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**CITY OF SEABROOK
RESOLUTION NO. 2016-15**

**EDC PROJECT DESIGNATION FOR SEABROOK HOSPITALITY, LP
(HAMPTON INN) AND AUTHORIZATION FOR BUSINESS DEVELOPMENT GRANT
FOR RECONSTRUCTION OF HOTEL**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEABROOK, TEXAS,
AUTHORIZING A PROJECT OF THE SEABROOK ECONOMIC DEVELOPMENT
CORPORATION TO PROVIDE BUSINESS INCENTIVES TO SEABROOK
HOSPITALITY, LP, DOING BUSINESS AS THE HAMPTON INN, IN AN AMOUNT
NOT TO EXCEED \$40,000 FOR HOTEL CONSTRUCTION IMPROVEMENTS,
PURSUANT TO THE TERMS AND CONDITIONS OF THE "ECONOMIC
DEVELOPMENT AGREEMENT", ATTACHED HERETO.**

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 construction of a hotel, to promote or develop new or expanded business enterprises and/or create or retain primary jobs in or near the City of Seabrook, by reimbursing construction permit fees, not to exceed \$40,000.00, as provided in the "Economic Development Agreement", ("Agreement"), attached hereto and incorporated by reference, as generally authorized under Texas Local Government Code, Chapters 501, 505, specifically including Sections 505.152, 505.155, 505.158, and 505.302), and is an authorized project of the EDC being submitted for City Council approval; and

WHEREAS, the EDC met on July 14, 2016, and at that time took formal action to support and approve funding of incentives for Project Facilities and site improvements to construct a 35,000 square foot hotel, estimated to be a cost of \$5,905,000, ("Project"), employing a minimum of 17 full and part time employees, and approved the publication of a Notice to the public of this Project; and

WHEREAS, a public hearing was conducted by the EDC on August 11, 2016 to receive public input for such Project; and

47 **WHEREAS**, the EDC has determined to proceed with the subject Project, subject to City
48 Council approval of same in accordance with law; and
49

50 **WHEREAS**, the City Council (“City”) desires to encourage the development or
51 redevelopment within the city limits of the City of Seabrook, by specifically approving the EDC
52 funding, as provided herein of Project incentives for Seabrook Hospitality, LP, (“Applicant”)
53 pursuant to the Agreement, attached hereto, as approved by the EDC and submitted to City
54 Council for approval; and
55

56 **WHEREAS**, the City Council finds that the funding incentives by the EDC pursuant to
57 the Agreement, as provided herein will be reasonably likely to contribute to new or expanded
58 business enterprises and the potential of the creation or retention of primary jobs, as provided by
59 Chapters 501 and 505 of the Texas Local Government Code;
60

61 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE**
62 **CITY OF SEABROOK, STATE OF TEXAS:**
63

64 **Section 1.** That the facts and matters set forth in the preamble of this Resolution are
65 hereby found to be true and correct.
66

67 **Section 2.** That the funding through EDC sales tax revenue for this Project to assist
68 the construction of a hotel, that includes site improvements for a 35,000 square foot hotel,
69 estimated by Applicant Seabrook Hospitality, LP to cost \$5,905,000, and employing a minimum
70 of 17 full and part time employees, promotes or develops new or expanded business enterprises
71 and the creation or retention of primary jobs.
72

73 **Section 3.** The reimbursement by the EDC to Applicant for construction permit fees, not
74 to exceed \$40,000, as provided by the “Economic Development Agreement” (“Agreement”) as
75 approved by the Seabrook Economic Development Corporation (“EDC”), attached hereto and
76 incorporated by reference, is hereby approved by the City Council of the City of Seabrook.
77

78 **ADOPTED AND APPROVED** this the 6th day of September, 2016.
79

80 **PASSED, APPROVED, AND ADOPTED** on second and final reading this 20th day of
81 September, 2016.
82

83 CITY OF SEABROOK, TEXAS

84
85
86 BY: Glenn Royal
87 Glenn Royal, Mayor

88 ATTEST:

89 Robin Hicks
90
91 Robin Hicks, TRMC
92 City Secretary



ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of _____, 2016, by and between the **Seabrook Economic Development Corporation**, situated in Harris County, Texas ("SEDC"), and **Seabrook Hospitality, LP, doing business as the Hampton Inn Seabrook**, a Texas limited partnership, with registered office located at 3925 Lake Star Drive, League City, TX 77573, registered agent Gunvant D Bhakta, and general partner Shurag Hospitality Group, LLC, ("Owner" or "Developer"), collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, Developer/Owner proposes to make hotel construction improvements at its location at 3000 Nasa Rd 1, Seabrook, Texas, operating under the name of Hampton Inn Seabrook, located in the tract as referenced in Exhibit "B" and made a part hereof, hereinafter referred to as ("Project Facilities"); and

WHEREAS, Owner has proposed Project Facilities site improvements and submitted a Project Summary and budget to SEDC requesting reimbursement of City permit fees estimated to be approximately \$40,000 for construction of the total Project Facilities, estimated to be **\$5,905,000.00** and has applied for incentives from the SEDC under the Economic Development Incentive Programs, ("Program"); and

WHEREAS, upon completion of such construction, Developer proposes to construct a 35,000 square foot building of the Project Facilities as a hotel, ("Project"), collectively employing a minimum of 17 full time and part time employees; and

WHEREAS, Developer/Owner has applied to SEDC for a business incentive grant under the Program to help defray a portion of the total costs of construction referred to above, a copy of which application, including project summary, and budget, (the "Application") is attached hereto and made a part hereof as Exhibit "A," the representations contained therein which the SEDC is specifically relying upon as true and correct in considering Owner's/Developer's Application for the Project; and

WHEREAS, pursuant to the Texas Local Government Code, Chapters 501 and 505 together with related authority, Economic Development Corporations of municipalities are

authorized to establish programs to promote the creation or retention of jobs and/or that promote or develop new or expanded business enterprises in the municipality; and

WHEREAS, in accordance with such enabling laws, SEDC has adopted "Economic Development Incentive Programs, as provided for in SEDC Resolution 2016-1," (the "Program"); and

WHEREAS, SEDC hereby finds and determines that Developer's/Owner's proposed Project, together with the proposed Project Facilities, as set forth in the Application and related correspondence, meets the minimum eligibility requirements for an economic incentive grant pursuant to the Program; and

WHEREAS, SEDC hereby finds and determines that the Project, as depicted by Developer/Owner in the Application and related correspondence, encourages the creation or retention of jobs and/or promotes or develops new or expanded business enterprises in the municipality and can be reasonably anticipated to act as a catalyst for further economic development, particularly tourism in the City of Seabrook; and

WHEREAS, SEDC, in reliance upon Developer's/Owner's representations desires to provide an economic development incentive grant under the Program to induce Developer/Owner to proceed with the implementation of the Project; now therefore,

FOR AND IN CONSIDERATION of the mutual promises, covenants, and agreements herein, the Parties agree as follows:

I. Inducement by SEDC. Conditioned upon Developer's/Owner's representations as being true and correct; completion of the Project; final approval of the Project Facilities by SEDC; compliance with the guidelines of the Program, City Code of Ordinances, this Agreement; and approval by the Seabrook City Council, SEDC will provide, in the form of a reimbursement to Developer/Owner, an economic incentive grant ("Grant"), payable within thirty (30) days following issuance to the Developer/Owner of a required final certificate of occupancy applicable to the Project Facilities. The final reimbursement amount of the economic incentive grant shall be determined and based on the actual amounts paid by Developer/Owner, for the required building permits for construction of the Project Facilities approved by the SEDC in accordance with the Program and Project, in an amount not to exceed **\$40,000**.

II. Performance by Developer.

A. Improvements to Project Facilities. Developer/Owner shall provide for the

construction and build-out of the Project Facilities as set forth in the Application. Construction shall be substantially complete on or before July 1, 2017.

B. Employment. Owner/Developer, pursuant to the Project shall, within 30 days following the date of issuance of Grant funds, collectively employ not less than 17 full and part-time employees.

III. Recapture for Default. Grant funds provided hereunder by SEDC shall be contingent on compliance with the provisions of Sections I and II above. In the event of default on any of such requirements, and failure to completely cure any such default within thirty (30) days following written notice thereof by SEDC to Developer/Owner, Developer/Owner shall refund to SEDC the full amount of Grant funds provided hereunder.

Any required refund payment shall be remitted to SEDC within thirty (30) days following the expiration of the cure period set forth above, and any delinquent payment shall bear interest at the maximum rate allowed by law.

IV. Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas. Venue for any action arising out of this Agreement shall be exclusively in Harris County, Texas.

V. Notices. Any notice hereunder shall be given in writing to the party for whom it is intended, in person or by certified mail, at the following addresses or such future addresses as may be designated in writing:

If to Owner/Developer:

Seabrook Hospitality, LP
Sal Bhakta, Manager
3925 Lake Star Drive
League City, TX 77573

If to SEDC:

City Manager
City of Seabrook
1700 First St.
Seabrook, Texas 77586

Notice shall be deemed received upon actual receipt or upon refusal of receipt.

VI. Assignment and Succession. This Agreement shall be binding upon and inure to the benefit of the heirs, successors, affiliates, administrators, executors, and assigns of the

respective parties. All rights hereunder may be assigned by Developer/Owner without restriction to any wholly owned subsidiary or affiliate of Developer/Owner or other entity controlled by Developer/Owner or by a subsidiary or affiliate of Developer/Owner, provided that notice of each assignment shall be given in writing to SEDC, but no other assignment shall be effective without the SEDC's written approval and consent. Provided further, no assignment hereunder shall be effective without the written acknowledgment and acceptance by the assignee of the duties and obligations of Developer/Owner set forth in this Agreement. Such approval shall not be unreasonably withheld.

VII. Time of Essence. Time is of the essence of this Agreement. However, in the event the date specified or computed under this Agreement for the performance of an obligation by any party, or for the occurrence of any event provided herein, shall be a Saturday, Sunday or "legal holiday" (defined for purposes hereof as any holiday observed by the City), then the date of such performance or occurrence shall automatically be extended to the next calendar day that is not a Saturday, Sunday or legal holiday.

VIII. Modification/Entire Agreement Expressed. No modification of this Agreement shall be valid or binding unless such modification is in writing, duly dated, and signed by the Parties. This Agreement constitutes the entire agreement between the parties. No party shall be bound by any term, conditions, statement, or representations, oral or written, not herein contained.

IX. Severability. If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid, or unenforceable term or provision, there shall be added automatically to this Agreement, a legal, valid, or enforceable term or provision, as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

X. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraph contained herein.

XI. Operations. It is expressly agreed that nothing contained in this Agreement shall be construed to contain a covenant, either express or implied, to either commence the operation of a business or thereafter continuously operate a business in the Project Facilities.

The SEDC and Developer/Owner acknowledge and agree that Developer/Owner may, at its sole discretion and at any time cease the operation of its business in the Project Facilities, and SEDC hereby waives any legal action for damages or for equitable relief which might be available because of such cessation of business activity by Developer/Owner except for the recapture of Grant funds as specifically set forth in this Agreement. Provided, however, if Developer/Owner fails to construct the improvements to the Project Facilities as set forth herein, Developer/Owner agrees to reimburse SEDC for all costs expended by SEDC or for which it is legally obligated to expend, as a result of its performance of this Agreement. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture, or other entity between SEDC and Developer/Owner, with regard to the Project, and SEDC shall have no right hereunder to control the operation of Developer/Owner or the Project. Provided, however, nothing contained herein shall be construed as waiving or limiting the power and authority of SEDC or the City of Seabrook to exercise its police powers, or exempt Developer/Owner from complying with lawfully adopted rules, regulations, ordinances, or laws of the State of Texas or SEDC.

XII. Agreement Product of Negotiation. The Parties agree that this Agreement is the product of negotiation, that each Party has been represented by counsel of their own choosing, that each has freely entered into this Agreement after consulting with their counsel, and that this Agreement contains the terms and conditions requested and required by each. This Agreement shall be construed as having been drafted by all Parties and no term or provision shall be construed either in favor of or against a party on the basis that a party did or did not author this Agreement.

XIII. Limit Of Appropriation. Prior to the execution of this Agreement, Owner/Developer has been advised by the SEDC and Owner/Developer clearly understands and agrees, such understanding and agreement being of the absolute essence to this Agreement, that the SEDC shall have available as a condition for payment, only those sums as expressly provided for under this Agreement for this fiscal year to discharge any and all liabilities which may be incurred by the SEDC. The total compensation that Owner/Developer may become entitled to hereunder and the total sum that the SEDC shall become liable to pay to Owner/Developer hereunder shall not under any conditions, circumstances, or interpretations hereof exceed the amounts as provided for in this Agreement.

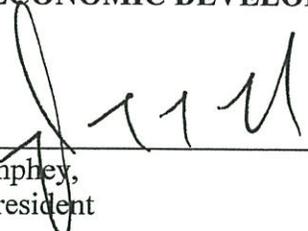
The Parties specifically acknowledge that the funds allocated for payment to Development Agreement Seabrook Hospitality LP (Hampton Inn) Updated 070616 Clean for SEDC

Owner/Developer by SEDC are derived from sales tax revenues, and that SEDC has only estimated the anticipated tax revenues to be collected during the term of this Agreement in its budget for Fiscal Year 2015-16, and that no estimates have been made of tax revenues for future fiscal years. Owner/Developer further understands, acknowledges, and agrees that if the tax revenues actually collected in any fiscal year are estimated to be or are actually less than the estimated tax revenues anticipated to be collected during the term of this Agreement, SEDC shall be under no obligation to reimburse Owner/Developer for the amount set forth in Section I. Owner/Developer further acknowledges that this Agreement could be anticipated to extend into future fiscal years, and funds may not be available or budgeted in future fiscal years, and that any anticipation of extension may not be enforceable under the Constitution and laws of the State of Texas.

XIV. Employment of Undocumented Workers. Owner/Developer acknowledges prior notice provided by SEDC/City, that all Agreements related to the construction of the Project shall contain notifications required by Texas Govt. Code Section 2264, such as the following: During the term of this Agreement, the Owner/Developer agrees not to knowingly employ any undocumented workers as defined in Tex. Govt. Code Sec. 2264.001. If convicted of a violation under 8 U.S.C. § 1324a(f), the Owner/Developer shall repay the amount of the Grants/incentives and any other funds received by the Owner/Developer from the City as of the date of such violation not later than 120 days after the date the Owner/Developer is notified by the City of a violation of this section, plus interest from the date the Grant/incentive was paid to the Owner/Developer, at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be as if it had been accruing from the date the Grants/incentives were paid to the Owner/Developer until the date the Grants/incentives are repaid to the City.

IN WITNESS WHEREOF, and as authorized respectively by the SEDC, City Council of Seabrook and Seabrook Hospitality, LP, by and through their respective authorized agents, the parties have executed this Agreement effective the day and year first written above.

SEABROOK ECONOMIC DEVELOPMENT CORPORATION



BY: Paul Dunphey,
Board President

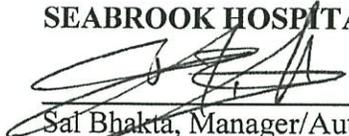
DATE: 8-11-16, 2016

ATTEST:



Ernie Davis,
Board Secretary

SEABROOK HOSPITALITY, LP



Sai Bhakta, Manager/Authorized Representative

DATE: 7/21/16, 2016

CITY OF SEABROOK, TEXAS

Glenn R. Royal
Mayor

DATE: _____, 2016

ATTEST:

Robin Hicks, TRMC
City Secretary

Exhibit A - Attachments

May 2, 2016

To whom it may concern,

We, Seabrook Hospitality LP, are in the process of rebuilding the Hampton Inn Seabrook that burnt down on April 30th 2015. We are asking for an incentive package to help us in the rebuilding process. The amount that we received from our insurance claim coupled with paying off our debt to our bank we are needing assistance to lower our cost of construction.

With today's construction costs and financial institutions reluctance to lend at a favorable LTV it has become necessary to reduce our cost of construction to garner the LTV that will make this project viable. To be exempt for the permit fees from the City of Seabrook it would mean \$70,000.00 coming back to our project which would reduce our cost to below \$6million. We have been closely working alongside Jade Construction to get this project where it needs to be. We have and still continue to cut every corner from our bid, without infringing on the Hilton brand, in order to get this project to a viable state.

We thank you for your time and consideration. We look forward to working closely with the City of Seabrook to bring back the Hampton Inn.

Sincerely,

A handwritten signature in black ink, appearing to read 'S. Bhakta', with a horizontal line underneath.

Sal Bhakta



Application for Project Assistance

It is recommended that applicants provide documentation as outlined in the checklist below as well as a completed application. Conformance and completion of all sections is the basis for determination of initial eligibility and for favorable consideration by the SEDC and the City Council.

1. Seabrook Application Form – Original signed by company officer.
2. Brief narrative – Background of the company and description of the project. Also include site plan and renderings of finished site.
3. Investment Budget – detailing components and costs of the real property improvements and fixed-in-place improvements for which an incentive is requested.
4. Plat survey and metes & bounds description.
5. Project timeline.
6. Evaluation of competing locations – Documentation of a competitively-sited project including statement of reason(s) that requested incentive is necessary to ensure that proposed project is built in Seabrook (i.e., documentation supporting assertion that “but for” an incentive, the stated project could not be constructed in Seabrook).
7. Quarterly report(s) filed with the Texas Workforce Commission – for the immediately preceding quarter prior to application, documenting the current number of permanent full-time employees (and full-time Contractor employees, if any).
8. Financial information:
 - **Publicly traded company (including wholly owned subsidiary or operation division):** most recent annual report to stockholders.
 - **Privately-owned company:** most recent audited financial statements, documentation of the date and location of incorporation, bank references (including officer name and telephone number), and accountant and attorney references (names of firms and contact telephone numbers).
 - **New venture:** Business plan and financing commitment from lender and/or venture capitalist; plus bank references (including officer name and telephone number), accountant and attorney references (firms and contact telephone numbers).
9. Certification by Harris County Tax Assessor-Collector that all tax accounts within Harris County are paid on a current basis.

PART I – Applicant Information

APPLICATION DATE: 05 / 01 / 2016

COMPANY NAME: Seabrook Hospitality LP

AUTHORIZED REPRESENTATIVE(S): _____

Sal BHakta

LOCAL CONTACT NAME AND TITLE: Sal Bhakta, Manager

LOCAL CONTACT PHONE: 832-331-4936

E-MAIL ADDRESS: Sal.bhakta@PSBHospitality.net

IF FRANCHISE, FRANCHISE OWNER'S NAME AND PHONE:

Hilton Worldwide. 901) 374-5000

PROJECT DESCRIPTION:

New Construction Expansion SH146 Relocation

PART II – Applicant and Project Background

HEADQUARTERS OR REGIONAL OFFICE ADDRESS: _____

17203 Timber Cliff Ct Cypress TX 77429

STATE OF INCORPORATION: Texas

NO. YEARS IN THE REGION: 11

CURRENT TOTAL FULL TIME EMPLOYEES: 0

CURRENT TOTAL PART TIME EMPLOYEES: 0

BUSINESS/PROJECT TYPE: Hotel

SITE LOCATION: 3000 Nasa Rd 1, Seabrook TX 77586

IS THE APPLICANT SEEKING A VARIANCE TO EXISTING CODE: Yes No

If "yes" attach letter requesting and justifying the variance, with supplemental information.

WILL THE APPLICANT BE BUYING OR LEASING AT SITE? Owned

PART III – Project Information

CONSTRUCTION ESTIMATES:

STATE DATE: 06 / 01 / 2016 COMPLETION DATE: 04 / 01 / 2016

CONSTRUCTION COSTS: \$6.2 Million

CAPITAL INVESTMENT: \$2.0 Million

JOB CREATION / RETENTION:

Current Employment: 0

Jobs to be retained: 21

Jobs to be created after 3 years from construction completion date: 25

Authorized Company Representative:

Signature: 

Name: Sal Bhakta

Title: Manager

Telephone: 832-331-4936

E-mail: Sal.bhakta@PSBHospitality.net

ALL PROSPECTS REMAIN CONFIDENTIAL UNLESS OTHERWISE ARRANGED
BETWEEN THE CITY AND THE APPLICANT.



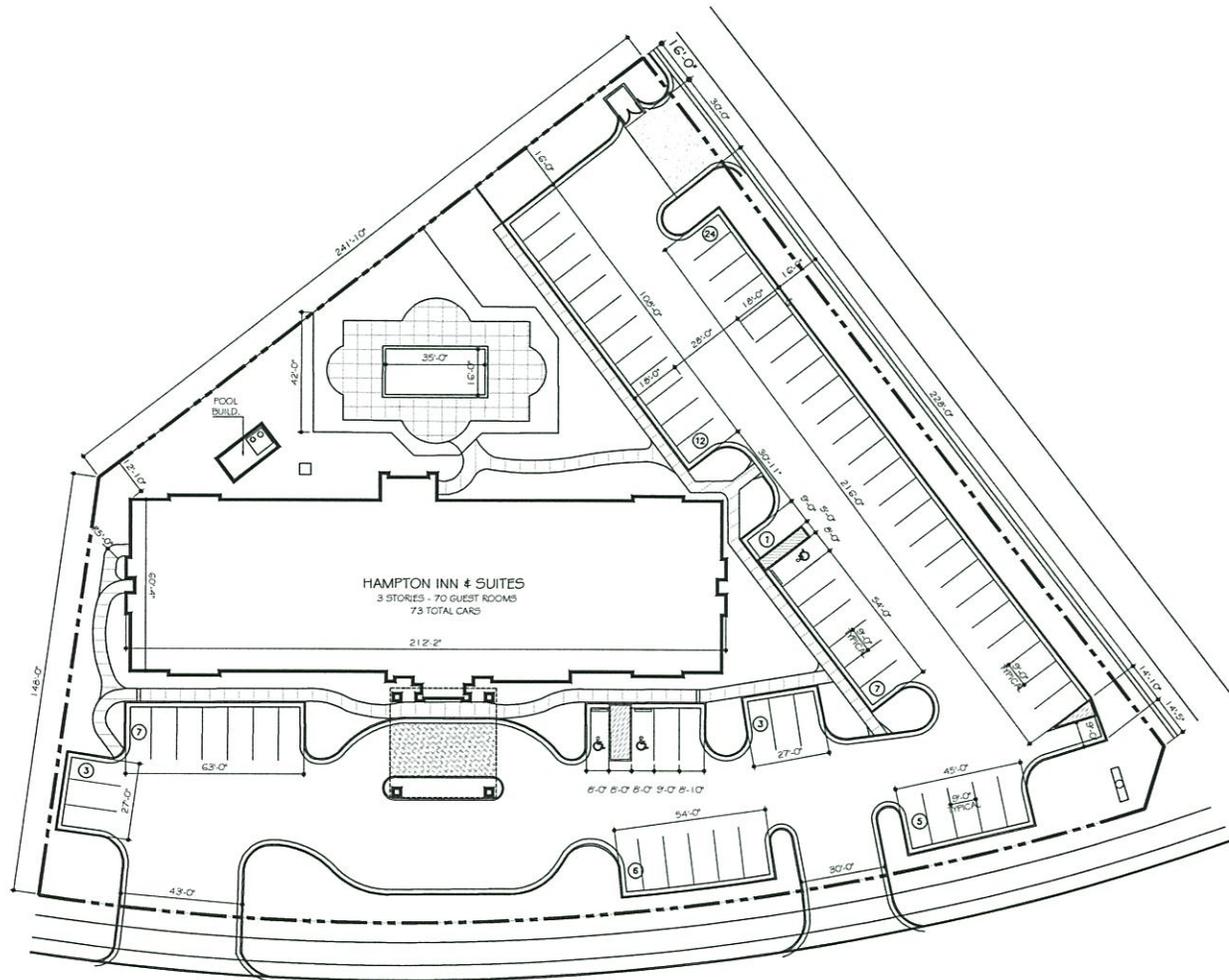
Hampton Inn Construction and FF&E
70 Units at 3000 Nasa Rd 1 Seabrook Tx, 77586

Architect/Engineering	\$	50,000.00
Permits	\$	-
Total Hard Construction	\$	4,800,000.00

Furniture, Fixture and Equip

Guestrooms	\$	359,660.00
Guestroom Corridors	\$	55,370.00
Public Areas	\$	116,060.00
Operating Supplies and Equipment	\$	73,080.00
Warehousing	\$	5,250.00
Telephone Switch & Instruments	\$	26,950.00
Laundry Main/Guest	\$	35,000.00
OnQ	\$	34,160.00
Security & Communications	\$	8,330.00
HSIA Equipment	\$	22,400.00
FF&E Installation	\$	24,500.00
Freight & Tax	\$	98,000.00
Total FF&E	\$	858,760.00

Exterior Signage	\$	15,000.00
Inventories	\$	100,000.00
Pre-Opening	\$	60,000.00
Project Management	\$	90,000.00
Insurance	\$	-
Financial, Taxes & Legal	\$	60,000.00
Project-Wide Contingency	\$	-
Total Development Cost	\$	5,983,760.00



1 ARCHITECTURAL SITE PLAN
SCALE: 1" = 20'-0"

CONCEPTUAL SITE PLAN HAS BEEN PREPARED FOR REVIEW AND DISCUSSION PURPOSES ONLY TO START TO DISCLOSE AND DETERMINE THE TYPE OF PROJECT THAT IS FEASIBLE ON THE SITE. MANY ITEMS NEED TO BE VERIFIED PRIOR TO MOVING FORWARD, INCLUDING, BUT NOT LIMITED TO: SETBACKS, HEIGHT RESTRICTIONS, ZONING, EASEMENTS, GRADING, DETENTION, SURVEYING AND UTILITIES, ETC.... THIS DRAWING IS FOR REVIEW ONLY AND NOT TO BE USED FOR CONSTRUCTION, GOVERNMENT OR AHA APPROVAL, SITE PURCHASING DECISIONS, ETC....

NASA 1 AT ELAM ROAD SEABROOK, TEXAS		
RSS ARCHITECTS LLC 103 SOUTH MESQUITE STREET, SUITE B ARLINGTON, TEXAS 76010 817.538.9258		Date: 3-10-16 Job: 5055 Sheet: A-201 of: 06

Pat Patel

From: Paul Chavez
Sent: Thursday, May 05, 2016 6:40 PM
To: Pat Patel
Subject: FW: Revenue Forecast Sheet
Attachments: Sean_002-012.pdf

From: Sal Bhakta [<mailto:sal.bhakta@psbhospitality.net>]
Sent: Wednesday, May 04, 2016 3:33 PM
To: Paul Chavez
Subject: RE: Revenue Forecast Sheet

Paul,

I spoke with Gary Johnson earlier today and he said that when he and Sean came up with the \$70k for permitting it had been an estimation.

Gary spoke with Sean today and received an itemized permitting schedule. I have attached it in this email for your reference. Please adjust the amount of \$70k we were asking for to the new amount listed in the attachment.

Sincerely,

Sal Bhakta, *President,*
PSB Hospitality Solutions

Phone: 832) 331-4936

Fax: 281) 596-4355

Sal.Bhakta@PSBHospitality.net



This message contains confidential information and is intended only for the individual or individuals named. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. E-mail transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of e-mail transmission. If verification is required please request a hard-copy version. PSB Hospitality and its affiliates accept no liability arising in connection with this transmission. Proprietary and Confidential.

From: Paul Chavez [<mailto:pchavez@seabrooktx.gov>]
Sent: Wednesday, May 4, 2016 12:01 PM
To: sal.bhakta@psbhospitality.net
Subject: Revenue Forecast Sheet

Good afternoon Sal,

CONFIDENTIAL

We are in a staff meeting to discuss your project and wanted to know if you have an updated revenue forecast sheet. If so, please send your updated sheet as soon as possible.

- Paul Chavez

Sent from my Verizon Wireless 4G LTE smartphone

Permit Fees For: **HAMPTON INN Re-CONSTRUCTION**

Fill in boxes Only

Type of Construction: **Commercial**

Estimated Cost of Construction: **\$4,710,960.00**

Project Size (sq. ft.): **39,411**

Construction Cost (per sq. ft.): \$119.53

Project valued over : \$500,001.00

Permit fee for first \$500,000.00 : \$1,660.00

Cost per \$1,000 or fraction over first permit fee equals: \$2.00 Multi. By 4,211 : \$8,421.92

Building Permit : \$10,082.00

Commercial Construction : \$10,082.00

Plan Check : \$5,041.00

\$250 multiplied by number of dwelling units: **0**

Parks Fee : \$0.00

Total Buidling Permit Fee : \$25,205.00

MEP Permit Fee : \$7,561.50

10% Contingency : \$3,276.65

Meter Size
Ordinance

Total of all fees: \$36,043.15

Exhibit B - Attachment

WD
10
11

VESTING DEED (TRACT 1)

Z006345
01/04/06 300756013 \$28.00

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

Date: December 30 2005
Grantors: Gunvant D. Bhakta and wife, Arunakumari Bhakta (hereinafter referred to as Grantors)
Grantors' Mailing Address: 1420 Marina Bay Drive, #316
Kemah, Texas 77565
Grantee: Seabrook Hospitality, L.P. (A Texas limited partnership, hereinafter referred to as Grantee)
Grantee's Mailing Address: 1420 Marina Bay Drive, #316
Kemah, Texas 77565

lll

Consideration:

In consideration of \$10.00 and other good and valuable consideration

Property (legal description of land):

All that property described on the attached Exhibit "A", which Exhibit is incorporated herein by this reference for all purposes.

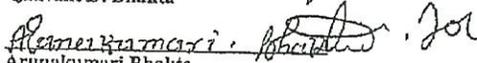
Reservations from and Exceptions to Conveyance and Warranty:

This Deed is executed, delivered and accepted subject to all and singular the ad valorem taxes for the current and all subsequent years, subsequent assessments for prior years due to changes in land usage or ownership, zoning ordinances, if any, applicable to and enforceable against the above described property, and all valid easements, covenants, restrictions, and mineral reservations, if any, applicable to and enforceable against the above described property described in Exhibit "B", attached hereto, as well as the other exceptions set forth thereon to the extent same are valid and subsisting and affect the property conveyed hereby.

Grantors, for the consideration receipt of which is hereby acknowledged, and subject to the reservations from and exceptions to conveyance and warranty, grants, sells, and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and to hold it to Grantee, Grantee's heirs, executors, administrators, successors or assigns forever. Grantors bind Grantors and Grantors' heirs, executors, administrators, and successors to warrant and forever defend all and singular the property to Grantee and Grantee's heirs, executors, administrators, successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof when the claim is by, through, or under Grantors, but not otherwise, except as to the reservations from and exceptions to conveyance and warranty.

When the context requires, singular nouns and pronouns include the plural

Executed this 30th day of December, 2005


Gunvant D. Bhakta

Arunakumari Bhakta

Special Warranty Deed - Seabrook	Page 1 of 4
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ACKNOWLEDGEMENT

THE STATE OF TEXAS §

COUNTY OF Harris §

The foregoing instrument was ACKNOWLEDGED before me this 29th day of December, 2005, by GUNVANT D. BHAKTA and ARUNAKUMARI BHAKTA.

[SEAL]

My Commission Expires:



E. B. Hearn, II
Notary Public, State of Texas

Printed Name of Notary Public _____

RECORDED

EXHIBIT A
Property Description

Tract 1: (Fee Simple Estate)

1.6561 acres of land out of Lot 1 of Hampton Inn - Seabrook, Texas, a subdivision of Harris County, Texas, according to a map or plat thereof recorded under Film Code No. 528172 of the Map Records of Harris County, Texas; said 1.6561 acre tract of land being more particularly described by metes and bounds as follows:

Fieldnotes for a portion of Lot 1 of Hampton Inn - Seabrook, Texas, the map or plat of same being recorded under Film Code No. 528172 of the Map Records of Harris County, Texas, a 1.6561 acre tract of land out of the Rkson Morris Survey, Abstract No. 52, in Harris County, Texas, being further out of and a part of the A.B. Menard Homestead Tract as recorded in Volume 364, Page 10 of the Deed Records of Harris County, and being the residue of that certain 1.7264 acre tract of land conveyed to Glenbrook Lodging, Inc. as described in deed recorded under County Clerk's File No. W170695 of the Real Property Records of Harris County, said 1.6561 acres of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8 inch steel rod set in the North line of said Lot 1 at its intersection with the West line of Elam Road, based on a 40.00 foot right-of-way, North 81°22'57" West 10.00 feet from the Northeast corner of the said 1.7264 acre tract and the most Northerly Southeast corner of that certain 3.473 acre tract of land conveyed to WXIII/WCI Real Estate Limited Partnership as described in deed recorded under County Clerk's File No. U727179 of the said Real Property Records;

Thence, South 08°57'07" West, 310.23 feet with the West line of said Elam Road to a 5/8 inch steel rod set in the Northwest line of a cut-back line for State Highway NASA 1, variable width right-of-way, said point being in the Northeast line of that certain 0.149 acre tract of land conveyed to the State of Texas as described in deed recorded under County Clerk's File No. R179979 of the said Real Property Records;

Thence, South 63°22'14" West, 10.34 feet with the said cut-back line to a 5/8 inch steel rod set in the North line of said State Highway NASA 1 for the Southeast corner of the herein described tract, said point also being in a non-tangent curve to the right having a radius of 339.93 feet and a central angle of 75°25'41";

Thence, in a Northwesterly direction with said curve to the right having a radius of 339.93 feet (chord bearing North 48°31'00" West, 391.72 feet), an arc distance of 394.95 feet to a 5/8 inch steel rod found in the West line of the said 1.7264 acre tract for the Southwest corner of said Lot 1 and the herein described tract, said point also being the most Southerly East line of the aforesaid 3.473 acre tract;

Thence, North 54°11'34" East, 143.42 feet with the West line of the said 1.7264 acre tract and said Lot 1 and with an Easterly line of the said 3.473 acre tract to a 1/4 inch steel rod found marking the Northwest corner of said Lot 1 and the herein described tract, said point also being an angle point of the said 3.473 acre tract;

Thence, South 31°22'57" East, 231.86 feet with the most Northerly South line of the said 3.473 acre tract and the North line of the said 1.7264 acre tract and said Lot 1 to the PLACE OF BEGINNING and containing 1.6561 acres or 72,113 square feet of land, more or less.

This description is based on the land title survey and plat (Job No. 04-14425) made under the direction of John G. Thomas, Registered Professional Land Surveyor on May 21, 2004.

Tract 2: (Easement Estate)

Easement rights created in Agreement For Ingress And Egress recorded under Harris County Clerk's File No. J640263 and Amendment To Agreement For Ingress And Egress recorded under Harris County Clerk's File No. J825459.

EXHIBIT "B"

1. Terms, conditions and stipulations contained in Agreement for Ingress and Egress, recorded under Harris County Clerk's File No(s). J640263 and Amendment to Agreement for Ingress and Egress recorded under Harris County Clerk's File No. J825459.
2. Sanitary sewer easement granted to the City of Seabrook as set forth in instrument recorded under Harris County Clerk's File No(s). P765642 and as shown on map recorded under Film Code No. 528172 of the Map Records of Harris County, Texas.
3. Building set back line 25 feet in width adjacent to Nasa Road One as shown on map recorded under Film Code No. 528172 of the Map Records of Harris County, Texas.
4. Dedication of the easterly 3,067 square feet of subject property to the public for right of way purposes as shown on map recorded under Film Code No. 528172 of the Map Records of Harris County, Texas.
5. Drainage easement 25 feet in width on each side of any and all natural drainage courses shown on map recorded under Film Code No. 528172 of the Map Records of Harris County, Texas.
6. Easement 10 feet in width along the northerly property line of subject property together with an aerial easement adjoining thereto granted to CenterPoint Energy Houston Electric LLC and CenterPoint Energy Houston as set forth in instrument recorded under Harris County Clerk's File No. W723833.

2006-01-04 15:22:43

FILED

2006 JAN -4 PM 3:19

Dorothy L. Keyfman
 COUNTY CLERK
 HARRIS COUNTY, TEXAS

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
 THE STATE OF TEXAS
 COUNTY OF HARRIS
 I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped herein by me; and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas on

JAN - 4 2006



Dorothy L. Keyfman
 COUNTY CLERK
 HARRIS COUNTY, TEXAS

RECORDER'S MEMORANDUM:

At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts additions and changes were present at the time the instrument was filed and recorded.

AFTER FILING RETURN TO:
 EDWARD HEARN
 LANDAMERICA NCS
 5847 SAN FELIPE, SUITE 4000
 HOUSTON, TEXAS 77057

Special Warranty Deed - Seabrook	Page 4 of 4
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