

**Resolution authorizing the execution of an Industrial District Agreement (IDA) 110 with Bootstrap Energy LLC for the Corpus Christi Energy Park.**

WHEREAS, under Texas Local Government Code Chapter 42, Section 42.044, the Governing body of any city has the right, power and authority to designate any part of the area located in its extraterritorial jurisdiction as an Industrial District, and to treat such area from time to time as such governing body may deem to be in the best interest of the City; and

WHEREAS, included in such rights and powers of the governing body of any city is the permissive right and power to enter into written agreements with the owner or owners of land in the extraterritorial jurisdiction of a city to guarantee the continuation of the extraterritorial status of such land, and immunity from annexation by the city for a period of time, and other such terms and considerations as the parties might deem appropriate; and

WHEREAS, it is the established policy of the City Council of the City of Corpus Christi, Texas (the " City"), to adopt reasonable measures permitted by law that will tend to enhance the economic stability and growth of the City and its environs by attracting the location of new and the expansion of existing industries therein as being in the best interest of the City and its citizens; and

WHEREAS, under said policy and the provisions of Section 42.044, Texas Local Government Code, the City of Corpus Christi has enacted Ordinance No. 15898, approved November 26, 1980, as amended, indicating its willingness to enter into industrial district agreements with industries located within its extraterritorial jurisdiction and designating the specified land areas as Corpus Christi Industrial Development Area No. 1 and Corpus Christi Industrial Development Area No. 2; and

WHEREAS, in order to correct certain boundary issues and to authorize new industrial district agreements to replace those that were about to expire, the City of Corpus Christi has enacted Ordinance No. 029958, approved September 17, 2013, as amended, which reestablished the boundaries of the land areas known as Corpus Christi Industrial Development Area No. 1 and Corpus Christi Industrial Development Area No. 2 and renamed such areas "Industrial District No. 1 and Industrial District No. 2", herein collectively called "Industrial Districts;" and

WHEREAS, Bootstrap Energy LLC ("Bootstrap") has purchased a 39.22-acre parcel in Industrial District No. 2 and wishes to enter into an Industrial District Agreement ("IDA") relating to said parcel; and

WHEREAS, Bootstrap intends to use the parcel for operation of a cryptocurrency mining facility, of which the majority of the value will be included in business personal property rather than improvements; and

WHEREAS, Bootstrap has agreed to include terms in the IDA that require payment in lieu of taxes in the amount of 100 percent of ad valorem taxes that would be due for the parcels were they inside city boundaries for the land and business personal property value and 62.5 percent of ad valorem taxes that would be due for the parcels were they

inside city boundaries for the improvement value beginning in year 3 after the effective date of the agreement; and

WHEREAS, the City Council finds that the cryptocurrency mining operation is an industrial use for purposes of the IDA; and

WHEREAS, the City Council has determined that this arrangement would best serve the public's health, necessity, and convenience and the general welfare of the City and its citizens;

**Be it resolved by the City Council of the City of Corpus Christi, Texas:**

**Section 1.** The City Council finds that the foregoing preamble language stated in this resolution to be true and correct and adopts such findings for all intents and purposes related to the subject matter of this resolution.

**Section 2.** The City Council approves and authorizes the City to enter into the attached Industrial District Agreement No. 110 with Bootstrap, which requires Bootstrap to comply with special payment in lieu of taxes terms. The City Manager, or designee, is hereby authorized to execute such documents and all related documents on behalf of the City of Corpus Christi and to file such documents in the official records of Nueces County. The City Secretary is hereby authorized to attest to all such signatures and to affix the seal of the City to all such documents. A true and correct copy of Industrial District No. 110 will be available in the City Secretary's Office after filing.

PASSED AND APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, 2022:

Paulette M. Guajardo \_\_\_\_\_

Roland Barrera \_\_\_\_\_

Gil Hernandez \_\_\_\_\_

Michael Hunter \_\_\_\_\_

Billy Lerma \_\_\_\_\_

John Martinez \_\_\_\_\_

Ben Molina \_\_\_\_\_

Mike Pusley \_\_\_\_\_

Greg Smith \_\_\_\_\_

ATTEST:

CITY OF CORPUS CHRISTI

\_\_\_\_\_  
Rebecca Huerta  
City Secretary

\_\_\_\_\_  
Paulette M. Guajardo  
Mayor