

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DENTON, TEXAS, APPROVING A GRANT APPLICATION OF TIM BEATY, REPRESENTING 421 E. OAK STREET, FROM THE DOWNTOWN REINVESTMENT GRANT PROGRAM NOT TO EXCEED \$25,000; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on April 3, 2007, the City Council approved a Downtown Incentive Reimbursement Program by Ordinance No. 2007-072; and

WHEREAS, on December 6, 2011, the City Council approved changes to the Downtown Reinvestment Grant Program by Ordinance No. 2012-001; and

WHEREAS, Tim Beaty applied for a \$25,000 grant; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Council of the City of Denton hereby approves the Agreement attached hereto from Tim Beaty in an amount not to exceed \$25,000 from the Downtown Incentive Reimbursement Grant Program.

SECTION 2. The City Manager, or his designee, is hereby authorized to execute the Agreement and to carry out the duties and responsibilities of the City, including the expenditure of funds as provided in the Agreement.

SECTION 3. This Ordinance shall become effective immediately upon its passage and approval.

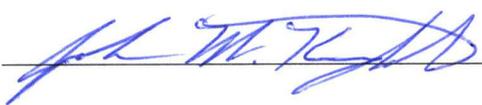
PASSED AND APPROVED this the _____ day of _____, 2017.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY

BY:  _____

DOWNTOWN REIMBURSEMENT GRANT INCENTIVE AGREEMENT

This Downtown Reinvestment Grant Agreement (the "Agreement") is entered into by and between the City of Denton, Texas (the "City"), duly acting herein by and through its Mayor, and Tim Beaty, representing 421 E. Oak Street (the "Grantee"), duly authorized to do business and in good standing in the State of Texas, duly acting herein by and through its authorized officer.

WHEREAS, the City has adopted a resolution which provides that it elects to be eligible to participate in downtown reinvestment grant incentives and has adopted guidelines and criteria governing downtown reinvestment grant incentive agreements known as the Denton Downtown Reinvestment Grant Incentive Program; and

WHEREAS, on the 3rd day of April, 2007, the City Council of Denton, Texas (the "City Council") adopted the Denton Downtown Incentive Reimbursement Program (the "Program"), a copy of which is on file in the City of Denton Economic Development Office and which is incorporated herein by reference; and

WHEREAS, the Denton Downtown Incentive Reimbursement Program Policy constitutes appropriate "guidelines and criteria" governing downtown reinvestment grant incentive agreements to be entered into by the City; and

WHEREAS on October 13, 2011, the Downtown Task Force recommended changes to the original Downtown Incentive Reimbursement Grant Program; and

WHEREAS on November 1, 2011, the Economic Development Partnership Board recommended the changes to the City Council of the City of Denton, including changing the name of the program to "Downtown Reinvestment Grant Program" (the "Program"); and

WHEREAS, on December 6, 2011, the City Council approved said changes to the Downtown Reinvestment Grant Program; and

WHEREAS, the Owner will be the Owner, as of the Effective Date (as hereinafter defined), which status is a condition precedent, of certain real property, more particularly described in Exhibit "A" attached hereto and incorporated herein by reference and made a part of this Agreement for all purposes (the "Premises") as of the Effective Date; and

WHEREAS, on the 28th day of February, 2017, Owner submitted an application for reinvestment with various attachments to the City concerning the contemplated use of the Premises (the "Application"), which is attached hereto and incorporated herein by reference as Exhibit "B"; and

WHEREAS, the City Council finds that the contemplated use of the Premises, the Contemplated Improvements (as hereinafter defined) to the Premises as set forth in this Agreement, and the other terms hereof are consistent with encouraging development in accordance with the

purposes and are in compliance with the Ordinance and Program and similar guidelines and criteria adopted by the City and all applicable law;

NOW, THEREFORE, the City and Owner for and in consideration of the premises and the promises contained herein do hereby contract, covenant, and agree as follows:

1.

TERMS AND CONDITIONS OF REIMBURSEMENT

A. In consideration of and subject to the Owner meeting all the terms and conditions of reimbursement set forth herein, the City hereby grants the following reimbursement:

1. A reimbursement in an amount not to exceed \$25,000 attributable to new capital investments, as hereinafter described, being constructed on the Premises.

B. A condition of the Reimbursement is that, by May 9, 2018 (subject to force majeure delays not to exceed 180 days), a capital investment in the form of façade work, as described in Exhibit "B" be constructed on the Premises. For the purposes of this paragraph, the term "force majeure" shall mean any circumstance or any condition beyond the control of Owner, as set forth in Section XXI "Force Majeure" which makes it impossible to meet the above-mentioned thresholds.

C. The term "capital investment" is defined as the construction, renovation and equipping of façade work, as described in Exhibit "C" (the "Improvements on the Premises", the "Contemplated Improvements" or "Improvements") to include costs related to the construction of the Improvements on the Premises.

D. A condition of the Reimbursement is that the Contemplated Improvements be constructed and the Premises be used substantially in accordance with the description of the project set forth in Exhibit "B".

E. Owner agrees to comply with all the terms and conditions set forth in this Agreement.

2.

CONDITION OF REIMBURSEMENT

A. At the time of the award of the Grant, all ad valorem real property taxes with respect to said property owned within the City shall be current.

B. Prior to the award of the Grant, Grantee shall have constructed the Capital Improvements as specified in Exhibit "B".

3.

RECORDS AND EVALUATION OF PROJECT

A. The Owner shall provide access and authorize inspection of the Premises by City employees and allow sufficient inspection of financial information related to construction of the Improvements to insure that the Improvements are made and the thresholds are met according to the specifications and conditions of this Agreement. Such inspections shall be done in a way that will not interfere with Owner's business operations.

4.

GENERAL PROVISIONS

A. The City has determined that it has adopted guidelines and criteria for the Downtown Reinvestment Grant Program agreements for the City to allow it to enter into this Agreement containing the terms set forth herein.

B. The City has determined that procedures followed by the City conform to the requirements of the Code and the Policy, and have been and will be undertaken in coordination with Owner's corporate, public employee, and business relations requirements.

C. Neither the Premises nor any of the Improvements covered by this Agreement are owned or leased by any member of the City Council, any member of the City Planning and Zoning Commission of the City, or any member of the governing body of any taxing units joining in or adopting this Agreement.

D. In the event of any conflict between the City zoning ordinances, or other City ordinances or regulations, and this Agreement, such ordinances or regulations shall control.

5.

NOTICE

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designated in writing, by certified mail postage prepay, by hand delivery or via facsimile:

GRANTEE:

Tim Beaty
421 E. Oak Street
Denton, Texas 76201

CITY:

Todd Hileman, City Manager
City of Denton
215 East McKinney
Denton, Texas 76201
Fax No. 940.349.8596

6.

CITY COUNCIL AUTHORIZATION

This Agreement was authorized by the City Council by passage of an enabling ordinance at its meeting on the 2nd day of December, 2014, authorizing the Mayor to execute this Agreement on behalf of the City, a copy of which is attached hereto and incorporated herein by reference as Exhibit "D".

7.

SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word. In the event that (i) the term of the Grant with respect to any property is longer than allowed by law, or (ii) the Grant applies to a broader classification of property than is allowed by law, then the Grant shall be valid with respect to the classification of property abated hereunder, and the portion of the term, that is allowed by law.

8.

OWNER STANDING

Owner, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same and Owner shall be entitled to intervene in said litigation.

9.

APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas and is fully performable in Denton County, Texas. Venue for any action under this Agreement shall be in Denton County,

10.

ENTIRE AGREEMENT

This instrument with the attached exhibits contains the entire agreement between the parties with respect to the transaction contemplated in this Agreement.

11.

BINDING

This Agreement shall be binding on the parties and the respective successors, assigns, heirs, and legal representatives.

12.
COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.
SECTION AND OTHER HEADINGS

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

14.
NO JOINT VENTURE

Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties, and any implication to the contrary is hereby disavowed.

15.
AMENDMENT

This Agreement may be modified by the parties hereto to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement.

16.
FORCE MAJEURE

If, because of flood, fire, explosions, civil disturbances, strikes, war, acts of God, or other causes beyond the control of either Party, either Party is not able to perform any or all of its obligations under this Agreement, then the respective Party's obligations hereunder shall be suspended during such period but for no longer than such period of time when the party is unable to perform.

This Agreement is executed to be effective 30 days after the executed date of the _____ day of _____, 2016, (the "Effective Date") by duly authorized officials of the City and Owner.

PASSED AND APPROVED this the _____ day of _____, 2017.

CITY OF DENTON

TODD HILEMAN
CITY MANAGER

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY

BY: Jennifer W. Walters

Tim Beaty
TIM BEATY, OWNER

STATE OF TEXAS §
COUNTY OF DENTON §

Before me, the undersigned authority, a Notary Public in and for said State of Texas, on this day personally appeared Todd Hileman, City Manager for the City of Denton, known to me to be the person who signed and executed the foregoing instrument, and acknowledged to me that this instrument was executed for the purposes and consideration therein expressed.

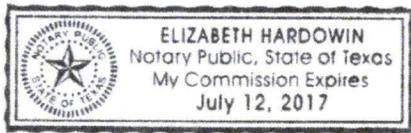
Given under my hand and seal of office this the ____ day of _____, 2017.

Notary Public in and for the
State of Texas
My Commission Expires: _____

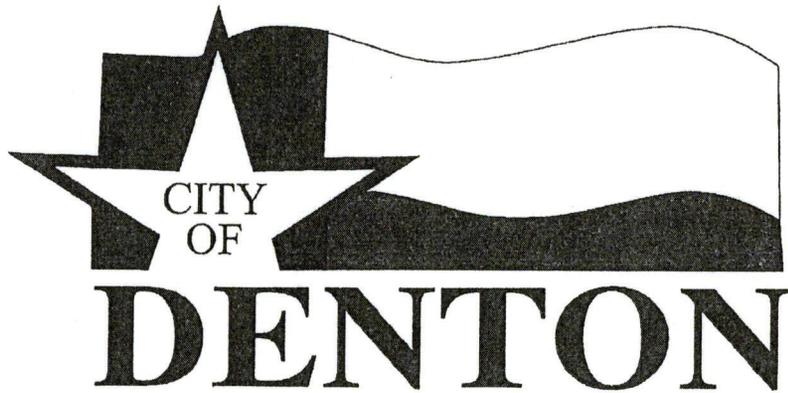
STATE OF TEXAS §
COUNTY OF DENTON §

Before me, the undersigned authority, a Notary Public in and for said State of Texas, on this day personally appeared Tim Beaty, Owner, known to me to be the person who signed and executed the foregoing instrument, and acknowledged to me that this instrument was executed for the purposes and consideration therein expressed.

Given under my hand and seal of office this the 27th day of April, 2017.



E. Hardwin
Notary Public in and for the
State of Texas
My Commission Expires: 7.12.17



**CITY OF DENTON
DOWNTOWN REINVESTMENT GRANT PROGRAM
APPLICATION**

MONROE PEARSON BUILDING

City of Denton
Department of Economic Development
215 E. McKinney Street
Denton, TX 76201
940-349-7732
www.cityofdenton.com
Julie.glover@cityofdenton.com

2-28-17
TB

Downtown Reinvestment Grant Program Application

Please return completed with necessary attachments and signature to Economic Development office, 215 E. McKinney no later than 5 pm by the first Monday of each month. If you have any application questions, please contact the Economic Development Program Administrator at 940-349-7732.

Applicant Name Tim Beaty	Date 02.28.17
Business Name TNT Holdings	
Mailing Address Tim Beaty Builders, Inc P.O.Box 68 Denton, Texas 76202	
Contact Phone 940.387.3275	Email Address tbeaty@tbbuilders.com
Building Owner (if different from applicant)	
Historical/Current Building Name Monroe Pearson Building	
Project Site/Address 421 E. Oak Street Denton, Texas 6201	

Type of Work: (check all that apply)

Paint Only

Façade & Building Renovation

Signage

Awnings

Utility Upgrades

Impact Fees

Details of Planned Improvements relating to Grant Request (attach additional information if necessary)

Reference attached sheet titled, "Details of Planned Improvement."

Details of Planned Improvement:

Tim Beaty/ TNT Holdings is the owner and project manager for the renovation and rehabilitation of 421 E. Oak Street also known as the Monroe Pearson Building. The building was originally a grocery warehouse in the early 1900's. The project which is in the DTIP area proposes to completely renovate the structure into a Downtown Event Center. Plans have been drawn to rehabilitate the building facades and to replace and repair the docks per current building codes.

The exterior renovation will include building a dock on the west face of the building, repairing and renovating the south dock enhanced with ADA ramp and Stair to front door, replacing overhead doors and all original openings with new windows, cleaning and preserving original brick veneer and placing awnings in original locations on the east and south sides.

The interior of the building will preserve all brick walls and openings. New areas will be constructed for offices, chapel, banquet hall, catering kitchen, restroom facilities and foyer. The building will be upgraded with new fire suppression system, electrical, plumbing and mechanical systems. The entire building will be retro-fitted with a super structure for structural support of a new roof system including sky-lights to mimic the original roof system.

Impact fees have been paid as part of the permit package. A new fire hydrant will be installed on Oak Street. Upgrades to the transformer will be made as part of the permit agreement with DME. A fire lane turn around was provided in the parking lot to accommodate the city's fire department.

Mr. Beaty intends to bring the vacant building and the lot it occupies back to life with a total building renovation, new landscape and pedestrian sidewalk on Oak Street.

How will this project benefit Downtown?

Reference attached sheet titled, "Project Benefits."

Project Expenditures	Estimated Costs	Grant Requested
Façade/Building Rehab	\$ 316,200	\$ 17,000.00
Awnings	\$ 16,000	\$ 8,000.00
Signs	\$ 5,600.00	
Impact Fees	\$.00	
Utility Upgrades	\$ 389,303.00	
Totals	\$ 763,396	\$ 25,000

TOTAL COST OF PROPOSED PROJECT

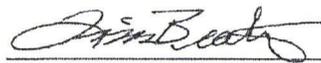
\$ 1,215,673.00

TOTAL GRANT REQUEST

(May not exceed 50% of TOTAL COST up to \$25,000)

\$ 25,000.00

Attach with all required color samples of paint, awning/canopy, sign design, etc., as well as photographs of building's exterior facade, roof and foundation.



Applicant's Signature

02.28.14

Date

Project Benefit:

The Event Center will accommodate approximately 1200 occupants including parking. It's expected many of the events will be weekend wedding celebrations which will necessitate overnight stays for some of the guests. Guests will create additional revenue for restaurants, hotels and businesses in Denton.

Tim Beaty, owner of TNT Holdings, owns four buildings in close proximity along the railroad between McKinney Street and Hickory Street. The Old Mill Building was renovated as a historical building and Old Mill Village which contains three buildings were also renovated into downtown retail and restaurant sites. In total, the four buildings house 12 businesses and 2 apartments. The new Event Center will share the 269 parking spaces available at the completion of the project along with a few additional spaces on Oak Street created by the project.

The owner of the building, Tim Beaty, worked closely with city staff during the design phases of the project and agreed to provide safe pedestrian access through his properties in a "sunset easement agreement" until a time the city can reroute it's pedestrian way in this area. This pedestrian way will connect DCTA to the Bell Avenue corridor in a safer route.

The renovation of the vacant property will result in a significant increase in property and sales taxes.

Tim Beaty, as owner of TNT Holdings, spent over 20 years renovating this area to accommodate growth in the downtown area benefiting many who own small local businesses, shop local businesses and enjoy the popular coffee shop Zera.

DOWNTOWN REINVESTMENT GRANT AGREEMENT FORM

Please complete and return with Downtown Reinvestment Grant Application to Economic Development office, 215 E. McKinney no later than 5 pm by the first Monday of each month. If you have any questions, please contact the Economic Development Program Administrator at 940-349-7732.

I have met with the Economic Development Program Administrator, and I have read and fully understand the Downtown Reinvestment Grant procedures established by the Denton City Council. I intend to use this grant program for the aforementioned renovation projects to advance the efforts of revitalization and historic preservation of Denton's historic downtown. *I have not received, nor will I receive insurance monies for this revitalization project.*

I understand that if I am awarded a Downtown Reinvestment Grant by the City of Denton, any deviation from the approved project may result in the partial or total withdrawal of the grant. (If I am awarded a reinvestment grant for façade, awning or sign work and the façade, sign or awning is altered for any reason within **one (1) year** from construction, I may be required to reimburse the City of Denton immediately for the full amount of the grant.)

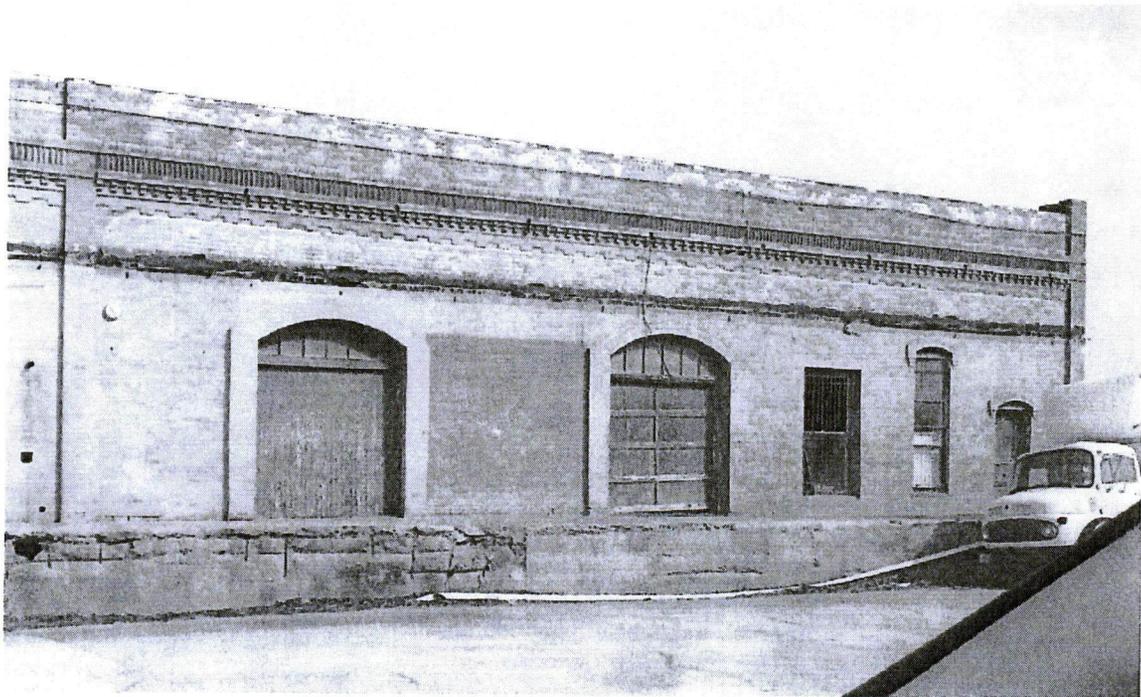
Tim Beaty Builders, Inc.		
<i>Business/Organization Name</i>		
	Tim Beaty	02.28.17
<i>Applicant's Signature</i>	<i>Printed Name</i>	<i>Date</i>
	Tim Beaty	02.28.17
<i>Building Owner's Signature (if different from applicant)</i>	<i>Printed Name</i>	<i>Date</i>

 This section is to be completed by Economic Development staff

<i>Date considered by DTF</i>	<i>Recommendation</i>	<i>Staff Signature</i>
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<i>Date considered by City Manager</i>	<i>Recommendation</i>	<i>City Manager Signature</i>
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<i>Date considered by EDPB</i>	<i>Recommendation</i>	<i>Staff Signature</i>
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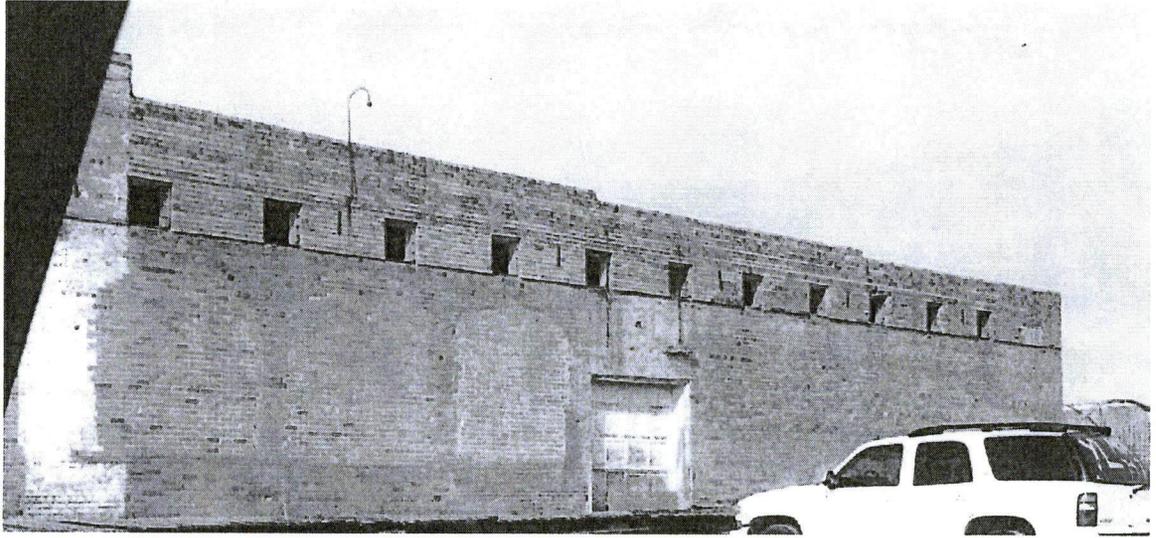


Existing Building Façade

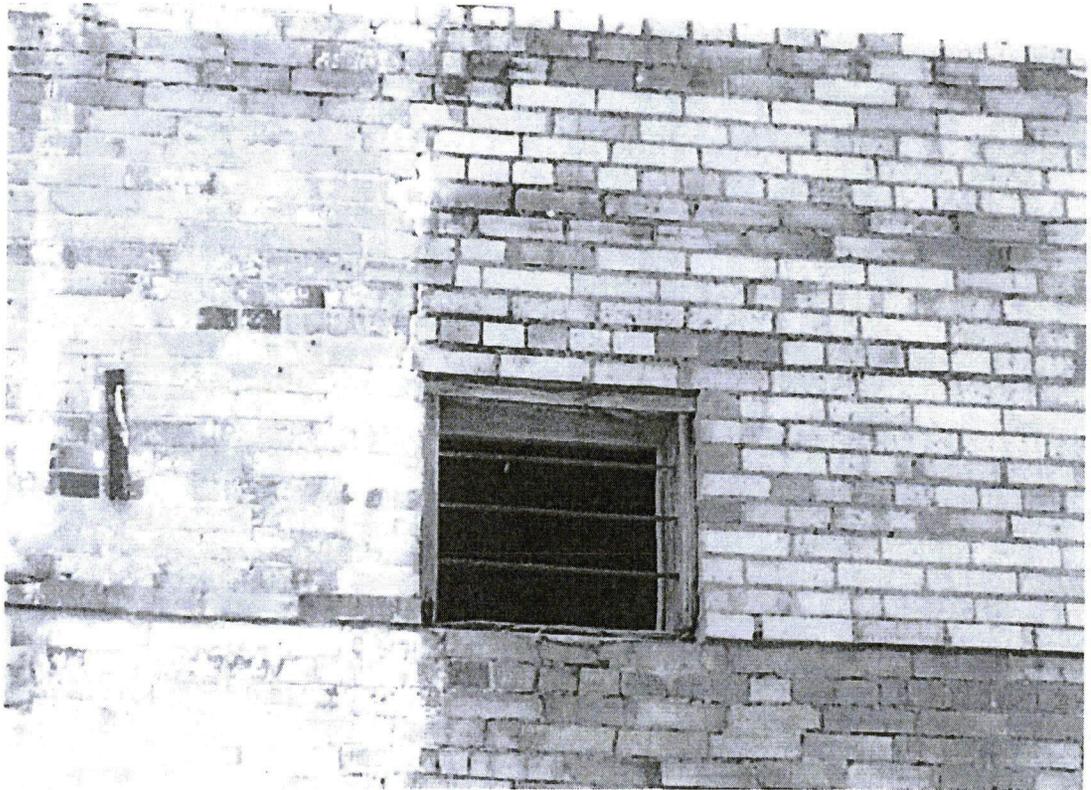
- Clean brick & repair mortar as required
- Remove paint from brick excluding Lettering at top
- Repair Dock, add steps and ADA ramp



Preserve all decorative brick trim at windows and doors



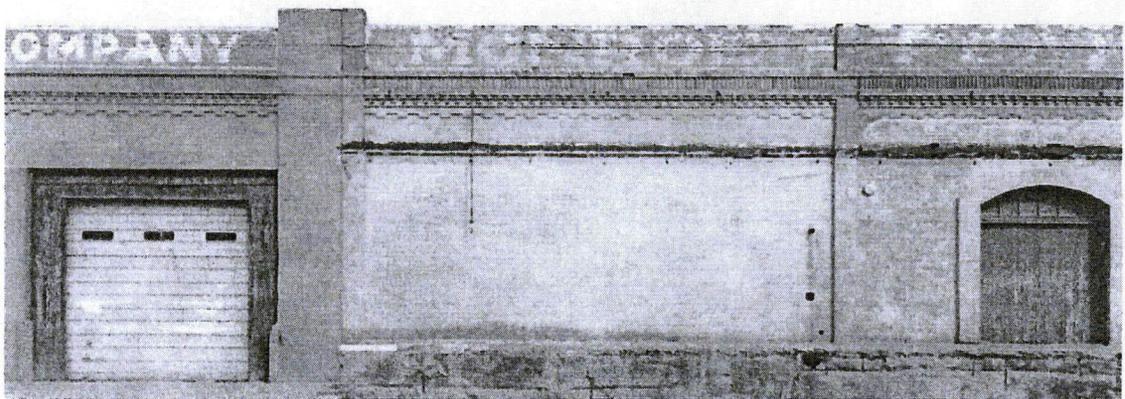
- Remove brick from old openings on East side – fill with store front



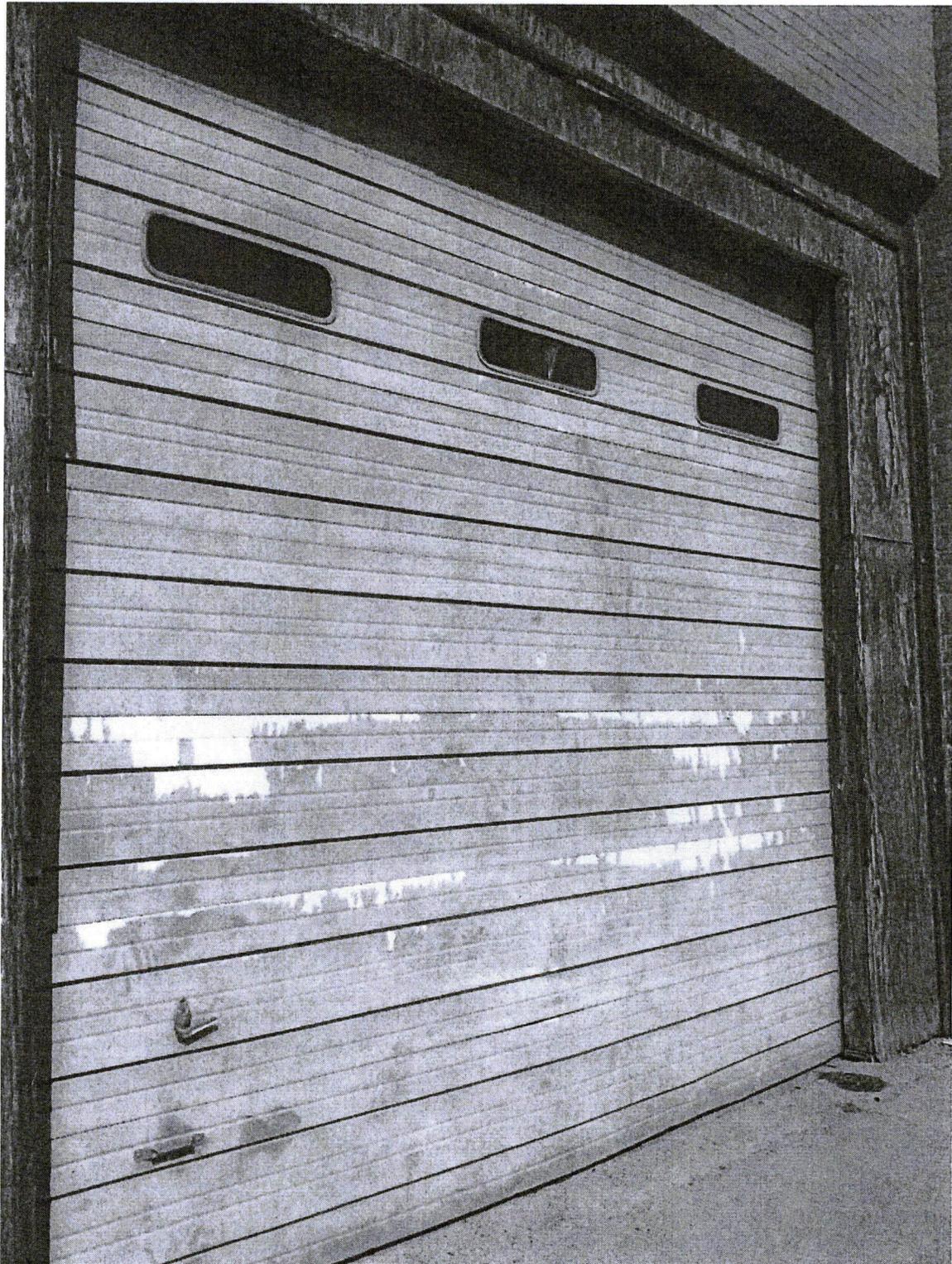
- Replace all glass missing from small windows



Clean and preserve brick work



Construct New Awnings over New Entrance doors



- Replace overhead garage door with store front glass

NO.	DATE	REVISION
1	01/11/11	ISSUED FOR PERMITS
2	01/11/11	REVISED
3	01/11/11	REVISED
4	01/11/11	REVISED
5	01/11/11	REVISED
6	01/11/11	REVISED
7	01/11/11	REVISED
8	01/11/11	REVISED
9	01/11/11	REVISED
10	01/11/11	REVISED

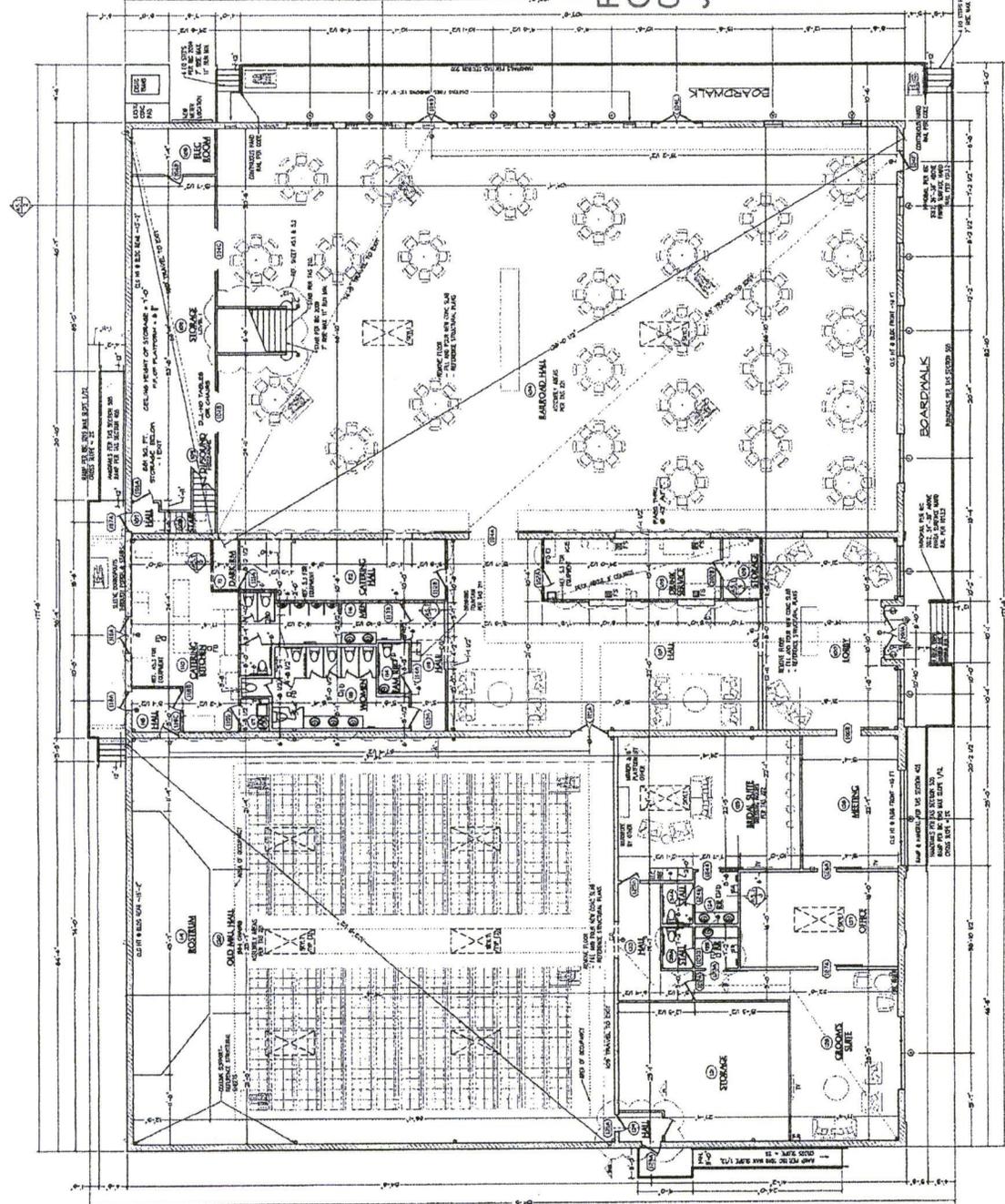
Old Mill Event Center
 421 E Oak Street, Denton, Denton County Texas
TIM BEATY BUILDERS, INC
 GENERAL CONTRACTOR
 P.O. BOX 68 DENTON, TEXAS 76202 940.387.3275

A2.1

DRAWN BY: J. HALL
 CHECKED BY: J. HALL
 DATE: 01/11/11
 SHEET NO. 1 OF 1

Reviewed for Code Compliance 02/01/11
Janelle Montgomery
 1000 Montgomery Avenue, Denton, Texas 76202
 Phone: 940.387.3275
 Fax: 940.387.3276
 Email: jmontgomery@janellemontgomery.com
 Website: www.janellemontgomery.com

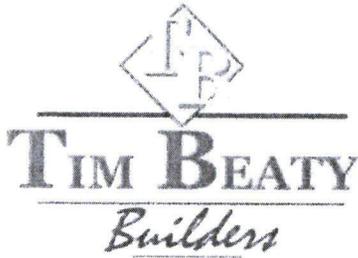
Approved for: 02/01/11
 1. All dimensions are in feet and inches (ft-in).
 2. All dimensions are rounded to the nearest 1/8" or 1/4".
 3. All dimensions are rounded to the nearest 1/8" or 1/4".
 4. All dimensions are rounded to the nearest 1/8" or 1/4".
 5. All dimensions are rounded to the nearest 1/8" or 1/4".
 6. All dimensions are rounded to the nearest 1/8" or 1/4".
 7. All dimensions are rounded to the nearest 1/8" or 1/4".
 8. All dimensions are rounded to the nearest 1/8" or 1/4".
 9. All dimensions are rounded to the nearest 1/8" or 1/4".
 10. All dimensions are rounded to the nearest 1/8" or 1/4".



1 FLOOR PLAN
 1/8" = 1'-0"
 21102 SQ. FT.
 888 SQ. FT.
 MEZZANINE STORAGE
 2027 SQ. FT.
 BOARDWALK



SEALING BRIDGE WALLS
 1/8" INTERIOR PAINT



Estimate Sheet

Customer Name: TNT Properties

Project Name: Monroe Event Center

Date: January 25, 2017

Estimator: D Morton

Cost Code	Description of Work					TOTAL
	FAÇADE/BUILDING REHAB					
	Demolition window openings/Deteriorated wood	-	-	-	20,000	20,000
	Brck Restoration	-	-	-	25,000	25,000
	Window/Transom/Ext Doors	-	-	-	62,653	62,653
	Painting, Exterior	-	-	-	25,890	25,890
	Structural Steel	-	-	-	295,000	295,000
	Roof system	-	-	-	173,570	173,570
	Foundation	-	-	-	202,657	202,657
TOTAL COST						804,770.00
	AWNINGS					
	Fabrication	-	-	-	12,500	12,500
	Installation	-	-	-	3,500	3,500
TOTAL COST						16,000.00
	SIGNS					
	Preservation of Exist Sign	-	-	-	5,600	5,600
TOTAL COST						5,600.00
	UTILITY UPGRADES					
	Plumbing	-	-	-	87,600	87,600
	Electrical	-	-	-	293,160	293,160
	Fire Water/Tap, FH	-	-	-	8,543	8,543
TOTAL COST						389,303.00
GRAND TOTAL COST						1,215,673.00

Fee Transmittal for Commercial Development Only

Project Name: Old Mill Event Center

Project Number: SP16-0023

Road Impact Fee Zone: E

Water:

Water Tap Size(s):	6"	Per Approved Site Plan
Water Tap Fee(s):	\$3800	See Notes, if applicable
Domestic Meter Size(s):	n/a	Per Approved Site Plan
Irrigation Meter Size(s):	n/a	Per Approved Site Plan
Water Meter Fee(s):	n/a	See Notes, if applicable
Header Fee(s):	n/a	See Notes, if applicable
Impact Fee:	n/a	See Notes, if applicable
Impact Fee Credit:	n/a	See Notes, if applicable
Net Impact Fee:	n/a	

Notes: BI TO CONFIRM METER SIZE WITH PLUMBING PLANS UPON PERMIT
ADD \$4773.00 for new hydrant

Sewer:

Domestic Meter Size(s):	n/a	Per Approved Site Plan
Sewer Tap Size(s):	n/a	See Notes, if applicable
Sewer Tap Fee(s):	n/a	See Notes, if applicable
Impact Fee:	n/a	See Notes, if applicable
Impact Fee Credit:	n/a	See Notes, if applicable
Net Impact Fee:	n/a	See Notes, if applicable

Notes: BI TO CONFIRM METER SIZE WITH PLUMBING PLANS UPON PERMIT

Road:

Impact Fee: n/a

Notes:

Parking Lot:

Fee: \$720

Notes: Standard Fee