



ECONOMIC IMPROVEMENT CORPORATION AGENDA

MONDAY, AUGUST 28, 2023, 4:00 PM Kerrville City Hall

Council Chambers 701 Main Street, Kerrville, Texas

1 CALL TO ORDER:

2 INVOCATION:

3 VISITORS / CITIZENS FORUM: Any citizen with business not scheduled on the agenda may speak to the Economic Improvement Corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit their presentation to three minutes.

4 APPROVAL OF MINUTES:

4.A Minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 17, 2023.

Attachment: [EIC MINUTES 7-17-2023.pdf](#)

4.B Minutes from the special-called City Council and Economic Improvement Corporation (EIC) meeting held on August 15, 2023.

Attachment: [8-15-2023 MINUTES final.pdf](#)

5 MONTHLY REPORTS:

5.A Kerr Economic Development Corporation (KEDC) update.

5.B Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

Attachment: [8-7-2023 EIC CIP Project Update.pdf](#)

5.C Monthly Financial Report.

Attachment: [July 2023 financial presentation.pdf](#)

6 PUBLIC HEARING AND POSSIBLE ACTION:

6.A Consider Economic Development Project Application to The City of Kerrville, Economic Improvement Corporation (EIC), from Litecrete, Inc. (Project Mount Saddle), for the Economic Improvement Corporation to convey property it owns at 300 Peterson Farm Road, such conveyance to be without any payment to the Economic Improvement Corporation.

(TO BE POSTPONED)

7 CONSIDERATION AND POSSIBLE ACTION:

7.A Administrative Services contract between City of Kerrville Texas Economic Improvement Corporation and City of Kerrville.

Attachment: [EIC_Services_2023-28_080823_DRAFT.pdf](#)

- 7.B Consider a grant application from the City of Kerrville for a quality of life project package, not to exceed \$20,000,000, issuance of sales tax revenue bonds, and annual funding for projects including the Scott Schreiner Golf Course, the Cailloux Theater, the Olympic Pool, the A.C. Schreiner House, Granger McDonald Park and other related projects to recreational and community facilities within the City of Kerrville.
- 7.C A resolution by the board of directors of the City of Kerrville, Texas Economic Improvement Corporation moving forward with the financing of various projects in the approximate principal amount of \$20,000,000 and setting a public hearing on the expenditure of sales tax revenues relating thereto; providing a notice of the specific projects or type of general projects to be undertaken; approving and authorizing the publication of a notice of the public hearing relating to these matters; and approving other matters in connection therewith.

Attachment: [Reso 01-2023 Intent to undertake Project 082423 DRAFT.pdf](#)

- 8 **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:*
- 8.A Economic Development Grant Agreement between Lennar Homes of Texas Land and Construction, Ltd., and the City of Kerrville, Texas Economic Improvement Corporation (551.071, 551.087).

9 **POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:**

10 **ITEMS FOR FUTURE AGENDAS:**

ADJOURN.



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

SUBJECT: Minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 17, 2023.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 31, 2023

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? No

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 17, 2023.

RECOMMENDED ACTION:

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on July 17, 2023.

ATTACHMENTS:

[*EIC MINUTES 7-17-2023.pdf*](#)

CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION REGULAR MEETING – July 17, 2023

On Monday, July 17, 2023, at 4:00 p.m., the regular meeting of the City of Kerrville, Texas Economic Improvement Corporation (EIC) was called to order by President Kim Clarkson, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

MEMBERS PRESENT:

Kim Clarkson - President
Gary Cochrane - Vice-President
John Anderson - KEDC
Gregg Appel
Kyle Bond - "GO Team"
Celeste Hamman
Joe Herring Jr. - Councilmember

MEMBERS ABSENT: None

CHIEF EXECUTIVE STAFF:

Kim Meismer, Interim City Manager
Mike Hayes, City Attorney
Michael Hornes, Deputy City Manager
Kesha Franchina, Deputy City Secretary
Julie Behrens, Director of Finance
Jacob Bogusch, Finance Compliance Coordinator
Trina Rodriguez, Assistant Director of Finance

VISITORS PRESENT: No citizen speakers registered to speak during the Visitors/Citizens forum.

1 CALL TO ORDER: President Kim Clarkson called the meeting to order at 4:00 p.m.

2 INVOCATION: Gregg Appel led the invocation.

3 ANNOUNCEMENTS: None

4 VISITORS/CITIZENS FORUM:

- Barbara Dewell Ferguson

5 APPROVAL OF MINUTES:

5.A Minutes from the regular and annual Economic Improvement Corporation (EIC) meeting held on May June 19, 2023.

Gary Cochrane motioned to approve the minutes, Kyle Bond seconded by. The motion passed 7-0.

6 MONTHLY REPORTS:

6.A Kerr Economic Development Corporation (KEDC) update.

Gil Salinas presented the KEDC update, and responded to questions.

Councilmember Herring requested the KEDC monthly report be in writing in the packet for

review before the meeting.

6.B. EIC project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

Michael Hornes presented the EIC Project Status update, and responded to questions.

6.C Monthly Financial Report.

Trina Rodriguez presented the Monthly Financial Report, and responded to questions.

Michael Hornes presented the 10 Year Cash Flow Analysis, and responded to questions. Gary Cochrane requested an updated 10 Year Cash Flow Analysis be presented monthly.

7 PUBLIC HEARING AND POSSIBLE ACTION:

7.A Economic Development Grant Agreement between City of Kerrville, TX Economic Improvement Corporation and Lennar Homes of Texas Land and Construction, LTD for regional infrastructure.

Michael Hornes presented the agreement with Lennar Homes, and responded to questions.

President Clarkson opened the Public Hearing at 5:00 pm.

Speakers were as follows:

- Clifton Karim, Lennar Homes
- Barbara Dewell Ferguson
- Peggy McKay
- George Baroody
- Pablo Brinkman
- Maggie Megee
- Bruce Stracke

President Clarkson closed the Public Hearing at 5:22 pm. The EIC decided to move the discussion to Executive Session portion of the meeting; and continued to the next item on the agenda.

President Clarkson moved item 8.B. ahead of 8.A. to allow Gil Salinas to speak.

8 CONSIDERATION AND POSSIBLE ACTION:

8.A. Economic Improvement Corporation (EIC) Proposed Budget for the Fiscal Year 2024.

Julie Behrens presented the proposed EIC Budget. She, and Michael Hornes, responded to questions. Michael Hornes introduced possible future training initiatives. President Clarkson requested he push out opportunities link to the board.

Councilmember Herring motioned to approve the EIC proposed FY2024Budget, seconded by Kyle Bond. The motion passed 7-0.

8.B. 1) Review of the proposed budget from Kerr Economic Development Corporation(KEDC) Budget for Fiscal Year 2024.

Gil Salinas presented the proposed KEDC Budget, and responded to questions. No action was taken.

2) Economic Development Grant Agreement between Kerr Economic Development Corporation (KEDC) and the City of Kerrville, Texas Economic Improvement Corporation (EIC).

Gil Salinas presented the proposed KEDC Budget, and responded to questions.

John Anderson motioned to approve item 8.B., seconded by Gregg Appel. Mike Hayes recommended the motion be re-worded. John Anderson withdrew his motion, Gregg Appel withdrew his second.

Councilmember Herring motioned to approve the fulfillment of its obligations as laid out in the existing KEDC agreement that triggers the 10% agreement, seconded by Kyle Bond. The motion passed 7-0.

Councilmember Herring motioned to convene into closed Executive Session under 551.071, 551.087, seconded by Gregg Appel. The motion passed 7-0. President Clarkson convened closed Executive Session at 5:51 p.m.

9 EXECUTIVE SESSION:

9.A. Economic Development projects: (551.071, 551.087)

- Project Mount Saddle
- Project Windridge

President Clarkson adjourned from closed Executive Session and entered into open session at 6:58 p.m.

10 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

President Clarkson stated on the Winridge Project EIC wishes to express support of this project, and authorize staff to move forward with items discussed in Executive Session and to finalize the agreement to be brought forward for final approval at a future meeting.

John Anderson motioned to call a Public Hearing at the next regular meeting for the Mount

Saddle Project to be considered, Celeste Hamman seconded. The motion passed 7-0.

11 ITEMS FOR FUTURE AGENDAS: None.

12 ADJOURN. President Clarkson adjourned the meeting at 6:59 p.m.

Minutes Approved: _____.

_____.
Kim Clarkson, EIC President

_____.
Attest: Kesha Franchina, Deputy City Secretary



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

SUBJECT: Minutes from the special-called City Council and Economic Improvement Corporation (EIC) meeting held on August 15, 2023.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** August 4, 2023

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? No

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

Approve minutes from the special-called City Council and Economic Improvement Corporation (EIC) meeting held on August 15, 2023.

RECOMMENDED ACTION:

Approve minutes from the special-called City Council and Economic Improvement Corporation (EIC) meeting held on August 15, 2023.

ATTACHMENTS:

[8-15-2023 MINUTES final.pdf](#)

CITY OF KERRVILLE, TEXAS CITY COUNCIL AND ECONOMIC IMPROVEMENT CORPORATION JOINT WORKSHOP – August 15, 2023

On Tuesday, August 15, 2023, at 11:31 a.m., the Joint Workshop of the City Council and the Economic Improvement Corporation (EIC) was called to order by Mayor Judy Eychner and President Kim Clarkson, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

MEMBERS PRESENT:

Kim Clarkson – President
Gary Cochrane - Vice-President
John Anderson - KEDC
Gregg Appel
Kyle Bond - “GO Team”
Celeste Hamman
Joe Herring Jr. - Councilmember

MEMBERS ABSENT:

None

CHIEF EXECUTIVE STAFF:

Michael Hornes, Deputy City Manager
Mike Hayes, City Attorney
Shelley McElhannon, City Secretary
Kesha Franchina, Deputy City Secretary
Stuart Barron, Exec. Dir. Of Public Works
Julie Behrens, Director of Finance
Jacob Bogusch, Finance Compliance Cord.
Ashlea Boyle, Director of Parks & Recreation

Megan Folkerts, Senior Management Analyst
Randy Cawthon, Golf Course Maint. Super.
Stuart Cunyus, Public Information Officer
Deidre Flores, Asst. Dir. Of Parks & Rec
Shane Heffernan, Sports Facilities Manager
Rosa Ledesma, Recreations Manager
Trina Rodriguez, Assistant Director of Finance

CALL TO ORDER OF THE KERRVILLE CITY COUNCIL:

Mayor Judy Eychner called the workshop to order at 11:31 a.m.

CALL TO ORDER OF THE KERRVILLE ECONOMIC IMPROVEMENT CORPORATION:

President Kim Clarkson called the workshop to order at 11:31 a.m.

Michael Hornes made introductions and welcomed everyone to the workshop.

Mayor Eychner noted to combine any public comments and speakers before moving to item 2.

1. PUBLIC COMMENTS: *A member of the public may address City Council and the Economic Improvement Corporation regarding an item on this agenda. Comments must be relevant to an agenda item. This is not intended to be a question and answer session. Prior to speaking, each speaker must fill out the speaker request form and submit it to the City Secretary. The speaker request form must be submitted before the meeting is called to order. Each speaker is limited to four minutes.*

Speaker(s) were as follows:

- Lauren Porter
- Layng Guerriero
- Kent McKinney
- Charlie McIlvain
- Julie Davis
- Barbara Ferguson, (Stuart Barron provided clarification to comments)
- Maggie Megee
- Russel Nemke, Parks and Recreation Advisory Board

2. DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION:

- 2.A. Discussion and recommendation on debt capacity, issuance of sales tax revenue bonds, and annual funding for projects related to recreational and community facilities.

Michael Hornes, Stuart Barron, Ashlea Boyle, Randy Cawthon, Julie Behrens and Trina Rodriguez provided information and responded to questions.

President Clarkson requested consensus by EIC members to provide direction for staff to prepare projections of allocated projects for a possible 15 million bond, possible 20 million bond, and possible 25 million bonds and bring back to the EIC regular scheduled meeting. General consensus provided by EIC members.

President Clarkson requested consensus by EIC members to move the regular scheduled EIC meeting as two members are not available to attend the next scheduled meeting. General consensus was provided by EIC members.

The EIC regular meeting was rescheduled to Monday, August 28, 2023.

ADJOURN. President Clarkson adjourned the workshop at 1:38 p.m.

Minutes Approved _____.

_____.
Kim Clarkson, EIC President

_____.
Attest: Kesha Franchina, Deputy City Secretary



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

SUBJECT: Kerr Economic Development Corporation (KEDC) update.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 17, 2023

SUBMITTED BY: Kesha Franchina, Deputy City Secretary

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action required.



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

SUBJECT: Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

AGENDA DATE OF: August 28, 2023

DATE SUBMITTED: August 9, 2023

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|-----------------------|--------------------------------------|------------------|-----------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action.

ATTACHMENTS:

[8-7-2023 EIC CIP Project Update.pdf](#)

Monthly EIC Project Status Report

| | Project Name | Description | Estimated Design Completion | Estimated Construction Completion | Comments |
|---|--|--|-----------------------------|-----------------------------------|--|
| 1 | KERV Airport Improvements | Partnership with KERV, TX DOT, City and County to build T-Hangars, Box Hangars, and other building improvements | TBD | TBD | Partnership Agreement approved Fall 2019. All items complete |
| 2 | Killdeer Mountain Manufacturing | Renovation of 40,000 sq ft building on 8.2 acres in Airport Commerce Park for 400+ employee Tier-1 aerospace manufacturer | Private | 2023 | Staff has been conducting inspections for plumbing and electrical work on the main building finish out. |
| 3 | Peterson Medical Center Campus Infrastructure Improvements | Campus improvements including extension of public utilities and roadway | Private | 2023 | Partnership Agreement approved January 2022. Construction in progress for Surgery Center. Utility construction substantially complete and first payment to Peterson has been paid for \$800,000 |
| 4 | Louise Hays Park Fitness Court | Collaboration between BCBSTX, National Fitness Campaign and local donors to provide quality outdoor fitness equipment in Louise Hays Park. | N/A | Summer, 2023 | Equipment has been installed, and staff has given the installers a punch list of items to be completed prior to opening up the court. |
| 5 | Downtown Area Streetscape | Relocate overhead utility lines to underground; improved beautification of the garage with stone veneer panels, stone planter boxes, LED light upgrades and xeriscaped planter beds. | TBD | Aug-23 | Electric utility construction in progress with intersection of Water Street/Clay street complete. KPUB contractor is continuing north on Clay street towards Main street, to be followed by alignment on Water street near parking garage with anticipated completion August, 2023. Sidewalk reconstruction anticipated to begin August, 2023 following completion of electrical work. |
| 6 | Downtown River Trail extension | River Trail extension from G Street to Tranquility Island | Summer 2023 | TBD | Design complete. 1 of 5 easements at the owners, remainder are being finalized to be sent to owners for review and approval. |
| 7 | River Trail, Nimitz Lake | Feasibility study of extending trail around lake | Aug-2023 | TBD | Feasibility study complete with presentation to EIC anticipated of August 2023. |



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

SUBJECT: Monthly Financial Report.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 17, 2023

SUBMITTED BY: Trina Rodriguez, Accounting Manager

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? No

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action.

ATTACHMENTS:

July 2023 financial presentation.pdf



Financial update for the month ended July 31, 2023

**Economic Improvement Corporation Meeting
August 28, 2023**

Economic Improvement Corporation
Statement of Activities
Month Ended July 31, 2023

| | Annual Budget | Current Period | YTD Actual | YTD Budget Estimate | Better/Worse YTD Estimate |
|--|------------------|----------------|------------------|---------------------|---------------------------|
| Revenues | | | | | |
| Sales and Use Tax | \$ 5,262,270 | \$ 446,694 | \$ 4,193,461 | \$ 4,197,662 | \$ (4,201) |
| Interest Income | 28,373 | 33,569 | 252,671 | 23,524 | 229,147 |
| Investment Maturity | 3,000,000 | - | 1,976,999 | 1,976,999 | - |
| Total Revenues | 8,290,643 | 480,262 | 6,423,131 | 6,198,185 | 224,946 |
| Expenditures | | | | | |
| Administrative | | | | | |
| Supplies and Miscellaneous | 650 | 50 | 50 | 50 | - |
| Legal Services | 10,000 | - | - | - | - |
| Professional Services | 200,000 | 16,667 | 169,667 | 169,667 | - |
| Kerr Economic Development Corp. | 312,500 | 78,125 | 312,500 | 312,500 | - |
| Total Administrative | 523,150 | 94,842 | 482,217 | 482,217 | - |
| Debt Service | | | | | |
| Debt Service - Series 2019 Ref (River Trail) | 251,291 | 20,941 | 209,409 | 209,409 | - |
| Debt Service - Series 2020 Ref (River Trail) | 231,000 | 19,250 | 192,500 | 192,500 | - |
| Debt Service - Series 2015 (KSC) | 602,850 | 50,238 | 502,375 | 502,375 | - |
| Total Debt Service | 1,085,141 | 90,428 | 904,284 | 904,284 | - |
| Investment Purchases | 2,500,000 | - | 1,955,171 | 1,955,171 | - |
| Projects | | | | | |
| Airport Projects | 95,901 | * | 76,433 | 76,433 | - |
| Sid Peterson Memorial Hospital | 800,000 | - | - | - | - |
| Outdoor Fitness Court | 100,000 | * | 100,000 | 100,000 | - |
| Downtown Utilities/Streetscape | 400,000 | * | - | - | - |
| Downtown River Trail | 1,020,280 | * | 125,000 | 375,000 | - |
| Travis Street Pump Station Upgrades | 750,000 | * | - | - | - |
| Total Projects | 3,166,181 | 125,000 | 551,433 | 551,433 | - |
| Total Expenditures | 7,274,472 | 310,270 | 3,893,105 | 3,893,105 | - |

Change in Net Position

\$ 1,016,171 \$ 169,992 \$ 2,530,026

Economic Improvement Corporation

Cash Flow Forecast

As of July 31, 2023

| | FY2024 Projections | | | | | |
|------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | Oct 2022 to Jul 2023 | Aug 2023 to Sep 2023 | Oct 2023 to Dec 2023 | Jan 2024 to Mar 2024 | Apr 2024 to Jun 2024 | Jul 2024 to Sep 2024 |
| Beginning Cash Balance | \$ 3,606,229 | \$ 6,102,607 | \$ 5,671,894 | \$ 6,041,147 | \$ 6,545,773 | \$ 6,473,191 |
| Revenue | | | | | | |
| Sales Tax | 4,193,461 | 1,064,608 | 1,206,029 | 1,316,402 | 1,239,195 | 1,485,601 |
| Interest Income | 252,671 | 74,110 | 40,250 | 40,250 | 40,250 | 40,250 |
| Investment Maturity | 1,976,999 | 500,000 | 1,000,000 | - | 1,000,000 | - |
| Total Revenue | 6,423,131 | 1,638,718 | 2,246,279 | 1,356,652 | 2,279,445 | 1,525,851 |
| Expenditures | | | | | | |
| Administrative | | | | | | |
| Supplies and Miscellaneous | 50 | 163 | 163 | 163 | 163 | 163 |
| Legal Services | - | 2,500 | 2,500 | 2,500 | 2,500 | 2,500 |
| Training | - | - | 2,500 | 2,500 | 2,500 | 2,500 |
| Professional Services | 169,667 | 33,333 | 51,250 | 51,250 | 51,250 | 51,250 |
| Kerr Economic Development Corp. | 312,500 | - | 85,938 | 85,938 | 85,938 | 85,938 |
| Total Administrative | 482,217 | 35,996 | 142,350 | 142,350 | 142,350 | 142,350 |
| Debt Service | 904,284 | 180,856 | 272,677 | 272,677 | 272,677 | 272,677 |
| Projects | | | | | | |
| Airport Box Hangar | 76,433 | 19,469 | - | - | - | - |
| Sid Peterson Memorial Hospital | - | 800,000 | - | - | 800,000 | - |
| Outdoor Fitness Court | 100,000 | - | - | - | - | - |
| Downtown Utilities/Streetscape | - | 275,000 | 75,000 | 50,000 | - | - |
| Downtown River Trail | 375,000 | - | 125,000 | 125,000 | 125,000 | 125,000 |
| Travis Street Pump Station Upgrade | - | 250,000 | 250,000 | 250,000 | - | - |
| Total Projects | 551,433 | 1,344,469 | 450,000 | 425,000 | 925,000 | 125,000 |
| Investment Purchase | 1,955,171 | 500,000 | 1,000,000 | - | 1,000,000 | - |
| Total Expenditures | 3,893,105 | 2,061,321 | 1,865,027 | 840,027 | 2,340,027 | 540,027 |
| Interest Receivable | 33,927 | 8,110 | 12,000 | 12,000 | 12,000 | 12,000 |
| Ending Cash Balance | \$ 6,102,607 | \$ 5,671,894 | \$ 6,041,147 | \$ 6,545,773 | \$ 6,473,191 | \$ 7,447,015 |



Financial Analysis

| Sales Tax Revenue Analysis - FY2023 | | | | | |
|-------------------------------------|------------|------------|------------|------------|------------|
| Month | Actual | Budget | Actual | FY2022 | Budget |
| | FY2022 | FY2023 | FY2023 | vs. FY2023 | vs. Actual |
| October | \$ 365,850 | \$ 385,387 | \$ 442,046 | 20.83% | 14.70% |
| November | 420,172 | 432,879 | 411,128 | -2.15% | -5.02% |
| December | 333,189 | 378,611 | 376,754 | 13.08% | -0.49% |
| January | 421,736 | 413,564 | 436,330 | 3.46% | 5.50% |
| February | 474,948 | 516,676 | 491,396 | 3.46% | -4.89% |
| March | 366,033 | 378,656 | 384,056 | 4.92% | 1.43% |
| April | 314,340 | 333,031 | 364,763 | 16.04% | 9.53% |
| May | 444,108 | 474,771 | 459,697 | 3.51% | -3.18% |
| June | 406,782 | 436,660 | 380,598 | -6.44% | -12.84% |
| July | 404,917 | 447,426 | 446,694 | 10.32% | -0.16% |

| Cash Analysis as of July 31, 2023 | | |
|-----------------------------------|----------------------------------|---------------------|
| Type | Placement | Amount |
| Pool | EIC TexPool | \$ 6,102,607 |
| ST Investment | Toyota Motor Credit CP-8923A1VR9 | \$ 498,157 |
| ST Investment | FHLB Call Note-3130ATRA7 | \$ 499,013 |
| ST Investment | Fannie Mae Note-3135G0V34 | \$ 984,938 |
| Total Cash and Investments | | \$ 8,084,714 |

| Project Analysis as of July 31, 2023 | | | |
|--------------------------------------|---------------------|-------------------|---------------------|
| Project Description | EIC Commitment | Disbursed Funding | Remaining Funding |
| Committed Projects: | | | |
| Travis Street Pump Station Upgrades | \$ 750,000 | - | \$ 750,000 |
| Downtown Utilities/Streetscape | 400,000 | - | 400,000 |
| Outdoor Fitness Court | 100,000 | 100,000 | - |
| Downtown River Trail | 1,020,280 | 375,000 | 645,280 |
| Sid Peterson Memorial Hospital | 1,600,000 | - | 1,600,000 |
| Airport Box Hangar | 132,767 | 113,298 | 19,469 |
| Committed Project Total | \$ 4,003,047 | \$ 588,298 | \$ 3,414,749 |



Questions?



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

SUBJECT: Consider Economic Development Project Application to The City of Kerrville, Economic Improvement Corporation (EIC), from Litecrete, Inc. (Project Mount Saddle), for the Economic Improvement Corporation to convey property it owns at 300 Peterson Farm Road, such conveyance to be without any payment to the Economic Improvement Corporation. **(TO BE POSTPONED)**

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 31, 2023

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|-----------------------|--------------------------------------|------------------|-----------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Approve the Economic Development Project Application to The City of Kerrville, Economic Improvement Corporation (EIC), from Litecrete, Inc. (Project Mount Saddle), for the Economic Improvement Corporation to convey property it owns at 300 Peterson Farm Road.



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

SUBJECT: Administrative Services contract between City of Kerrville Texas Economic Improvement Corporation and City of Kerrville.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 31, 2023

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Approve the Administrative Services contract between City of Kerrville and City of Kerrville Texas Economic Improvement Corporation.

ATTACHMENTS:

[EIC_Services_2023-28_080823_DRAFT.pdf](#)

D R A F T 8/25/23

ADMINISTRATIVE SERVICES CONTRACT BETWEEN CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION AND CITY OF KERRVILLE, TEXAS

THIS CONTRACT is entered into as of the ____ day of _____ 2023, by and between the City of Kerrville, Texas, (“City”), and the City of Kerrville, Texas Economic Improvement Corporation (“EIC”) for and in consideration of the following promises and conditions:

ARTICLE I SERVICES PROVIDED BY CITY

City shall provide the following services to EIC subject to the limitations and conditions set forth below:

- A. **Engineering and Project Management Services:** City agrees to provide project management services to include coordination and oversight of both internal and external engineering, design, bid process, and all construction phases for EIC-funded projects that involve improvements to City and/or public property. City may contract engineering, project management, or construction services that may be necessary and EIC agrees to pay for such services as part of a project, which will be specified within a project agreement, and which is authorized by the EIC to be funded in whole or in part by sales tax revenues generated pursuant to the authority of Chapters 501, 502, and 505 of the Texas Local Government Code.
- B. **Legal Services:** City agrees the City Attorney will be the legal advisor of, and attorney for, EIC, which representation will include the drafting and review of documents, contracts, and other instruments as to form and legality, the conduct of legal research, and, if requested, the issuance of legal opinions. In the provision of legal services by the City Attorney, the City Attorney shall provide such services only if the provision of legal services to EIC does not unreasonably impair his ability to provide legal services to the City. For example, in the event the City Attorney determines that a legal or ethical conflict exists between the City and the EIC, the EIC agrees that the City Attorney may continue to represent the City on such matter notwithstanding such conflict; provided, however, that the City Attorney has made full disclosure of the existence, nature, implications, possible adverse consequences, and advantages involved, if any, of common representation regarding the conflict to the president of the EIC. Further and where a conflict exists, EIC may hire counsel of its own choice at EIC expense, subject to its budget, to include any undesignated reserve cash balance but not to exceed an overall expense of \$50,000.00. The City Attorney may contract at times for specialized legal services with respect to a project approved by EIC and EIC shall pay for such services. **The City Attorney shall notify the EIC as soon as**

possible as to his use of such services. Such notice may occur at the outset of a proposed project and before EIC's approval of the matter; or, later, when it becomes necessary in his opinion to secure such services.

- C. **Financial Services**: City agrees to provide accounting, banking, and investment services, including accounts receivable, accounts payable, disbursement of funds per agreements, investments, record keeping, financial reporting, **budgeting**, and an audit of all funds. The City will provide a report at each regular monthly meeting of the EIC, such report to include a statement of revenues and expenditures for all funds and a cash flow analysis.
- D. **Administrative Services**: City will provide services from the City Manager to include secretarial and other clerical services, including taking minutes and preparation of resolutions and correspondence related to the operation of EIC. City staff will also respond to all open records requests in compliance with state law, on behalf of the EIC. The City Manager or designee will engage with the EIC in a manner comparable to the role identified by Section 6.04 of the City Charter.
- E. **Investment Officer**: The City Manager will designate City Finance Department personnel to serve as the EIC's investment officer in accordance with the City's *Investment Policy*, as may be amended.
- F. **Regulatory Financial Reporting**: The City's Finance Department shall prepare all financial reports required by state and federal regulatory agencies.
- G. **Annual Audit**: The City's Finance Department shall include the EIC's financial information as part of **the City's annual budget, for consideration and approval by City Council**.
- I. **Project Reports**: The City Manager or designee shall provide a report at each regular monthly meeting of the EIC on all ongoing projects, which are subject to a funding agreement with the EIC. These reports shall include the status and estimated completion date of each project and verification that performance criteria are being met.
- J. **Staff Reports**: When applicable and requested by the EIC, the City Manager or designee shall prepare a report on each application for EIC funds, such report to include the following information:
 - 1. Complete Application
 - 2. Financial Impact Analysis
 - a. Total payroll

- b. Payroll multiplier
 - c. Sales and ad valorem tax generation
3. Return on Investment Analysis
- a. Property tax – City, County, and KISD
 - b. Sales tax – City and County
 - c. Payroll multiplier
 - d. Timeline by which return is realized
4. Feasibility Analysis
- a. Land – size, zoning, platting, building/fire codes
 - b. Building – size, suitability, condition
 - c. Infrastructure – water, wastewater, streets, drainage, electricity, public safety

K. Prospect Support Services: The City Manager or designee shall ensure that the following support services as provided by City staff are provided to the EIC in the review and processing of applications for EIC funds:

1. receive applications;
2. evaluate applications for completeness;
3. determine eligibility;
4. facilitate submission before the EIC;
5. provide technical evaluation;
6. provide recommendations;
7. coordinate with other aligned agencies/entities; and
8. identify appropriate incentives and programs.

ARTICLE II COMPENSATION

In consideration of the provision by City to EIC of the services described in Article I, above, EIC shall pay City **\$205,000.00** for Fiscal Year 2024. This amount shall be automatically increased each year by 4% for the term of this agreement. It is agreed by the parties that this compensation, to include the automatic increases, is equal to the reasonable value of the services anticipated to be provided by City to the EIC. City shall deduct the payment required hereunder upon receipt of said sales tax revenues from the Comptroller of Public Accounts for the State of Texas.

ARTICLE III TERM

The term of this Contract commences on October 1, 2023, and ends on September 30, 2028, a five-year term, subject to earlier termination as provided herein and extension by agreement of the parties hereto.

ARTICLE IV TERMINATION

This Contract may be terminated by City or EIC for any reason, with or without cause, not earlier than ninety (90) days prior to delivery to the non-terminating party of a written notice of termination. EIC agrees to pay City the reasonable cost of services rendered by City up to the date of termination.

ARTICLE V GOVERNING LAW

This Contract is subject to, governed by, and construed in accordance with the laws of the State of Texas.

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

CITY OF KERRVILLE, TEXAS

Kimberly Meismer, Interim City Manager

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

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

Kim Clarkson, President

ATTEST:

Kesha Franchina, Secretary of EIC

APPROVED AS TO FUNDING:

Julie Behrens, Director of Finance



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

SUBJECT: Consider a grant application from the City of Kerrville for a quality of life project package, not to exceed \$20,000,000, issuance of sales tax revenue bonds, and annual funding for projects including the Scott Schreiner Golf Course, the Cailloux Theater, the Olympic Pool, the A.C. Schreiner House, Granger McDonald Park and other related projects to recreational and community facilities within the City of Kerrville.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** July 28, 2023

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

| | | | |
|------------------------------|----------------------------|-------------------------|------------------------|
| Expenditure Required: | Remaining Budget | Amount Budgeted: | Account Number: |
| | Balance in Account: | | |
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area F - Public Facilities and Services

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

At the August 22nd City Council meeting, Council requested staff approach EIC with an application in consideration of a sale tax revenue bond in an amount not to exceed \$20,000,000 to fund several quality of life projects within the City of Kerrville. These projects include the Scott Schreiner Golf Course, the Olympic Pool, the Cailloux Theater, and the A.C. Schreiner House, to be operated by the Heart of the Hills Heritage Center, the Granger MacDonald Park, to be operated and maintained by the Upper Guadalupe River Center, Inc. Lastly, the City is requesting \$800,000 in funds for park improvements throughout our system for new playground and shade structures as funding permits.

The breakdown of the requested funds are below:

Cailloux Theater - \$4,000,000

Scott Schreiner Golf Course - \$4,000,000

| | |
|---------------------------|--------------|
| Olympic Pool - | \$7,000,000 |
| A.C. Schreiner House - | \$2,000,000 |
| Granger MacDonald Park - | \$2,200,000 |
| Other Park Improvements - | \$800,000 |
| Total | \$20,000,000 |

Tentative Schedule

08/28/23: EIC MEETING

1. Adopt Resolution Authorizing Reimbursement and Authorizing Consultants to Prepare Documents and Take Action
2. Resolution Calling for Public Hearing and Authorizing Publication of Notice to Undertake Project

08/31/23: Publication of Notice to Undertake Project in *Kerrville Daily Times*

11/14/23: Special Meeting (Joint with City Council and Corporation) *

City Council Resolution Authorizing the Corporation to Undertake Certain Economic Development Projects

City Council Resolution Authorizing Corporation's Issuance of Bonds and Project and Sales Tax Remittance Agreement.

EIC Public Hearing on proposed Projects.

EIC Approves Resolution Authorizing Issuance, Sale and Delivery of the Bonds and Approving Project and Sales Tax Remittance Agreement.

11/??/23: Bond Counsel files Transcript of Proceedings with Texas Attorney General's Public Finance Division for Review (TBD)

12/??/23: Closing. (TBD)

* At least 60 days after the notice is published per State Law

At the August 22nd City Council meeting, a question came up about why EIC should fund

quality of life projects and I would like to include the following in the agenda bill, which comes from the resolution authorizing and approving the creation of the EIC in 1995. This comes from the third whereas clause:

Whereas, as a result of such examination many recommendations were made to the City Council regarding economic development objectives and infrastructure improvements including street and drainage improvements, water and sewer system improvements, public safety improvements and park improvements, with the primary objective of enhancing the quality of life and the business opportunities for the citizens of the City.

Staff will have a presentation outlining the requested improvements at the meeting.

RECOMMENDED ACTION:

Provide staff with guidance on requested funding levels, project inclusion and the setting of a public hearing to consider the request from the City of Kerrville.



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

SUBJECT:

A resolution by the board of directors of the City of Kerrville, Texas Economic Improvement Corporation moving forward with the financing of various projects in the approximate principal amount of \$20,000,000 and setting a public hearing on the expenditure of sales tax revenues relating thereto; providing a notice of the specific projects or type of general projects to be undertaken; approving and authorizing the publication of a notice of the public hearing relating to these matters; and approving other matters in connection therewith.

AGENDA DATE OF: August 28, 2023 **DATE SUBMITTED:** August 24, 2023

SUBMITTED BY: Michael Hornes, Assistant City Manager

EXHIBITS:

| Expenditure Required: | Remaining Budget Balance in Account: | Amount Budgeted: | Account Number: |
|------------------------------|---|-------------------------|------------------------|
| N/A | N/A | N/A | N/A |

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item? Yes

Key Priority Area N/A

Guiding Principle N/A

Action Item N/A

SUMMARY STATEMENT:

This resolution is necessary step in the process, which, among other things, will allow us to reimburse expenses incurred prior to the issuance of the bonds, including expenses related to professional services at Scott Schreiner Golf Course.

RECOMMENDED ACTION:

Approve the resolution.

ATTACHMENTS:

[*Reso 01-2023 Intent_to_undertake_Project_082423_DRAFT.pdf*](#)

D R A F T 8/24/23

**CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION
RESOLUTION NO. 01-2023**

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION MOVING FORWARD WITH THE FINANCING OF VARIOUS PROJECTS IN THE APPROXIMATE PRINCIPAL AMOUNT OF **\$20,000,000 AND SETTING A PUBLIC HEARING ON THE EXPENDITURE OF SALES TAX REVENUES RELATING THERETO; PROVIDING A NOTICE OF THE SPECIFIC PROJECTS OR TYPE OF GENERAL PROJECTS TO BE UNDERTAKEN; APPROVING AND AUTHORIZING THE PUBLICATION OF A NOTICE OF THE PUBLIC HEARING RELATING TO THESE MATTERS; AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH**

WHEREAS, the City of Kerrville, Texas (the *City*) was authorized and has acted pursuant to the provisions of Section 4B, as amended, Texas Revised Civil Statutes Annotated Article 5190.6, now codified as Chapter 505, Texas Local Government Code, as amended, which includes the general provisions related thereto in Chapter 501, Texas Local Government Code, as amended (together, the *Act*), to create a nonprofit economic development corporation, known as the City of Kerrville, Texas Economic Development Corporation (the *Corporation*); and

WHEREAS, the City Council of the City (the *Council*), authorized the calling of an election to be held on May 6, 1995 (the *Election*) concerning authorization to levy of a one-half (1/2) of one percent (1%) additional sales and use tax (the *Sales Tax*) for the Corporation to undertake projects within the City in accordance with the provisions of the *Act*; and

WHEREAS, the majority of the residents of the City approved the levy of the Sales Tax at the *Election*; and

WHEREAS, the *Council*, pursuant to a resolution adopted on July 11, 1995 (the *Creation Resolution*), approved the creation of the Corporation in accordance with the provisions of the *Act*; and

WHEREAS, the *Council* approved the Corporation's Articles of Incorporation on July 11, 1995 (the *Articles*), establishing the organization and corporate existence of the Corporation, which specify the Corporation is organized to act on behalf of the City, may issue bonds on behalf of the City, and expend the proceeds of any sales and use tax levied for the benefit of the Corporation, for the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and the promotion of public welfare; and

WHEREAS, on May 11, 1999, the Council approved the Corporation's Articles of Amendment to specify that the Corporation's Board of Directors (the *Board*) can serve on staggered two year terms; and

WHEREAS, in the Creation Resolution, the Council authorized the Corporation to act on its behalf for the benefit and accomplishment of the public purposes, being economic development and other purposes as further described in the Act and the Articles, for which the Corporation is organized; and

WHEREAS, the Board of the Corporation has been budgeting and otherwise using for authorized purposes, with the approval of the Council, of the Sales Tax; and

WHEREAS, the Board intends to participate in "projects", as defined in the Act, including (i) land, buildings, equipment, facilities, and improvements, including for use for professional and amateur (including children's) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, 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 those items, in particular, but not limited to, Cailloux Theatre roof and HVAC replacement and improvements, Olympic Pool facility renovations and improvements, golf course facility renovations and improvements, Granger MacDonald Park upgrades and improvements, and Heart of the Hills Heritage Center renovation, upgrades and improvements, (ii) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii) the payment of professional services related to the acquisition and financing of the aforementioned projects (collectively, the *Projects*); and

WHEREAS, certain provisions of the Act, including Section 501.073(a) of the Act, require the Council's approval of all programs and expenditures of the Corporation;

WHEREAS, Section 505.159 of the Act provides that before the Corporation shall hold at least one public hearing on the proposed Projects before spending money to undertake the Projects; and

WHEREAS, Section 505.160 of the Act provides that before the Corporation may undertake any project, the Corporation must publish notice of the specific project or type of general project that the Corporation intends to undertake; and

WHEREAS, the Board hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the City; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION THAT:

SECTION ONE. A public hearing on the expenditure of Corporation funds for the purposes of financing the “costs” associated with certain “projects”, as defined in the Act, including (i) land, buildings, equipment, facilities, and improvements, including for use for professional and amateur (including children’s) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, 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 those items, in particular, but not limited to, Cailloux Theatre roof and HVAC replacement and improvements, Olympic Pool facility renovations and improvements, golf course facility renovations and improvements, Granger MacDonald Park upgrades and improvements, and Heart of the Hills Heritage Center renovation, upgrades and improvements, (ii) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii) the payment of professional services related to the acquisition and financing of the aforementioned projects, in the approximate amount of \$20,000,000, which projects are in accordance with Section 505.158, shall be and is hereby directed to be held at 6:00 P.M. on November 14, 2023 at City Hall Council Chambers, 701 Main Street, Kerrville, Texas 78028 (in the event the Board will be unable to meet at City Hall, the Board will post information on the City’s website for attending the meeting by telephone, teleconference, or other electronic means).

SECTION TWO. The Secretary of the Board, or the City Secretary, is hereby authorized and directed to cause notice of such public hearing, substantially in the form and content of **Exhibit A** attached hereto and incorporated herein by reference as a part of this Resolution for all purposes (the *Notice*), to be posted on the City’s website and published in one or more newspapers having a general circulation in the City with the publication of such notice to appear in such newspaper prior to the date of these public hearings. The City Manager, Finance Director, and City Secretary of the City, and Secretary of the Board and Executive Director (or any persons serving on an interim basis or in an acting capacity) are each individually authorized to make changes to the Notice as necessary prior to its publication and posting.

SECTION THREE. The Notice and public hearing shall also satisfy the requirements of the Act by providing notice of the specific project or types of general projects that the Corporation intends to undertake.

SECTION FOUR. The Corporation authorizes the President and Secretary of the Board, the City Secretary, and the Executive Director, or their designees, to take

any and all other actions necessary to comply with the provisions of the Act, including the expenditure of any and all professional fees and expenses related thereto.

SECTION FIVE. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Corporation.

SECTION SIX. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION SEVEN. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION EIGHT. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION NINE. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION TEN. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND APPROVED ON this the _____ day of _____ A.D., 2023.

Kim Clarkson, President

APPROVED AS TO FORM:

Michael C. Hayes, Attorney for the EIC

(Corporation Seal)

ATTEST:

Kesha Francina, Secretary

EXHIBIT A

**NOTICE OF PUBLIC HEARING AND INTENT TO UNDERTAKE PROJECT
BY
CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION**

NOTICE IS HEREBY GIVEN that the City of Kerrville, Texas Economic Improvement Corporation (the “Corporation”) created by the City of Kerrville, Texas (the “City”) intends to participate in “projects”, as defined in the Development Corporation Act of 1979, as amended, Texas Revised Civil Statutes Annotated Article 5190.6, now codified as Chapter 505, as amended, Texas Local Government Code, including (i) land, buildings, equipment, facilities, and improvements, including for use for professional and amateur (including children’s) sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, learning centers, parks and park facilities, open space improvements, municipal buildings, 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 those items, in particular, but not limited to, Cailloux Theatre roof and HVAC replacement and improvements, Olympic Pool facility renovations and improvements, golf course facility renovations and improvements, Granger MacDonald Park upgrades and improvements, and Heart of the Hills Heritage Center renovation, upgrades and improvements, (ii) the purchase of materials, supplies, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements, and (iii) the payment of professional services related to the construction and financing of the aforementioned projects, which projects are in accordance with subsection 505.158, Texas Local Government Code, as amended. It is estimated the total expenditure of these projects will be \$20,000,000. A public hearing on the expenditure for funds for this project will be held by the Board of Directors of the City of Kerrville, Texas Economic Improvement Corporation during a meeting to be held at 6:00 P.M. on November 14, 2023 at City Hall Council Chambers, 701 Main Street, Kerrville, Texas 78028 (in the event the Board will be unable to meet at City Hall, the Board will post information on the City’s website for attending the meeting in person or by telephone, teleconference, or other electronic means).

Kesha Franchina, Secretary to the
Board
City of Kerrville, Economic
Improvement Corporation