

RESOLUTION NO. R-2026-24

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING A FUNDING AGREEMENT BETWEEN THE BASTROP ECONOMIC DEVELOPMENT CORPORATION AND THE CITY OF BASTROP FOR PURCHASE OF 804 WATER STREET; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS; REPEALING ALL RESOLUTIONS IN CONFLICT; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Bastrop Economic Development Corporation (“BEDC”) is a public instrumentality and non-profit industrial development corporation duly established and operating under Texas Local Government Code, Chapters 501 and 505, *et seq.*, as amended, known as the Development Corporation Act of 1979 (the “Act”); and

**WHEREAS**, the City of Bastrop, Texas (the “City”) is a home-rule municipality operating under the laws of Texas; and

**WHEREAS**, the BEDC and City desire to develop a parking garage with associated retail space (the “Project”) at 804 Water Street (the “Property”); and

**WHEREAS**, the BEDC and City desire to have the BEDC fund the purchase of the Property and the City execute a Purchase and Sales Agreement for the Property and maintain ownership; and

**WHEREAS**, the BEDC and City desire to enter into a funding agreement (“Agreement”) to establish the rights and obligations of each, attached as Exhibit A; and

**WHEREAS**, the BEDC Board of Directors took formal action at the board meeting of February 9, 2026, to approve the Agreement with the City to fund the purchase of the Property for the Project; and

**WHEREAS**, the City Council has reviewed the Agreement and finds it in the best interest of the City and community to enter into the Agreement; and

**WHEREAS**, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

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

**Section 1. Findings and Determination.** The City Council hereby finds and determines that it is in the best interest of the BEDC and the City to enter into this funding agreement.

**Section 2. Authorization.** The City Council of the City of Bastrop, Texas, hereby authorizes the City Manager to execute all necessary documents.

**Section 3. Open Meeting.** The City Council hereby finds and determines that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

**Section 4. Severability.** If any provision of this Resolution is found by a court of competent jurisdiction to be invalid or unenforceable, such invalidity shall not affect the remaining provisions, which shall continue in full force and effect.

**Section 5.** This Resolution shall take effect immediately upon its passage, and it is so resolved.

**DULY RESOLVED AND ADOPTED** by the City Council of the City of Bastrop this 10th day of February 2026.

**APPROVED:**



\_\_\_\_\_  
Ishmael Harris, Mayor

**ATTEST:**



\_\_\_\_\_  
Michael Muscarello, City Secretary

**APPROVED AS TO FORM:**



\_\_\_\_\_  
City Attorney

Denton, Navarro, Rodriguez, Bernal, Santee, & Zech



**Exhibit A**  
**804 WATER STREET PURCHASE FUNDING AGREEMENT**

**804 WATER STREET PURCHASE FUNDING AGREEMENT**

*STATE OF TEXAS* §

*COUNTY OF BASTROP* §

This Agreement (the "Agreement") is entered into by and between the City of Bastrop, Texas, a home-rule municipality, ("City"), and the Bastrop Economic Development Corporation, a non-profit Texas corporation created pursuant to the authority of Title 12, Subchapter C1 of the Texas Local Government Code, ("BEDC"). City and BEDC are jointly referred to herein as the "Parties" and individually as a "Party."

**RECITALS:**

**Whereas**, the Parties desire to develop a downtown parking garage with associated retail space (the "Project"); and

**Whereas**, the Parties desire to develop the Project on a property at 804 Water Street, Bastrop, Texas (the "Property"); and

**Whereas**, the Parties desire to have the BEDC fund the purchase of the Property and the City execute a Purchase and Sales Agreement for the Property and maintain ownership; and

**Whereas**, the necessary approvals of the expenditure pursuant to Section 505.158 of the Texas Local Government Code have occurred; and

**Whereas**, the Parties find the execution of this funding agreement to be in the best interest of the community.

**AGREEMENT:**

**NOW, THEREFORE**, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and BEDC agree as follows:

**ARTICLE 1  
RECITALS**

1.01 Recitals incorporated. The foregoing recitals are hereby incorporated herein for all purposes.

**ARTICLE 2  
TERM**

2.01 Term. This Agreement shall be effective as of the Effective Date and shall terminate upon completion of the Project. Notwithstanding any provision herein to the contrary, the BEDC shall have no obligation to fund any receipt or invoice received after the termination. Any further support by the BEDC for the Project shall be addressed in a separate instrument.

**ARTICLE 3  
TERMS AND CONDITIONS**

- 3.01 Purpose. The purpose of this Agreement is to fund the purchase of the Property to develop the Project.
- 3.02 Amount. The BEDC agrees to fund up to Five Hundred Twenty-Five Thousand Dollars (\$525,000.00) for the purchase of the Property.
- 3.03 Payments. The BEDC shall remit payment within 10 days of a submission by City of a written request for payment. Any request for payment shall include documentation evidencing the amounts to be paid.

**ARTICLE 4  
OBLIGATIONS**

- 4.01 BEDC Obligations. The BEDC shall provide funding to the City for the purpose of purchasing the Property for the Project.
- 4.02 City Obligations. The City shall utilize the funds provided to purchase the Property for the Project and ensure the Property is developed as the Project.

**ARTICLE 5  
DEFAULT**

- 5.01 Default. A Party shall be deemed in default under this Agreement if such Party fails to materially perform, observe, or comply with any of the requirements or obligations set forth in this Agreement, or if any representations arising out of this Agreement are false; the non-defaulting Party shall be entitled to terminate this Agreement immediately and employ any legal remedies afforded by law.

**ARTICLE 6  
NON-PERFORMANCE**

- 6.01 If the Property is (a) developed for a use other than the Project, or (b) sold, transferred, or otherwise disposed of by the City prior to completion of the Project as contemplated by this Agreement, the City shall reimburse the BEDC an amount equal to all funds previously disbursed by the BEDC to the City under this Agreement. Such reimbursement shall be due within 30 days of the occurrence of the non-permitted development or disposition.

**ARTICLE 7  
MISCELLANEOUS**

- 7.01 Amendments. This Agreement may be amended only by a written instrument so stating which is executed by the Parties hereto.
- 7.02 Authority. The person executing this Agreement on behalf of BEDC and City each represents that they have the power and authority to do so and to bind their principal to the terms of this Agreement.
- 7.03 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original of this Agreement but all of which, taken together, shall constitute one and the same agreement.
- 7.04 Force Majeure. It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of

God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

- 7.05 Governing Law and Venue. This Agreement shall be construed, interpreted and applied in accordance with and shall be governed by the laws applicable to the State of Texas. Venue for any disputes arising under this Agreement shall be in Bastrop County, Texas.
- 7.06 Headings. All headings herein are inserted only for convenience and ease of reference and are not to be considered in the construction or interpretation of any provision of this Agreement.
- 7.07 Severability. If any provision of this Agreement shall be invalid or unenforceable for any reason and to any extent, the remainder of this Agreement shall not be affected thereby, but shall be enforced to the greatest extent permitted by law.
- 7.08 Waivers. No failure or delay of a Party in the exercise of any right given to such Party hereunder or by law shall constitute a waiver thereof, nor shall any single or partial exercise of any such right preclude other further exercise thereof or of any other right. The waiver by a Party of any breach of any provision hereof shall not be deemed to be a waiver of any subsequent breach thereof or of any breach of any other provision hereof.

**THIS AGREEMENT IS DATED EFFECTIVE AS OF THE 10 DAY OF February 2026.**

**CITY OF BASTROP, TEXAS**

By:   
Name: Sylvia Carrillo  
Title: City Manager  
Date: February 10, 2026

**BASTROP ECONOMIC DEVELOPMENT CORPORATION**

By:   
Name: GARY L. BLAKE  
Title: BOARD CHAIR  
Date: 2/9/26