide those economic development services described in Exhibit A attached hereto.

#### Section 2.02: Provider Reports

The Provider shall prepare and submit information demonstrating the activities and services being provided. This shall include City participation in general membership meetings and semiannual written or verbal status reports to the City Council or their duly appointed representative. In addition, the Provider shall provide to the City, within 60 days of each calendar year, a report identifying accomplishments during the previous years as well as a set of goals and objectives for the current year.

## ARTICLE III

### Time of Performance

#### Section 3.01: Time of Performance

The Provider will provide the services described in Article II above, for a period of 12 months from October 1, 2016 through September 30, 2017.

## ARTICLE IV

### Payment for Services

#### Section 4.01: Fees

For and in consideration of the services to be performed by the Provider and compliance with the terms of this contract and subject to the other provisions of this Article, the City will pay to the Provider the amounts of \$30,000.00 with payment due October 1, 2016.

## ARTICLE V

### Section 5.01: Contract Term

This contract shall be effective for the period from October 1, 2016 to September 30, 2017. It is specifically agreed that the Provider shall not be obligated to perform any services under or pursuant to this contract after the expiration of that period.

### Section 5.02: Termination for Cause

A party may terminate its performance under this contract only upon default by the other party. Default by a party shall occur if the party fails to perform or observe any of the terms and conditions of this contract required to be performed or observed by that party. Should such a default occur, the party against whom the default has occurred shall have the right to terminate all or part of its duties under this contract as of the 30th day following the receipt by the defaulting party of a notice describing such default and intended termination, provided: (i) such termination shall be ineffective if within said 30 day period the defaulting party cured the default or (ii) such termination may be stayed, at the sole option of the party against whom the default has occurred, pending cure of the default.

## ARTICLE VI

### Miscellaneous Provisions

### Section 6.01: Independent Contractor

The relationship of the Provider to the City shall be that of an independent contractor. The City shall have no authority to direct the day-to-day activities of any of the Provider's employees, shall have no authority over the Provider's personnel decisions, and shall have no other rights to internal working papers or other information or data than the City would have to any other independent contractor providing specific services (e.g., janitorial services, legal services, bank depository functions, audit functions, engineering and design services, and weed cutting services).

Without in any way limiting the generality of the foregoing, it is specifically acknowledged and agreed that Provider has bargained for the confidentiality of all internal information and data that it generates other than that required to be submitted to the City pursuant to Sections 2.02 and 6.06 of this contract, to foster and promote competition, to assure the integrity of the competitive process, and to protect proprietary or innovative business strategies and concepts, subject to the provisions of the Texas Public Information Act applicable to information held by the City. The City agrees that it shall endeavor to protect and hold confidential information to the extent it satisfies any exception to the Texas Public Information Act, including, but not limited to, the exception for information pertaining to the purchase of property.

#### Section 6.02: Parties in Interest

This contract shall bind and benefit the City and the Provider and shall not bestow any rights upon any third parties.

#### Section 6.03: Non-waiver

Failure of either party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing thereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce, by an appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

#### Section 6.04: Applicable Laws

This contract is subject to and shall be construed in accordance with the laws of the State of Texas, the laws of the federal government of the United States of America and all rules and regulations of any regulatory body or officer having jurisdiction. This contract is performable in Harris County and Galveston County, Texas.

#### Section 6.05: Notices

All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address described below or at such other address as the receiving party may have theretofore prescribed by notice to the sending party:

City: City of League City, Texas  
City Hall – City Manager, Mark Rohr  
300 West Walker  
League City, Texas 77573

Provider: Bay Area Houston Economic Partnership  
18045 Saturn Lane  
Houston, Texas 77058 – Bob Mitchell

#### Section 6.06: Audits

The Provider shall provide to the City, within 90 days of the close of the Provider's fiscal year, a true and correct copy of the Provider's federal tax returns for the preceding year prepared by an independent certified public accountant.

Section 6.07: Ambiguities

In the event of any ambiguity in any of the terms of this contract, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

SIGNED AND EXECUTED this 18<sup>th</sup> day of August, 2016.



*Elaine Felan Cantu*

BAY AREA HOUSTON ECONOMIC  
PARTNERSHIP

By:

*Bob Mitchell*  
Bob Mitchell, President

Attest:

*Bob Payne*

Bob Payne, Director of Contracts

SIGNED AND EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF LEAGUE CITY

By:

\_\_\_\_\_  
Mark Rohr, City Manager

Attest:

\_\_\_\_\_  
Diana Stapp, City Secretary

EXHIBIT A

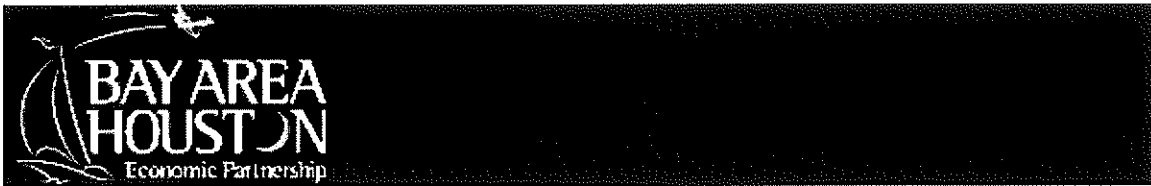


**Economic Development Services Agreement Proposal**

**June 15, 2016**

Submitted  
To  
**City of League City**

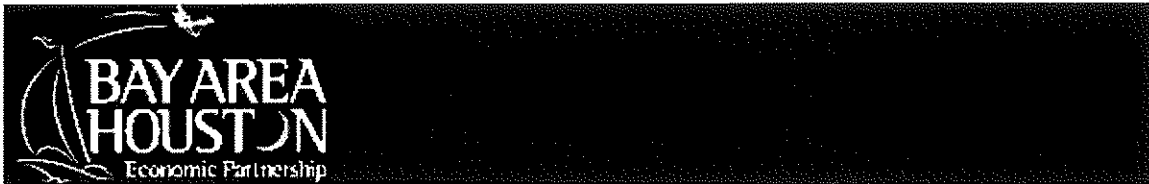
By  
**Bay Area Houston Economic Partnership**  
P.O. Box 58724  
Houston, TX 77258-8724



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## **BAY AREA HOUSTON ECONOMIC PARTNERSHIP**

Bay Area Houston Economic Partnership is a 501 (c)(6) not for profit organization focusing on the growth of the region through retention, expansion, and recruitment of high performance jobs and business. The Bay Area Houston Economic Partnership service area includes the Bayport Industrial Complex on the east, Ellington Airport and City of Pasadena on the north, the City of Friendswood on the west and City of League City and City of Dickinson on the south. The region encompasses 14 cities and parts of Galveston and Harris counties. The 2016 estimated population of people who live and work in the Bay Area Houston region is 800,000.

Bay Area Houston Economic Partnership currently has more than 260 member companies and organizations who reside in Harris and Galveston counties, including the economic partner cities of League City, Clear Lake Shores, Dickinson, El Lago, Friendswood, Houston, Kemah, La Porte, Morgan's Point, Nassau Bay, Pasadena, Seabrook, Taylor Lake Village and Webster. Private and public partners include those in the aerospace, biotechnology and specialty chemical industries, as well as real estate brokers and developers, banks, healthcare and educational institutions.

## **PURPOSE**

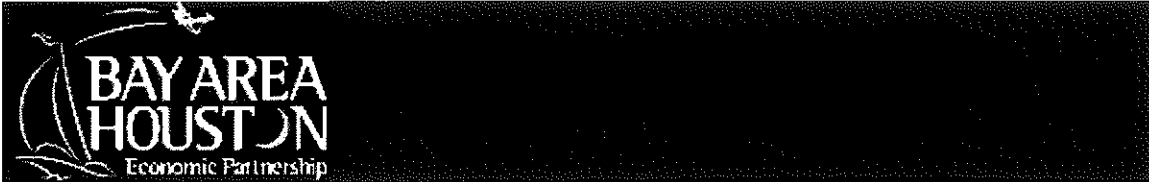
As the City of League City continues to focus on diversifying and expanding the economy, the Bay Area Houston Economic Partnership looks forward to continuing its partnership with the City of League City to assist in the continued development and implementation of an enhanced economic development strategy.

## **ECONOMIC DEVELOPMENT SERVICES**

### ***Economic Development Goals and Direction***

Bay Area Houston Economic Partnership will provide the following services:

- a. Assist the City of League City in setting economic development goals and objectives.
- b. Recommend policies, processes, and procedures that enable City of League City to successfully compete for new business within identified target industries including but not limited to Aerospace, Biotechnology, Chemicals and Maritime.
- c. Facilitate meetings with County and State elected officials as needed to assist City of League City in issues that would involve County and State participation.



- d. Alert City of League City of potential loss or addition of business due to changes in policy, State or federal law, or other impacts.
- e. Develop business linkages for City of League City, given the City's economic development goals.
- f. Provide opportunities for City of League City officials to sit on Bay Area Houston Economic Partnership committees.
- g. Consult with City of League City officials or their designees on issues related to economic development.
- h. Create, expand, or nurture partnerships with other municipalities or agencies to promote and enhance the City of League City's economic development strategy.
- i. Include the City of League City in any and all discussions hosted by Bay Area Houston Economic Partnership with its allies that are related to regional economic development issues.

#### ***Economic Development Marketing and Sales***

Bay Area Houston Economic Partnership will provide the following services:

- a. Organize and conduct coordinated marketing and sales programs that build from the City of League City's strengths to influence positively the national and international decision makers who decide where to locate, relocate, or expand.
- b. Target and recruit businesses and companies most likely to result in business location, relocation, and expansion.
- c. Draw upon the resources of the Space Alliance Technology Outreach Program (SATOP) to create and retain jobs in the City of League City.
- d. Solicit jobs from employers that result in a broader, more diversified tax base.
- e. Provide relevant background information about the City of League City, the region, and the State of Texas, to all appropriate audiences.
- f. Invite City of League City officials to meetings with executives who are interested in business location, relocation, and expansion.
- g. Coordinate with City of League City in the dissemination of information about the city's business climate and business activities.

#### ***Business Assistance Programs***

Bay Area Houston Economic Partnership will provide the following services:

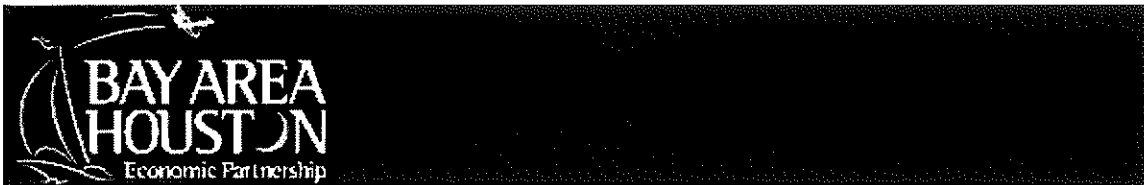
- a. Include City of League City officials and business persons in initiatives, workshops, seminars, programs, and other educational or training programs designed to assist the city in promoting new business development, start-up business, entrepreneurship, business expansion, and other business assistance ventures.
- b. Include the City of League City representatives in business development activities.
- c. Make SATOP programs available to the City of League City businesses to encourage job growth and creation.



### *Additional Special Services*

Bay Area Houston Economic Partnership will provide the following additional special services to the city:

- a. BAHEP will continue its advocacy for a coastal storm surge protection system by working with local and state elected officials, the General Land Office, the Gulf Coast Community Protection and Recovery District and the Bay Area Coastal Protection Alliance.
- b. BAHEP will maintain its collaboration with the Coalition for Sustainable Flood Insurance to monitor implementation of the 2014 National Flood Insurance Program and its 2017 reauthorization by the U.S. Congress.
- c. Collaborate with the economic development coordinator and other regional organizations to protect and grow the Ellington Airport assets, including the Houston Spaceport, and expand the military presence at Ellington Field. BAHEP will work with the Houston Airport System to market Ellington Airport and perform economic development activities to protect and grow assets related to aerospace. BAHEP, through the Ellington Field Task Force, will work with local businesses and elected officials in a strategic manner focusing on areas which most substantially benefit the military presence at Ellington Field (such as Alert Fighter aircraft replacement, unmanned aerial vehicles, quality of life for Joint Armed Forces Reserve Base, and Regional Homeland Security Defense Operations Center).
- d. BAHEP's International Maritime Advisory Committee will work with the Clear Creek Independent School District and surrounding districts to develop curriculum for new maritime classes to be offered at the high school level. This initiative is the first step in developing an education pipeline that includes San Jacinto College District, Texas A&M Galveston and University of Houston – Clear Lake to meet the growing workforce demand by the region's maritime industry.



## FUNDING USES

Funding will be used specifically for the economic development services stated below:

### *“Deliverables”*

1. Recruitment of new jobs to track with the community’s economic development goals and objectives, with a focus on identifying and attracting targeted business sectors to the city. This pursuit will include a goal of attracting diverse businesses and new jobs to the region.
2. Include the City of League City in specific Bay Area Houston Economic Partnership communications, as follows:
  - Inclusion of City of League City material on the Bay Area Houston Economic Partnership website.
  - Inclusion of the City of League City in Bay Area Houston Economic Partnership printed materials and electronic newsletters.
  - Advise the City of League City in development of marketing materials for the city website and for print and video distribution.
3. Include the Mayor, along with other elected officials or city staff, as suggested by Mayor, in two executive-level visits per year.
4. Coordinate representation of the City of League City at two trade shows per year, with Bay Area Houston Economic Partnership staff working separately with city staff on the best methods to promote the City of League City’s economic development objectives.
5. Include the City of League City and local businesses in four business workshops, seminars or similar programs each year.
6. Coordinate meetings with two site consultants each year.
7. Encourage the City of League City with assistance from SATOP representatives to promote SATOP’s free technical assistance to small businesses from an expert in the aerospace industry.
8. Along with an annual written report documenting progress and quarterly progress reports, Bay Area Houston Economic Partnership representatives will meet every six months with the mayor of the City of League City and/or the designated representative(s).



## **FUNDING REQUEST AND CONTRACT TERM**

Bay Area Houston Economic Partnership is requesting a one-year funding partnership with the City of League City at an investment level of \$30,000, starting on October 1, 2016, and ending on September 30, 2017.

The Bay Area Houston Economic Partnership services agreement contract with City of League City allows economic development to be a consistent driving vehicle within the city that is not easily influenced by internal or external forces that could divert economic development resources away from its intended purposes. Consistency and long-term planning are key in developing a sound economic development basis on which to grow City of League City's economic base and, at the same time, diversify its economic basis.

Future funding from the City of League City for economic development services will be used specifically for implementation of strategies to achieve proven economic development objectives that have been identified and supported by the City of League City and its residents.