



ALTERNATIVE CITIZEN/PUBLIC PARTICIPATION GUIDELINES (Due to COVID-10 Pandemic Disaster Declaration)

Despite the necessity to restrict public access to Economic Improvement Corporation meetings in the interest of public health during the COVID-19 pandemic, citizens and visitor are welcome to participate in EIC meetings in several alternative ways as outlined below.

Instructions for callers:

Dial one of the following numbers:

877 853 5247 (Toll Free) or

888 788 0099 (Toll Free)

If you cannot get through on one of the numbers due to network congestion, please try the other number.)

When your call is answered you will hear "Welcome to Zoom, enter your Meeting ID followed by pound." Enter in the Meeting ID below followed by the pound sign (#).

The Meeting ID is **975 1515 5211#**

If the moderator has not started the meeting yet, you will hear "The meeting has not started yet, please hold or call back later." If you decide to call back later, please do so before 3:45 p.m.

Once you have called into the meeting, your microphone will be placed on mute and your call will be placed in the call queue. At this point, you will hear silence on the phone. Please do not hang up. The moderator will unmute your microphone as he/she is going down the list. Once the meeting has started, you will be able to listen to proceedings even if your microphone is muted.

The moderator will be accepting calls starting at 3:00pm. Please place your call before the 3:45 p.m. deadline to participate in order to allow time for calls to be loaded and queued. Calls made after this time will not be answered.

Instructions for written comments:

Written comments will be read into record, and can be provided in two different ways:

OPTION 1 by hard copy – Comments may be dropped off at the City Hall Utility Payments Drop-Box on the north side of City Hall by 3:45 p.m. the afternoon of the EIC Meeting. You are required to provide your first and last name, address, and identify the item you wish to comment on.

OPTION 2 by email - Comments can be emailed to kayla.mcinturff@kerrvilletx.gov and must be received by 3:45 p.m. the afternoon of the EIC Meeting. You are required to provide your first and last name, address, and identify the item you wish to comments on.

For either option, please provide **all required information** in order for your comments to be accepted. Thank you for your participation!

AGENDA FOR REGULAR MEETING OF THE
CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION
MONDAY, MAY 18, 2020, 4:00 P.M.
KERRVILLE CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS

CALL TO ORDER

INVOCATION

1. APPROVAL OF MINUTES:

1A. Approval of minutes for the regular EIC meeting held on March 16, 2020.

1B. Approval of minutes for a Special- Called EIC meeting held on April 3, 2020.

2. MONTHLY REPORTS:

2A. Monthly financials for April 2020.

2B. Projects update:

River Trail Extension to Schreiner University

Tennis Center Improvements

Aquatics Feasibility Study

Olympic Drive Infrastructure Extension

Legion Lift Station

Guadalupe River Utility Crossing

Thompson/Spur 98 Infrastructure Extension

Arcadia Theater

KERV Airport Improvements

Downtown Streetscape/Parking Garage

2C. Monthly update from Kerr Economic Development Corporation.

3. PUBLIC HEARING AND POSSIBLE ACTION:

3A. Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for Downtown Parking Garage Clock Tower Elevator Enclosure Improvements.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Discuss and consider action to terminate the Project Funding Agreement between the City of Kerrville, Texas, Economic Corporation and the City of Kerrville, Texas for Downtown Parking Garage Streetscape Improvements.

4B. Review and discuss setting a date and time for the Annual Meeting of the Kerrville Economic Improvement Corporation.

5. EXECUTIVE SESSION:

The Economic Improvement Corporation may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in Section 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code, including the following matters:

5A. Deliberation regarding economic development negotiations in accordance with the Texas Open Meetings Act; discussion regarding commercial or financial information received from a business prospect(s), and/or to deliberate the offer of a financial or other incentive to a business prospect(s). (Section 551.087, TX Government Code):

- Sky Master Business Development Project (551.072 and 551.087)

5B. Deliberation regarding real property (Section 551.072):

- EIC-owned property located along Peterson Farm Road with the legal description ABS A0114 CROOK, SUR 71,BLOCK LOS PREMIADOS,ACRES 86.71 (551.072)

6. POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION

7. ITEMS FOR FUTURE AGENDAS

8. ANNOUNCEMENTS

9. ADJOURNMENT

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the bulletin board at the City Hall of the City of Kerrville, Texas, and on the City's website on the following date and time: May 15, 2020 at 1:00PM and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Kayla McInturff

Kayla McInturff, Deputy City Secretary, City of Kerrville, Texas

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING MARCH 16, 2020**

On Monday, March 16, 2020, the regular meeting of the members of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by Kenneth Early, President, in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas. Maggie Megee offered the invocation.

Members Present:

Kenneth Early, President
Kent McKinney, Vice President
Danny Almond
Don Barnett
Maggie Megee
Gregory Richards
Aaron Yates

Members Absent:

City Executive Staff Present:

Mark McDaniel, City Manager
E.A. Hoppe, Deputy City Manager
Mike Hayes, City Attorney
Amy Dozier, Finance Director
Kayla McInturff, Deputy City Secretary

Visitors Present: Visitor list available in the City Secretary's Office for the required retention period.

1. VISITORS/CITIZENS FORUM: None

4. PUBLIC HEARING AND POSSIBLE ACTION:

Kenneth Early advised the Economic Improvement Corporation that the Public Hearing would be moved up earlier than listed on Agenda.

4A. Economic Development Grant Agreement between the Doyle School Community Center, Inc. (located at the intersection of Paschal Avenue and W. Barnett Street) and the City of Kerrville, Texas Economic Improvement Corporation.

The public hearing was opened by Mr. Early at 4:01 p.m.

Sherry Mosier introduced the Economic Development Grant Agreement. Kay Tally-Foos presented request.

The following persons spoke:

- Karen Maddox
- Katie Givens
- Reverend Alan Noah
- Brenda Fudge
- Clifton Phifer Jr.
- Steve Pautler

The Public Hearing was closed by Mr. Early at 4:21 p.m.

Danny Almond moved to approve Economic Development Grant Agreement as presented. Maggie Megee seconded the motion and the motion passed 7-0.

2. APPROVAL OF MINUTES:

2A. Approval of minutes for the regular EIC meeting held on January 13, 2020 and February 17, 2020.

Danny Almond moved to approve the minutes with correction of Aaron Yates name on January 13, 2020 minutes. Gregory Richards seconded the motion and the motion passed 7-0.

3. PROJECTS UPDATE:

3A. Monthly financials for February 2020.

Amy Dozier presented monthly financials for February 2020.

3B. Projects update:

Mr. Hoppe reported that all projects are progressing and gave specific update on:

Downtown Streetscape/Parking Garage- received bids and evaluating based on budget. The bid amount does not cover mural component of project. The base bid component will be carried forward to City Council.

3C. Monthly update from Kerr Economic Development Corporation.

Gil Salinas presented monthly update.

5. EXECUTIVE SESSION:

Aaron Yates moved for EIC to go into executive closed session to discuss subject matter under Section 551.071, (consultation with attorney), 551.072 (deliberation regarding real property), 551.087 (deliberation regarding economic development

negotiations) of Chapter 551 of the Texas Government Code. Don Barnett seconded, and the motion passed 7-0.

5A. At 4:35 p.m. the regular meeting recessed. EIC went to executive closed session at 4:35 p.m. At 4:53 p.m., the executive closed session recessed and EIC returned to open session at 4:53 p.m. No action was taken at executive session.

7. POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

None

8. ITEMS FOR FUTURE AGENDAS:

None

9. ANNOUNCEMENTS:

None

10. ADJOURNMENT

Mr. Early adjourned the meeting at 4:53 p.m.

APPROVED:

Kenneth Early, President

ATTEST:

Kayla McInturff, Deputy City Secretary

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
SPECIAL CALLED MEETING: APRIL 3, 2020**

On Friday, April 3, 2020 at 3:00 p.m., the regular meeting of the City of Kerrville Texas Economic Improvement Corporation was called to order by President Kenneth Early in the City Hall Council Chambers, 701 Main Street, Kerrville, Texas.

Members Present:

Kenneth Early, President
Kent McKinney, Vice President
Danny Almond
Don Barnett
Maggie Megee
Aaron Yates

Members Absent:

Gregory Richards

City Executive Staff Present:

Mark McDaniel, City Manager
E.A. Hoppe, Deputy City Manager
Mike Hayes, City Attorney
Amy Dozier, Finance Director
Kayla McInturff, Deputy City Secretary

CALL TO ORDER

1. EXECUTIVE SESSION:

Magee Megee moved for EIC to go into executive closed session to discuss subject matter under Section 551.072 (deliberation regarding real property) and Section 551.087 (deliberation regarding economic development negotiations) Chapter 551 of the Texas Government Code. Danny Almond seconded, and the motion passed 6-0.

At 3:01 p.m. the regular meeting recessed, and EIC went into executive closed session.

At 3:27 p.m., the executive closed session recessed and EIC returned to open session. No action was taken in executive session.

2. ADJOURN.

Mr. Early adjourned the meeting at 3:27 p.m.

APPROVED:

ATTEST:

Kent McKinney, Vice President

Kayla McInturff, Deputy City Secretary



**TO BE CONSIDERED BY THE EIC BOARD
CITY OF KERRVILLE, TEXAS**

SUBJECT: Monthly Financial Report

AGENDA DATE OF:

DATE SUBMITTED: 5/14/2020

SUBMITTED BY: Amy Dozier, CFO

EXHIBITS: April 2020 Financial Presentation

Expenditure Required:	Current Balance in Account:	Amount Budgeted:	Account Number:
n/a	n/a	n/a	n/a

PAYMENT TO BE MADE TO: [Click or tap here to enter text.](#)

Kerrville 2050 Item?

Yes: ☐

No: ☒

Key Priority Area Choose an item.

Guiding Principle Choose an item.

Action Item N/A

SUMMARY STATEMENT:

EIC received sales tax of \$262K in April 2020. This payment represents tax collected on sales in February. Since we are closely watching sales tax, I have also included May sales tax collections in the Sales Tax Revenue Analysis shown on slide 4 of the attached presentation.

As previously discussed, these sales assumptions were used for our COVID-19 projection:

May (March sales): 15% less than budget

June (April sales): 40% less than budget

July (May sales): 40% less than budget

August (June sales): 25% less than budget

September (July sales): 15% less than budget

October – March: 10% less than prior year

May sales tax represents tax collected on sales in March, which included a partial month of COVID-19 related closures. Our COVID-19 projection was for sales tax to be 15% less than budget in May. Actual May sales tax was 6.8% less than budget. Comparisons to the prior year are skewed because April 2019 contained a prepayment for May 2019 from two of our largest taxpayers. When those payments are manually adjusted to May 2019, sales tax for May is down 2.8% compared to 2019.

We will receive information on June sales tax (representing April sales) on June 10th. We plan to recalibrate the model after receiving that information. The model assumed the same level of closures in April and May. Per the Governor's orders, some Kerrville business have been able to partially reopen in May, which we are hopeful will be good news for our projection.

On the expense side, EIC made regular monthly payments for administrative and debt service commitments in addition to \$8,463 in payments for professional services related to the Skymaster project.

Following this activity, EIC ended April with a cash balance of \$1,914,687. The cash flow forecast on slide 3 has been modified with the previously mentioned COVID-19 assumptions and actual sales tax through May. With these changes and updated project payment timing, EIC's cash balance is expected to vary between \$1.8 and \$2.1 million. Note that this cash flow forecast does not include payments for projects currently being discussed, but without a funding agreement.

EIC's funds are invested in TexPool, a completely liquid municipal pool account that is currently earning 0.76%.

RECOMMENDED ACTION:

Information only; no action required.



Financial update for the month ended April 30, 2020

**Economic Improvement Corporation Meeting
May 18, 2020**



ECONOMIC IMPROVEMENT CORPORATION
STATEMENT OF ACTIVITIES
MONTH ENDED APRIL 30, 2020

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Remaining Budget
REVENUES					
Sales and Use Tax	\$ 3,689,250	\$ 262,275	\$ 2,113,507	57.3%	\$ (1,575,743)
Interest Income	33,750	1,374	25,156	74.5%	(8,594)
TOTAL REVENUES	3,723,000	263,650	2,138,662	57.4%	(1,584,338)
EXPENDITURES					
Administrative					
Office Supplies	500	-	60	12.0%	440
Professional Services	-	8,463	8,463		(8,463)
Administrative Services Fee	185,000	15,417	107,917	58.3%	77,083
Kerr Economic Development Corp.	250,000	-	125,000	50.0%	125,000
Total Administrative	435,500	23,879	241,439	55.4%	194,061
Debt Service					
Debt Service - Series 2011A/2019 Ref (River Trail)	258,506	20,998	148,930	57.6%	109,576
Debt Service - Series 2012 (River Trail)	250,330	20,969	146,784	58.6%	103,546
Debt Service - Series 2015 (KSC)	603,350	50,488	353,413	58.6%	249,938
Total Debt Service	1,112,186	92,455	649,127	58.4%	463,059
Projects					
Legion Lift Station	1,000,000	-	1,000,000	100.0%	-
Schreiner - River Trail	750,000	-	750,000	100.0%	-
Olympic Drive	935,000	-	894,000	95.6%	41,000
Thompson Drive Partners (The Landing)	566,667	-	-	0.0%	566,667
KFOR - Arcadia	600,000	-	600,000	100.0%	-
Airport Projects	-	-	5,622		(5,622)
Total Projects	3,851,667	-	3,249,622	84.4%	602,045
TOTAL EXPENDITURES	5,399,353	116,334	4,140,188	76.7%	1,259,165
CHANGE IN NET POSITION	<u>\$(1,676,353)</u>	<u>\$ 147,316</u>	<u>\$ (2,001,526)</u>		

ECONOMIC IMPROVEMENT CORPORATION
CASH FLOW FORECAST (using COVID-19 assumptions)
AS OF APRIL 30, 2020

	FY2020 Actual	FY2020 Projected		FY2021 Projected	
	Oct 2019 to April 2020	May 2020 to Jun 2020	Jul 2020 to Sep 2020	Oct 2020 to Dec 2020	Jan 2021 to Mar 2021
Beginning Cash Balance	\$ 3,921,213	\$ 1,914,687	\$ 2,109,149	\$ 2,005,340	\$ 1,792,712
Revenue	2,138,662	502,704	700,016	806,286	861,376
Expenditures					
Administrative					
Administrative Fee & Supplies	121,439	30,833	46,250	47,500	47,500
KEDC	125,000	47,500	47,500	62,500	62,500
Total Administrative	246,439	78,333	93,750	110,000	110,000
Debt Service	649,127	184,909	277,364	275,581	275,581
Projects					
Legion Lift Station	1,000,000	-	-	-	-
Thompson Drive Partners	-	-	283,333	283,333	-
Schreiner River Trail	750,000	-	-	-	-
Olympic Drive	894,000	-	-	-	-
KFOR - Arcadia	600,000	-	-	-	-
Airport	5,622	20,000	124,378	100,000	125,000
Doyle Center	-	25,000	25,000	250,000	200,000
Total Projects	3,249,622	45,000	432,711	633,333	325,000
Total Expenditures	4,145,188	308,242	803,825	1,018,914	710,581
Ending Cash Balance	\$ 1,914,687	\$ 2,109,149	\$ 2,005,340	\$ 1,792,712	\$ 1,943,507

Sales Tax Assumptions:

June (April sales)	40% less than budget
July (May sales)	40% less than budget
August (June sales)	25% less than budget
September (July sales)	15% less than budget
FY2021 (October - March)	10% less than prior year

Financial Analysis

Project Analysis as of April 30, 2020			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Committed Projects:			
Thompson Drive Partners	\$ 850,000	\$ 283,333	\$ 566,667
Airport Projects	375,000	5,622	369,378
Doyle Center	500,000	-	500,000
Committed Project Total	\$ 1,725,000	\$ 288,955	\$ 1,436,045

Cash Analysis as of April 30, 2020		
by Type - Placement - Amount		
Type	Placement	Amount
Short Term	EIC TexPool	\$ 1,914,687
Investment	Total Cash and Investments	\$ 1,914,687

Sales Tax Revenue Analysis - FY2020						
Month	Actual FY2019	Budget FY2020	COVID-19 Projection	Actual FY2020	FY2018 vs. FY2019	Budget vs. Actual
October	\$ 284,752	\$ 294,123	\$ 294,752	\$ 294,752	3.51%	0.21%
November	276,717	302,630	301,001	301,001	8.78%	-0.54%
December	295,154	284,841	297,620	297,620	0.84%	4.49%
January	271,314	293,053	292,966	292,966	7.98%	-0.03%
February	376,154	386,639	393,938	393,938	4.73%	1.89%
March	266,024	267,403	270,955	270,955	1.85%	1.33%
April	284,581	266,696	262,275	262,275	-7.84%	-1.66%
May	299,073	341,802	290,532	318,521	6.50%	-6.81%
June	304,930	302,222	181,333			
July	315,626	300,675	180,405			
August	332,420	346,545	259,908			
September	341,470	302,620	257,227			
YTD Total	\$3,648,217	\$3,689,250	\$3,282,913	\$2,432,028	3.32%	-0.21%

**TO BE CONSIDERED BY THE
ECONOMIC IMPROVEMENT CORPORATION,
CITY OF KERRVILLE, TEXAS**

SUBJECT: Public Hearing and Consideration of a Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for Downtown Parking Garage Clock tower Elevator Enclosure Improvements

AGENDA DATE: May 15, 2019

DATE SUBMITTED: May 18, 2020

SUBMITTED BY: E.A. Hoppe
Deputy City Manager

EXHIBITS: Project Funding Agreement

	Unencumbered		
Expenditure	Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$325,000	N/A	N/A	
PAYMENT TO BE MADE TO: N/A			

SUMMARY STATEMENT

Several years ago the Kerrville Economic Improvement Corporation (EIC) funded a concept plan to enhance the Downtown Parking Garage with the help of local architectural firm, Peter Lewis Architect and Associates. In parallel, the EIC identified this item in their annual budget over a number of years and has been allocating project funds towards this quality of life and infrastructure enhancement to the downtown area. In total, the EIC had budgeted up to \$765,100 in Downtown Garage and Streetscape improvements.

At the March 18, 2019 EIC meeting, the EIC held a public hearing and entered into a Project Funding Agreement with the City to provide for aesthetic improvements and safety and lighting enhancements to the downtown garage as well as the adjacent streetscape, in the amount of \$350,000. The remainder of the previously budgeted project funds were reallocated to the EIC's undesignated fund balance. After completion of the full design of the project (roughly \$25,000), the project was bid and the construction cost for the full scope of the project was beyond the projected budget. The City took pause and has been in the process of evaluating alternative strategies to accomplish portions of the Streetscape project. The project currently has a fund balance of approximately \$325,000.

In parallel with the EIC-funded Downtown Streetscape project, the City had been progressing a plan to enclose the Clock Tower Elevator that is connected to the Downtown Parking Garage and provides safe/ADA access for business patrons to the downtown area. Unfortunately, due to inclement weather and exposure to the elements this elevator often malfunctions, causing access issues for patrons of downtown businesses. This winter the

City completed a design effort (roughly \$48,000) and awarded a construction contract for this project with a base contract amount for the elevator enclosure for approximately \$252,000. Additional masonry and roof repair elements that need to be accomplished were identified in an amount of approximately \$95,000, and a project contingency of roughly \$25,000. The City has anticipated utilizing General Capital Project Funds to accomplish these much needed elevator enclosure improvements.

Subsequent to both of these projects being accomplished, the COVID-19 pandemic ensued as well as the economic ramifications that have now rippled across the country. The City desires to look at creating an economic stimulus program for local small businesses, utilizing general funds of the City. Consequently, the City would ask that the EIC evaluate terminating the Project Funding Agreement for the Streetscape Project (Item 4B on your Agenda) and allow the City to utilize the remainder of those project funds (\$325,000) towards funding the Downtown Elevator Enclosure improvements.

The project would entail reimbursement for the design work that has been accomplished, as well as full enclosure of the Clock Tower Elevator, and other enhancements to the weather reliability of the structure. The project is eligible for EIC (4B) funds under Local Government Code Sec. 505.152:

“Sec. 505.152. PROJECTS RELATED TO RECREATIONAL OR COMMUNITY FACILITIES. For purposes of this chapter, “project” includes land, buildings, equipment, facilities, and improvements found by the board of directors to be required or suitable for use for professional and amateur sports, including children’s sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by this section.”

RECOMMENDED ACTION

Hold a Public Hearing and provide direction on the Project Funding Agreement.

PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION AND THE CITY OF KERRVILLE, TEXAS FOR DOWNTOWN PARKING GARAGE CLOCK TOWER ELEVATOR ENCLOSURE IMPROVEMENTS

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this ____ day of _____, 2020, by and between the City of Kerrville, Texas Economic Improvement Corporation ("Corporation"), a Type B Economic Development Corporation established pursuant to Chapters 501, 502, and 505 of the Texas Local Government Code, as amended (*i.e.*, the Development Corporation Act, hereafter referred to as "the Act"), acting by and through its President; and the City of Kerrville, Texas ("City"), a Texas home-rule municipality, acting by and through its City Manager. EIC and City are sometimes collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

WHEREAS, pursuant to Chapter 505 of the Act, the EIC may undertake, or provide funding to City to undertake, projects which the EIC finds to be encompassed by the definition of "projects" as that word is defined in Chapters 501 and 505 of the Act; and

WHEREAS, EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for projects as defined by the Act, including:

Projects related to a) expenditures that are found by the EIC to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to streets and roads, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and b) recreational or community facilities to include land, buildings, equipment, facilities, and improvements required or suitable for use for tourist and public park purposes, including parks and park facilities, open space improvements, and related concession and automobile parking facilities, related area transportation facilities, and related roads, streets, and other related improvements that enhance any of these items as provided for by Sections 501.103 and 505.152 of the Act; and

WHEREAS, City has utilized a professional architect to complete the design, prepare construction documents, and to assist with bidding and construction

management regarding improvements to the City-owned clock tower, and in particular its elevator, which functions as an important component of and amenity to the downtown parking garage (the "Project"); and

WHEREAS, the City has accepted a bid for the Project and entered into a contract for construction; and

WHEREAS, the EIC has allocated funds toward infrastructure and quality of life projects as a way to enhance the downtown area and draw more businesses, customers, and tourists into this area; and

WHEREAS, the EIC, on March 18, 2019, entered into an agreement with the City to provide funding for Downtown Parking Garage Streetscape Improvements, in an amount of \$350,000; and

WHEREAS, the EIC and City now seek to terminate that agreement and utilize the remainder of those funds for the design and construction of a weather-proof enclosure to the downtown parking garage clock tower elevator, which the City submits will enhance the reliability, functionality, and use of the elevator; and

WHEREAS, the EIC finds that the Project will promote a more reliable and safe pedestrian access from the parking garage to downtown businesses and public spaces such as the Guadalupe River Overlook and the Arcadia Theater; and

WHEREAS, the Project will support and reinforce the goals of the Kerrville Comprehensive Plan ("*Kerrville 2050*") to include preserving, protecting, and enhancing the visual identity of the downtown area as well as improving the physical, economic, and social characteristics of this area to create a unique destination for residents and visitors of Kerrville, thereby making this area the activity center and focal point of the community; and

WHEREAS, the EIC finds that the Project as described generally above constitutes a "project" as defined by the Act; and

WHEREAS, the EIC finds that the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, finding that providing funds to contribute toward the planning, development, and construction of the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, EIC has determined that this Agreement complies with the Act and is in keeping with the mission of EIC and City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures; and

WHEREAS, the EIC finds that it will be in the public interest to enter into this Agreement with City to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to City for costs related to the Project; and

WHEREAS, on May 18, 2020, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, the EIC and City agree as follows:

1. **"Project" Defined:** When used in this Agreement, the term "Project" means the project summary and cost itemization specified in **Exhibit A** attached hereto and included herein for all purposes, plus expenses that arise as contingencies during the Project. City will manage the funding it receives from EIC and the bidding and construction of the Project. City shall not substantively alter the description of the Project in any respect without prior approval of the EIC.
2. **Agreement to Fund Project:** The EIC shall provide City up to and not to exceed **\$325,000.00** in 4B Revenues for the Project. City is authorized to make payments for the herein described purposes directly from funds previously allocated for Project #70-16004 in the General Capital Projects Fund.
3. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 2, above, are limited to the payment of "costs" as defined in the Act.
4. **Project Timeline:** The City estimates that construction activities for the Project will begin on or before October 2020.
5. **Severability:** The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.
6. **Amendment:** This Agreement may be amended only by written amendment signed by the Parties.
7. **Notices:** All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first

business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

For City

City Manager, City of Kerrville

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

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9. **Interpretation:** Each Party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the Parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.
10. **No Joint Venture:** Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between any or all of the Parties.
11. **Parties in Interest:** Nothing in this Agreement shall entitle any Party other than EIC or City to any claim, cause of action, remedy, or right of any term of this Agreement.
12. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.

13. **Entire Agreement:** This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in the year and as of the date indicated.

CITY OF KERRVILLE, TEXAS

**CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION**

By: _____
Mark McDaniel, City Manager

By: _____
Kenneth Early, President

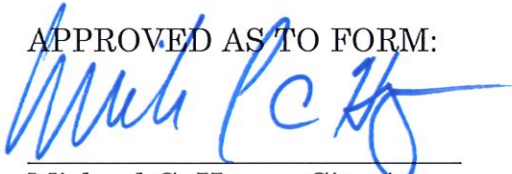
ATTEST:

ATTEST:

Shelley McElhannon, City Secretary

Kayla McInturff, Secretary for the EIC

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Exhibit A

Project Summary and Cost Itemization for the Downtown Parking Garage Clock Tower Elevator Enclosure

- Design (Architecture and Engineering): \$48,025.00
- Main Clock Tower Elevator Enclosure: \$252,626 (includes leak detection, water testing, and subsequent repairs to existing clock tower roof system)
- Project contingency for Main Elevator Enclosure work: \$25,000
Sub-total: \$325,616
- Additional costs for masonry repairs and roof repairs: \$95,616
Anticipated Total w/out contingency (Partially funded via City Gen. Cap. Proj. Fund): \$396,267

**PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF
KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT
CORPORATION AND THE CITY OF KERRVILLE, TEXAS FOR
DOWNTOWN PARKING GARAGE STREETScape
IMPROVEMENTS**

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this 09 day of APRIL, 2019, by and between the City of Kerrville, Texas Economic Improvement Corporation ("Corporation"), a Type B Economic Development Corporation established pursuant to Chapters 501, 502, and 505 of the Texas Local Government Code, as amended (i.e., the Development Corporation Act, hereafter referred to as "the Act"), acting by and through its President; and the City of Kerrville, Texas ("City"), a Texas home-rule municipality, acting by and through its City Manager. EIC and City are sometimes collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

WHEREAS, pursuant to Chapter 505 of the Act, the EIC may undertake, or provide funding to City to undertake, projects which the EIC finds to be encompassed by the definition of "projects" as that word is defined in Chapters 501 and 505 of the Act; and

WHEREAS, EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for projects as defined by the Act, including:

Projects related to a) expenditures that are found by the EIC to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to streets and roads, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; and b) recreational or community facilities to include land, buildings, equipment, facilities, and improvements required or suitable for use for tourist and public park purposes, including parks and park facilities, open space improvements, and related concession and automobile parking facilities, related area transportation facilities, and related roads, streets, and other related improvements that enhance any of these items as provided for by Sections 501.103 and 505.152 of the Act; and

WHEREAS, City proposes to enter into a contract with a professional architect to complete the design, prepare construction documents, and to assist with bidding and

construction management regarding improvements to the City-owned downtown parking garage (the "Project"); and

WHEREAS, should the City accept a bid for the Project, the City will also enter into a contract with a separate party for construction; and

WHEREAS, in 2012, the EIC funded the creation of a concept plan to enhance the City-owned downtown parking garage ("Garage") and area around the Garage as part of the overall goal to improve streetscapes within the downtown area; and

WHEREAS, following the presentation and acceptance of that work, the EIC has allocated funds each year toward this infrastructure and quality of life project as a way to enhance the downtown area and draw more businesses, customers, and tourists into this area; and

WHEREAS, the Project will support and reinforce the goals of the Kerrville Comprehensive Plan ("*Kerrville 2050*") to include preserving, protecting, and enhancing the visual identity of the downtown area as well as improving the physical, economic, social characteristics of this area to create a unique destination for residents and visitors of Kerrville, thereby making this area the activity center and focal point of the community; and

WHEREAS, the EIC finds that the Project as described generally above constitutes a "project" as defined by the Act; and

WHEREAS, the EIC finds that the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, finding that providing funds to contribute toward the planning, development, and construction of the Project is required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, EIC has determined that this Agreement complies with the Act and is in keeping with the mission of EIC and City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures; and

WHEREAS, the EIC finds that it will be in the public interest to enter into this Agreement with City to provide sales tax revenues collected pursuant to the Act ("4B Revenues") to City for costs related to the Project; and

WHEREAS, on March 18, 2019, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

NOW THEREFORE, for and in consideration of the recitals set forth above and the promises made herein, the EIC and City agree as follows:

1. **"Project" Defined:** When used in this Agreement, the term "Project" means the project summary and cost itemization specified in **Exhibit A** attached hereto and included herein for all purposes, plus expenses that arise as contingencies during the Project. City will manage the funding it receives from EIC and the bidding and construction of the Project. City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC.
2. **Agreement to Fund Project:** the EIC shall provide City up to and not to exceed \$350,000.00 in 4B Revenues for the Project. City is authorized to make payments for the herein described purposes directly from funds allocated for Project #70-16004 in the General Capital Projects Fund.
3. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 2, above, are limited to the payment of "costs" as defined in the Act.
4. **Project Timeline:** The City estimates that construction activities for the Project will begin on or before January 2020.
5. **Severability:** The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of such illegal, invalid, or unenforceable provision, there will be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.
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For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation

City Hall, 701 Main Street

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Facsimile: (830) 792-3850

For City

City Manager, City of Kerrville

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CITY OF KERRVILLE, TEXAS

By: 
Mark McDaniel, City Manager


ATTEST:


Shelley McElhannon, City Secretary

APPROVED AS TO FORM:


Michael C. Hayes, City Attorney

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

By: 
Kenneth Early, President

ATTEST:


~~Cheryl Brown~~, Secretary for the EIC
Kayla McInturff



PETER LEWIS
ARCHITECT + ASSOCIATES

Revised February 7, 2019

Mr. Kyle Burow, P.E.
Director of Engineering
City of Kerrville
200 Sidney Baker Street
Kerrville, TX 78028

RE: Professional Design Services Proposal
Parking Center Streetscape

Dear Kyle:

Thank you for the opportunity to be of service to the City of Kerrville!
At your request we have prepared this revised Proposal to provide the following services for the referenced Project.

I. Work Scope

Additions and alterations to Parking Center located at the corner of Sidney Baker and Water Streets as described in Items 1-8, Exhibit A, attached.

II. Scope of Basic Services

- A. Meet with City of Kerrville Staff, as required.
- B. Construction Document Services (CD)
Construction Drawings detailing all building systems and related site improvements; Technical Specifications, Interior Lighting Compliance and Exterior Lighting Compliance Certificates.
 - 1. Architectural: Peter Lewis Architect + Associates, PLLC
 - 2. Electrical Design: DW Electric.
 - 3. Technical Specifications/Project Manual
 - 4. Assist the City of Kerrville during Bid/Negotiation Phase
 - 5. Statement of Probable Construction Cost
- C. Bid Phase Services
 - 1. Assist City of Kerrville in Soliciting and Evaluating Bids
 - 2. Responding to Prospective Bidders questions and Issuing Addenda
- D. Construction Contract Administration (CCA)
 - 1. Office Construction Administration
 - 2. Shop Drawing and Submittal Review
 - 3. Periodic Site visits
 - 4. Monthly Site meeting with Owner and Contractor
 - 5. Review Applications for Payment and issue Certificates for Payment
 - 6. Issue Certificate of Substantial Completion
 - 7. Prepare As-built Drawings, based on Contractor's mark-ups

III. Fixed Fee Schedule Basic Services Detail

A. Construction Documents: Items II(A&B)	\$ 17,500.00
B. Bid Phase: Item II(C)	\$ 1,250.00
C. Construction Contract Administration: Item II(D)	\$ 5,650.00
Total Basic Services	\$ 24,400.00

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PWL

IV. Reimbursable Expenses

Reimbursable expenses, except those listed below, will be billed at a multiple of 1.15 times cost (invoice).

This Professional Design Services Proposal generally describes the Services to be provided and their associated Fees. If we agree on both items, please indicate so by signing and returning one original of this letter for our files. In the meantime, if you have any questions or need additional information, please do not hesitate to call me.

Very truly yours,

A handwritten signature in blue ink, appearing to read "P. Lewis", with a stylized flourish extending to the right.

Peter W. Lewis, Architect
Principal

Accepted for City of Kerrville

Date

DOWNTOWN PARKING CENTER STREETScape
BUDGET COST 02-07-2019

[illegible]