

**CERTIFICATE OF CITY SECRETARY**

THE STATE OF TEXAS                   §  
COUNTY OF BASTROP                 §  
CITY OF BASTROP                     §

I, the undersigned, City Secretary of the City of Bastrop, Texas DO HEREBY CERTIFY as follows:

1. On August 27, 2019, a regular meeting of the City Council of the City of Bastrop, Texas, was held at a meeting place within the City; the duly constituted members of the Council being as follows:

Connie Schroeder	Mayor
Lyle Nelson	Mayor Pro-Tem
Willie Lewis Peterson	Council Member, Place 1
Drusilla Rogers	Council Member, Place 2
Bill Ennis	Council Member, Place 4
Dock Jackson	Council Member, Place 5

and all of said persons were present at said meeting, except the following:       N/A      .  
Among other business considered at said meeting, the attached resolution entitled:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS (“CITY”), APPROVING (I) THE RESOLUTION OF THE BOARD OF DIRECTORS OF BASTROP ECONOMIC DEVELOPMENT CORPORATION (“CORPORATION”) REGARDING A LOAN IN THE AMOUNT NOT TO EXCEED \$1,420,000; (II) A SALES TAX REMITTANCE AGREEMENT BETWEEN THE CITY AND THE CORPORATION (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE LOAN; AND (IV) THE AUTHORITY OF THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, A GENERAL CERTIFICATE OF THE CITY AND THE SALES TAX REMITTANCE AGREEMENT.**

was introduced and submitted to the City Council for passage and adoption. After presentation and due consideration of the resolution, and upon a motion made and seconded, the resolution was duly passed and adopted by the Council to be effective immediately by the following vote:

AYES:           All members of the City Council shown present above voted “*Aye*”, except as noted below,

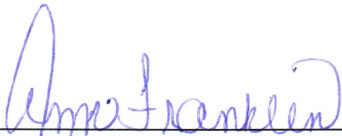
NOES:              0   

ABSTAIN:          0   

all as shown in the official Minutes of the City Council for the meeting held on the aforesaid date.

2. The attached resolution is a true and correct copy of the original on file in the official records of the City; the duly qualified and acting members of the City Council on the date of the aforesaid meeting are those persons shown above and, according to the records of my office, advance notice of the time, place and purpose of said meeting was given to each member of the Council; and that said meeting, and deliberation of the aforesaid public business, was open to the public and written notice of said meeting, including the subject of the above-entitled resolution, was posted and given in advance thereof in compliance with the provisions of V.T.C.A., Chapter 551, Government Code, as amended.

IN WITNESS WHEREOF, I have hereunto signed my name officially on the date first written above.

  
\_\_\_\_\_  
Ann Franklin, City Secretary

**RESOLUTION NO. R-2019-67**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS (“CITY”), APPROVING (I) THE RESOLUTION OF THE BOARD OF DIRECTORS OF BASTROP ECONOMIC DEVELOPMENT CORPORATION (“CORPORATION”) REGARDING A LOAN IN THE AMOUNT NOT TO EXCEED \$1,420,000; (II) A SALES TAX REMITTANCE AGREEMENT BETWEEN THE CITY AND THE CORPORATION (III) RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE LOAN; AND (IV) THE AUTHORITY OF THE MAYOR TO EXECUTE, ON BEHALF OF THE CITY, A GENERAL CERTIFICATE OF THE CITY AND THE SALES TAX REMITTANCE AGREEMENT.**

**WHEREAS**, the Bastrop Economic Development Corporation (the “*Corporation*”) has been duly created and organized pursuant to the provisions of Chapter 505, Local Government Code, as amended (formerly Section 4B of the Development Corporation Act of 1979, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended) (the “*Act*”) by the City of Bastrop, Texas (the “*City*”); and

**WHEREAS**, pursuant to the Act, the Corporation is empowered to borrow money for the purpose of financing the cost of any “*project*” defined as such by the Act; and

**WHEREAS**, the Board of Directors of the Corporation has found and determined that financing the construction of certain improvements to real property to promote economic development of the City is authorized under the Act and loan proceeds may be used for such financing pursuant to that certain Loan Agreement, dated as of August 1, 2019, (as amended, restated, supplemented and/or otherwise modified, the “*Loan Agreement*”) in the original principal amount not to exceed \$1,420,000 (the “*Loan*”) between the Corporation and Roscoe State Bank (the “*Lender*”); and

**WHEREAS**, the Corporation proposes to enter into a Sales Tax Remittance Agreement, dated as of August 1, 2019, (as amended, restated, supplemented and/or otherwise modified, the “*Sales Tax Remittance Agreement*”) with the City pursuant to which, among other things, the Corporation will pledge its sales tax revenues to the Lender to secure repayment of the Loan; and

**WHEREAS**, the Act requires the City Council of the City approve the resolution of the Corporation providing for the execution and delivery of the Loan Agreement.

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

**Section 1.** The Resolution approving the Loan Agreement and authorizing the issuance of the Note (as defined in the Loan Agreement) adopted by the Corporation (the “*Corporation Resolution*”) on July 15, 2019, and submitted to the City Council this day, is hereby approved in all respects. The Note is being issued to finance the costs of constructing the Project, which is located within the City.

**Section 2.** The approvals herein given are in accordance with the Act, and the Note shall never be construed an indebtedness or pledge of the City, or the State of Texas (the “State”), within the meaning of any constitutional or statutory provision, and the owner of the Note shall never be paid in whole or in part out of any funds raised or to be raised by taxation (other than sales tax proceeds as authorized pursuant to Chapter 505 of the Act) or any other revenues of the Corporation, the City, or the State, except those revenues assigned and pledged by the Loan Agreement and the Sales Tax Remittance Agreement.

**Section 3.** The City hereby agrees to promptly collect and remit to the Corporation the Economic Development Sales and Use Tax (defined in the Loan Agreement) to provide for the prompt payment of the Note, and to assist and cooperate with the Corporation in the enforcement and collection of sales and use taxes imposed on behalf of the Corporation.

**Section 4.** The Sales Tax Remittance Agreement attached hereto as Exhibit A and incorporated by reference as a part of this Resolution for all purposes, with respect to the obligations of the City and Corporation during the time the Note is outstanding, is hereby reapproved as to form and substance. Furthermore, the Mayor and the City Secretary and the other officers of the City are hereby authorized, jointly and severally, to execute and deliver such endorsements, instruments, certificates, documents, or papers necessary and advisable to carry out the intent and purposes of this Resolution.


**Section 5.** It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by V.T.C.A. Government Code, Chapter 551, as amended.

**Section 7.** This Resolution shall be in force and effect from and after its passage on the date shown below.

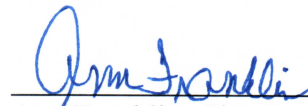
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**PASSED AND ADOPTED**, this 27<sup>th</sup> day of August, 2019.

**CITY OF BASTROP, TEXAS**

  
\_\_\_\_\_  
Connie Schroeder, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Ann Franklin, City Secretary

**EXHIBIT A**

**Sales Tax Remittance Agreement**

## SALES TAX REMITTANCE AGREEMENT

This **SALES TAX REMITTANCE AGREEMENT** (as amended, restated, supplemented and/or otherwise modified, this "Agreement") is made to be effective as of August 1, 2019, by and between the **CITY OF BASTROP, TEXAS**, a duly incorporated and existing home rule city operating and existing under the laws of the State of Texas (the "City") and the **BASTROP ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit development corporation organized and existing under the laws of the State of Texas, including Chapter 505, Local Government Code, as amended (formally Section 4B of the Development Corporation Act of 1979, Article 5190.6, Texas Revised Civil Statutes Annotated, as amended) (the "Corporation").

### RECITALS

**WHEREAS**, the Corporation on behalf of the City is to finance the construction of improvements to certain real property owned by the Corporation to promote economic development in the City (the "Project"); and

**WHEREAS**, such financing contemplates the issuance of the Corporation's taxable promissory note in a principal amount not to exceed \$1,420,000, and the proceeds are to be used by the Corporation to finance the Project.

### AGREEMENT

1. **Financing**: For and in consideration of the City's covenants and agreements herein contained and subject to the terms contained herein, the Corporation hereby agrees to enter into a Loan Agreement dated of even date herewith (as same may be amended, restated, supplemented and/or otherwise modified, the "Loan Agreement"), with Roscoe State Bank (the "Lender"), and to execute a promissory note payable to the Lender thereunder in a principal amount not to exceed \$1,420,000 (as same may be renewed, extended, amended, restated, replaced and/or modified, the "Note"), and the Corporation hereby agrees and covenants that all proceeds of the loan evidenced by the Note shall be used solely to pay the costs of financing the Project and to pay all costs related to the issuance of the Loan.

2. **Receipt and Transfer of Proceeds of Sales Tax**. The City agrees, in cooperation with the Corporation, to take such actions as are required to cause the "Sales Tax" received from the Comptroller of Public Accounts of the State of Texas for and on behalf of the Corporation to be deposited immediately upon receipt by the City to the credit of the Corporation. The City agrees to continue to levy, collect and deposit the Sales Tax to the credit of the Corporation until such time as all of the Corporation's obligations under the Note and the Loan Agreement have been satisfied.

3. **Modifications**. This Agreement shall not be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge this Agreement in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought and approved in writing by the Lender.

4. **Entire Agreement.** This Agreement contains the entire agreement between the parties pertaining to the subject matter hereof and fully supersedes all prior agreements and understandings between the parties pertaining to such subject matter. The parties agree that the Lender is a third-party beneficiary to this Agreement.

5. **Counterparts.** This Agreement may be executed in several counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one such counterpart in proving this Agreement.

6. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

7. **Applicable Law.** This Agreement shall in all respects be governed by, and construed in accordance with, the substantive federal laws of the United States and the laws of the State of Texas.

8. **Captions.** The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

9. **Capitalized Terms.** All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

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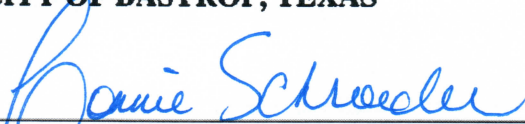
IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the date and year first above written.

**BASTROP ECONOMIC DEVELOPMENT  
CORPORATION**

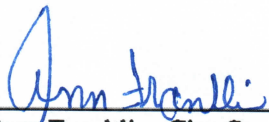
  
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Kathryn Nash, Board Chair

**CITY OF BASTROP, TEXAS**

  
\_\_\_\_\_  
Connie Schroeder, Mayor

**ATTEST:**

  
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Ann Franklin, City Secretary