

AGENDA

Special City Council Meeting and Workshop

5:30 PM - Tuesday, February 23, 2021

City Council Chambers, 201 E. Nash Street, Terrell, TX



Mayor Rick Carmona

Council Members

District 2 - Grady Simpson

District 3 - Mayrani Velazquez

District 4 - Charles Whitaker

District 5 - Tim Royse

City Manager Mike Sims

NOTICE IS HEREBY GIVEN that the Terrell City Council will conduct a Special City Council Meeting and Workshop at 5:30 p.m. on Tuesday, February 23, 2021, at Terrell City Hall located at 201 East Nash Street. The meeting is open to the public with limited seating in the Council Chambers. Recommendations of the CDC regarding social distancing will be practiced during the course of the public meeting to slow the spread of the Coronavirus (COVID-19).

If you choose not to attend in person and you wish to submit public comments, email support@cityofterrell.org and title the email "Public Comment". All public comments submitted by 12:00 pm on Tuesday, February 23, 2021 will be provided to the City Council members and read into the record for the Tuesday, February 23, 2021 City Council Meeting.

Page

1. CALL TO ORDER

2. INVOCATION

3. PLEDGE TO AMERICAN FLAG AND TEXAS FLAG.

4. MAYOR AND COUNCIL COMMUNITY RECOGNITION AND EVENTS

5. HEAR REMARKS FROM VISITORS.

This time is set aside on the agenda to invite any person to address the Council on issues not subject to a public hearing. Routine administrative matters are best discussed with the appropriate City Staff before bringing them to the Council. Prior to the meeting, please complete a "Citizen Participation Form" and present it to the City Secretary. In accordance with the Texas Open Meetings Act, Section 551.042, the City Council cannot discuss, consider, or take action on matters not listed on the agenda. Speakers should limit their comments to 3 minutes and are asked to speak into the microphone provided, identifying themselves for the record. The total amount of time set aside for this place on the agenda is 15 minutes. Comments of a personal nature directed at the Council or Staff are inappropriate.

6. BOARDS AND COMMISSIONS

- | | | |
|------|---|---------|
| 6.1. | Discuss and Consider Planning and Zoning Board Appointments.
council board responsibilities
Planning-Zoning Board
P-Z Applications | 4 - 13 |
| 6.2. | Discuss and Consider Zoning Board of Adjustments Appointments.
council board responsibilities
ZBA
ZBA Applications | 14 - 22 |
| 6.3. | Discuss Tax Increment Reinvestment Zone No. 1/Power Center Board Appointments.
council board responsibilities
TIF-PC | 23 - 25 |

7. BUSINESS ITEMS

- | | | |
|------|--|---------|
| 7.1. | Discuss Short Term Borrowing Strategy.
short term borrowing
Comparison of Financings - 2.11.21
Resolution No. 1014 | 26 - 30 |
| 7.2. | Discuss and Consider Resolution No. 1006, A Resolution Of The Of The City Council Of The City Of Terrell Texas Authorizing The Funding For Downtown Building Renovation.
Resolution No. 1006
TIF Resolution 2021-1
PADIC Resolution 2020-2
ANDERSON BUILDING REMODEL REUSE PARTNERSHIP | 31 - 60 |

- 7.3. Discuss and consider final plat (FP 21-01) for Lots 5, 6, 7, Block 5 for the Crossroads at Terrell, Phase 2A. Along with plat, Crossroads Parkway will be extended throughout the frontage of the property. 61 - 64
[Crossroads at Terrell, Phase 2A Application FP 21-01](#)
[Crossroads at Terrell Phase 2A-Final Plat FP 21-01](#)

8. DISCUSSION ITEMS

- 8.1. Discuss City Hall Renovation Update.
- 8.2. Discuss Strategic Plan Overview. 65 - 73
[Strategic Plan](#)
[Strategic Plan FY22](#)
- 8.3. Discuss Housing Department Strategic Plan. 74 - 85
[HOUSING 3-YEAR STRATEGIC PLAN 2.18.2021](#)
- 8.4. Discuss Finance Department Strategic Plan. 86 - 101
[Finance Strategic Plan](#)
- 8.5. Discuss Human Resources Department Strategic Plan. 102 - 120
[HR STRATEGIC PLAN](#)

9. ADJOURN.

I, the undersigned authority, do hereby certify that the above NOTICE OF MEETING of the Governing Body of the City of Terrell is a true and correct copy of said NOTICE, which has been posted on the front OUTDOOR BULLETIN BOARD CABINET FOR AGENDAS of the Terrell City Hall, Terrell, Texas, a place convenient and readily accessible to the General Public and on the website at cityofterrell.org, and which has been continuously posted for a period of seventy-two (72) hours prior to the date and time said meeting was convened.
 Posted Friday, February 19, 2021 –5:00 p.m.

Dawn Steil, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary’s office at 972-551-6600 for further information. Braille is not available.

Council Reserves the Right to Adjourn into Executive Session to Seek Legal Counsel on a Matter Which the Canon of Legal Ethics Demands to Preserve the Attorney-Client Privilege Pursuant to Section 551.071(2) of the Texas Government Code.

Council Board Responsibilities

Board	Council Member
Airport	Rick Carmona
Animal Advisory Board	Grady Simpson
Building Standards	Tim Royse
Civil Service	Grady Simpson
Economic Development	Rick Carmona
Library	Charles Whitaker
Park	Tim Royse
Zoning Board of Adjustments	Mayrani Velazquez
TIF/Power Center	Mayrani Velazquez
Planning and Zoning	Mayrani Velazquez

ITEM 6.1.

Member	Contact Information	Term Count	Appointed / Re-App't'd	Term Expiration
Planning & Zoning Commission				
Rosi Jaurez Original Appointment 9/19/2017	204 Heath Terrell, TX 75160 H: M: 713-818-5328 EM: rosi@fun-folks-unlimited.com	2	4/1/2020	Apr-22
Jenny Heisel Vice-Chairman Original Appt. Date - 11/15/2016 Vice- Chairman elect 7/23/2020	302 Lovers Lane Terrell, TX 75160 T: 972-563-6408 M: 214-384-3031 EM: jenny.heisel@suddenlink.net	2	2/14/2019	Feb-21
Jorge Vargas originally appointed 11-17-2020 replaced Vickie Anderson who termed out	810 E. College Street Terrell, Texas 75160 M: 469-474-5245 EM: sgtvargas74@yahoo.com	1	11/17/2020	Nov-22
Carolyn A. Wimberly Replaced Kathy Russell termed out.	1121 S. Frances Terrell, TX 75160 H: 214-733-2237 M: W: EM: carolwimber@aol.com	1	7/24/2018	Jul-20
Trini B. Jones Original appointment date - 10/20/2015	136 E. McCoulskey Terrell, TX 75160 M: 469-343-8245 EM: trinibjones@gmail.com	2	2/14/2019	Feb-21

ITEM 6.1.

Garrett Carlisle Original Appointment June 30, 2020 to replace Carolyn Fairley who termed out	307 Talty Road Terrell, TX 75160 C: 972-489-6456 EM: garrett@cliffviewassetgroup.com	1	6/30/2020	Jun-22
Stephanie Thomas Original Appointment: April 18, 2017 to replace Bruce Loflin who resigned.	1815 Trailview Terrell, TX 75160 H: 972-551-3466 M: 214-335-3670 EM: stephaniethomasrn@yahoo.com	2	5/21/2019	May-21
Danny Stephens- CHAIRMAN Orig. Appt. Date - 1/5/17	307 W. Moore Ave Terrell, Texas 75160 T: 972-524-5025 C: 214-926-9204 EM: dannystephens@sbcglobal.net	2	2/14/2019	Feb-21
Joe Hood - Replaced Jerry Yates term out.	506 Fox Terrell, TX 75160 T: 972-977-7507 W: C: 972-977-7505 EM: cmdrjoehood@yahoo.com	2	5/21/2019	May-21
(3) Terms: 2 years 4th Tuesday of each month Quorum: 5 members Ordinance 2350				
Request Reappointment				
Needs a Replacement				

Not Eligible	
Appointed to Board	No
First Name	Stacey
Last Name	Browning
Email	staceybrowning@ebby.com
Address	121 Lexington Dr
City	Terrell
State	Texas
Zip Code	75160
Occupation	Realtor
Resident of Terrell?	Yes
If Yes, How Many Years?	8
Airport Board	
Civil Services Board	
Building Standards Board	
Library Board	
Tax Increment Financing Reinvestment Number 1 Board	
Parks Board	
Planning and Zoning Commission	1
Economic Development Corporation	2
Zoning Board of Adjustments	
Kaufman County Appraisals	

Park and Downtown Improvements Corporation	3
Qualifications	Am familiar with the real estate market, founded the community service organization - Daughters of the American Revolution, served one term on ZBA, attended Terrell Citizens University
Special Qualifications	Terrell Citizens University
Notes	
Admin Notes	

First Name	Gabriel
Last Name	Cabrera
Home Phone	323-718-1237
Mobile	214-948-4242
Email	gabriel.cabrera@dallascityhall.com
Address	408 S Frances Street
City	Terrell
State	Texas
Zip Code	75160
Occupation	Fir Protection Engineer
Resident of Terrell?	Yes
If Yes, How Many Years?	5
Qualifications	Building Department employee Building Code Specialist Fire Code Specialist Existing Building Code Specialist
Special Qualifications	Attended None of These
Board Preference Rating	7

Not Eligible	
Appointed to Board	No
First Name	Ashley
Last Name	Fivecoat
Email	ashley5coat@gmail.com
Address	1007 Griffith Ave.
City	Terrell
State	Texas
Zip Code	75160
Occupation	Realtor
Resident of Terrell?	Yes
If Yes, How Many Years?	33
Airport Board	
Civil Services Board	
Building Standards Board	
Library Board	
Tax Increment Financing Reinvestment Number 1 Board	
Parks Board	
Planning and Zoning Commission	
Economic Development Corporation	
Zoning Board of Adjustments	
Kaufman County Appraisals	

Park and Downtown Improvements Corporation	
Qualifications	Terrell resident majority of my life, extremely connected to the residents. Work in real estate and have knowledge of both residential and commercial construction from both professional and personal experience.
Special Qualifications	Attended None of These
Notes	
Admin Notes	

First Name	Stephanie
Last Name	Fuller
Home Phone	
Mobile	2143847025
Email	storm_trpr27@yahoo.com
Address	305 Runnells
City	Terrell
State	Texas
Zip Code	75160
Occupation	Education
Resident of Terrell?	Yes
If Yes, How Many Years?	5
Qualifications	=>Native Terrell Resident/Homegrown =>20+ years in Education (as a teacher, administrator, and central office) =>Able to problem-solve =>Clear and concise decision-making skills =>Time to devote to the board itself and to the responsibilities that come with the position
Special Qualifications	Terrell Citizens University
Board Preference Rating	1

First Name	Felicia
Last Name	Spencer
Home Phone	9729216425
Mobile	9729216425
Email	netxrealtor69@gmail.com
Address	404 Main St
City	Terrell
State	Texas
Zip Code	75160
Occupation	Realtor
Resident of Terrell?	Yes
If Yes, How Many Years?	16
Qualifications	I don't know what would qualify me, but I am a Realtor here, I am a certified Historical Home Specialist, and I love my hometown. I know a lot of people, I feel, but also do not know a lot so I'd like to know more people and help make our city's reputation better and better.
Special Qualifications	Attended None of These
Board Preference Rating	3

Council Board Responsibilities

Board	Council Member
Airport	Rick Carmona
Animal Advisory Board	Grady Simpson
Building Standards	Tim Royse
Civil Service	Grady Simpson
Economic Development	Rick Carmona
Library	Charles Whitaker
Park	Tim Royse
Zoning Board of Adjustments	Mayrani Velazquez
TIF/Power Center	Mayrani Velazquez
Planning and Zoning	Mayrani Velazquez

ITEM 6.2.

Member	Contact Information	Term Count	Appointed Re-Appointed	Term Expiration
Zoning Board of Adjustments				
Jimmy Cooper CHAIRMAN (10/26/2020) Original appointment date - Jan. 3, 2017 Replaced Stacey Browning who was not reappointed.	222 Elm Drive Terrell, TX 75160 M: 972-955-8736 EM: jim@jarepllc.com	1	2/5/2019	Feb-21
OPEN	Terrell, TX 75160 T: EM:	0	0	Dec-01
Dr. Kameka Miller Orig. Appt. Date - 2/5/19 to replace Dawn Steil who resigned 11/9/18 due to City of Terrell employment	ADDRESS Terrell, Texas 75160 C: 601-720-2828 W: EM:	1	2/5/2019	Feb-21
Jerry Yates- replaced Valente Briones	109 Brookhollow Terrell, TX 75160 972-669-4654	2	10/20/2020	Oct-22
Gene Glaeser CHAIRMAN Appointed April, 2011	PO Box 1255 Terrell, TX 75160 H: 972-551-1868 C: 214-862-1112 EM: gglaeser@yahoo.com	3	4/23/2018	Apr-20
Carolyn Fairley Appointed 10/20/20, replaced Bill Sweazea who did not seek a 3rd term	1007 N. Frances Terrell, TX 75160 C: 972-322-1990 EM: carolyn@rmlandmark.com	1	10/10/2020	Oct-22

ITEM 6.2.

Karen Jones VICE-CHAIRMAN (10/26/2020)	150 Redwood Lane Terrell, Texas 75160 C: 469-474-9719 H: 972-524-1499 EM: TISDWife@yahoo.com	1	2/5/2019	Feb-21
(3) Terms: 2 years Quorum: 4 members Ordinance 2357				
Request Reappointment				
Needs Replacement				
2011 Honorees:				
Chris Simpson				
Frank Finan				

First Name	Vickie
Last Name	Anderson
Home Phone	
Mobile	214 646 5933
Email	vanderson@dallasisd.org
Address	1017 S. Medora
City	Terrell
State	Texas
Zip Code	75160
Occupation	Budget Manager
Resident of Terrell?	Yes
If Yes, How Many Years?	21
Qualifications	Airport Board 2 Planning & Zoning 4
Special Qualifications	Terrell Citizens University
Board Preference Rating	1

First Name	Gabriel
Last Name	Cabrera
Home Phone	323-718-1237
Mobile	214-948-4242
Email	gabriel.cabrera@dallascityhall.com
Address	408 S Frances Street
City	Terrell
State	Texas
Zip Code	75160
Occupation	Fir Protection Engineer
Resident of Terrell?	Yes
If Yes, How Many Years?	5
Qualifications	Building Department employee Building Code Specialist Fire Code Specialist Existing Building Code Specialist
Special Qualifications	Attended None of These
Board Preference Rating	7

Not Eligible	
Appointed to Board	No
First Name	Ashley
Last Name	Fivecoat
Email	ashley5coat@gmail.com
Address	1007 Griffith Ave.
City	Terrell
State	Texas
Zip Code	75160
Occupation	Realtor
Resident of Terrell?	Yes
If Yes, How Many Years?	33
Airport Board	
Civil Services Board	
Building Standards Board	
Library Board	
Tax Increment Financing Reinvestment Number 1 Board	
Parks Board	
Planning and Zoning Commission	
Economic Development Corporation	
Zoning Board of Adjustments	
Kaufman County Appraisals	

Park and Downtown Improvements Corporation	
Qualifications	Terrell resident majority of my life, extremely connected to the residents. Work in real estate and have knowledge of both residential and commercial construction from both professional and personal experience.
Special Qualifications	Attended None of These
Notes	
Admin Notes	

First Name	Stephanie
Last Name	Fuller
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Mobile	2143847025
Email	storm_trpr27@yahoo.com
Address	305 Runnells
City	Terrell
State	Texas
Zip Code	75160
Occupation	Education
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If Yes, How Many Years?	5
Qualifications	=>Native Terrell Resident/Homegrown =>20+ years in Education (as a teacher, administrator, and central office) =>Able to problem-solve =>Clear and concise decision-making skills =>Time to devote to the board itself and to the responsibilities that come with the position
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Last Name	Spencer
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Occupation	Realtor
Resident of Terrell?	Yes
If Yes, How Many Years?	16
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Special Qualifications	Attended None of These
Board Preference Rating	3

Council Board Responsibilities

Board	Council Member
Airport	Rick Carmona
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Library	Charles Whitaker
Park	Tim Royse
Zoning Board of Adjustments	Mayrani Velazquez
TIF/Power Center	Mayrani Velazquez
Planning and Zoning	Mayrani Velazquez

ITEM 6.3.

Name	Contact Information	Term Count	Appointed Re-	Term Expiratio
Tax Increment Financing Reinvestment Zone No. 1 Board				
Don Thurman Chairman for 1 year Appointed November 20, 2007	1103 Griffith Ave. Terrell, Texas 75160 T: 972-524-6219 M: 469-474-8111	7	3/5/2019	Mar-21
Juan Salazar Replacing Douglas Howie term expired Jan-20 Orig. Appt. Date - Dec. 18, 2019	1720 Oak Post Drive Terrell, TX 75160 W: C: 214-832-9441 EM: juans@1stchoicepandb. com	1	1/20/2020	Jan-22
John Davidson, Chairman Appointed Chairman 3/5/19 Appointed November 20, 2007	408 Laurel Trail North Terrell, Texas 75160 T: 972-563-0186 EM: johndavidson@anbt.com W: 214-863-5959	7	3/5/2019	Mar-21
Terry Barber Appointed by KC Comm. Court to fill unexp. term of Ken Schoen Appointed 1/23/2017	601 E. Nash Street Terrell, TX 75160 W: 972-563-5362 C: 214-734-0812 EM: tbarber@kaufmancounty. net	2	3/20/2019	Apr-21
Mike Hunt Appointed by KC Comm. Court to fill unexp. term of Jimmy Vrzalik Appointed 1/23/2017	Pct. 1 3001 S. Washington St. Kaufman, TX 75142 W: 972-932-0285 C: 214-797-6420 EM: mhunt@kaufmancounty. net	2	3/20/2019	Apr-21
2 years Board of Directors Ordinance 2355	Initial appointments required by resolution. See Resolution 595			

ITEM 6.3.

Needs Replacement	Requests Reappointment			
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I & S #1 FY22

Fund Availability Analysis

Sources	Projected Funds Available	Item	Borrowing Scenario 1	Borrowing Scenario 2
Example 3.5% valuation increase in Tax Year 2021	112,573	Street Overlay Catchup	235,372	175,242
Fall off of current Fire Equipment Debt	223,493	Radios & PD Equipment	115,112	115,260
Total	336,066	Total	350,484	290,502

City of Terrell

Comparison of Certificate of Obligation Financings

Fiscal Year End	Scenario 1 - \$6.5 Million in Proceeds				Scenario 2 - \$6.0 Million in Proceeds			
	Water Meters \$3.5mm	Radios & PD Equip. \$1.0mm	Street Overlay \$2.0mm	Total Debt Service	Water Meters \$3.5mm	Radios & PD Equip. \$1.0mm	Street Overlay \$1.5mm	Total Debt Service
2021								
2022	\$ 405,762	\$ 115,112	\$ 235,372	\$ 756,245	\$ 405,762	\$ 115,260	\$ 175,242	\$ 696,263
2023	408,360	117,320	234,640	760,320	408,360	117,440	173,480	699,280
2024	405,440	115,040	235,080	755,560	405,440	115,160	175,120	695,720
2025	407,400	117,760	230,400	755,560	407,400	117,880	176,640	701,920
2026	409,120	115,360	230,720	755,200	409,120	115,480	173,040	697,640
2027	405,600	112,960	230,920	749,480	405,600	118,080	174,440	698,120
2028	406,960	115,560	231,000	753,520	406,960	115,560	175,720	698,240
2029	408,080	118,040	230,960	757,080	408,080	118,040	171,880	698,000
2030	408,960	115,400	230,800	755,160	408,960	115,400	173,040	697,400
2031	409,600	117,760	235,520	762,880	409,600	117,760	174,080	701,440
	<u>\$ 4,075,282</u>	<u>\$ 1,160,312</u>	<u>\$ 2,325,412</u>	<u>\$ 7,561,005</u>	<u>\$ 4,075,282</u>	<u>\$ 1,166,060</u>	<u>\$ 1,742,682</u>	<u>\$ 6,984,023</u>

Note: Both scenarios include all estimated applicable bond issuance costs and are based on estimated interest rates. Preliminary, subject to change.

RESOLUTION NO. 1014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS, APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

WHEREAS, the City Council of the City of Terrell, Texas (the “City”), has determined that certificates of obligation (the “Certificates”) should be issued under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271, for the purpose of paying contractual obligations to be incurred for (i) acquiring and installing water meters and associated water pipes and smart meter technology systems, (ii) acquiring police department surveillance and information technology equipment, (iii) acquiring radios and radio communication equipment for public safety and other municipal departments, (iv) constructing, maintaining and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, signage and traffic signalization incidental thereto and the acquisition of land and rights-of-way therefor (collectively, the “Projects”) and (v) professional services rendered in connection therewith; and

WHEREAS, the City further intends to make certain capital expenditures with respect to the Projects and currently desires and expects to reimburse the capital expenditures with proceeds of the Certificates; and

WHEREAS, under Treas. Reg. § 1.150-2 (the “Regulation”), to fund such reimbursement with proceeds of tax-exempt obligations, the City must declare its expectation to make such reimbursement; and

WHEREAS, the City desires to preserve its ability to reimburse the capital expenditures with proceeds of tax-exempt obligations; and

WHEREAS, prior to the issuance of such certificates, the City Council is required to publish notice of its intention to issue the same in a newspaper of general circulation in the City and on the City’s website, said notice stating (i) the time and place the Council tentatively proposes to pass the ordinance authorizing the issuance of the certificates, (ii) the maximum amount proposed to be issued, (iii) the purposes for which the certificates are to be issued and (iv) the manner in which the Council proposes to pay the certificates.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

SECTION 1: The City Secretary is hereby authorized and directed to cause notice to be published of the Council’s intention to issue certificates of obligation, in one or more series, in a principal amount not to exceed the amount set forth in **Exhibit A** attached hereto, for the purpose of paying contractual obligations to be incurred for (i) acquiring and installing water meters and associated water pipes and smart meter technology systems, (ii) acquiring police department surveillance and information technology equipment, (iii) acquiring radios and radio communication equipment for public safety and other municipal departments, (iv) constructing, maintaining and improving streets, including drainage, landscaping, curbs, gutters, sidewalks,

ITEM 7.1.

signage and traffic signalization incidental thereto and the acquisition of land and rights-of-way therefor and (v) professional services rendered in connection therewith, and such certificates shall be payable from ad valorem taxes and a limited pledge of the net revenues of the City's combined Waterworks and Sewer System. The notice hereby approved and authorized to be published shall read substantially in the form and content of **Exhibit A** hereto attached and incorporated herein by reference as a part of this Resolution for all purposes.

SECTION 2: The City reasonably expects to reimburse capital expenditures with respect to the Projects with proceeds of debt hereafter to be incurred by the City, and this Resolution shall constitute a declaration of official intent under the Regulation. The maximum principal amount of obligations expected to be issued for the Projects is the amount set forth in Exhibit A attached hereto.

SECTION 3: The City Secretary shall cause the aforesaid notice to be (i) published in a newspaper of general circulation in the City, once a week for two consecutive weeks, the date of the first publication to be at least forty-six (46) days prior to the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation and (ii) posted continuously on the City's website for at least forty-five (45) days before the date stated therein for the passage of the ordinance authorizing the issuance of the certificates of obligation.

SECTION 4: 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 Texas Government Code, Chapter 551, as amended.

SECTION 5: This Resolution shall be in force and effect from and after its passage on the date shown below.

PASSED AND APPROVED this 23rd day of February, 2021.

CITY OF TERRELL, TEXAS

ATTEST:

E. Rick Carmona, Mayor

Dawn Steil, City Secretary

Mary Gayle Ramsey, City Attorney

EXHIBIT A

**NOTICE OF INTENTION TO ISSUE
CITY OF TERRELL, TEXAS
CERTIFICATES OF OBLIGATION**

TAKE NOTICE that the City Council of the City of Terrell, Texas, shall convene at 7:00 o'clock P.M. on April 20, 2021, at the City Hall, 201 East Nash Street, Terrell, Texas, and, during such meeting, the City Council will consider the passage of one or more ordinances authorizing the issuance of certificates of obligation, in one or more series, in a principal amount not to exceed \$6,750,000 for the purpose of paying contractual obligations to be incurred for (i) acquiring and installing water meters and associated water pipes and smart meter technology systems, (ii) acquiring police department surveillance and information technology equipment, (iii) acquiring radios and radio communication equipment for public safety and other municipal departments, (iv) constructing, maintaining and improving streets, including drainage, landscaping, curbs, gutters, sidewalks, signage and traffic signalization incidental thereto and the acquisition of land and rights-of-way therefor and (v) professional services rendered in connection therewith, and such certificates shall be payable from ad valorem taxes and a limited pledge of the net revenues of the City's combined Waterworks and Sewer System. In accordance with Texas Local Government Code Section 271.049, (i) the current principal amount of all of the City's outstanding public securities secured by and payable from ad valorem taxes is \$42,095,000; (ii) the current combined principal and interest required to pay all of the City's outstanding public securities secured by and payable from ad valorem taxes on time and in full is \$53,912,493; (iii) the estimated combined principal and interest required to pay the certificates of obligation to be authorized on time and in full is \$7,965,000; (iv) the maximum interest rate for the certificates may not exceed the maximum legal interest rate; and (v) the maximum maturity date of the certificates to be authorized is August 15, 2031. The certificates are to be issued, and this notice is given, under and pursuant to the provisions of Texas Local Government Code, Subchapter C of Chapter 271.

City Secretary
City of Terrell, Texas

RESOLUTION NO. 1006

**A RESOLUTION OF THE OF THE CITY COUNCIL OF THE CITY OF TERRELL
TEXAS AUTHORIZING THE FUNDING FOR DOWNTOWN BUILDING
RENOVATION**

WHEREAS, the City of Terrell, Texas, (the “City”), promotes the development of a certain geographic area within its jurisdiction as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon’s Texas Codes Annotated (the “Act”); and

WHEREAS, the City Council of the City of Terrell on November 20, 2007, approved Ordinance No. 2355 creating Tax Increment Financing Reinvestment Zone Number One (TIRZ #1), establishing a Board of Directors for such Reinvestment Zone (Board), including the Project Plan and the Finance Plan; and

WHEREAS, on September 8, 2008 the County Commissioners’ Court approved an Interlocal Agreement with the City of Terrell for the Reinvestment Zone, including the Project Plan and Finance Plan; and

WHEREAS, the 2020 Amendment to the Project Plan and Finance Plan includes \$16 million for Downtown Revitalization Projects; and

WHEREAS, pursuant to the authority granted by the Development Corporation Act, as amended, Chapters 501 and 505 of the Texas Local Government Code (the “Act”), the City Council of the City of Terrell authorized the creation of a non-profit corporation (the “Corporation”) to be named the Park And Downtown Improvement Corporation (“PADIC”) through Resolution No. 920 on February 5, 2019, to act on its behalf by providing capital improvements to parks and the downtown area of the City as authorized under the Act, eligible “projects”; and

WHEREAS, such projects are hereby deemed to be for the benefit of the public; and

WHEREAS, among these eligible Projects in the Capital Plan are partnerships with private developers in the downtown area to create capital improvements that rehabilitate and refurbish downtown buildings, downtown streetscapes and downtown amenities; and

WHEREAS, Pina Holdings LLC has proposed to initiate a series of improvements which qualify as a Project, including the restoration and reuse of the historic Anderson Building at TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13, the restoration and reuse of the historic Griffith Building at TERRELL ORIGINAL BLOCK 84 LOT 3, the construction of a pocket park for public use adjacent to the Griffith Building on the vacant lot owned by the City of Terrell at TERRELL ORIGINAL BLOCK 84 LOTS 1 & 2 and the construction of a surface parking facility at a location to be determined during project development.

WHEREAS, the total of incremental property tax increment from the Anderson Building Project is estimated at \$323,051 in total City and County combined TIRZ#1 revenue over the remaining term of TIRZ#1.

WHEREAS, the City Council has concluded and hereby finds the Pina Holdings Project supports quality of life development, promotes new construction, attracts additional consumers to Terrell and Kaufman County, increases commercial activity, generates new tax revenue, achieves the City's goals for development, meets the requirements of applicable State Law, and provides infrastructure for Terrell residents, employees of Terrell based companies, and visitors to the City of Terrell.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL TEXAS:

- Section 1 That the City Council of the City of Terrell, Texas authorizes the City Manager to negotiate and the Mayor to execute a Development Agreement or Agreements as necessary to implement the Project consistent with this Resolution and as generally described further in Exhibit "A" Building Restoration and Reuse, Exhibit "B" Dedicated Parking Partnership and Exhibit "C" Contract.
- Section 2. That the City Council of the City of Terrell, Texas hereby authorizes use of TIRZ#1 funds as a reimbursement to Pina Holdings LLC of a portion of renovation and construction expenses not to exceed the expiration of TIRZ#1 of City of Terrell and Kaufman County TIRZ#1 actual revenue received from the Kaufman County Tax Collector from the calculated incremental value of the Anderson Building Restoration and Reuse Project, exclusively from TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13.
- Section 3. That the City Council of the City of Terrell, Texas hereby authorizes use of an additional amount not to exceed \$75,000 in TIRZ#1 funds by the City of Terrell for landscaping, street furniture, murals, lighting, signage and other aesthetic improvements in the vicinity of the Anderson Building and the Griffith Building, such expenditures to be directed by the Terrell City Council.
- Section 4. That the City Council of the City of Terrell hereby authorizes use of PADIC funds as a reimbursement to Pina Holdings LLC of a portion of renovation and construction expenses not to exceed a total of \$300,000 for Anderson Building renovation, \$75,000 for the Griffith Building renovation and \$75,000 for Adelaide Pocket Park development, design of the Adelaide Pocket Park to be pending review by the PADIC Board.
- Section 5. That the City Council of the City of Terrell hereby authorizes use of an amount not to exceed \$75,000 in PADIC funds by the City of Terrell for landscaping, street furniture, murals, lighting, signage and other aesthetic improvements in the vicinity of the Anderson Building and the Griffith Building as well as other park related improvements at the Adelaide Pocket Park location, such expenditures to be directed by the PADIC Board.

ITEM 7.2.

Section 6. That the City Council of the City of Terrell hereby authorizes use of PADIC funds as a reimbursement to Pina Holdings LLC of a portion of the demolition and construction expenses not to exceed at total of \$75,000 for a surface parking facility supporting the Anderson Building restoration and reuse.

Section 7. This Resolution shall be effective immediately after its passage.

PASSED AND APPROVED by the City Council of the City of Terrell, Texas, on this __ day of _____, 2021.

E. RICK CARMONA, MAYOR

ATTEST:

DAWN STEIL, CITY SECRETARY

Exhibit "A" Building Restoration and Reuse Partnership

Company Performance

- 1 Remodel 1st Floor/Basement: restaurant and retail, private gym for lofts and hotel
- 2 Remodel 2nd floor, 3rd and 4th floors for boutique hotel and lofts
- 3 Build Downtown Pocket Park landscape improvements at Adelaide and Moore subject to design and material approval by City to coordinate with City opening of complete street design along RR
- 4 Full historic remodel of exterior, including new windows/doors and full awnings on Moore and Adelaide
- 5 Full interior remodel, including high quality finish out and modern code compliance, except parking according to partnership with City
- 6 Remove asbestos, install grease trap, install fire suppression system with access from new North Alley rebuild
- 7 Construct surface parking spaces leasable to loft tenants; manage on-street permits for tenants
- 8 Use best efforts to secure rights to use nearby office parking for evening parking by Hotel guests
- 9 Allow limited public use of 1st floor restrooms during business hours to be determined
- 10 Make a \$25K contribution to the Chapman Building Renovation, payable over 5 years
- 11 Develop patio and service areas
- 12 Cooperate with City on historic downtown branding, logos, marketing, events, et cetera
- 13 Remodel Griffith Building with uses and design compatible with Adelaide Pocket Park, coordinate with South Alley Opening

City Overall Support

a	Parking Partnership	Permit City owned surface parking to Anderson Building
b	Grease Trap System	Full Reimbursement from City Utility Fund
c	North Alley Rebuild	City - TWDB Partnership, coordinate with Anderson Building
d	Fire Suppression Access	Underground line to Private System from City Utility Fund
e	Quality Package	Area street furniture, street markings, landscape, murals & signage
f	Waive Fees	No fees during demolition and construction
g	Parking Partnership	As per Exhibit B

City Financial Incentive (Anderson Building Only)

h	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
i	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
j	Incremental Value	\$ 2,187,740	Performance required
k	City Effective Property Increment Rate	0.00573150	
l	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
m	County Effective Property Increment Rate	0.00165172	
n	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
o	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
p	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
q	Annual Potential (at 50%)	\$ 24,630	Annually, first ten years of operations
r	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after asbestos removal
s	PADIC Partnership Anderson Building	\$ 150,000	Reimbursement after exterior completion
t	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after Elevator/Stair Replacement
u	PADIC Partnership Griffith Building	\$ 75,000	Reimbursement after Building Rehab to CO
v	PADIC Partnership Adelaide Pocket Park	\$ 75,000	Reimbursement on Park Opening Day
w	PADIC Partnership Public Infrastructure	\$ 75,000	Transfer to City as directed by PADIC for "e"
x	Total	\$ 525,000	

Exhibit "B" Dedicated Parking Partnership

Company Performance

- 1 Complete Anderson Building Remodel and Reuse Partnership
- 2 Subject to site approval by City, purchase a nearby distressed property or properties
- 3 Demolish as necessary, clean lot
- 4 Build surface downtown parking dedicated to Anderson Building and Griffith Building, high quality landscaping package

City Overall Support

- | | | |
|---|-----------------------------|---|
| a | Fuel tank removal incentive | 100% reimbursement from City, upon completion |
| b | Demolition incentive | 100% reimbursement from City, upon completion |
| c | Waive Fees | No fees during demolition or construction |
| d | Acquisition incentive | 100% reimbursement through annual reimbursement structure |

City Financial Incentive (Anderson Building Only)

e	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
f	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
g	Incremental Value	\$ 2,187,740	
h	City Effective Property Increment Rate	0.00573150	
i	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
j	County Effective Property Increment Rate	0.00165172	
k	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
l	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
m	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
n	Annual Potential (at 50%)	\$ 24,630	Annually for 20 years or reimbursement
o	PADIC Partnership	\$ 75,000	\$75K paid at opening of hotel or parking

RESOLUTION NO. 2021-1

**A RESOLUTION OF THE TAX INCREMENT REINVESTMENT ZONE NO. ONE
BOARD OF DIRECTORS RECOMMENDING THE TERRELL CITY COUNCIL
AUTHORIZE FUNDING FOR DOWNTOWN BUILDING RENOVATION**

WHEREAS, the City of Terrell, Texas, (the “City”), promotes the development of a certain geographic area within its jurisdiction as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon’s Texas Codes Annotated (the “Act”); and

WHEREAS, the City Council of the City of Terrell on November 20, 2007, approved Ordinance No. 2355 creating Tax Increment Financing Reinvestment Zone Number One (TIRZ #1), establishing a Board of Directors for such Reinvestment Zone (Board), including the Project Plan and the Finance Plan; and

WHEREAS, on September 8, 2008 the County Commissioners’ Court approved an Interlocal Agreement with the City of Terrell for the Reinvestment Zone, including the Project Plan and Finance Plan; and

WHEREAS, the 2020 Amendment to the Project Plan and Finance Plan includes \$16 million for Downtown Revitalization Projects; and

WHEREAS, among these eligible Projects in the Capital Plan are partnerships with private developers in the downtown area to create capital improvements that rehabilitate and refurbish downtown buildings, downtown streetscapes and downtown amenities; and

WHEREAS, Pina Holdings LLC has proposed to initiate a series of improvements which qualify as a Project, including the restoration and reuse of the historic Anderson Building at TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13, the restoration and reuse of the historic Griffith Building at TERRELL ORIGINAL BLOCK 84 LOT 3, the construction of a pocket park for public use adjacent to the Griffith Building on the vacant lot owned by the City of Terrell at TERRELL ORIGINAL BLOCK 84 LOTS 1 & 2 and the construction of a surface parking facility at a location to be determined during project development.

WHEREAS, the total of incremental property tax increment from the Anderson Building Project is estimated at \$323,051 in total City and County combined TIRZ#1 revenue over the remaining term of TIRZ#1.

WHEREAS, the Board has concluded and hereby finds the Pina Holdings Project supports quality of life development, promotes new construction, attracts additional consumers to Terrell and Kaufman County, increases commercial activity, generates new tax revenue, achieves the City's goals for development, meets the requirements of applicable State Law, and provides infrastructure for Terrell residents, employees of Terrell based companies, and visitors to the City of Terrell.

NOW THEREFORE BE IT RESOLVED BY THE TAX INCREMENT REINVESTMENT ZONE NO. 1 BOARD OF DIRECTORS:


Section 1 That the Board of Directors recommends the Terrell City Council authorize the City Manager to negotiate and the Mayor to execute a Development Agreement or Agreements as necessary to implement the Project consistent with this Resolution and as generally described further in Exhibit "A" Building Restoration and Reuse and Exhibit "B" Dedicated Parking Partnership.

Section 2. That the Board hereby authorizes use of TIRZ#1 funds as a reimbursement to Pina Holdings LLC of a portion of renovation and construction expenses not to exceed the expiration of TIRZ#1 of City of Terrell and Kaufman County TIRZ#1 actual revenue received from the Kaufman County Tax Collector from the calculated incremental value of the Anderson Building Restoration and Reuse Project, exclusively from TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13.

Section 3. That the Board hereby authorizes use of an additional amount not to exceed \$75,000 in TIRZ#1 funds by the City of Terrell for landscaping, street furniture, murals, lighting, signage and other aesthetic improvements in the vicinity of the Anderson Building and the Griffith Building, such expenditures to be directed by the Terrell City Council.

Section 4. This Resolution shall be effective immediately after its passage.

PASSED AND APPROVED by the Tax Increment Reinvestment Zone #1, on this 20th day of January, 2020.



JOHN DAVIDSON, CHAIRMAN

ATTEST:



DAWN STEIL, CITY SECRETARY

Exhibit "A" Building Restoration and Reuse Partnership

Company Performance

- 1 Remodel 1st Floor/Basement: restaurant and retail, private gym for lofts and hotel
- 2 Remodel 2nd floor, 3rd and 4th floors for boutique hotel and lofts
- 3 Build Downtown Pocket Park landscape improvements at Adelaide and Moore subject to design and material approval by City to coordinate with City opening of complete street design along RR
- 4 Full historic remodel of exterior, including new windows/doors and full awnings on Moore and Adelaide
- 5 Full interior remodel, including high quality finish out and modern code compliance, except parking according to partnership with City
- 6 Remove asbestos, install grease trap, install fire suppression system with access from new North Alley rebuild
- 7 Construct surface parking spaces leasable to loft tenants; manage on-street permits for tenants
- 8 Use best efforts to secure rights to use nearby office parking for evening parking by Hotel guests
- 9 Allow limited public use of 1st floor restrooms during business hours to be determined
- 10 Make a \$25K contribution to the Chapman Building Renovation, payable over 5 years
- 11 Develop patio and service areas
- 12 Cooperate with City on historic downtown branding, logos, marketing, events, et cetera
- 13 Remodel Griffith Building with uses and design compatible with Adelaide Pocket Park, coordinate with South Alley Opening

City Overall Support

a	Parking Partnership	Permit City owned surface parking to Anderson Building
b	Grease Trap System	Full Reimbursement from City Utility Fund
c	North Alley Rebuild	City - TWDB Partnership, coordinate with Anderson Building
d	Fire Suppression Access	Underground line to Private System from City Utility Fund
e	Quality Package	Area street furniture, street markings, landscape, murals & signage
f	Waive Fees	No fees during demolition and construction
g	Parking Partnership	As per Exhibit B

City Financial Incentive (Anderson Building Only)

h	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
i	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
j	Incremental Value	\$ 2,187,740	Performance required
k	City Effective Property Increment Rate	0.00573150	
l	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
m	County Effective Property Increment Rate	0.00165172	
n	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
o	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
p	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
q	Annual Potential (at 50%)	\$ 24,630	Annually, first ten years of operations
r	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after asbestos removal
s	PADIC Partnership Anderson Building	\$ 150,000	Reimbursement after exterior completion
t	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after Elevator/Stair Replacement
u	PADIC Partnership Griffith Building	\$ 75,000	Reimbursement after Building Rehab to CO
v	PADIC Partnership Adelaide Pocket Park	\$ 75,000	Reimbursement on Park Opening Day
w	PADIC Partnership Public Infrastructure	\$ 75,000	Transfer to City as directed by PADIC for "e"
x	Total	\$ 525,000	

Exhibit "B" Dedicated Parking Partnership

Company Performance

- 1 Complete Anderson Building Remodel and Reuse Partnership
- 2 Subject to site approval by City, purchase a nearby distressed property or properties
- 3 Demolish as necessary, clean lot
- 4 Build surface downtown parking dedicated to Anderson Building and Griffith Building, high quality landscaping package

City Overall Support

- | | | |
|---|-----------------------------|---|
| a | Fuel tank removal incentive | 100% reimbursement from City, upon completion |
| b | Demolition incentive | 100% reimbursement from City, upon completion |
| c | Waive Fees | No fees during demolition or construction |
| d | Acquisition incentive | 100% reimbursement through annual reimbursement structure |

City Financial Incentive (Anderson Building Only)

e	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
f	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
g	Incremental Value	\$ 2,187,740	
h	City Effective Property Increment Rate	0.00573150	
i	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
j	County Effective Property Increment Rate	0.00165172	
k	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
l	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
m	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
n	Annual Potential (at 50%)	\$ 24,630	Annually for 20 years or reimbursement
o	PADIC Partnership	\$ 75,000	\$75K paid at opening of hotel or parking

RESOLUTION NO. 2020-2
A RESOLUTION OF THE PARK AND DOWNTOWN IMPROVEMENT
CORPORATION BOARD OF DIRECTORS RECOMMENDING THE
TERRELL CITY COUNCIL AUTHORIZE FUNDING FOR DOWNTOWN
BUILDING RENOVATION.

WHEREAS, pursuant to the authority granted by the Development Corporation Act, as amended, Chapters 501 and 505 of the Texas Local Government Code (the “Act”), the City Council of the City of Terrell and subsequently the voters in the City of Terrell authorized the creation of a non-profit corporation (the “Corporation”) named the Park And Downtown Improvement Corporation (“PADIC”), to act as a Type B Corporation by providing capital improvements to parks and the downtown area of the City as authorized under the Act, eligible “Projects”; and

WHEREAS, the Bylaws of the PADIC Board of Directors (Board) require the adoption of a Capital Plan to guide expenditures and both the Board and the City Council approved the Initial Capital Plan on November 10, 2020 which identifies a variety of eligible priority Projects; and

WHEREAS, among these eligible Projects in the Capital Plan are partnerships with private developers in the downtown area to create capital improvements that rehabilitate and refurbish downtown buildings, downtown streetscapes and downtown amenities; and

WHEREAS, such Projects are hereby deemed to be for the benefit of the public, consistent with the Act and consistent with the Bylaws; and

WHEREAS, Pina Holdings LLC has proposed to initiate a series of improvements which qualify as a Project, including the restoration and reuse of the historic Anderson Building at TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13, the restoration and reuse of the historic Griffith Building at TERRELL ORIGINAL BLOCK 84 LOT 3, the construction of a pocket park for public use adjacent to the Griffith Building on the vacant lot owned by the City of Terrell at TERRELL ORIGINAL BLOCK 84 LOTS 1 & 2 and the construction of a surface parking facility at a location to be determined during project development.

NOW THEREFORE BE IT RESOLVED BY THE PARK AND DOWNTOWN IMPROVEMENT CORPORATION:

Section 1 That the Board of Directors recommends the Terrell City Council authorize the City Manager to negotiate and the Mayor to execute a Development Agreement or Agreements as necessary to implement the Project consistent with this Resolution and as generally described further in Exhibit “A” Building Restoration and Reuse and Exhibit “B” Dedicated Parking Partnership.

Section 2. That the Board hereby authorizes use of PADIC funds as a reimbursement to Pina Holdings LLC of a portion of renovation and construction expenses not to exceed a total of \$300,000 for Anderson Building renovation, \$75,000 for the Griffith

ITEM 7.2.

Building renovation and \$75,000 for Adelaide Pocket Park development, design of the Adelaide Pocket Park to be pending review by the PADIC Board.

Section 3. That the Board hereby authorizes use of an amount not to exceed \$75,000 in PADIC funds by the City of Terrell for landscaping, street furniture, murals, lighting, signage and other aesthetic improvements in the vicinity of the Anderson Building and the Griffith Building as well as other park related improvements at the Adelaide Pocket Park location, such expenditures to be directed by the PADIC Board.

Section 4. That the Board hereby authorizes use of PADIC funds as a reimbursement to Pina Holdings LLC of a portion of the demolition and construction expenses not to exceed at total of \$75,000 for a surface parking facility supporting the Anderson Building restoration and reuse.

Section 5. This Resolution shall be effective immediately after its passage.

DULY RESOLVED AND APPROVED by the Board of Directors of the Park and Downton Improvement Corporation on this the 15th day of December, 2020.

PARK AND DOWNTOWN
IMPROVEMENT CORPORATION

By: 
TORI LUCAS, PRESIDENT

ATTEST:



DAWN STEIL, CITY SECRETARY

Exhibit "A" Building Restoration and Reuse Partnership

Company Performance

- 1 Remodel 1st Floor/Basement: restaurant and retail, private gym for lofts and hotel
- 2 Remodel 2nd floor, 3rd and 4th floors for boutique hotel and lofts
- 3 Build Downtown Pocket Park landscape improvements at Adelaide and Moore subject to design and material approval by City to coordinate with City opening of complete street design along RR
- 4 Full historic remodel of exterior, including new windows/doors and full awnings on Moore and Adelaide
- 5 Full interior remodel, including high quality finish out and modern code compliance, except parking according to partnership with City
- 6 Remove asbestos, install grease trap, install fire suppression system with access from new North Alley rebuild
- 7 Construct surface parking spaces leasable to loft tenants; manage on-street permits for tenants
- 8 Use best efforts to secure rights to use nearby office parking for evening parking by Hotel guests
- 9 Allow limited public use of 1st floor restrooms during business hours to be determined
- 10 Make a \$25K contribution to the Chapman Building Renovation, payable over 5 years
- 11 Develop patio and service areas
- 12 Cooperate with City on historic downtown branding, logos, marketing, events, et cetera
- 13 Remodel Griffith Building with uses and design compatible with Adelaide Pocket Park, coordinate with South Alley Opening

City Overall Support

- | | | |
|---|-------------------------|---|
| a | Parking Partnership | Permit City owned surface parking to Anderson Building |
| b | Grease Trap System | Full Reimbursement from City Utility Fund |
| c | North Alley Rebuild | City - TWDB Partnership, coordinate with Anderson Building |
| d | Fire Suppression Access | Underground line to Private System from City Utility Fund |
| e | Quality Package | Area street furniture, street markings, landscape, murals & signage |
| f | Waive Fees | No fees during demolition and construction |
| g | Parking Partnership | As per Exhibit B |

City Financial Incentive (Anderson Building Only)

h	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
i	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
j	Incremental Value	\$ 2,187,740	Performance required
k	City Effective Property Increment Rate	0.00573150	
l	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
m	County Effective Property Increment Rate	0.00165172	
n	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
o	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
p	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
q	Annual Potential (at 50%)	\$ 24,630	Annually, first ten years of operations
r	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after asbestos removal
s	PADIC Partnership Anderson Building	\$ 150,000	Reimbursement after exterior completion
t	PADIC Partnership Anderson Building	\$ 75,000	Reimbursement after Elevator/Stair Replacement
u	PADIC Partnership Griffith Building	\$ 75,000	Reimbursement after Building Rehab to CO
v	PADIC Partnership Adelaide Pocket Park	\$ 75,000	Reimbursement on Park Opening Day
w	PADIC Partnership Public Infrastructure	\$ 75,000	Transfer to City as directed by PADIC for "e"
x	Total	\$ 525,000	

Exhibit "B" Dedicated Parking Partnership

Company Performance

- 1 Complete Anderson Building Remodel and Reuse Partnership
- 2 Subject to site approval by City, purchase a nearby distressed property or properties
- 3 Demolish as necessary, clean lot
- 4 Build surface downtown parking dedicated to Anderson Building and Griffith Building, high quality landscaping package

City Overall Support

- | | | |
|---|-----------------------------|---|
| a | Fuel tank removal incentive | 100% reimbursement from City, upon completion |
| b | Demolition incentive | 100% reimbursement from City, upon completion |
| c | Waive Fees | No fees during demolition or construction |
| d | Acquisition incentive | 100% reimbursement through annual reimbursement structure |

City Financial Incentive (Anderson Building Only)

e	Current Taxable Value	\$ 312,260	2020 Taxable Value from the KCAD
f	Assumed Future Taxable Value	\$ 2,500,000	Staff Estimate
g	Incremental Value	\$ 2,187,740	
h	City Effective Property Increment Rate	0.00573150	
i	Total City TIF Revenue	\$ 12,539	City 75% in TIRZ#1
j	County Effective Property Increment Rate	0.00165172	
k	County TIF Revenue	\$ 3,614	County 50% M&O in TIRZ#1
l	Hotel Occupancy Tax Revenue	\$ 23,107	2023 Annual Revenue * 7% HOT Rate
m	City Sales 1% Tax Revenue	\$ 10,000	Single Restaurant (\$1 million in annual sales)
n	Annual Potential (at 50%)	\$ 24,630	Annually for 20 years or reimbursement
o	PADIC Partnership	\$ 75,000	\$75K paid at opening of hotel or parking

STATE OF TEXAS §
 §
COUNTY OF KAUFMAN §

PROPOSED
CITY OF TERRELL
DRAFT DEVELOPMENT AGREEMENT
WITH
PINA HOLDINGS, LLC
FOR THE
ANDERSON BUILDING REMODEL AND REUSE PARTNERSHIP

THIS DEVELOPMENT AGREEMENT (the “**Development Agreement**”) is entered into effective as of this ___ day of _____, 2021 (the “**Effective Date**”) by and between the CITY of Terrell, Texas, a municipal corporation of Kaufman County, Texas (“**CITY**”) Pina Holdings, LLC, a Texas limited liability COMPANY, and/or it successors and assigns (“**COMPANY**”).

W I T N E S S E T H :

WHEREAS, the Texas Local Government Code provides that Texas municipalities may create programs to promote local economic development to stimulate business and commercial activity in the municipality; and

WHEREAS, Pina Holdings LLC has proposed to initiate a series of improvements which qualify as a Project, including the restoration and reuse of the historic Anderson Building at TERRELL ORIGINAL BLOCK 77 LOTS 12 & 13, the restoration and reuse of the historic Griffith Building at TERRELL ORIGINAL BLOCK 84 LOT 3, the construction of a CITY pocket park for public use adjacent to the Griffith Building on the vacant lot owned by the CITY of Terrell at TERRELL ORIGINAL BLOCK 84 LOTS 1 & 2 and the construction of a surface parking facility at a location to be determined during project development, all such land defined herein as the “Property”; and

WHEREAS, COMPANY has requested a Development Agreement for the restoration and reuse of the Anderson Building and the Griffith Building; and

WHEREAS, pursuant to the authority granted by the Development Corporation Act, as amended, Chapters 501 and 505 of the Texas Local Government Code (the “Act”), the CITY

ITEM 7.2.

Council of the CITY of Terrell and subsequently the voters in the CITY of Terrell authorized the creation of a non-profit corporation (the “Corporation”) named the Park And Downtown Improvement Corporation (“PADIC”), to act as a Type B Corporation by providing capital improvements to parks and the downtown area of the CITY as authorized under the Act, eligible “Projects”; and

WHEREAS, the Bylaws of the PADIC Board of Directors require the adoption of a Capital Plan to guide expenditures and both the PADIC Board and the CITY Council approved the Initial Capital Plan on November 10, 2020 which identifies a variety of eligible priority Projects; and

WHEREAS, among these PADIC Board eligible Projects in the Capital Plan are partnerships with private developers in the downtown area to rehabilitate and refurbish downtown buildings, downtown streetscapes and downtown amenities; and

WHEREAS, such PADIC Board Projects are hereby deemed to be for the benefit of the public, consistent with the Act and consistent with the Bylaws of the PADIC Board; and

WHEREAS, the CITY of Terrell, Texas, (the “CITY”), promotes the development of a certain geographic area within its jurisdiction as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon’s Texas Codes Annotated (the “Act”); and

WHEREAS, the CITY Council of the CITY of Terrell on November 20, 2007, approved Ordinance No. 2355 creating Tax Increment Financing Reinvestment Zone Number One (TIRZ #1), establishing a Board of Directors for such Reinvestment Zone, including the Project Plan and Finance Plan; and

WHEREAS, in accordance with the provisions of the Tax Increment Financing Act, the CITY and County executed an Interlocal Agreement regarding Tax Increment Reinvestment Zone Number One of the CITY of Terrell on September 16, 2008, on Exhibit “A” (“TIF Agreement”) attached hereto; and

WHEREAS, the 2020 Amendment to the TIRZ #1 Project Plan and Finance Plan includes \$16 Million for Downtown Revitalization Projects; and

WHEREAS, among these eligible TIRZ #1 Projects in the TIRZ #1 Project Plan and Finance Plan are partnerships with private developers in the downtown area to create capital improvements that rehabilitate and refurbish downtown buildings, downtown streetscapes and downtown amenities; and

CITYWHEREAS, the Board of the TIRZ #1 and the Board of the PADIC passed resolutions concluding and the CITY hereby finds that the Pina Holdings Project supports quality of life development, promotes new construction, attracts additional consumers to Terrell and Kaufman County, increases commercial activity, generates new tax revenue, achieves the CITY’s goals for development, meets the requirements of applicable State Law, and provides infrastructure for Terrell residents, employees of Terrell based companies, and visitors to the CITY of Terrell.

ITEM 7.2.

WHEREAS, the CITY concurs with the TIRZ #1 Board and the PADIC Board and wishes to establish a “**Program**” under the provisions of Chapter 380 of the Texas Local Government Code to provide a grant to COMPANY and to reimburse COMPANY for certain expenses of restoration and reuse generally described as shown in ARTICLE II COMPANY Obligations; and

WHEREAS, based on an affirmative recommendations of the TIRZ #1 Board and the PADIC Board, the CITY Council of the CITY of Terrell on February 2, 2021 approved Resolution No. 1006, a copy of which is attached hereto as Exhibit “B” (“**Authorization Resolution**”) authorizing this Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein, the parties agree as follows:

**ARTICLE I
TERM**

This Development Agreement will become enforceable upon the Effective Date which shall be the date of execution by the CITY and shall terminate (the “**Term**”) at the earlier of the following: (a) COMPANY fails to secure an Certificate of Occupancy for a Hotel, a Restaurant and ten (10) or more lofts in the Anderson Building within sixty (60) months of the Effective Date, (b) COMPANY closes the hotel or restaurant or fails to maintain a Certificate of Occupancy for a hotel or restaurant for a period exceeding six (6) months (c) COMPANY applies to or otherwise accepts Section 8 Housing Vouchers or any other form whatsoever of State or Federal subsidized housing (d) COMPANY fails to receive a certificate of occupancy for one hundred percent (100%) of the Anderson Building from the CITY Manager or his designee within twelve (12) months after the contractor for the CITY of Terrell obtains from the CITY Engineer acceptance of substantial completion of the North Alley Improvements or (e) twenty two (22) years after the Effective Date.

**ARTICLE II
COMPANY PART ONE OBLIGATIONS**

As a requirement prior to reimbursement, COMPANY agrees to perform the following:

- A. Remodel 1st Floor/Basement; restaurant and retail, private gym for lofts and hotel.
- B. Remodel 2nd floor, 3rd and 4th floors for boutique hotel and lofts with rooftop patio.
- C. Build Permanent Downtown Pocket Park landscape improvements at Adelaide and Moore subject to design and material approval by CITY to coordinate with CITY opening of complete street design along railroad.
- D. Complete a full historic remodel of exterior, including new windows/doors and full awnings on Moore and Adelaide.

ITEM 7.2.

- E. Complete full interior remodel, including high quality finish out and modern code compliance subject to the standard ordinances of the CITY of Terrell. However, no minimum on-site or offsite parking standard shall be applicable to the Anderson Building or the Griffith Building.
- F. Remove asbestos, install grease trap, and install fire suppression system connecting with the CITY of Terrell North Alley Rebuild.
- G. Use best efforts to construct surface parking spaces leasable to loft tenants; manage on-street permits issued to COMPANY for tenants.
- H. Use best efforts to secure rights to use nearby office parking for evening parking by Hotel guests.
- I. Allow public use of 1st floor restrooms during business hours.
- J. Make a \$25,000 contribution to the CITY of Terrell Chapman Building Renovation and Operation prior to the start of the 61st month after the Effective Date.
- K. Use best efforts to purchase a one-story building and preserve historic façade but demolish remaining building for patio and service areas for the Anderson Building.
- L. Cooperate with the CITY on historic downtown branding, logos, marketing, events, and other joint activities.
- M. Remodel the Griffith Building opposite the Anderson Building for uses compatible with Downtown Pocket Park and coordinate design of such with CITY the opening of complete street design along railroad in the South Alley.
- N. In addition to the Permanent Downtown Pocket Park requirement, COMPANY agrees to design and construct Initial Pocket Park Improvements including painting the west facing wall of the Griffith Building completely blocking the existing advertisement and providing a simple pro-Terrell or pro-Terrell ISD temporary mural or message suitable for “I visited Terrell” type photographs, installing as Griffith Building improvements attractive all weather lights along the entire top and perimeter of the western wall of the Griffith building, installing as public improvements matching lights strung to vertical elements along Adelaide ROW, installing as public improvements temporary pavers/stepping stones providing a walkway from the adjacent sidewalks to the photograph area and other small scale improvements to the pocket park as mutually acceptable between CITY and COMPANY. COMPANY agrees to complete construction of such Initial Pocket Park Improvements within 60 days of the Effective Date. CITY agrees to reimburse COMPANY for the same within 30 days of receipt of written invoice with proof of payments. In addition, CITY agrees to build or improve one row of asphalt head in parking off the South Alley into the Pocket Park and into the rear of the Griffith Building on the same time schedule. CITY further agrees that CITY shall remove existing bushes on Adelaide a replace with street trees and street

lighting along Adelaide. COMPANY costs for Initial Pocket Park improvements shall be reimbursed by CITY from the area improvement PADIC Area Improvement Funds not otherwise pledged to COMPANY in this Agreement. CITY costs for Initial Pocket Park Improvements shall be paid directly by CITY from the TIF Area Improvement Funds not otherwise pledged to COMPANY in this Agreement.

COMPANY agrees that as a requirement of reimbursement it shall timely and fully accomplish all obligations. COMPANY agrees COMPANY shall receive no reimbursement and CITY shall have no obligations related to any COMPANY demolition/construction, remodel or reconstruction work identified in ARTICLE II Sections A, B, C, D, E, F, H and M not receiving a certificate of completion from the CITY Manager or his designee within twelve (12) months after the contractor for the CITY of Terrell obtains from the CITY Engineer acceptance of substantial completion of the North Alley Improvements. CITY shall not reimburse COMPANY for ARTICLE II Sections A, B, C, D, E, F, H and M unless all receive a Certificate of Completion from the CITY Manager or his designee within twelve (12) months after the contractor for the CITY of Terrell obtains from the CITY Engineer acceptance of substantial completion of the North Alley Improvements.

ARTICLE III CITY PART ONE OBLIGATIONS

All elements of the CITY obligations are intended to be performance based, and each is contingent upon the fulfillment by the COMPANY of all conditions precedent, as specifically set forth in ARTICLE II of this Development Agreement. In no event shall COMPANY or any of its successors or assigns be entitled to any grant payments, reimbursements, incentive or other funds established pursuant to this Development Agreement until such conditions precedent, for each portion of the Project as applicable, have been satisfied. Notwithstanding any provisions to the contrary herein, the conditions precedent required for COMPANY to receive the incentives set forth in this ARTICLE III shall be applicable for each portion of the development as construction is accepted by the CITY Manager or his designee as complete.

CITY shall not reimburse COMPANY without written invoice containing full documentation of costs. CITY shall not reimburse for work of any type nor have any obligations related to any work unless it has been accepted as complete by the CITY Manager or his designee within twelve (12) months after the contractor of the CITY of Terrell obtains from the CITY Engineer acceptance of substantial completion of the North Alley Improvements.

CITY agrees to perform the following:

- A. No later than upon issuing a Certificate of Occupancy for residential units in the Anderson Building, establish no fewer than twelve (12) CITY owned or CITY leased parking spaces

ITEM 7.2.

as permit only parking and provide such permits free of charge for management by COMPANY.

- B. No more than 30 days after both COMPANY provides an invoice with proof of full payment for Grease Trap System installation and CITY Engineer acceptance of proper installation, CITY shall provide reimbursement from the CITY Wastewater Utility fund for the customer; and reasonable costs of installation of a Grease Trap System.
- C. No more than 120 days after the Effective Day, initiate a public bid process to obtain a contractor to rebuild the North Alley according to plans approved by the CITY Engineer and, during construction coordinate with the water, wastewater and franchise utility needs of the Anderson Building.
- D. As part of the North Alley project, utilize the CITY Utility Fund to provide a Fire Suppression Access Underground water line to the building façade of a Fire Suppression system.
- E. No later than upon issuing a Certificate of Occupancy for a hotel use within the Anderson Building, assign PADIC Area Improvements Funds and TIF Area Improvement Funds to specific projects surrounding the Anderson Building, the Griffith Building and the parking dedicated or assigned to uses in those COMPANY buildings. Such projects to include a quality package of updated downtown pedestrian environment features such as, but not limited to, street furniture, street markings, signage, lighting, landscaping, murals, sidewalk repairs, and trash receptacles.
- F. For 36 months after the Effective Date, waive all development and building fees, including but not limited to building permit fees, park dedication fees, roadway impact fees, sewer impact fees and water impact fees for development, construction and/or building permit applications for lots on the Property during demolition and construction.
- G. Upon receipt of the first property tax payment received by CITY from the County Tax Office after the County tax assessors has assigned a updated tax year valuation after COMPANY has achieved Certificates of Occupancy for residential lofts on two floors, a hotel on one floor and a restaurant with retail on one floor, CITY shall establish an Anderson Building Reuse Fund composed of fifty (50) percent of both the CITY and County funds actually received into the CITY of Terrell TIRZ#1 due to the incremental value increase between tax year 2020 and the such newly assigned incremental value. CITY shall reimburse COMPANY for a portion documented remodel and reconstruction costs up to but not to exceed fifty (50) percent of the incremental TIRZ#1 revenue received from the Anderson Building within thirty (30) days of receipt of both invoice from COMPANY and receipt of CITY and County TIRZ#1 incremental revenue attributable to the Anderson Building remodel. Such reimbursements shall end upon the sooner of total reimbursement to COMPANY reaches one third of COMPANY's expenses or after the tenth (10th) annual payment.

ITEM 7.2.

- H. Commencing with the first monthly payment of Hotel Occupancy Taxes by COMPANY for a Hotel in the Anderson Building, CITY shall repay COMPANY fifty percent (50%) of the seven percent (7%) Hotel Occupancy Tax paid by COMPANY to the CITY. Any Hotel Occupancy Tax above seven percent (7%) lawfully enacted by the CITY of Terrell shall not be reimbursable. Such reimbursement payments shall permanently cease if Hotel Occupancy Taxes are not generated by COMPANY and not received by CITY from the Anderson Building for any four (4) consecutive months. These payments shall terminate one hundred and twenty (120) months after the first Hotel Occupancy Tax reimbursement payment to COMPANY.

- I. After COMPANY has filed and maintains a sales tax disclosure acceptable in form for the Texas Comptroller to release sales tax payment data to the CITY of Terrell, and commencing with the receipt of the first monthly payment received from the comptroller including a payment from a property licensed high quality restaurant within the Anderson Building, CITY shall reimburse COMPANY for fifty percent (50%) of each monthly one percent (1%) local sales tax payment from a single restaurant in the Anderson Building. Such reimbursement payments shall cease permanently if no restaurant sales taxes are not generated by COMPANY and not received by CITY from the Anderson Building for any four (4) consecutive months. Such payments shall only extend for the first one hundred and twenty (120) months after a Certificate of Occupancy for a restaurant in the Anderson Building is issued to COMPANY by CITY.

- J. Upon acceptance by CITY Manager or his designee that each phase of COMPANY's work obligations listed below are complete and only after subsequent receipt by CITY of an invoice from COMPANY showing full proof of expenses, CITY shall utilize PADIC Funds to reimburse COMPANY as follows:
 - J.1 COMPANY completes full asbestos removal in the Anderson Building, reimbursement not to exceed seventy-five thousand dollars (\$75,000).

 - J.2 COMPANY completes retrofit of all exterior windows, awnings on south and east sides and other exterior safety elements on all four (4) walls of the Anderson Building façade, reimbursement not to exceed one hundred and fifty thousand dollars (\$150,000)

 - J.3 COMPANY completes installation of fully functional new elevator and full fire egress stairway systems in the Anderson Building, reimbursement not to exceed seventy-five thousand dollars (\$75,000).

 - J.4 COMPANY completes a complete renovation of the Griffith Building, including but not limited to a Certificate of Occupancy for the entire building door systems opening on to the pocket park to the west, an improved façade and awnings on the north and an improved façade on the south, reimbursement not to exceed seventy-five thousand dollars (\$75,000). However, J.4 shall not be paid by CITY until such time as

COMPANY is eligible for the payment identified in ARTICLE III Section J.5

J5. COMPANY completes a full renovation and upgrade of the Pocket Park on Adelaide and Moore in a manner above and beyond the Initial Pocket Park Improvements and according to a plan accepted in writing by the CITY Manager prior to commencing construction, reimbursement not to exceed seventy five thousand dollars (\$75,000). CITY retains the right to notice COMPANY that CITY shall complete the Permanent Pocket Park Improvements and, if so, COMPANY shall not be eligible for reimbursement.

K. CITY shall use best efforts to remove and relocate all or part of the Oncor transformers adjacent to the Anderson Building in the North Alley as part of the PADIC funds or the TIRZ#1 allocated to area improvements and not otherwise obligated to COMPANY.

ARTICLE IV COMPANY PARKING PARTNERSHIP OPTION

At any time prior to forty eight (48) months after the City Engineer accepts the North Alley construction project as substantially complete, COMPANY may voluntarily elect to propose a parcel or parcels to CITY for an additional parking partnership.

CITY may accept or reject the proposed parcel or parcels and may set reimbursement maximums based on its own project cost estimates and may conduct studies and on-site tests prior to responding to such a request. If CITY concurs in writing with the location proposal by COMPANY, COMPANY may, but is not obligated to perform the following:

- A. Purchase a distressed parcel or parcels generally within walking distance to the Anderson Building.
- B. Apply for any and all necessary permits to and then, after lawful receipt of such permits, subsequently demolish any structures and otherwise clean the impacted parcel or parcels.
- C. Construct surface parking with a high quality landscaping package and designate parking spaces as may be necessary for Anderson Building or Griffith Building tenants or guests.
- D. Maintain landscaping and parking on the parcels in a high quality, clean manner.

COMPANY agrees that CITY shall have no obligations to COMPANY for COMPANY's work under ARTICLE IV if the acquisition, demolition, site cleaning, and parking improvements have not been accepted as complete by the City Engineer within sixty (60) months after the City Engineer accepts the North Alley construction project as substantially complete.

**ARTICLE V
CITY PARKING PARTNERSHIP OBLIGATIONS**

In the event that COMPANY timely exercises the option under ARTICLE IV and CITY approves writing the parcel or parcels proposed by COMPANY, CITY shall:

- A. After acceptance of completion by City Engineer and written invoice with full documentation by COMPANY, reimburse COMPANY for removal and environmental remediation of fuel tanks at one hundred percent (100%) of the actual cost of fuel tank removal in an amount not to exceed any maximum established by CITY. .
- B. After acceptance of completion by Building Official, reimburse COMPANY for demolition, cleaning and grading of parcel or parcels at one hundred percent (100%) of the actual cost of fuel tank removal in an amount not to exceed any maximum established by CITY.
- C. Upon each permit application, waive Fees during demolition or construction.
- D. After acceptance by CITY of completion of parking and landscape improvements, increase payments described in ARTICLE III Section H from fifty percent to one hundred 100% for the until the termination of the TIF Agreement or until such time as COMPANY is fully reimbursed for 100% of the purchase price of the parcel or parcels.
- E. Commencing after both the first monthly payment of Hotel Occupancy Taxes by COMPANY for a Hotel in the Anderson Building and after acceptance by CITY of completion of parking and landscape improvements, CITY shall repay COMPANY fifty percent (50%) of the seven percent (7%) Hotel Occupancy Tax paid by COMPANY to the CITY. Any Hotel Occupancy Tax above seven percent (7%) lawfully enacted by the CITY of Terrell shall not be reimbursable. Such reimbursement payments shall permanently cease if Hotel Occupancy Taxes are not generated by COMPANY and not received by CITY from the Anderson Building for any four (4) consecutive months. These payments shall terminate two hundred and forty (240) months after the first Hotel Occupancy Tax reimbursement payment to COMPANY or until such time as COMPANY is fully reimbursed for 100% of the purchase price of the parcel or parcels.
- F. After COMPANY has filed and maintains a sales tax disclosure acceptable in form for the Texas Comptroller to release sales tax payment data to the CITY of Terrell, and commencing with the receipt of the first monthly payment received from the comptroller including a payment from a property licensed high quality restaurant within the Anderson Building and after acceptance by CITY of completion of parking and landscape improvements, CITY shall reimburse COMPANY for fifty percent (50%) of each monthly one percent (1%) local sales tax payment from a single restaurant in the Anderson Building. Such reimbursement payments shall cease permanently if no restaurant sales taxes are not generated by COMPANY and not received by CITY from the Anderson Building for any four (4) consecutive months. Such payments shall only extend for the first two hundred

ITEM 7.2.

and forty (240) months after a Certificate of Occupancy for a restaurant in the Anderson Building is issued to COMPANY by CITY or until such time as COMPANY is fully reimbursed for 100% of the purchase price of the parcel or parcels. .

- G. Commencing after both the first monthly payment of Hotel Occupancy Taxes by COMPANY for a Hotel in the Anderson Building and after acceptance by CITY of completion of parking and landscape improvements, CITY shall make a PADIC Partnership payment of seventy five (\$75,000).

**ARTICLE VI
NOTICES**

Any notice to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be (i) delivered personally with a receipt requested therefor; or (ii) sent by telecopy facsimile; or (iii) sent by a nationally recognized overnight courier service for next business day delivery; or (iv) delivered by United States registered or certified mail, return receipt requested. postage prepaid. All notices shall be addressed to the respective party at its address set forth below, and shall be effective (a) upon receipt or refusal if delivered personally or by telecopy facsimile; (b) one (1) business day after depositing, with such an overnight courier service or (c) two (2) business days after deposit in the United States mails, if mailed. Any party hereto may change its address for receipt of notices by service of a notice of such change in accordance with this Section. All notices by telecopy facsimile shall be subsequently confirmed by U.S. certified or registered mail, return receipt requested.

If intended for CITY, to:

CITY Manager
CITY of Terrell
P.O. Box 310
Terrell, Texas 75160

with a copy to:

Mary Gayle Ramsey
Attorney at Law
607 N. Rockwall
Terrell, Texas 75160

If intended for COMPANY, to:

Luis Pina
Pina Holdings, LLC
2909 Cole Ave
Suite 210
Dallas, TX 75204

with a copy to:

**ARTICLE VII
SPECIAL PROVISIONS**

CITY and COMPANY agree to the following special provisions associated with the Agreement:

COMPANY agrees to look solely to the portion of the new, increased CITY property tax generated by the Anderson Building and the development thereof as set forth in this Development Agreement, not revenue attributable to any other properties or developments, CITY's general funds, interest related income, or other CITY funds, for reimbursement of Project Costs for the Public Infrastructure. Nothing in this Development Agreement shall be construed to require CITY to place any source of funds into the Anderson Building Developer's Fund other than those funds described herein.

Upon receiving written notice from COMPANY regarding the completion of construction of any portion of the Project, CITY shall initiate a ten (10) day review period. If no problems are identified by the CITY during the review period, CITY shall provide such documentation. CITY shall document in writing to COMPANY any problems with the Public infrastructure as soon as possible but no later than the eleventh (11th) day after receipt of written notice from COMPANY.

No funds shall be payable to COMPANY from this Agreement until such time as COMPANY has secured CITY approval of the Project (or portion of Project), as determined by the sole and exclusive judgement of the CITY Engineer.

In no case shall the amount payable to COMPANY from all sources herein exceed one third of the total documented actual cost borne by COMPANY of the Anderson Building and Griffith Building remodels (the "Developer's Fund Maximum Reimbursement").

To be eligible as Project Costs for Public Infrastructure expense(s), expenses of COMPANY must meet the definition of "Project Costs" under Chapter 311 of the Texas Tax Code. COMPANY agrees to comply with all applicable CITY ordinances, State and Federal laws, this Development Agreement and the TIF Agreement.

Project Costs expended by COMPANY being reimbursed pursuant to and subject to the terms and conditions of this Development Agreement and the TIF Agreement are funds which shall be made in accordance with the Authorization Resolution and shall not be subject to the appropriation process of the CITY and amounts shall be disbursed without the necessity of further resolution or action by the CITY.

CITY retains the right to deduct from any payment otherwise due under the terms of this Agreement any unpaid public debt, lien, fine or other encumbrance of COMPANY from any taxing jurisdiction in Kaufman County. Any such deduction shall include an additional twenty five percent (25%) penalty and administration fee payable to the CITY of Terrell Capital Improvement Fund.

If upon expiration of the term of the Tax Increment Reinvestment Zone No. 1 of the CITY of

Terrell, Texas, as provided in the ordinance creating same, as amended, any Project Costs for Public Infrastructure advanced by COMPANY under this Development Agreement remain unreimbursed, due to the lack or unavailability of funds within the Anderson Building Developer's Fund or due to COMPANY's failure to meet any precondition of reimbursement under this Development Agreement that result in lawful termination of this Development Agreement by the CITY, such costs shall no longer be considered eligible for reimbursement, and any obligation of CITY to reimburse through any source shall expire. No funds shall be transferred into the Anderson Building Developer's Fund after the termination date of the TIF Agreement.

ARTICLE VIII ADDITIONAL PROVISIONS

CITY and COMPANY agree to and hereby incorporate the Recitals and Exhibits referenced above into this Development Agreement.

In case anyone or more of the provisions contained in this Development Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof and this Development Agreement shall be considered as if such invalid, illegal or unenforceable provision had never been contained in this Development Agreement.

COMPANY shall indemnify and hold CITY harmless for any claims relating to work completed by or on behalf of COMPANY.

It is further agreed that no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document signed by both parties with the same formality and of equal dignity herewith.

No party shall be in default under this Development Agreement until notice of such default has been provided and the defaulting party has been given an opportunity to cure the default as provided herein. Upon the occurrence of any default, the non-defaulting party shall notify the defaulting party in writing and the defaulting party shall have (i) forty-five (45) calendar days to cure such default; or (ii) if the default by COMPANY is related to the construction of public infrastructure, COMPANY may request in writing an extension based on the time reasonably necessary to cure such construction related issue. The CITY may extend, in writing, and shall not unreasonably withhold, an extension of an amount of time as the CITY Engineer deems reasonably necessary to cure such default.

This Development Agreement is made subject to the provisions of the Charter and ordinances of CITY, as amended, and all applicable state and federal laws. This Development Agreement is performable in Kaufman County, Texas, and venue of any action arising out of this Development Agreement shall be exclusively in Kaufman County, Texas. This Development Agreement shall be governed and construed in accordance with the laws of the State of Texas.

This Development Agreement embodies the complete agreement of the parties hereto,

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‘superseding all oral or written previous and contemporary agreements between the parties and relating to matters in the Development Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached and made a part of this Development Agreement.

The Exhibits to this Development Agreement are the following:

- Exhibit A TIF Agreement
- Exhibit B Authorization Resolution #1006

Executed this ___ day of _____, 2021.

CITY OF TERRELL, TEXAS

By: _____
E. Rick Carmona, Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

Dawn Steil, CITY Secretary

Mary Gayle Ramsey, CITY Attorney

PINA HOLDINGS, LLC “COMPANY”

By: _____
Luis Pina - Manager

STATE OF TEXAS

COUNTY OF KAUFMAN

BEFORE ME, the undersigned authority, on this day personally appeared _____, _____ of the CITY OF TERRELL, TEXAS, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVE UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2021.

Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF _____

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of Pina Holdings LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVE UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 2021.

Notary Public, State of Texas

**EXHIBIT A
TIF AGREEMENT**

EXHIBIT B
AUTHORIZATION RESOLUTION

ITEM 7.2.

Municipal Development
Department
972-551-6606 phone
972-551-6677 fax

City of Terrell

Application for Plat Approval

City of Terrell
201 E. Nash
P.O. Box 310
Terrell, TX 75160

Application Type:	<input type="checkbox"/> Construction	<input checked="" type="checkbox"/> Final	<input type="checkbox"/> Replat	<input type="checkbox"/> Amending
Plat Name:				
Existing Property Information:				
Legal Description:				
Lot: <u>Lots 5, 6 & 7</u>		Block: <u>5</u>		
Subdivision: <u>Crossroads at Terrell, Phase 2A</u>		No. of Lots <u>3</u>		
Survey abstract & acreage: <u>John C. Hale Survey A-202; 23.245 acres</u>				
Address: <u>Crossroads Drive, City of Terrell, Kaufman County, Texas</u>				
Present use & zoning district: <u>Commercial and Multi-Family</u>				
<i>(Please note chart below)</i>				
(AG)	AGRICULTURE	(NS)	NEIGHBORHOOD SERVICES	
(SF-16, SF-10, SF-7.5, SF-6)	SINGLE-FAMILY RESIDENTIAL	(R)	RETAIL	
(TH-12)	TOWNHOUSE RESIDENTIAL	(CBD)	CENTRAL BUSINESS DISTRICT	
(MF-22)	MULTI-FAMILY RESIDENTIAL	(C)	COMMERCIAL	
(MH)	MANUFACTURED HOME	(LI)	LIGHT INDUSTRIAL	
(O)	OFFICE	(PD)	PLANNED DEVELOPMENT	
Property Owner Information:				
Owner: <u>Terrell 80/20 Ltd. & City of Terrell</u>		Phone No. <u>214/361-2350</u> Fax No. _____		
Address: <u>8350 N. Central Expressway, Suite M-1020, Dallas, Texas 75206</u>				
If the property owner is represented by an authorized agent, please complete the following:				
Agent/Developer: <u>Adams Engineering</u>		Phone No. <u>817/328-3200</u> Fax No. <u>817/328-3299</u>		
Cell No. <u>817/404-9759</u>		E-Mail <u>rob.adams@adams-engineering.com</u>		
Address: <u>8951 Cypress Waters Blvd., Suite 150, Dallas, Texas 75019</u>				
Owner Signature: _____		Agent Signature: _____		
Surveyor:				
Firm Name: <u>Summit Surveying</u>		Phone No. <u>903/561-9544</u> Fax No. _____		
Contact: <u>Joe W. Clark, RPLS</u>		E-Mail <u>jwsummit@tyler.net</u>		
Address: <u>2040 Deerbrook Drive, Tyler, Texas 75703</u>				
Land Planner/Engineer:				
Firm Name: <u>Adams Engineering</u>		Phone No. <u>817/328-3200</u> Fax No. _____		
Contact: <u>Rob Adams, PE</u>		E-Mail <u>rob.adams@adams-engineering.com</u>		
Address: <u>8951 Cypress Waters Blvd., Suite 150, Dallas, Texas 75019</u>				
Office Use Only:				
Application Date: _____		Fee Paid: _____		Received By: _____

City of Terrell
Municipal Development Department
201 E. Nash ~ Post Office Box 310
Terrell, Texas 75160
Phone (972-551-6606) / Fax (972-551-6677)

Platting Checklist

Construction Plat:

- 1) _____ Application for Plat Approval
- 2) _____ City preliminary plat filing fee:
 - residential - \$100 per plat +\$3 per lot
 - mobile home park- \$100 per plat + \$5 per space
 - commercial – less than 4.999 acres: \$100 each plat
 - 5.000 to 24.9999 acres: \$350 each plat
 - 25. 000 to 99.999 acres: \$750 each plat
 - 100.000 acre tract and over: \$750 each plat plus \$5 per acre for each plat
- 3) _____ Copy of owner's deed
- 4) _____ (1) Reduced copy (11" x 17")
- 5) _____ Copy of boundary calculations
- 6) _____ (2) 24" x 36" prints (blue-line or black; scale no more than 200' per inch)
- 7) _____ (2) 24" x 36" prints of proposed water & sewer plans

Final Plat:

- 1) X Application for Plat Approval
- 2) X City final plat filing fee:
 - residential - \$200 + \$4 per lot
 - mobile home park - \$200 +\$7 per space
 - commercial – same as preliminary plat fees listed above
 - administrative (short form) - \$100 + \$3 per lot
- 3) _____ County filing fee: \$61.00 per page + \$30.00 per tax certificate or receipt
(payable to Kaufman County)
- 4) X Copy of Owner's Deed
- 5) X Copy of boundary calculations
- 6) X Current Tax Certificates **OR** Receipt of Paid Taxes if between Sept.1-Dec. 31
(Kaufman County, TVCC, City & TISD)
- 7) _____ (1) Reduced copy (11" x 17")
- 8) _____ (2) 24" x 36" prints (blue-line or black; scale no more than 100' per inch)
- 9) _____ Construction Plans & Master Utility Plan

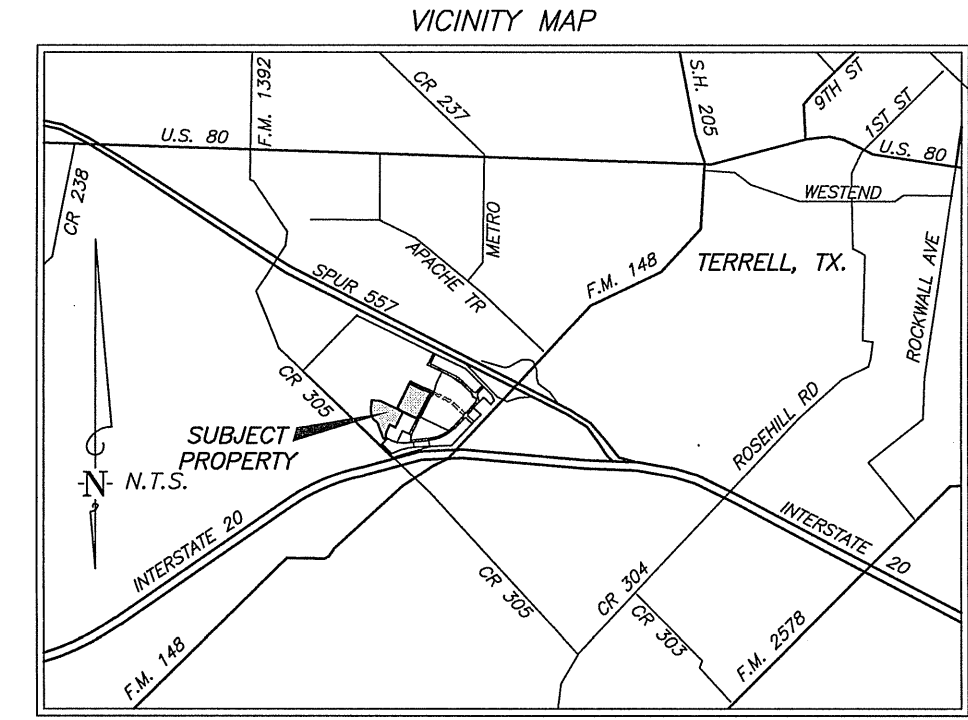
Replat/Amending:

- _____ Same as for Final Plat except for Construction Plans & Master Utility Plan

After Approval by Planning & Zoning & City Council

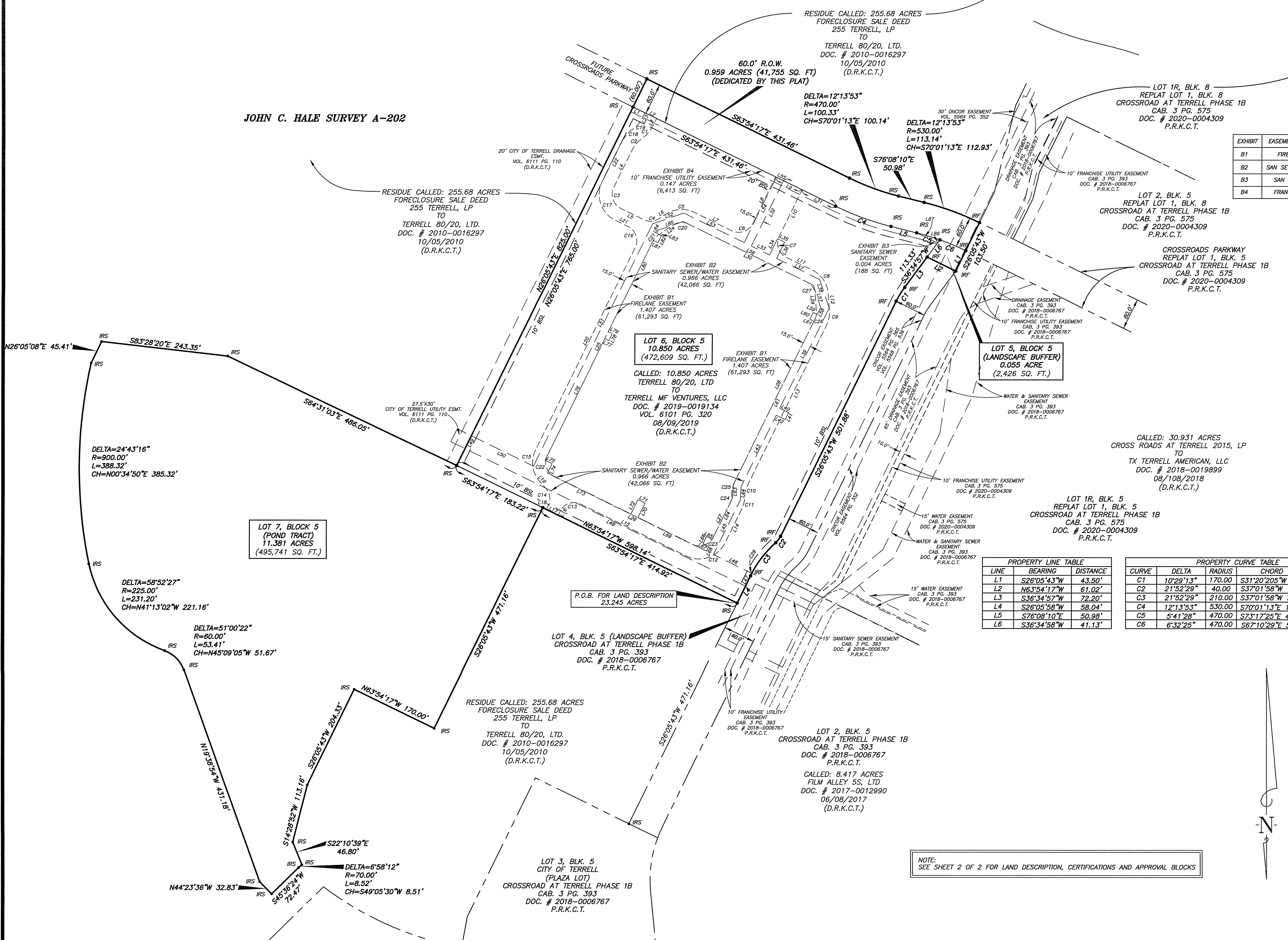
- 1.) _____ 2 24"x36" prints (1 mylar, 1 blue-line or black; scale no more than 100' per inch; no sepia's or reverse readings) with original seals and signatures
- 2.) _____ 3 18"x24" prints (1 mylar, 2 blue-line or black; scale no more than 100' per inch; no sepia's or reverse readings) with original seals and signatures

ACCORDING TO THE FLOOD INSURANCE RATE MAP (FIRM) COMMUNITY PANEL NO. 4857002000, DATED JULY 3, 2012, THE SUBJECT PROPERTY APPEARS TO BE IN ZONE "X" (AREAS DETERMINED TO BE OUTSIDE OF THE 0.2% ANNUAL CHANCE FLOODPLAIN) AS SCALED FROM SAID MAP. IT IS NOT A DETERMINATION BY THIS SURVEY AS TO AN INDICATION OF WHETHER OR NOT THE SUBJECT PROPERTY WILL ACTUALLY EXPERIENCE FLOODING.



- IRS DENOTES 1/2" IRON ROD (SET) WITH "SUMMIT" CAP UNLESS OTHERWISE NOTED
IRF DENOTES 1/2" IRON ROD (FOUND) WITH "SUMMIT" CAP UNLESS OTHERWISE NOTED

JOHN C. HALE SURVEY A-202



CROSSROADS AT TERRELL SEPARATE INSTRUMENT SUMMARY table with columns: EXHIBIT, EASEMENT TYPE, GRANTOR, GRANTEE, SQ. FT., ACRES, RECORDING.

FIRELINE LINE TABLE and FIRELINE CURVE TABLE with columns: LINE, BEARING, DISTANCE, CURVE, DELTA, RADIUS, CHORD, LENGTH.

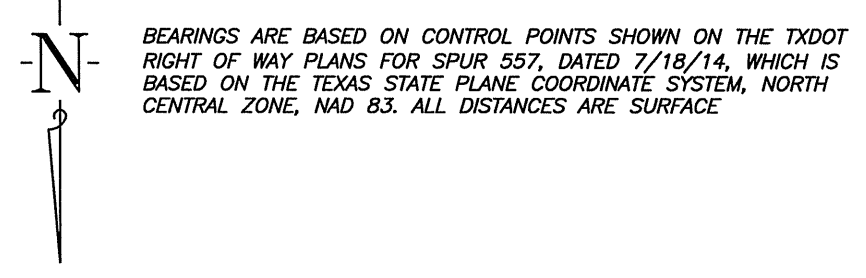
PROPERTY LINE TABLE with columns: LINE, BEARING, DISTANCE.

PROPERTY CURVE TABLE with columns: CURVE, DELTA, RADIUS, CHORD, LENGTH.

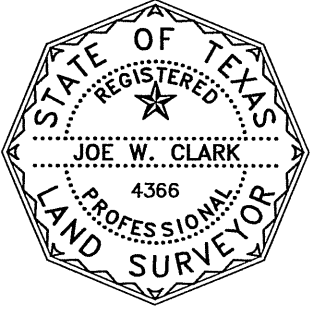
EASEMENT LINE TABLE with columns: LINE, BEARING, DISTANCE.

EASEMENT CURVE TABLE with columns: CURVE, DELTA, RADIUS, CHORD, LENGTH.

NOTE: SEE SHEET 2 OF 2 FOR LAND DESCRIPTION, CERTIFICATIONS AND APPROVAL BLOCKS



SURVEYOR'S CERTIFICATE: That I Joe W. Clark, do hereby certify that I have prepared this plat from an actual survey of the land and that the corner monuments shown hereon were properly placed under my personal supervision in accordance with the platting ordinances, rules, regulations, and resolutions of the City of Terrell, Kaufman County, Texas.



OWNER: TERRELL 80/20, LTD. 8350 N. CENTRAL EXPRESSWAY, SUITE M 1020, DALLAS, TEXAS 75206. CONTACT: JUSTIN ALLEN (214) 361-2350. ENGINEER: ADAMS ENGINEERING WOODGATE IV OFFICE PARK 1101 ESE LOOP 323, SUITE 101 TYLER, TEXAS 75703. CONTACT: RICK MARTINDALE (903) 324-8400. SURVEYOR: SUMMIT SURVEYING, INC. 2040 DEERBROOK DRIVE TYLER, TEXAS 75703. CONTACT: JOE W. CLARK (903) 561-9544.

FINAL PLAT CROSSROADS AT TERRELL, PHASE 2-A JOHN C. HALE SURVEY A-202 CITY OF TERRELL KAUFMAN COUNTY, TEXAS 0.055 ACRE - LOT 5, BLOCK 5 10.850 ACRES - LOT 6, BLOCK 5 11.381 ACRES - LOT 7, BLOCK 5 0.959 ACRES - CROSSROADS PKWY. R.O.W. 23.245 ACRES - TOTAL SHEET 1 OF 2

Summit Surveying, Inc. Land Boundary • Topography • GPS • Geodetic 2040 Deerbrook Drive, Tyler, Texas 75703 • (903) 561-9544

FINAL PLAT CROSSROADS AT TERRELL, PHASE 2-A

PROJECT MGR: JWC PROJECT TERML: JWC CHECKED BY: MLVA JOB NO.: 14-060-19-019

REVISIONS table with columns: DATE, BY, REVISIONS.



Strategic Plan Timeline

February 2	Council Discussion
February 9	Police/Fire/City Manager
February 16	Cancelled Due to Weather
February 23	Human Resources/Housing/Finance
March 2	Municipal Development/Library/IT
March 9	Engineering/Utilities/Public Services
March 16	Council Discussion (tentative)

Preliminary Draft
City of Terrell Strategic Plan



FY22, FY23, FY24

Strategic Plan Themes

The Themes

1. Our Citizens benefit when we are efficient and relentless: Operational Goals
2. Our Citizens benefit when we are the partner of choice: Partnership Goals
3. Our Citizens benefit when we are is a great place for commercial investment and job creation: Development Goals
4. Our Citizens benefit when we are diligent in maintaining and enhancing infrastructure: Construction Goals
5. Our Citizens benefit when we set and achieve Quality of Life benchmarks: Quality of Life Goals

Our Citizens benefit when we are efficient and relentless

Major Operational Goals

- Add multiple staff in Police Department to meet growth in calls/demand for service and to maintain/improve recent anti-narcotics successes
- Add multiple staff in municipal development to improve customer service and stay ahead of development
- Stabilize operations with single new positions for finance clerk, assistant city manager, assistant fire marshal
- Keep the budget growing to meet out city's needs
- Expand library and youth recreation staff concurrent with budget availability to grow programs
- Train, evaluate and retain the dedicated staff we have
- Plan for retirements and cross train for resilience
- Expand Spanish language skill sets
- Add Downtown security and "polish" functions
- Crisp and clean everyday
- Control IT spending while enhancing IT footprint
- Maintain balanced annual approach to fleet

Our Citizens benefit when we are the partner of choice

Major Partnership Goals

- Utilize regional animal shelter for pay-per-night services
- Utilize Garland/Mesquite radio system for emergency communication improvements
- Update NTMWD contract for growth and access to capital funds
- Plan new county sub courthouse with new municipal court element
- Negotiate partial CCN buyouts ahead of growth demands
- Work with NCTCOG/RTC on a wide range of grants and cooperative programs
- Work with TXDOT to improve maintenance, lower costs and obtain benefits from state capital investment
- Improve partnerships with TSHS/TDEM to put Covid-19 behind us and improve resiliency
- Negotiate voluntary annexations and new TIRZ Districts with surrounding major land owners
- Partner with NETRMA on outer loop planning and creative infrastructure finances
- Implement projects from the County Transportation Interlocal Agreement

ITEM 8.2.

- Enhance workforce, school district, TVCC, and other education partnerships

Our Citizens benefit when Terrell is a great place for commercial investment and job creation

Major Development Goals

- Update comprehensive plan zoning and subdivision ordinances to raise the standard
- Attract and open new retail, restaurants, lofts and entertainment downtown
- Support great mixed use hubs in Downtown, Crossroads, and TVCC Health Science Center; support a great retail destination at Shops at Terrell
- Foster high quality development and preservation in the Big Brushy Creek corridor by partnering for water, sewer, outer loop improvements with a variety of partners
- Promote more high quality residential infill
- Attract more quality, high wage employers
- Add a university presence and a hospital/medical center

Our Citizens benefit when our core infrastructure meets the needs

Major Construction Goals

- Build Temple, Blanche and South Alley as concrete complete streets
- Reconstruct North Alley, sections of Apache Trail and Metro Drive
- Reconstruct the Mukleroy Building to serve as a destination amenity
- Select and engineer the road, water, sewer, drainage sidewalks, lighting and parking for the Town Square Development, including quiet zones and complete streets on US 80 and Spur 226
- Identify and engineer a second NTMWD take point as well as the water distribution system for big brushy creek corridor development
- Acquire land for a new library/community center, 3 fire stations, park expansions, lake area protection zones
- Fully implement smart water meters
- Finalize Kings Creek WWTP improvements
- Complete the US 80, FM 148, SH 205 reconstruction
- Work with TXDOT to start construction on IH 20 frontage rows at FM 148
- Implement enhanced approaches to street maintenance based of robotics/SPI
- Implement enhanced approach to storm water based on drainage study

Our Citizens benefit when we set and achieve quality of life benchmarks: Quality of Life Goals

Quality of Life Goals

- Design and Perform a thorough Quality of Life Audit
- Utilize the results of the Quality of Life Audit to set a range of Quality of Life Goals
- Establish Financial Plans and Partnerships necessary to build and operate the Capital Improvements and/or Operational Improvements identified in the Audit

HOUSING DEPARTMENT

FY22 , FY23, AND FY24 STRATEGIC PLAN

JAMARCUS AYERS, DIRECTOR OF
HOUSING SERVICES



OUR MISSION AND OBJECTIVES

OUR MISSION

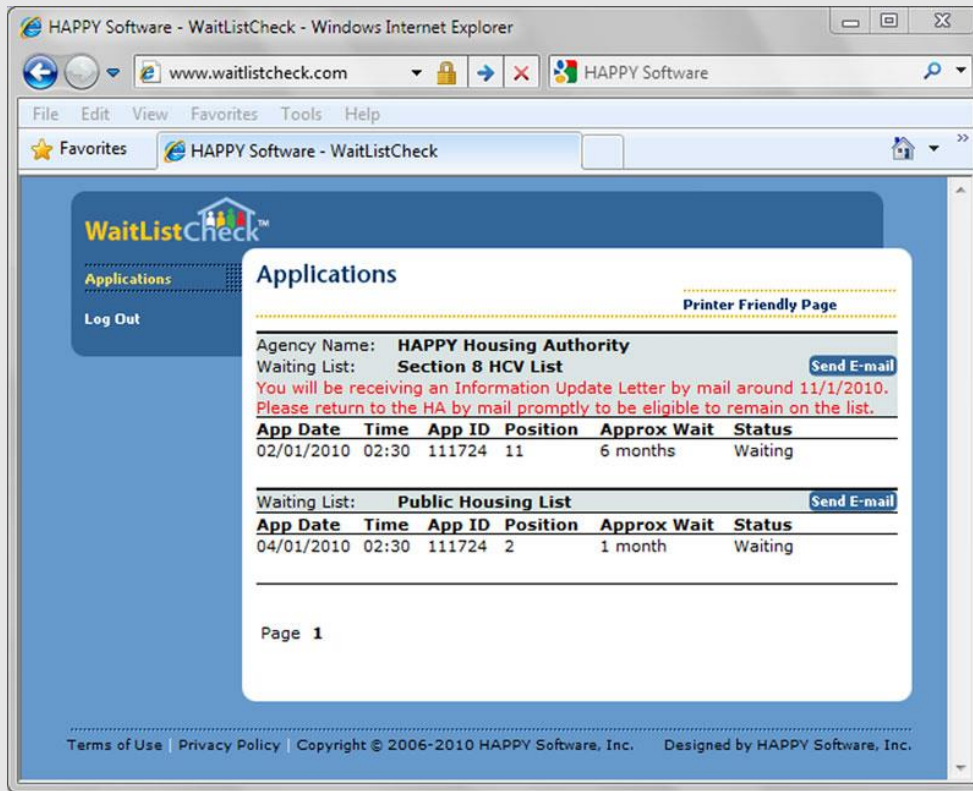
Our mission aligns with the United States Housing and Urban Development initiative to help provide quality affordable homes in our community. In pursuit of this initiative, we hope to create a strong, sustainable, and idyllic environment our families can be proud of.

OUR OBJECTIVES

- Strengthen the housing market to bolster the economy and protect consumers
 - Meet the need for quality affordable rental homes
 - Utilize housing as a platform for improving quality of life
- Build inclusive and sustainable communities free from discrimination

CURRENT SUCCESS

HAPPY SOFTWARE WAITLIST CHECK COMPLETED

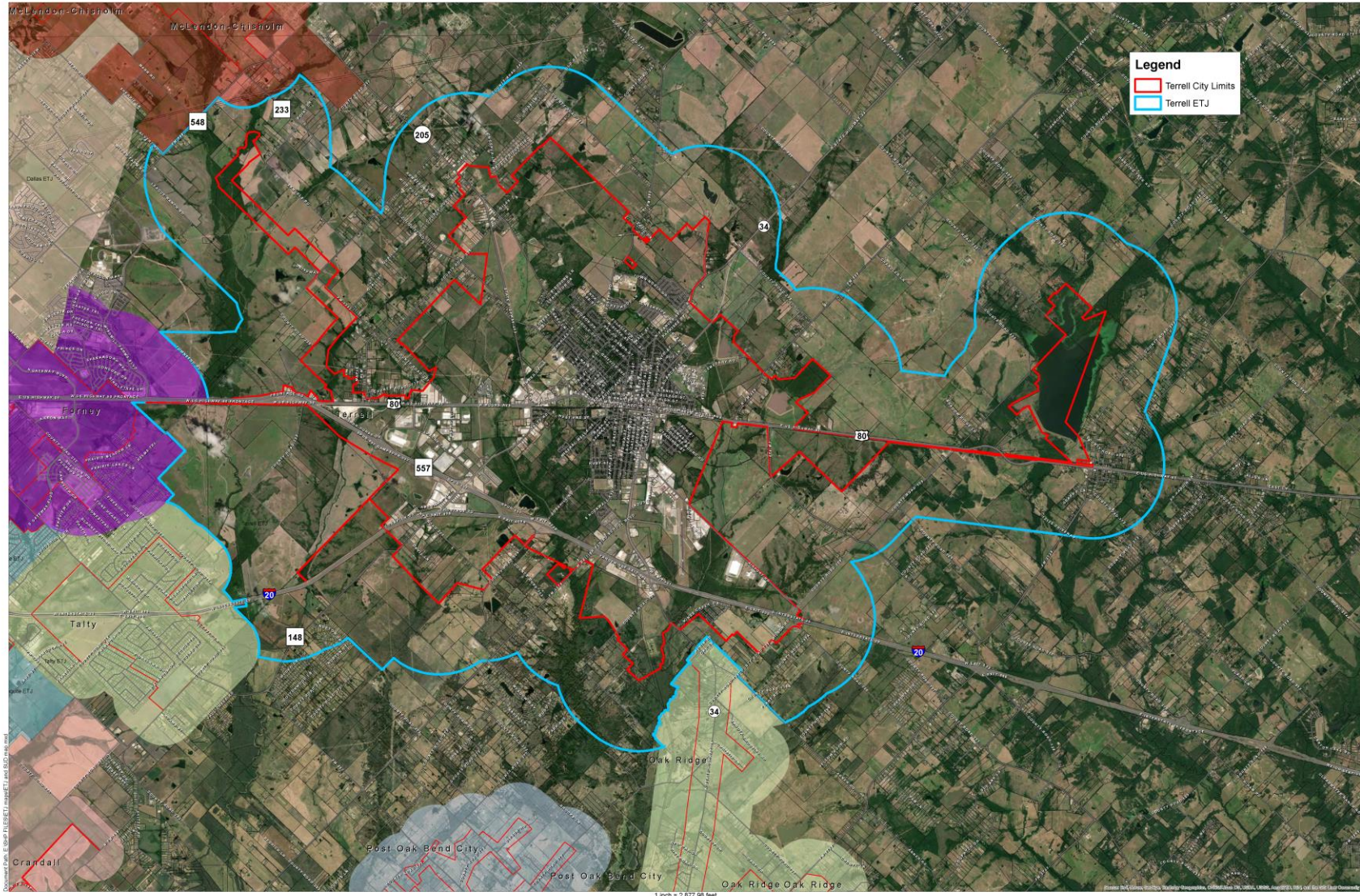


- Waitlist Check was implemented this year fiscal year
- We were able to go live in December 2020 and received approximately 3,000 applicants in just over a month between the opening and close date.
- Waitlist Check gives us the ability to limit person-to-person contact and expedites the applicants ability to be put on the waitlist.
- More than 30 applicants have been issued a voucher since the close of the waiting list



STRATEGIC GOALS

CURRENT JURISDICTION



WHY EXPAND OUR JURISDICTION?

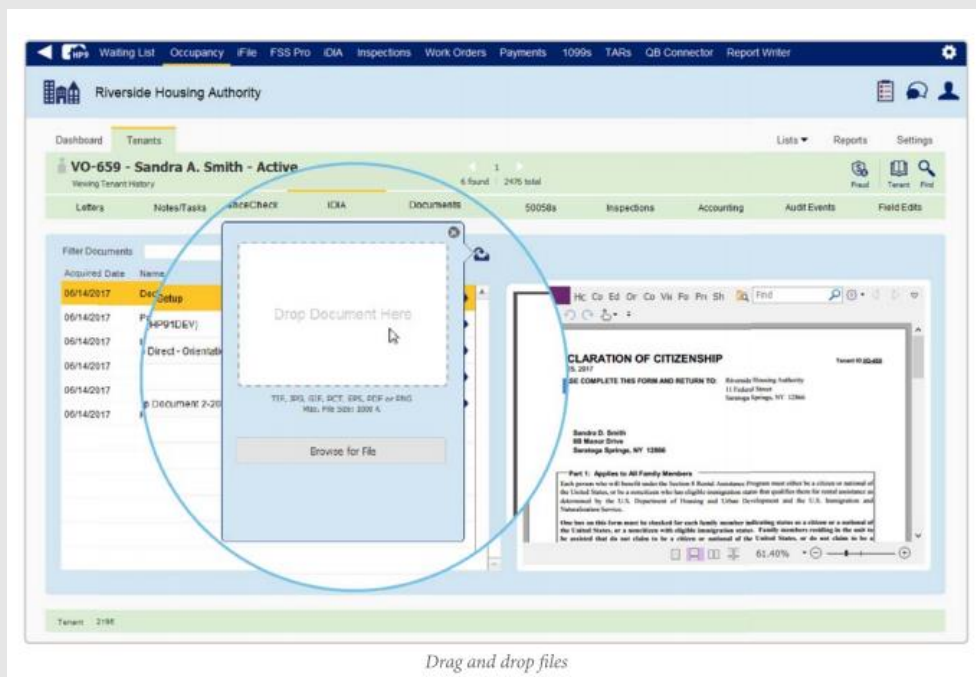
- Increases the participants housing selection
- Increases the lease-up rate for our program
- Creates healthy competition between landlords thereby promoting upgrades to units
- Prevents administrative funding from being lost to other housing authorities that cover areas
- Prevents loss of housing assistance funding for families within our coverage area

AREAS TO CONSIDER

- **Windmill Farms**
- **Travis Ranch**
- **Kaufman**
- **Poetry**
- **Forney**
- **Heartland**
- **Unincorporated Areas**

EFFICIENCY IMPROVEMENT

iDIA



- o iDIA is a component of the Housing Pro Software (used to track information from tenants and applicants)
- o iDIA would give us the ability to centralize electronic copies of documents pertaining to each tenant and applicants case.

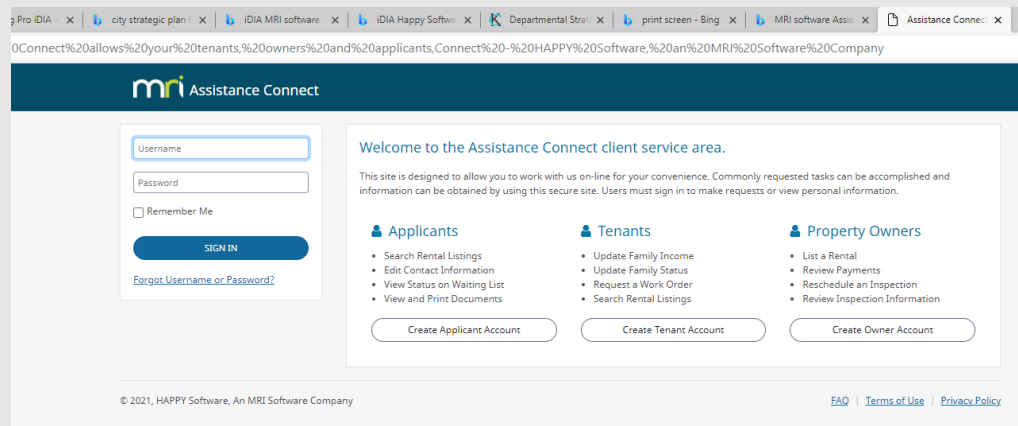
Benefits

Save Time, Paper and Office Space

- Centralized**
Instantly access case files from anywhere
- Simple Sorting**
Automatically route and file with barcode indexing
- Peace of Mind**
Securely stores files with automatic backup
- File with Ease**
Drag and drop documents for automatic filing
- Quick Review**
Filter case file by transaction type or search by name

CUSTOMER SERVICE IMPROVEMENT

MRI Assistance Connect



Assistance Connect is an online portal for tenants, applicants, and landlords.

Applicants will be able to search rental listings, edit contact information, view status on waiting list, and view and print documents.

Tenants will be able to update family income, update family status, and search rental listings

Property owners list a rental, review payments, reschedule an inspections, and review inspections information

NEW PROGRAM RECOMMENDATION

FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

The FSS program enables HUD-assisted families to increase their earned income and reduce their dependency on welfare assistance and rental subsidies.

How it works?

- HCV families generally pay rent based on a percentage of their income.
- When a family's income rises, the amount the family must pay toward rent also rises. A portion of the increase in rent is captured in an escrow account.
- Deposits to the FSS escrow account occur when the household earnings of an FSS participant increase and lead to an increase in rent.
- Generally, when this happens, the PHA/owner will deposit an amount equal to the family's increase in rent due to the increased earnings into the FSS escrow account. The escrow account thus allows FSS participants to build savings over time.

Additional Programs:

All programs implemented in the future years will be predicated on funding availability and qualifications.

List of Programs for consideration:

HCV Homeownership

Community Development Block Grant

Section 3 Program

Home Investment Partnership Program

- ***As our programs and jurisdiction expand, our staffing will have to increase as well.***

Housing Department Goals

#	Goal	Status
4.3.1	Maintain Section 8 Management Assessment Program (SEMAP) rating as a “High Performer” each fiscal year	Achieved in 2021; Ongoing
4.3.2	Reduce and maintain a Per Unit Cost (PUC) that aligns with our grant fund amounts	On-going
4.3.3	Increase amount of Reserve Funds	On-going
4.3.4	Expand Jurisdiction to increase coverage area for HCV Program	Top priority as next major step
4.3.5	Efficiency Improvement – Housing Pro iDia (electronic document submission and retention)	Assessing
4.3.6	Customer Service Software Upgrades – MRI Assistance Connect (Applicant, Tenant, and Landlord portal)	Assessing
4.3.7	Implement the Family Self Sufficiency program	Assessing
4.3.8	Explore and implement other beneficial programs available to administer for our community	Will require staffing, Federal approvals and resources

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Finance Department

Strategic Plan FY22, FY23, and FY24

Mission Statement

“The Finance Department’s mission is to account for all monies received by the city and prepare the monthly financial report; record and report all financial transactions, assist the preparation of the annual budget and annual audit and prepare special reports for the City Manager and City Council; strive to maintain investments at the highest possible levels; strive to serve customers in an efficient and professional manner; and any other administrative or clerical duties as prescribed by the City Council and/or the City Manager.”

Accomplishments of FY20 and FY21

- *Generated over \$100,000 in investment income from TexPool, TexStar, and TexTerm*
- *Conducted revenue analysis to help the City Manager and City Council make informed decision on budget adjustments during COVID-19*
- *In wake of many staffing adjustments during FY20, we have been able to continue operations*
- *Developing new processes to help streamline credit card reconciliations through Bank of America*
- *Revamped Financial Reports for City Council and City Manager*

The background of the slide is a golden-yellow color with a dense, repeating pattern of various currency symbols (dollar, euro, yen, pound) in a 3D, embossed style. The symbols are scattered across the entire page, creating a textured, financial-themed backdrop.

City Financial Goals

Strategic Plan FY22, FY23, and FY24

City Financial SWOT Analysis

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none">• Council leadership• Community Teamwork• Stable fund balances across most funds• Partnerships• Diverse revenue streams• Excellent planning, engineering and finance team	<ul style="list-style-type: none">• Lower than desirable reserves• Aged City facilities• Already behind on salaries• Obligations on the books• Long list of capital project needs• Underfunded in maintenance tasks	<ul style="list-style-type: none">• Work from home movement• Regional growth• Land and roads in Terrell• Great ISD• Partnerships• Desirability of Texas• Geographic gap in medical, hospitality and higher education sectors	<ul style="list-style-type: none">• State Legislation• Loss of Council and/or community good will and trust• Retail trends• Uncontrolled ETJ growth• Return of crime as an issue• Increase in insurance rates• Unstable borrowing market

The Five Major Themes of the Strategic Plan are Resource Intensive We need the Revenues and Reserves to Deliver on Council Expectations

- Operational Goals Examples:
 - PD Staff for a larger Narcotics, Dispatch, Jailer and Patrol Teams
 - FD Staff for Fire Inspections and a Third Fire Station
 - Catch up staffing in MD and Finance
 - Library Staff for a new Library/Community Center
 - Staff and contractors necessary for “Crisp and Clean”

- Construction Goals Examples:
 - Streets, Streets, Streets, and Streets
 - Water and Wastewater Expansions
 - Downtown Master Plan, Drainage Master Plan, Parks Master Plan
 - Sidewalks, Major TXDOT Partnerships
 - New and renovated City Buildings

Straight Line Budget Growth Model

General Fund

General Fund	FY21	Growth Factor	FY22	FY23	FY24	Average Annual Growth
Start of Year Reserve	\$ 2,636,948		\$ 2,725,212	\$ 3,157,614	\$ 3,954,143	
Revenues	\$ 29,237,643	0.035	\$ 30,260,961	\$ 31,320,094	\$ 32,416,297	\$ 1,059,551
Expenditures	\$ 29,149,379	0.023	\$ 29,828,559	\$ 30,523,564	\$ 31,234,764	\$ 695,128
End of Year Reserve	\$ 2,725,212		\$ 3,157,614	\$ 3,954,143	\$ 5,135,677	\$ 803,488
Days of Reserve	34.1		38.6	47.3	60.0	

Straight Line Budget Growth Model

Utility Fund

Utility Fund	FY21	Growth Factor	FY22	FY23	FY24	Average Annual Growth
Start of Year Reserve	\$ 3,573,557		\$ 3,573,740	\$ 3,922,555	\$ 4,637,139	
Revenues	\$ 16,720,870	0.035	\$ 17,306,100	\$ 17,911,814	\$ 18,538,727	\$ 605,952
Expenditures	\$ 16,720,687	0.014	\$ 16,957,285	\$ 17,197,230	\$ 17,440,571	\$ 239,961
End of Year Reserve	\$ 3,573,740		\$ 3,922,555	\$ 4,637,139	\$ 5,735,295	\$ 720,519
Days of Reserve	78.0		84.4	98.4	120.0	

Capacity Analysis for Non-Utility Fund Debt

	FY21	FY22 Debt Capacity Analysis	FY23 Debt Capacity Analysis	FY24 Debt Capacity Analysis
Taxable Value	\$ 1,446,805,245	\$ 1,497,443,429	\$ 1,549,853,949	\$ 1,604,098,837
I&S Rate	\$ 0.001600	\$ 0.001600	\$ 0.001600	\$ 0.001600
Resulting I&S Revenue	\$ 2,251,460	\$ 2,330,262	\$ 2,411,821	\$ 2,496,234
Taxable Value TIRZ	\$ 198,236,013	\$ 205,174,273	\$ 212,355,373	\$ 219,787,811
Terrell Property Tax into TIRZ	\$ 1,136,190	\$ 1,175,956	\$ 1,622,820	\$ 1,679,618
County Property Tax into TIRZ	\$ 328,922	\$ 340,434	\$ 352,349	\$ 364,682
Commitments of the TIRZ	\$ 696,704	\$ 721,088	\$ 746,327	\$ 772,448
Annual Debt Capacity of TIRZ	\$ 576,306	\$ 596,477	\$ 617,353	\$ 638,961
PADIC Revenue	\$ 843,886	\$ 873,422	\$ 903,992	\$ 935,631
Annual Debt Capacity of PADIC	\$ 300,000	\$ 310,500	\$ 321,368	\$ 332,615

Strategic Plan for FY22, 23, and FY 24

City Financial Goals

- Build the General Fund balance to at least two months of operating expenditures
- Proactively engage Credit Rating Agencies (Standard & Poor's (S&P) and Moody's Investor Service) and follow their advice as we get ready for major borrowing
- Build a sustainable financial structure that maintains the City's capital assets and provides for a quality workforce
- Find ways to generate revenues/maintain operating balances in every fund

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Finance Operational Goals

Strategic Plan FY22, FY23, and FY24

Finance Department Operational Challenges

Reliance on paperwork instead of modern software methods in Finance and other Departments

Current day to day team includes a staff person at the clerk level, a former employee with intermittent ability to help as a contractor and a "hired gun" contractor from an accounting firm

Our individual bank account clearing funds, our accounting system codes, our investment fund deposits, and our budget categories are not aligned

We have big city demands for compliance, reporting, planning and transparency placed on a small city staff team

The City is due to rotate its consulting internal auditor and its outside audit firm

Strategic Plan for FY22, 23, and FY 24

Identifying and take advantage of opportunities for cost-savings and efficiencies

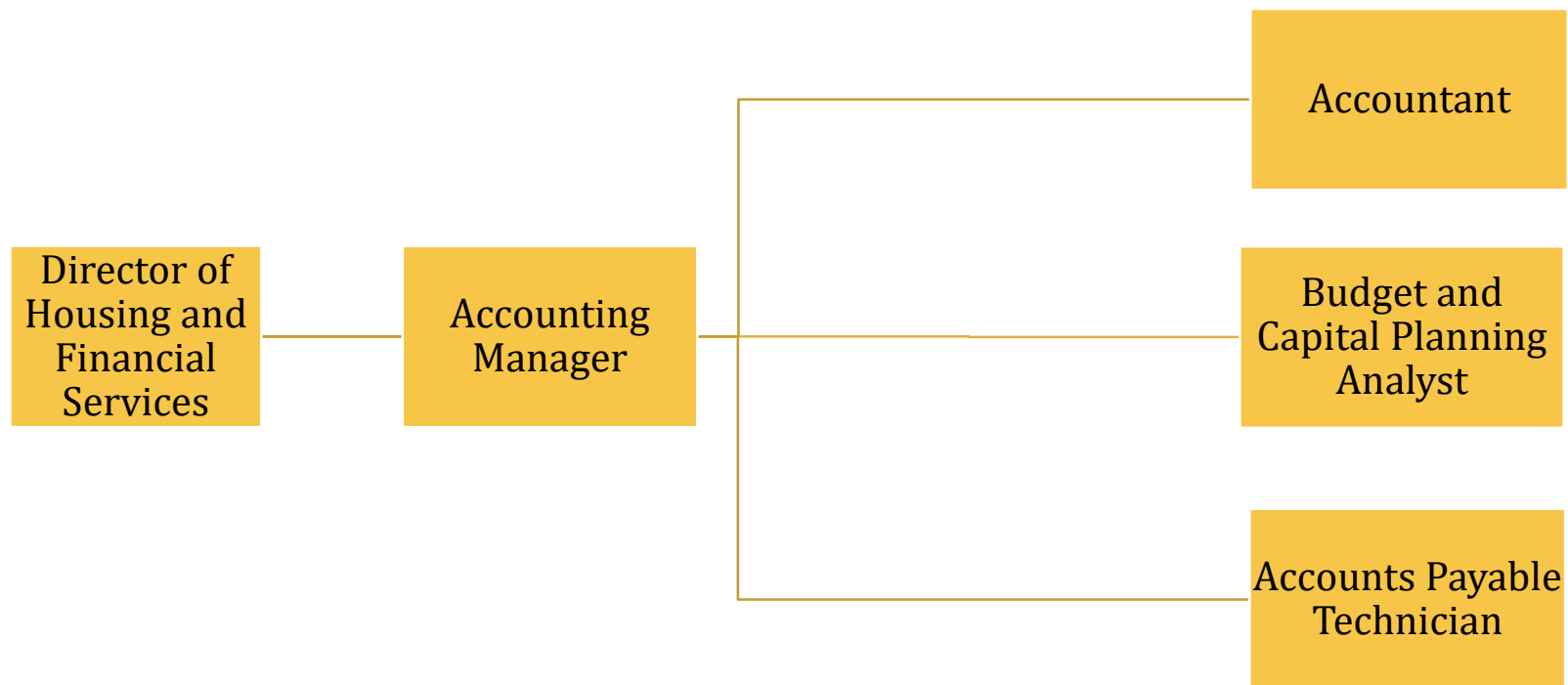
- Develop recommendations to reduce expenditures
- Conduct a process improvement study on revenue collections
- Prepare a recommendation to develop a pilot project for a citywide inventory management system
- Change our cell phone procurement system

Strategic Plan for FY22, 23, and FY 24

Implementation of policies, procedures, and practices to ensure resiliency

- Provide training that results in organizational standard of administrative, governance, and financial core competencies for employees.
- Provide coordinated support and training to departments in order to sustain and improve the organization towards data-driven governance
- Update the City's fund balance and reserve policy to account for a General Fund balance beyond the current policy

Finance Department Team Goal



- 1) Internal Audit function by Outside Contractor.
- 2) Current budget provides for Direct and two Tech positions, goal is to fill the vacant Tech budget slot with an Accounting Manager and update the budget accordingly.

#	Goal	Status
1.1.1	Pursue a diverse tax base and revenue options in every fund	On-going
1.1.2	Increase General Fund balance to two months of operating expenditures	In-Process
1.1.3	Build a sustainable financial structure that maintains the City's capital assets and provides for a quality workforce	On-going
1.1.4	Update Cell Phone procurement system	Pending
1.1.5	Upgrade Financial Software to include new features to help streamline many of our processes and eliminate the need for paper documents	In-Process
1.1.6	Improve training/skill sets and increase the number of staff in the Finance Department	In-Process
1.1.7	Achieve the Budget Presentation Award from Government Finance Officer's Association	In-Process
1.1.8	Complete the software implementation for credit card reconciliations	In-Process
1.1.9	Implement pilot project for inventory management system	Assessing
1.1.10	Update Financial Policy and improve financial reporting	Pending

HUMAN RESOURCES DEPARTMENT

STRATEGIC PLAN FOR
YEARS 2022, 2023, 2024

Mission Statement

- The Human Resources shall provide an equitable hiring process for all candidates to ensure each department is presented qualified candidates capable of performing the required specialized and general tasks within each department.

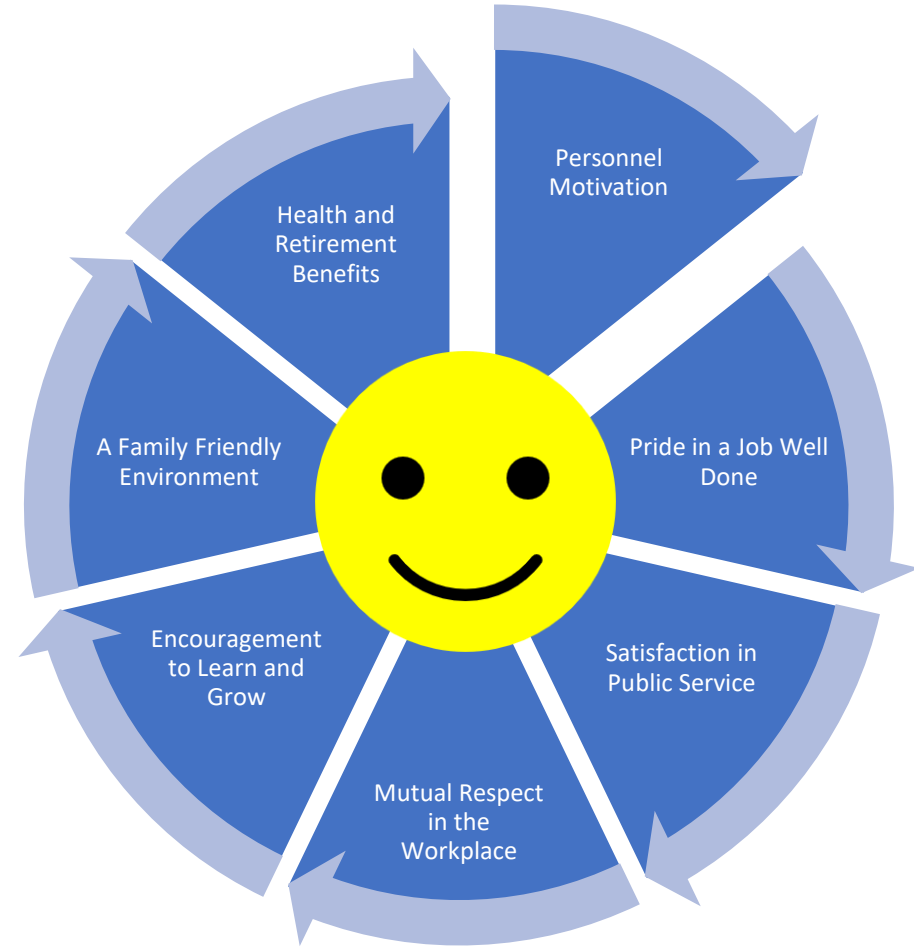
Success in FY20 and FY21

- Addressed Market Salary Deficiency with 3.5% Market Adjustment
- Created and Implemented Education/Certification Pay Program
- Successfully Defended Age and Gender Discrimination Equal Employment Opportunity Complaint
- Presented Edit to Personnel Code of Ordinances to Synchronize with City of Terrell Charter and Employee Handbook
- Reduced Workers Comp Annual Premium Due to Reduction in Job Related Injuries through an aggressive Risk Management Safety Program Initiative
- Assumed and Successfully Administered All Phases of Payroll during Finance Personnel Out Due To Covid-19 Exposure
- Created A Preliminary Contagious Disease Protocol Using Center for Disease Control Guidelines
- Conducted Soft Skill Training Sessions Topics of Workplace Sexual Harassment and Exemplary Customer Service facilitated by Dr. Pamela Johnson and Ms. Joy Weaver.

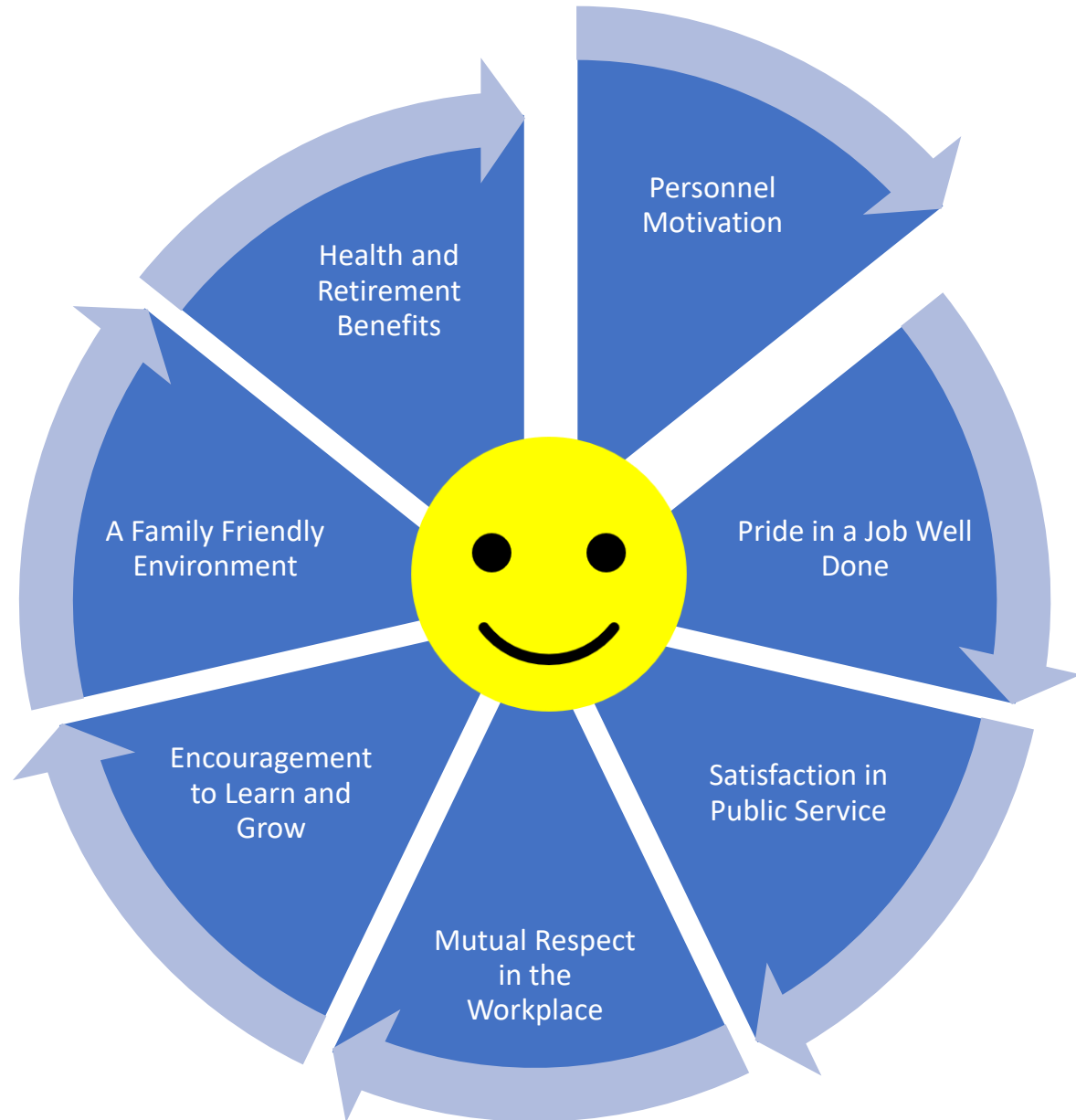
Wage Considerations



Non-Wage Considerations



Non-Wage Considerations



Non-Wage Considerations

Recommendation: Cultivate a Culture that Matches Both Citizen Needs and the Next Generation of Employees

What family needs mean will change as generations change

Citizens expect more and more 24/7 services

Citizens and employees expect more and more electronic interaction

Success of our organization will continue to be dependent on the motivation of our workforce

Non-Wage Considerations

Recommendation: Improve How the City Encourages and Supports Professional Development

Our success is based on our the skills of our employees

Tuition, training and certification all need to be incented at higher levels

We need to continue to review and refine policies and funding that encourages professional development in every Department

Similar to our stand alone IT Fund, the City needs a stand alone Employee Development Fund

Non-Wage Considerations

Recommendation: Improve How the City Allows Motivated Non-Traditional Candidates to Enter the Workforce

A diverse workforce is necessary to serve a diverse community

Third party review of HR Handbook, Job Descriptions and Departmental Policies

Third party review of hiring process, advertising and recruitment

Training for all supervisors on how to improve so we can recruit and retain non-traditional, but otherwise motivated applicants

Non-Wage Considerations

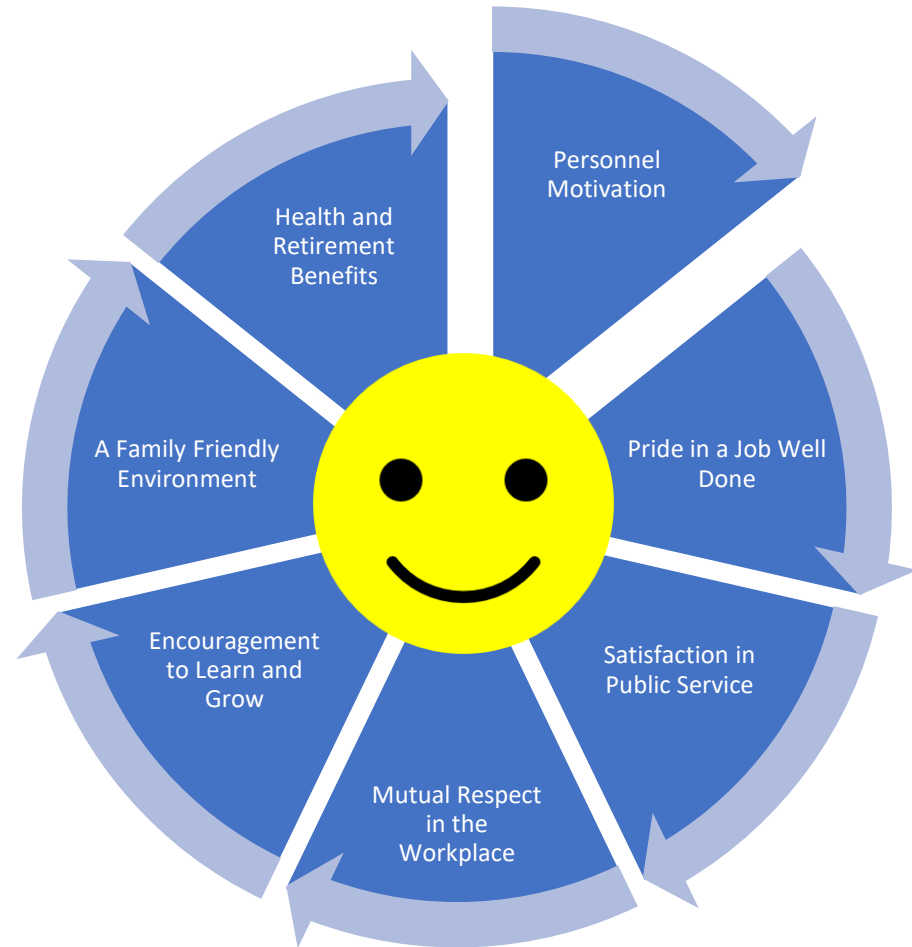
Recommendation: Improve Our Policies to Match our Operational Goals

- **Review and Update Employee Handbook**
 - Contagious Disease, Social Media Use, Family Medical Leave, Federal Employment Policies, Leave Time, Ethics and more
 - Maintain Hard Copy and Electronic Version
 - Do our employment policies allow the City to serve our citizens?
- **Review and Update Financial Policies and Processes**
 - Staff travel, staff vehicles, hassle factor of managing cell phones, purchasing and initiating projects

Non-Wage Considerations

Non-Wage Recommendations Summary

- Maintain Current Benefit Program
- Review and improve rules, processes and supervisor training to encourage and promote a diverse workforce
- Enhance Tuition Reimbursement Program
- Enhance Auto Allowance
- Enhance Education/Certification Pay Program
- Update Handbook
- Create an independent employee development fund



Wage Considerations



FY21 Employment Data

Department	Authorized FY21 FTE's	Actual FTE's on Oct. 1, 2020	Actual FTE's on Feb. 23, 2021	Current FTE Vacancies
Library/IT	10.5	9.5	9.5	1
Finance/Housing	7	7	7	0
Public Services	25.5	21	21.5	4
Municipal Development	9	7	7	2
Human Resources	3	3	3	0
Fire/Emergency Mgt.	34	30	33	1
Police/Animal Control	67	64	64	3
Engineering/Utilities	32	32	32	0
City Manager/City Secretary	4	4	4	0
Municipal Court	3	3	3	0
Total	195	180.5	184	11

Wage Considerations are the Starting Point of Being a Competitive Employer

- It is difficult to get a candidate interested in our non-wage benefits if we aren't even close on wages
- CURRENTLY CITY of TERRELL IS 11.6% BEHIND OUR COMPETITIVE MARKET
- Our positions are at a minimum \$2.07 per hour behind the market
- A Federal minimum wage increase would require the City to raise taxes to compete with the new wage competition

INTRODUCTION

- CITY COUNCIL ADOPTED AN ABBREVIATED SALARY STUDY CONDUCTED BY RAY ASSOCIATES, INC. –
“Kathyrn Ray Study” 10-01-2014
- ADOPTED 2.5 PERCENT STEP INCREASE COMP PLAN (with caveat the comp plan must be adjusted to the average of the market each year).
- ACTION FROM THE SALARY STUDY - MOVED EMPLOYEES TO COMP PLAN IF CURRENT PAY WAS BELOW MARKET
- MARKET ADJUSTMENT 1%
- STEP INCREASES NOT IMPLEMENTED FOR EMPLOYEES EXCEPT CIVIL SERVICE PERSONNEL.

COMP PLAN DATA

MARKET AJUSTMENT ANALYSIS BEGINNING 10-01-2014

FISCAL YEAR	MARKET	CITY
2014	2.5%	1%
2015	4%	1%
2016	3%	1%
2017	2.17%	1%
2018	3.09%	1%
2019	5.00 %	3.5%
2020	4%	2.5%
2021	2.84%	0%

Our Competitive Employer Market

City of Corinth

City of Weatherford

City of Ennis

NCTCOG

Town of Greenville

NTMWD

City of Lancaster

City of Mesquite

City of Midlothian

City of Rockwall

City of Waxahachie

COMPROMISED COMP PLAN CON'T

- NEW CANDIDATES ARE REQUESTING HIGHER BEGINNING PAY THAN THE CURRENT COMP PLAN ALLOWS, BUT IS ACTUALLY MARKET RATE FOR THAT POSITION RESULTING IN WHAT IS DESCRIBED IN THE HR FIELD AS “COMPRESSION PAY RATES”.
- MANAGEMENT HAS PLACED NEW HIRES ABOVE PAY PLAN STANDARD IN ORDER TO RECRUIT THE MOST QUALIFIED CANDIDATES
 - CITY SECRETARY OFFICE HIRE
 - WATER QUALITY HIRE
 - WATER/SEWER DISTRIBUTION HIRE
 - ENGINEERING PROJECT MANAGER HIRE

Wage Considerations



Wage Consideration Summary:

Pending funding, implement phased increases to close the gap behind market

Continue STEP increases in civil service annually

Rework civilian STEPs to allow a merit based element

Major update to the Ray Study at or prior to the 10 year mark

Strategic Plan Summary

#	Goal	Status
1.4.1	Cultivate a culture that matches both citizen needs and the next generation of employees	
1.4.2	Improve how the city encourages and supports professional development	
1.4.3	Create a stand-alone employee development fund	
1.4.4	Move tuition reimbursement to 100%; increase certification pay	
1.4.5	Third party review of HR Handbook, Job Descriptions and Departmental Policies	
1.4.6	Third party review of hiring process, advertising and recruitment	
1.4.7	Training for all supervisors on how to improve so we can recruit and retain non-traditional, but otherwise motivated applicants	
1.4.8	Review and update employee handbook and financial policies	
1.4.9	Pending funding, implement phased increases to close the gap behind market	
1.4.10	Rework civilian STEPs to allow a merit based element	
1.4.11	Major update to the Ray Study at our prior to the 10 year mark	