

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, JANUARY 27, 2014 AT 4:00 P.M.

KERRVILLE CITY HALL COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS

**AGENDA FOR REGULAR MEETING OF THE
CITY OF KERRVILLE, TEXAS
ECONOMIC IMPROVEMENT CORPORATION
MONDAY, JANUARY 27, 2013, 4:00 P.M.
KERRVILLE CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS**

CALL TO ORDER

INVOCATION

1. VISITORS/CITIZENS FORUM:

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

2. APPROVAL OF THE MINUTES:

2A. Minutes of the regular meeting held December 16, 2013.

3. MONTHLY REPORTS:

3A. Monthly financials for December 2013. (staff)

3B. Projects update. (staff)

River Trail and Parks projects

Cailloux Theater improvements

Streetscape

3C. Update regarding "GO Team" activities. (staff)

4. INFORMATION AND DISCUSSION:

4A. Update on reuse pond feasibility study. (staff)

5. PUBLIC HEARING AND POSSIBLE ACTION:

5A. Public hearing to consider funding agreement between the City of Kerrville, Texas Economic Improvement Corporation, the City of Kerrville, and Playhouse 2000, Inc. in the amount of \$500,000.00 for construction of a support facility to be owned by the City and used in conjunction with the Cailloux Theater for performing arts. (staff)

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time January 23, 2014 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

6. CONSIDERATION AND POSSIBLE ACTION:

6A. Hear a proposal regarding the construction of an athletics complex for the City of Kerrville. (Ben Modisett)

6B. Funding request from the Kerrville Area Chamber of Commerce for Kerrfest, in the amount of \$25,000.00. (staff)

6C. Funding request from Kerrville Festival of the Arts to host an arts event in downtown Kerrville on Memorial Day weekend in the amount of \$20,000.00. (staff)

6D. Funding request from the Kerrville Folk Festival for event transportation services during the Memorial Day Weekend in the amount of \$7,800.00. (staff)

6E. Funding request from Comanche Trace for the Hill Country Wine and Brew Festival in the amount of \$18,643.00. (staff)

6F. Funding request from Kerrville's Fourth on the River in the amount of \$23,100.00. (staff)

6G. Funding request from the Historic Downtown Business Alliance for Sock Hop on the Star in the amount of \$5,016.00. (staff)

6H. Funding request from High Five Events for the Kerrville Triathlon Festival in the amount of \$25,000.00. (staff)

6I. Discussion and direction to City staff regarding a multi-year financial and capital project plan. (staff)

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I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: January 23, 2014 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

7. EXECUTIVE SESSION:

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

Sections 551.071 (consultation with attorney), and 551.087 deliberation regarding economic development negotiations):

Hear a proposal regarding the construction of an athletics complex for the City of Kerrville.

Funding request from the Kerrville Area Chamber of Commerce for Kerrfest, in the amount of \$25,000.00.

Funding request from Kerrville Festival of the Arts to host an arts event in downtown Kerrville on Memorial Day weekend in the amount of \$20,000.00.

Funding request from the Kerrville Folk Festival for event transportation services during the Memorial Day Weekend in the amount of \$7,800.00.

Funding request from Comanche Trace for the Hill Country Wine and Brew Festival in the amount of \$18,643.00.

Funding request from Kerrville's Fourth on the River in the amount of \$23,100.00.

Funding request from the Historic Downtown Business Alliance for Sock Hop on the Star in the amount of \$5,016.00.

Funding request from High Five Events for the Kerrville Triathlon Festival in the amount of \$25,000.00.

7. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: January 23, 2014 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Cheryl Brown

Deputy City Secretary, City of Kerrville, Texas

Agenda Item:

2A. Minutes of the regular meeting held on December 16, 2013. (staff)

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

December 16, 2013

On Monday, December 16, 2013, the regular meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:00 p.m. by David Wampler, President in the Council Chambers at City Hall, at 701 Main Street, Kerrville, Texas.

The invocation was offered by Larry Howard.

Members Present:

David Wampler, President
Kenneth Early, Vice President
Rex Boyland, Secretary
Gary Cochrane (arrived at 4:05)
Larry Howard
Stacie Keeble
Polly Rickert

Members Absent:

City Executive Staff Present:

Kristine Ondrias, Deputy City Manager
Cheryl Brown, Deputy City Secretary
Mike Hayes, City Attorney
Sandra Yarbrough, Director of Finance
Ashlea Boyle, Main Street/Special Projects Manager
Malcolm Matthews, Director of Parks and Recreation
Kim Meisner, Director of General Operations

1. VISITORS/CITIZENS FORUM:

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

2. APPROVAL OF THE MINUTES:

2A. Minutes of the regular meeting held November 25, 2013.

Mr. Early moved to approve the minutes for the regular meeting held November 25, 2013. Mr. Howard seconded, and the motion passed 6-0

3. MONTHLY REPORTS:

3A. Monthly financials for October 2013.

Ms. Yarbrough reported that the beginning balance in the sales tax improvement fund was \$2,719,115.00. During the month of November, there was \$240,681.00 in revenue, and \$61,100.00 in expenses, leaving an ending balance as of November 30, 2013 of \$2,898,696.00. Sales tax collected in October was 7.53%

higher than was budgeted. She also reviewed the Capital Projects Fund. She reported that the remaining balances for the closed projects had been transferred back to the operating funds for the EIC. She reviewed the details of the remaining open projects, and the cash and investments accounts.

**3B. Capital projects update
River Trail and Parks projects**

Mr. Matthews, in response to a request from the board at their last meeting, reviewed the funding budgets for the River Trail project. He reported that the condemnation hearing for the Rio Robles easement was set for Thursday, December 19, 2013. He then reviewed the remaining pending easements for the River Trail.

3C. Update regarding "GO Team" activities

Ms. Boyle reported that the "GO Team" had not met since the last EIC meeting. There were several community event applications submitted, and the "GO Team" planned to meet on December 19, 2013 to review the applications. The funding requests were to be presented to the board at their January meeting. He reported that the bid process for the remainder of the River Trail project should be completed in February.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Funding request from The City of Kerrville for improvements to the Cailloux Theater in the amount of \$500,000.00

In response to a question from the board, Ms. Boyle reported that staff was working with Peter Lewis on the design for the interior and exterior lighting at the Cailloux Theater, and they should be ready to begin the bid process in January.

Ms. Boyle reported that Playhouse 2000, Inc. agreed to the board's request for right of first refusal of the VK Garage, should they become insolvent. Staff responded to several questions from the board regarding the funding requests.

Mr. Hayes responded to questions from the board regarding the language in the funding agreement.

Ms. Keeble moved to approve the funding request from the City of Kerrville up to \$500,000.00, and the funding agreement would include the language that the EIC would have the right of first refusal for the VK Garage, should Playhouse 2000, Inc. become insolvent. The agreement would also include a time frame of one year for the remaining funding for the improvements. Mr. Boyland seconded, and the motion passed 7-0.

4B. Discuss a workshop for budget and capital projects.

Ms. Boyle said staff recommends holding a workshop for EIC to review the programming and cash flow for their budget. The consensus of the board was to direct staff to schedule a budget workshop in February.

5. EXECUTIVE SESSION:

Mr. Boyland moved that the EIC go into executive closed session under Section 551.071 (consultation with attorney), and 551.072 (deliberation regarding real property) Mr. Howard seconded the motion, and it passed 7-0, to discuss the following matters:

Sections 551.071 and 551.072: of Chapter 551 of the Texas Government Code

- Funding request from the City of Kerrville for improvements to the Cailloux Theater in the amount of \$500,000.00

At 4:34 p.m. the open session recessed and the EIC went into executive closed session at 4:34 p.m. At 4:55 p.m. the executive closed session recessed and the EIC returned to open session at 4:55 p.m. Mr. Wampler announced that no action was taken in executive session.

ANNOUNCEMENTS:

None

The meeting was adjourned at 4:55 p.m.

APPROVED: _____

David Wampler, President

ATTEST:

Cheryl Brown
Deputy City Secretary

Agenda Item:

3A. Monthly financials for December 2013. (staff)

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

SUBJECT: EIC Financials

AGENDA DATE: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Sandra Yarbrough **CLEARANCES:**
Director of Finance

EXHIBITS: Monthly Financials

APPROVED FOR SUBMITTAL BY CITY MANAGER:

| | | | |
|-------------|-----------------|-----------|---------|
| Expenditure | Current Balance | Amount | Account |
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |



PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DIRECTOR:

SUMMARY STATEMENT

The City of Kerrville staff will present and update the EIC on a monthly basis as to the status of the EIC's financial position.

RECOMMENDED ACTION

Recommend acceptance of the financials.

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Fund

| | | |
|--|-------------------|-----------------------------------|
| Cash Balance as of December 1, 2013 | | \$ 2,898,696 |
| Deposits: | | |
| Sales Tax | \$ 214,424 | |
| Interest Revenue | \$ 348 | |
| Transfer In (closed projects) | \$ 120 | |
| | <u>\$ 214,892</u> | |
| Expenses: | | |
| Advertising | \$ 27 | |
| Administrative Service Fee | \$ 8,333 | |
| Transfer for Debt Service - 1999 | \$ 13,600 | |
| Transfer for Debt Service - 2012 | \$ 14,167 | |
| Transfer - Park Improvements | \$ 25,000 | |
| Total Expenses | <u>\$ 61,127</u> | |
| Revenues Over (Under) Expenditures | | <u>\$ 153,766</u> |
| Ending Cash Balance as of December 31, 2013 | | <u><u>\$ 3,052,461</u></u> |

City of Kerrville
Economic Improvement Corporation
Sales Tax Improvement Fund - Revenue and Expense Statement
For the month ending December 31, 2013

| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
|---|-------------------------------|-------------------|-------------------------------|----------------|---------------------|
| BEGINNING CASH BALANCE | \$ 2,598,336 | | \$ 2,598,336 | | |
| REVENUE: | | | | | |
| Sales and Use Tax | \$ 2,750,000 | \$ 214,424 | \$ 689,299 | 25.07% | \$ 2,060,701 |
| Interest | \$ 5,000 | \$ 348 | \$ 1,083 | 21.67% | \$ 3,917 |
| Transfer In | \$ - | \$ 120 | \$ 7,070 | 6911.00% | \$ - |
| TOTAL REVENUE | \$ 2,755,000 | \$ 214,772 | \$ 697,452 | 25.32% | \$ 2,064,618 |
| | | | | | |
| | Annual Budget | Current Period | Y-T-D Actual & Encumbrance | % of Budget | Budget Balance |
| EXPENDITURES: | | | | | |
| Administrative | | | | | |
| Advertising/Supplies | \$ 500 | \$ 27 | \$ 27 | 5.45% | \$ 473 |
| Transfer to Debt Service Fund | \$ 68,000 | \$ 13,600 | \$ 40,800 | 60.00% | \$ 27,200 |
| Transfer to Debt Service Fund - River Trail | \$ 170,000 | \$ 14,167 | \$ 42,500 | 25.00% | \$ 127,500 |
| Economic Development Governing Body | \$ 60,000 | \$ - | \$ 60,000 | 100.00% | \$ - |
| Annual Disclosure Fee | \$ 3,500 | \$ - | \$ - | 0.00% | \$ 3,500 |
| River Trail Contribution | \$ 300,000 | \$ 25,000 | \$ 75,000 | 25.00% | \$ 225,000 |
| Administrative Services Fee | \$ 100,000 | \$ 8,333 | \$ 25,000 | 25.00% | \$ 75,000 |
| Total Administrative | \$ 702,000 | \$ 61,127 | \$ 243,327 | 34.66% | \$ 458,673 |
| Category I - Business Development | | | | | |
| Revolving Loan Fund | \$ 100,000 | \$ - | \$ - | 0.00% | \$ 100,000 |
| ED Set Aside | \$ 250,000 | \$ - | \$ - | 0.00% | \$ 250,000 |
| Unspecified | \$ 146,750 | \$ - | \$ - | 0.00% | \$ 146,750 |
| Total Category I | \$ 496,750 | \$ - | \$ - | 100.00% | \$ 496,750 |
| Category II - Quality of Life | | | | | |
| Special Events | \$ 100,000 | \$ - | \$ - | 0.00% | \$ 100,000 |
| Downtown Wireless | \$ 100,000 | \$ - | \$ - | 0.00% | \$ 100,000 |
| Streetscape | \$ 250,000 | \$ - | \$ - | 0.00% | \$ 250,000 |
| History Center | \$ 400,000 | \$ - | \$ - | 0.00% | \$ 400,000 |
| Baseball Complex | \$ 500,000 | \$ - | \$ - | 0.00% | \$ 500,000 |
| Unspecified | \$ 365,000 | \$ - | \$ - | 0.00% | \$ 365,000 |
| Total Category II | \$ 1,715,000 | \$ - | \$ - | 0.00% | \$ 1,715,000 |
| Category III - Public Infrastructure | | | | | |
| Village West - Water (1/2 cost) | \$ 500,000 | \$ - | \$ - | 0.00% | \$ 500,000 |
| Village West - Wastewater | \$ 750,000 | \$ - | \$ - | 0.00% | \$ 750,000 |
| Total Category III | \$ 1,250,000 | \$ - | \$ - | 0.00% | \$ 1,250,000 |
| Contingency | \$ - | | | | \$ - |
| TOTAL EXPENDITURES | \$ 4,163,750 | \$ 61,127 | \$ 243,327 | 5.84% | \$ 3,920,423 |
| NET REVENUES TO EXPENDITURES | \$ (1,408,749) | \$ 153,646 | \$ 454,125 | | |
| | | | | | |
| ENDING CASH BALANCE: December 31, 2013 | Budget \$ 1,189,586 | | Actual \$ 3,052,461 | | |

CITY OF KERRVILLE
 Economic Improvement Corporation
 SALES TAX REVENUE ANALYSIS

| | Actual FY 2011 | Actual 2012 | FY 2012 | Actual FY 2013 | Approved 2014 | FY 2014 | Actual FY 2014 | Difference Projected vs Actual | % of Projected Variance |
|--------------|---------------------|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|--------------------------------------|----------------------------|
| October | \$ 184,602 | \$ 219,934 | \$ 219,934 | \$ 226,663 | \$ 227,546 | \$ 227,546 | \$ 241,503 | \$ 13,957 | 5.78% |
| November | \$ 207,677 | \$ 203,379 | \$ 203,379 | \$ 210,744 | \$ 211,566 | \$ 211,566 | \$ 233,371 | \$ 21,806 | 9.34% |
| December | \$ 169,550 | \$ 208,227 | \$ 208,227 | \$ 204,782 | \$ 205,583 | \$ 205,583 | \$ 214,424 | \$ 8,841 | 4.12% |
| January | \$ 195,030 | \$ 204,051 | \$ 204,051 | \$ 217,647 | | | | | |
| February | \$ 241,320 | \$ 264,744 | \$ 264,744 | \$ 284,177 | | | | | |
| March | \$ 169,754 | \$ 186,812 | \$ 186,812 | \$ 205,749 | | | | | |
| April | \$ 157,729 | \$ 185,835 | \$ 185,835 | \$ 215,800 | | | | | |
| May | \$ 234,742 | \$ 223,320 | \$ 223,320 | \$ 251,468 | | | | | |
| June | \$ 186,441 | \$ 195,775 | \$ 195,775 | \$ 234,781 | | | | | |
| July | \$ 190,696 | \$ 210,758 | \$ 210,758 | \$ 216,641 | | | | | |
| August | \$ 238,491 | \$ 239,007 | \$ 239,007 | \$ 245,964 | | | | | |
| September | \$ 179,133 | \$ 203,486 | \$ 203,486 | \$ 224,905 | | | | | |
| Total | \$ 2,355,166 | \$ 2,545,329 | \$ 2,545,329 | \$ 2,739,321 | \$ 644,694 | \$ 644,694 | \$ 689,298 | \$ 44,604 | 6.47% |

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund

| | | |
|--|-----------------------------|---------------------------------|
| Cash Balance as of December 1, 2013 | | \$ 454,624 |
| Revenues: | | |
| Transfer from Sales Tax Improvements Fund | \$ 13,600 | |
| Total Deposits | <u>\$ 13,600</u> | |
| Expenses: | | |
| Paying Agent Fee | | |
| Bond Principal | | |
| Bond Interest | \$ - | |
| Total Expenses | <u> </u> | |
| Revenues Over (Under) Expenditures: | | <u>\$ 13,600</u> |
| Ending Cash Balance as of December 31, 2013 | | <u><u>\$ 468,224</u></u> |

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Debt Service Fund
Revenue and Expense Statement
For the month ending December 31, 2013

| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
|---|-----------------------------|-------------------|-----------------------------|---------------|-------------------|
| BEGINNING CASH BALANCE | \$ 427,424 | | \$ 427,424 | | |
| REVENUE: | | | | | |
| Transfer from Sales Tax Improvement Fund | \$ 68,000 | \$ 13,600 | \$ 40,800 | 60.00% | \$ 27,200 |
| TOTAL REVENUE | \$ 68,000 | \$ 13,600 | \$ 40,800 | 60.00% | \$ 27,200 |
| | | | | | |
| | Annual Budget | Current Period | Y-T-D Actual | % of Budget | Budget Balance |
| EXPENDITURES: | | | | | |
| Series 1999 Sales Tax Bond Debt Service | \$ 485,000 | \$ - | \$ - | 0% | \$ 485,000 |
| Series 1999 Sales Tax Bond Interest Expense | \$ 11,276 | \$ - | \$ - | 0% | \$ 11,276 |
| Paying Agent Fees | \$ 1,000 | \$ - | \$ - | 0% | \$ 1,000 |
| First Southwest Continuing Disclosure Fee | \$ - | \$ - | \$ - | - | \$ - |
| TOTAL EXPENDITURES | \$ 497,276 | \$ - | \$ - | 0.00% | \$ 497,276 |
| | | | | | |
| ENDING CASH BALANCE: December 31, 2013 | Budget \$ (1,852) | | Actual \$ 468,224 | | |

CITY OF KERRVILLE
Economic Improvement Corporation
EIC Capital Projects Fund

| | | |
|--|-----------------|---------------------------------|
| Cash Balance as of December 1, 2013 | | \$ 784,614 |
| Revenues: | | |
| Total Revenues/Transfer In | <u>\$ -</u> | |
| Expenses: | | |
| Golf Course | 4,460 | |
| Transfer out (Harper Hwy. Utilities complete) | 120 | |
| Total Expenses | <u>\$ 4,580</u> | |
| Revenue Over (Under) Expenditures | | <u>\$ (4,580)</u> |
| Ending Cash Balance as of December 31, 2013 | | <u><u>\$ 780,034</u></u> |

Cash and Investments

| Cash and Investment Balances by Fund | | | |
|---|----------------------------|----------------|---------------|
| <u>Fund</u> | <u>Fund Name</u> | <u>Balance</u> | <u>Period</u> |
| 40 | Sales Tax Improvement Fund | \$ 3,052,461 | 12/31/2013 |
| 43 | EIC Debt Service Fund | \$ 468,224 | 12/31/2013 |
| 75 | EIC Projects Fund | \$ 780,034 | 12/31/2013 |
| Total EIC Cash Balance | | \$ 4,300,719 | 12/31/2013 |

| <u>Type</u> | <u>Investment Vehicle</u> | <u>Amount</u> | <u>Interest Earned</u> | <u>Interest Earned (Annualized)</u> | <u>Period</u> |
|--------------------------|---------------------------|---------------|------------------------|-------------------------------------|---------------|
| Cash | Wells Fargo Checking | \$ 560,576 | \$ - | 0.00% | 12/31/2013 |
| ST Investment | EIC TexPool | \$ 1,623,365 | \$51.23 | 0.05% | 12/31/2013 |
| ST Investment | EIC TexStar | \$ 1,624,462 | \$49.19 | 0.05% | 12/31/2013 |
| HILCO FCU | CD | \$ 246,394 | \$146.47 | 0.71% | 12/31/2013 |
| Kerr County FCU | CD | \$ 245,921 | \$101.06 | 0.51% | 12/31/2013 |
| Total Cash & Investments | | \$ 4,300,719 | \$347.95 | 0.12% | |

Agenda Item:

- 3B. Capital projects update. (staff)
 - River Trail and Parks projects
 - Cailloux Theater improvements
 - Streetscape

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

SUBJECT: Capital Projects Update

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Status Report

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *JP*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

Staff will provide reports on the following projects:

- River Trail and Parks Projects
- Cailloux Theater Lighting Project
- Streetscape Master Plan

RECOMMENDED ACTION

This report is for informational purposes only. No action required.

Monthly Status Report

River Trail/Parks Projects

January 2014

Updates highlighted.

4B Funds

\$6,000,000 (River Trail Project)

\$2,000,000 (Louise Hays and Lehmann & Monroe Parks Renovation Project)

Status Report Kerrville River Trail

Riverside Nature Center (RNC) to Louise Hays Park (Package A)

SCOPE

Extends from a new trailhead at the Riverside Nature Center parking lot, along the west property line of the RNC, down to the river's edge, under the Lemos St. Bridge, construction of a trail bridge across the river, through Tranquility Island, to the west end of the parking area in Louise Hays Park. The 10' wide trail will be constructed of concrete, except for the segment that runs along the RNC western property line. Total trail length: 0.7 miles

Amenities

Trailheads with lighting, observation/seating areas, bridge, drainage, and signage. [Additional amenities, such as trail entries, kiosks, and interpretive signage, will be added, once designed.]

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|---|---|---|---|
| Recreation easements or Property Agreements | easement to CoK from RNC | complete (6/12; 9/12) | RNC to provide easement to City | requires RNC approval |
| | lease renewal to RNC from CoK | complete (6/12) | City to provide lease to RNC | City Council approval (6/12) |
| | approval from TxDoT and GLO for use of state property | complete (5/12) | TxDOT approval of plans and Const./Maint. Agreement | SA office approval; include in MMA |
| Property Survey | M&B and Topo surveys | complete (3/12) | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR | upon trail completion | flood level impact, if any | submission to FEMA |
| | TPWD (land & water permit) | complete (5/12) | coffer dam - bridge construction review | review by TPWD |
| Design | USACE | complete (5/12) | involves jurisdictional waters of the US | no USACE permit required |
| | contract - Hewitt Engineering | | | |
| Routing | location of trail | complete (12/11) | define gradients and layout | |
| Preliminary Design and Construction Drawings | schematic plans; prelim. costs | 50% review - complete (12/11) | all project elements | |
| | | 75% review - complete (1/12) | all project elements | |
| | | 90% review - complete (2/12) | all project elements | |
| Final Bid Documents | final plans/specs/costs/ documents | complete (3/12) | all project elements | |
| Bidding/Contracts | secure contractor | bid (3/12); awarded (5/12) to Westar Construction | bid process, contract prep | project delay, bid cost, permit approvals, etc. |
| Construction | construct project | start (5/12); complete (12/12) | sequencing of work | Dedication and opening 12/15/12 |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|-----------------------|------------|--|-----------|-----------------------|----------------------------|
| G.O. bonds (2002) | \$500,000 | \$811,836 (final) | \$0 | na | |
| Park Dedication Funds | 25,000 | [includes completion of the River Trail Master Plan, design, survey, permitting, construction] | \$0 | | 2002 bonds/P Ded COs |
| COs (4B) | \$384,830 | | \$173,994 | | \$525,000 |
| total | \$909,830 | | | | \$286,836 |
| | | | | | \$811,836 [complete] |

Status Report Kerrville River Trail

Louise Hays Park to G St. (Package B) and Parks Project

| | |
|------------------|--|
| SCOPE | Connects to the west end of the Louise Hays Park parking lot (Package A), through Louise Hays Park and Lehmann & Monroe Park, to G St. (west r.o.w. line). The 10' wide trail will be constructed of concrete. This Package will be coordinated with the Jefferson Wastewater Project and Water Transmission Line Project, both slated for completion by early 2014. This segment will include the entire scope of work for the Louise Hays Park/Lehmann & Monroe Park Project, as funded by 4B. <i>Total trail length: 1 mile</i> |
| Amenities | Trail - trailheads with security lighting, observation areas, seating areas, bridging, drainage, signage, trail entries, kiosks, and interpretive signage. Parks - park amenities, amphitheater/stage, interactive water feature, event areas, large pavilion upgrades, river access, restrooms, roads/parking, lighting, utilities, landscaping, signage. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|---|---|--|---|
| Recreation easements or Property Agreements | easements to CoK from property owners | complete by 11/31/13 | CoK to secure from property owners; title work and surveys | easement legal proceedings 12/19/13; court appeal date not set; have property access for construction |
| | construction easements, if needed | na | na | |
| Property Survey | M&B and Topo surveys | M&B - complete (9/12) Topo - partially complete upon trail completion | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR | na | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | na | environmental impact to state waters | review by TPWD |
| | GLO (state property use) | na | routing preference | approval by State, if needed |
| Design | -Trail Routing Options - Half | complete (6/12) | define route options w/ costs | complete (6/12) |
| | -Design Contract Document - Half*, PLA* | complete (approved 12/11/12)* | all remaining design phases | Council approval |
| Preliminary Design and Construction Drawings | schematic plan with amenities/est. | Schematic - (complete) 50% review - (complete) 75% review - (complete) 90% review - (complete) | all project elements all project elements all project elements all project elements | coord. with utilities projects; water feature design/build details being finalized |
| Final Bid Documents | final plans/specs/costs/ documents | complete 1/14 | all project elements | project delay assoc. with approvals |
| Bidding/Contracts | secure contractors (GC & BuyBoard) | 2/14 | bid process, contract prep | project delay, bid cost, etc. |
| Construction | construct project | CoK start - 1/14 GC & BuyBoard start - 3/14; complete 2/15 | sequencing work (GC, BuyBoard, CoK) | typical delays/field alterations |

* Half Assoc. design agreement terminated; new design agreement with Peter Lewis Architect + Assoc. (PLA) approved 8/13/13.

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|----------------------------|-------------|-----------------------|-------------|---|----------------------------|
| COs (4B) - River Trail | \$1,000,000 | Design fee: \$99,537 | \$900,463 | \$2,600,000 | \$1,000,000 |
| COs (4B) - LHP/LMP Project | \$2,000,000 | \$199,073 | \$1,800,927 | (GC - \$1,800,000; BuyBoard \$750,000) | \$2,000,000 |

Status Report

Kerrville River Trail

G St. to Kerrville-Schreiner Park (Package F)

SCOPE

Extends from G St. (west r.o.w. line) along the south bank of the river into Kerrville-Schreiner Park. The 10' wide trail will be constructed of concrete. This Package will be coordinated with the Jefferson Wastewater Project and Water transmission Line Project, both slated for completion by fall 2013. Total trail length: + 2 miles

Amenities

Trailheads with parking, security lighting, observation areas, seating areas, trail bridges, drainage, signage, trail entries, kiosks, and interpretive signage.

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|---|---|--|---|
| Recreation easements or Property Agreements | easement to CoK from property owners; land acquisition construction easements, if needed | complete by 1/31/14 complete by 12/13, if needed | CoK to secure from property owners; title work and surveys determine need by 10/13 | easement legal proceedings on remaining tract being scheduled; property access for construction will be secured |
| Property Survey | M&B and Topo surveys | M&B amend. - complete (10/13) topo - complete (12/13) upon trail completion | identify property boundary and grades | coord. w/ utilities projects |
| Misc. Reports/Permits | LOMR TPWD (land & water permit) GLO (lease) TxDoT | na not required per GLO processing agreement | flood impact, if any environmental impact to state waters state land/water under G St. bridge access under Loop 534 | may require submittal to FEMA associated with Guadalupe River |
| Design | -Trail Confirmation - Terra Design Group (TDG) -Final Design Contract - TDG | complete (6/12) | define route options w/ costs | tentatively approved complete (6/12) |
| Preliminary Design and Construction Drawings | schematic plans with amenities/est. | complete (6/23/13) Schematic - (complete) 50% review - (complete) 75% review - (complete) 90% review - (complete) | all remaining design phases all project elements all project elements all project elements | Council approval (6/23/13) coord. with utilities projects |
| Final Bid Documents Bidding/Contracts | final plans/specs/costs/ documents secure contractor | complete 1/14 2/14 | all project elements | project delay assoc. with approvals project delay, bid cost, etc. |
| Construction | construct project | start - 3/14; complete - 1/15 | bid process, contract prep sequencing work | typical delays/field alterations |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|------------------|-------------|-----------------------|-------------|-----------------------|----------------------------|
| COs (4B) | \$2,300,000 | \$228,305 | \$2,071,695 | \$1,800,000 | \$2,200,000 |

Status Report

Kerrville River Trail

RNC to Knapp Crossing (Packages C and D)

SCOPE

Extends from a new trailhead at the Knapp Crossing Boat Ramp parking lot, runs adjacent to the river, ties into the Guadalupe St. r.o.w.(Package D) extends to Guadalupe Park and connects to Package A (Package C). The 10' wide trail will be constructed of concrete. Total trail length: 1.6 miles

Amenities

Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, interpretive signage, and private improvement interface.

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|--------------------------------------|--|--|---------------------------------|
| Recreation easements or Property Agreements | easement to CoK from property owners | TBD | CoK to secure title work and surveys | from property owners |
| Property Survey | construction easements, if needed | TBD | TBD | from property owners |
| Misc. Reports/Permits | M&B and Topo surveys | (partially complete) | identify property boundary and grades | |
| | LOMR | | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | | environmental impact to state waters | review by TPWD |
| Design | TBD | (partially complete) | | waiting for private development |
| Routing | location of trail | (partially complete) | define gradients and layout | " " " " |
| Preliminary Design and Construction Drawings | schematic plan with amenities/est. | 50% review – 75% review – 90% review – | all project elements | " " " " |
| Final Bid Documents | final plans/specs/costs/ documents | TBD | all project elements | " " " " |
| Bidding/Contracts | secure contractor | TBD | all project elements | " " " " |
| Construction | construct project | TBD | bid process, contract prep sequencing of work | " " " " |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|------------------|------------|-----------------------|---------|-----------------------|----------------------------|
| COs (4B) | | | | | |

Status Report Kerrville River Trail

Knapp Crossing to West Terminus (Package E)

| | |
|------------------|--|
| SCOPE | Extends from Knapp Crossing trailhead to the west terminus of trail on Junction Hwy along the river's edge. The 10' wide trail will be constructed of concrete. Total trail length: up to 1 mile |
| Amenities | Trailheads with lighting, observation areas, seating areas, trail bridge, drainage, signage, trail entries, kiosks, and interpretive signage. |

| PHASING | Action Item | Schedule (Status) | Task/Issues | Comments/Risks |
|--|--------------------------------------|-----------------------------------|--|---------------------------------|
| Recreation easements or Property Agreements | easement to CoK from property owners | TBD | CoK to secure from property owners; title work and surveys | from property owners |
| | construction easements, if needed | TBD | TBD | from property owners |
| Property Survey | M&B and Topo surveys | (partially complete) | identify property boundary and grades | |
| Misc. Reports/Permits | LOMR | | flood impact, if any | may require submittal to FEMA |
| | TPWD (land & water permit) | | environmental impact to state waters | review by TPWD |
| Design | TBD | | | waiting for private development |
| Preliminary Design and Construction Drawings | schematic plan with amenities/est. | 50% review – (partially complete) | all project elements | " " " |
| | | 75% review – | all project elements | " " " |
| | | 90% review – | all project elements | " " " |
| Final Bid Documents | final plans/specs/costs/ documents | TBD | all project elements | " " " |
| Bidding/Contracts | secure contractor | TBD | bid process, contract prep | " " " |
| Construction | construct project | TBD | sequencing of work | " " " |

| FUNDING - BUDGET | Allocation | Expended - Encumbered | Balance | Cost Est. for Package | Needed to Complete Package |
|-------------------------|-------------------|------------------------------|----------------|------------------------------|-----------------------------------|
| COs (4B) | | | | | |

Other Services to be Evaluated

Required reporting and permitting may dictate additional professional services or consolidation of services assigned to the design teams. These include, but are not limited to, the following.

1. Floodplain/Floodway Impact, Hydraulic Analysis, Section 404 – Clean Water Act submittals (Corps of Engineers), and Flood Insurance Rate Map/ Letter of Map Revision preparation and submittal (CoK, FEMA) will be completed by one firm in order to comprehensively address the issues and data collection/reporting. This will avoid multiple submittals (costs) and reduce mistakes and need for resubmittals.
2. Archeological and Environmental Surveys and Section 404 review will need to be completed in areas where sensitive site conditions are probable. We anticipate no extreme findings in the initial surveys/reports; however, if further study is required by state or federal agencies, those services will require amendments to trail segment allocations and the consultant contracts.
3. TDLR permitting for ADA compliance, CoK building permits, Texas Historical Commission plan review, any other city or state agency submittals, will best be submitted by each of the design teams at the time of plan completion. This keeps regulation compliance with the design teams.

Agenda Item:

3C. Update regarding "GO Team" activities. (staff)

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

SUBJECT: Update on "GO Team" activities

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *aub* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

The Economic Development "GO Team" met on December 20, 2013 to review the eight funding applications submitted for community event funding which are outlined below. The total funding request equals \$142,059. The "GO Team" does not recommend funding the Hill Country Arts Foundation's event as the event will not be held in Kerrville. Without funding the HCAF, the total eligible request equals \$118,159. The economic development guidelines that the Economic Improvement Corporation adopted allows for an allocation of \$100,000 for community events.

The "GO Team" met again on January 17, 2014 to further review applications and meet with representatives from Kerrville Festival of the Arts, Sock Hop on the Star, Kerrville Triathlon Festival and Kerrfest. Each of these seven applications will be reviewed at this meeting.

Community Event Applications (* denotes event received EIC funding in 2013)

- Hill Country Arts Foundation ("GO Team" does not recommend funding)
- Kerrville Festival of the Arts
- Kerrville Folk Festival / Memorial Day Weekend transportation services*
- Sock Hop on the Star
- Kerrville Triathlon Festival
- Hill Country Wine and Brew Festival*
- Kerrfest*
- Kerrville's Fourth on the River*

RECOMMENDED ACTION

This report is for informational purposes only. No action required.

Agenda Item:

4A. Update on reuse pond feasibility study (staff)

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

SUBJECT: Update on the feasibility study to construct reuse ponds for future water infrastructure needs.

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Kristine Ondrias **CLEARANCES:**
Assistant City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

| <u>Expenditure</u> | <u>Current Balance</u> | <u>Amount</u> | <u>Account</u> |
|--------------------|------------------------|------------------|----------------|
| <u>Required:</u> | <u>in Account:</u> | <u>Budgeted:</u> | <u>Number:</u> |
| \$ | \$ 0 | \$ 0 | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Staff will provide an update on the status of the feasibility study for the potential construction of reuse ponds.

RECOMMENDED ACTION

No action needed.

Agenda Item:

5A. Funding Agreement between the City of Kerrville, Texas Economic Improvement Corporation, the City of Kerrville, and Playhouse 2000, Inc. in the amount of \$500,000.00 for construction of a support facility to be owned by the City and used in conjunction with the Cailloux Theater for performing arts. (staff)

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

SUBJECT: Hold a public hearing and consider a funding agreement between the City of Kerrville, Texas Economic Improvement Corporation, the City of Kerrville and Playhouse 2000, Inc. in the amount of \$500,000 for construction of a support facility to be owned by the City and used in conjunction with the Cailloux Theater for performing arts

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Draft Funding Agreement

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|----------------------------------|--|-----------------------------|----------------------------|
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

At its meeting of May 20, 2013, the Economic Improvement Corporation (EIC) considered an application from Playhouse 2000, Inc. (P2K) for multiple projects. One of the projects that was supported but deferred until more detail was available was for the construction of a support facility to the Cailloux Theater.

At its meeting of October 28, 2013, the EIC considered a funding application from P2K on the follow-up application in the amount of \$500,000 to construct a 6,000 square foot facility addition. The overall cost for the project is \$755,000 and will consist of expanded dressing / green-rooms, rehearsal / classroom space, scenic and costume construction spaces, and storage. The building will be placed immediately behind the Cailloux Theater facing the parking lot with an attractive side facade facing Jefferson Street. Peter Lewis Architect + Associates prepared the conceptual plans and proposed exterior materials are limestone veneer to complement the Cailloux Theater, and the general downtown theme. Staff was directed by the EIC to review the operational and maintenance agreement between the City and P2K as it pertained to conveyance and utility payments.

On November 25, 2013, staff provided an update to the EIC regarding the findings of the questions relating to the operation and management agreement as directed. Section 3.21 of the agreement addresses the conveyance of real property. According to the agreement,

as the support facility constitutes a functional part of the facilities, P2K must convey the property to the City. The City is obligated, under section 5.22, section B of the agreement, to pay one-half costs of the utilities used in the operation and management phase. As directed, staff has continued discussions with P2K regarding the project. P2K has agreed to convey the land of the proposed building to the City and provide a first right of refusal of the VK Garage to the City in the event P2K becomes insolvent or vacates the building. In the event P2K becomes insolvent or vacates, P2K has requested to include negotiation language in the agreement to convey the building at a cost to the City. Since the project would be city managed and owned, the City Council must authorize staff to submit a funding request. Staff received authorization at the December 10, 2013 City Council meeting to submit the funding application, not to exceed \$500,000, for improvements to the Cailloux Theater for construction of a support facility contingent upon conveyance of property to the City at the appropriate time. P2K has committed to secure the additional funding for the project.

At its meeting of December 16, 2013, the EIC considered the application and directed staff to prepare a funding agreement for 2/3 of the project cost not to exceed \$500,000 to include language that the property be conveyed to the City prior to the start of the project, one year for P2K to raise additional project funds, and first right of refusal language for the City in the event P2K becomes insolvent or vacates the VK Garage. The Cailloux Foundation has since requested that the first right of refusal be reserved for the Cailloux Foundation with the City as secondary. Attached is the latest draft of the funding agreement that has been finalized between the City and P2K.

RECOMMENDED ACTION

City staff recommends holding a public hearing and approval of this funding agreement as presented.

DRAFT 1/8/14

PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION; THE CITY OF KERRVILLE, TEXAS; AND PLAYHOUSE 2000, INC., FOR THE CONSTRUCTION OF A SUPPORT FACILITY TO BE OWNED BY THE CITY AND USED IN CONJUNCTION WITH THE CAILLOUX THEATER FOR THE PERFORMING ARTS

THIS PROJECT FUNDING AGREEMENT is entered into this ____ day of _____, 2014, by and between the City of Kerrville, Texas Economic Improvement Corporation (“EIC”), a Texas non-profit corporation established by City pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code (otherwise known as the Development Corporation Act of 1979 and hereafter called “the Act”); the City of Kerrville, Texas (“City”), a Texas home-rule municipality; and Playhouse 2000, Inc., a Texas nonprofit corporation (“P2K”).

WITNESSETH:

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

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

Buildings, equipment, facilities, and improvements found by the EIC to be required or suitable for use for professional and amateur sports, including children’s sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by 505.152 of the Act; and

WHEREAS, P2K proposes to have constructed a support facility on City-owned property adjacent to the Kathleen C. Cailloux Theater for the Performing Arts, a City-owned auditorium (“Auditorium”); and

WHEREAS, the Auditorium serves as the primary venue within the area for the performing arts; and

DRAFT 1/8/14

WHEREAS, P2K has planned the support facility as an approximate 6,000 square foot building, which will consist of dressing rooms, a green room, rehearsal space and classrooms, space for the construction of scenes and costumes, and storage (the “Project”); and

WHEREAS, the Project, estimated to cost \$755,000.00, will address deficiencies and inefficiencies in planning, preparing for, and staging performing arts held at the Auditorium, which will help P2K in presenting performances and which will enhance the quality of life of area residents; and

WHEREAS, P2K seeks grant funding from the EIC in the amount of \$500,000.00, for the City to use in bidding, awarding, and managing the construction of the Project; and

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

WHEREAS, the EIC finds that the Project is required or suitable for entertainment, tourist, convention, auditoriums, amphitheaters, concert halls, exhibition facilities and other related improvements that enhance any of these items; and

WHEREAS, the EIC finds that it will be in the public interest to enter into this Agreement with City and P2K to provide sales tax revenues collected pursuant to the Act (“4B Revenues”) to City for costs related to the Project; and

WHEREAS, on January 27, 2014, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

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

1. **“Project” Defined:** When used in this Agreement, the phrase “Project” means the project summary as described in **Exhibit A** attached hereto and included herein for all purposes. City will manage the funding it receives from EIC and the bidding and construction of the Project. City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC.
2. **Agreement to Fund Project:** The EIC agrees to provide City an amount up to and not to exceed two-thirds (2/3) of the total costs of the Project, such amount not to exceed \$500,000.00, in 4B Revenues to be used for the Project. Prior to any payment or use of any of the funds from EIC, P2K shall perform the following:

DRAFT 1/8/14

- a. provide sufficient evidence, in the sole opinion of City, that P2K has received and/or been promised funding from other entities or sources, that when combined with the funding promised by EIC, will allow for full completion of the Project; and
 - b. convey the property where the Project will be constructed and as more specifically described in **Exhibit B** to the City in the form of a warranty deed.
3. **Payments Authorized:** City is authorized to make payments for the herein described purposes directly from the Sales Tax Improvement Fund (Fund 40) or by making a transfer of 4B Revenues from the Sales Tax Improvement Fund (Fund 40) to one or more funds described in the City's approved budget.
 4. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 3, above, are limited to the payment of "costs" as defined in the Act.
 5. **Project Timeline:** P2K and the City shall begin construction activities for the Project on or before February 1, 2015. Should such activities not occur, EIC may elect to cancel and withhold its pledge of funds for the Project.
 6. **Right of First Refusal:** P2K owns property located at 301 Washington Street, which is located adjacent to the Auditorium and otherwise known as the VK Garage (the "Adjacent Property"). Should P2K or its successors or assigns desire to sell or transfer the Adjacent Property or any part of it on the receipt of a bona fide offer (including a contract) which P2K desires to accept, P2K shall first notify City in writing (the "Offer Notice") of the offer to purchase the Adjacent Property (or any part of it) and the name of the proposed transferee and the terms and conditions of the proposed transfer, together with a full, legible, true, correct, and complete copy of any written offer, including any exhibits and addenda (collectively the "Transaction Document"); whereupon City has the first and prior exclusive right and option to purchase all of the Adjacent Property for the consideration and on the terms equivalent to the consideration and terms stated in such Transaction Document, which option will continue for a period which will expire thirty (30) days following the City's receipt of the Offer Notice. If City elects to accept the option, the option must be exercised by City by written notice (the "Exercise Notice") in substantially the form of the Transaction Document, delivered to P2K and the escrow or closing agent named in the Transaction Document, if any, and the sale must be closed in accordance with the equivalent terms of the bona fide offer, but no earlier than sixty (60) days from the time that the Exercise Notice is delivered to P2K. If City does not elect to exercise the option within the deadline for doing so, P2K may sell the Adjacent Property to the prospective purchaser named in the bona fide offer on terms no less favorable to P2K than those stated in the Offer Notice; provided, however: (a) such sale must be closed and funded no later than six (6) months from the date of the Offer Notice (called the "Final Closing Deadline"), and upon the closing and funding, this preemptive right of first refusal will be terminated and released from the Adjacent Property by the City pursuant to the delivery of an acknowledgment of such release in recordable form evidencing its waiver of this right; and (b) if such sale is not closed and funded within such Final Closing Deadline, then the Adjacent Property will continue to be subject to this preemptive right of first refusal and the Offer Notice must again be provided to City prior to any future sale. City may require such evidence as City may reasonably determine to be appropriate to clearly prove P2K's compliance with this preferential right of

DRAFT 1/8/14

first refusal. In addition, the parties have agreed to execute a Memorandum describing only the names and addresses of the parties, the Adjacent Property, and a general description of this right of first refusal notifying the public of the existence of the right. Said right of first refusal also applies where P2K becomes insolvent, has a receiver appointed for it, and/or files or is adjudicated as bankrupt.

7. **Conditions Under which EIC may Suspend Performance of its Obligations under this Agreement:** under any of the following conditions EIC may, at its option, after fifteen (15) days written notice to P2K, suspend its further performance under this Agreement until such time as P2K shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:

a. P2K becomes insolvent. "Insolvent" is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

b. The appointment of a receiver of P2K, or of all or any substantial part of the Property, and the failure of such receiver to be discharged within sixty (60) days thereafter.

c. The adjudication of P2K as bankrupt.

d. The filing by P2K of a petition to be adjudged as bankrupt, or a petition or answer seeking reorganization or admitting the material allegations of a petition filed against it in any bankruptcy or reorganization proceeding.

Should any of these conditions not be cured by P2K within ninety (90) days, P2K will be considered to have breached this Agreement and EIC may, at its option, with written notice to P2K, terminate this Agreement and P2K shall be obligated to refund the EIC the full amount of any Grant funding received from the EIC.

8. **Applicable Law:** This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Kerr County, Texas. Accordingly, venue for any cause of action arising pursuant to this Agreement is proper only in Kerr County, Texas.

9. **Interpretation:** Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.

DRAFT 1/8/14

- 10. **No Joint Venture**: Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the parties.
- 11. **Survival of Terms**: All rights, duties, liabilities and obligations accrued prior to termination will survive termination.
- 12. **Entire Agreement**: This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

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

CITY OF KERRVILLE, TEXAS

CITY OF KERRVILLE, TEXAS ECONOMIC
IMPROVEMENT CORPORATION

By: _____
Jack Pratt, Jr., Mayor

By: _____
David Wampler, President

ATTEST:

ATTEST:

Brenda G. Craig, City Secretary

Rex Boyland, Secretary for the EIC

APPROVED AS TO FORM:

PLAYHOUSE 2000, INC.

Michael C. Hayes, City Attorney

By: _____
Jeffrey Brown, Executive Director

Agenda Item:

6A. Hear a proposal regarding the construction of an athletic complex for the City of Kerrville. (Ben Modisett)

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

SUBJECT: Hear a proposal regarding the construction of an athletic complex for the City of Kerrville

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS:

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *TP*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

Ben Modisett with the Cailloux Foundation will provide a presentation to the Economic Improvement Corporation regarding the construction of an athletics complex for the City of Kerrville.

RECOMMENDED ACTION

City staff recommends consideration of this presentation.

Agenda Item:

6B. Funding request from the Kerrville Area Chamber of Commerce for Kerrfest, in the amount of \$25,000.00. (staff)

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

SUBJECT: Consider a funding request from the Kerrville Area Chamber of Commerce for Kerrfest in the amount of \$25,000

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Funding Application

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

A community event funding request application has been submitted by the Kerrville Area Chamber of Commerce in the amount of \$25,000 for the rental of grandstands for the 2014 Kerrfest event to be held May 15-18, 2014 at the Hill Country Youth Event Center.

The event will include rodeo events, a chili cook-off, BBQ cook-off, homebrew competition, street dance with live music, carnival, and more. This is the fourth year for the event to take place and it continues to grow in attendance each year from 700-800 people in 2011 to over 3,300 people in 2013. The venue does not have spectator seating to accommodate the visitors or the growth in the event. The event seated approximately 300 people in its first two years, 700 in 2013 and will seat approximately 1,400 in 2014.

Kerrfest received \$10,500 in EIC funding for the 2013 event.

The "GO Team" evaluated this application and finds that it is feasible in that the uses are allowed under the regulations for projects related to recreation or community facilities. A copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.



Kerrville

KERRVILLE AREA CHAMBER OF COMMERCE

It's all right here.

November 26, 2013

Dear Economic Improvement Corporation:

Thank you for your consideration of the attached request for funding. The Kerrville Area Chamber of Commerce (KACOC) requests funding in the amount of \$25,000 for the lease of grandstands for the 2014 Kerrfest event, to be held May 15-18, 2014, at the Hill Country Youth Event Center.

The Kerrville Area Chamber of Commerce exists to strengthen and improve the greater Kerrville area business community in order to promote the economic well-being of our citizens. Kerrfest is the largest special event hosted by KACOC. Our major event sponsors last year were Wells Fargo-Bank and Crenwelge Motors. We will be hosting a Midway carnival all four days of the event. On Thursday night, we will kick off Kerrfest with a junior rodeo. A jackpot team roping will take place Saturday morning with an estimated 100 teams. Open Pro Rodeo performances will be held Friday and Saturday nights. In addition to these rodeo events, on Friday and Saturday, we are hosting two CASI-sanctioned chili cook-offs, and on Saturday we'll have a Lone Star Barbecue Society-sanctioned BBQ cook-off and a homebrew competition. Good old fashioned street dances are planned for Friday and Saturday nights after the rodeo featuring local favorite bands. These events will draw contestants, spectators, and families from all over the state of Texas.

This is the fourth year for the event to take place. In 2011, between 700-800 people attended the event. In 2012, that number increased to 1,500+ over the four-day event. Last year, we had over 3300 people through the gates over the four-day period. The anchor of Kerrfest is the rodeo that takes place Friday and Saturday nights. Unfortunately, there is no spectator seating at the outdoor arena in order to accommodate our visitors. For the first two years, we had to bring in portable aluminum bleachers, with seating only provided for approximately 300 people. Last year, with the EIC funding, we were able to increase that seating to almost 700. In order to grow this event, and increase the economic impact and number of visitors, we feel it is imperative that we provide adequate seating.

Please refer to the attached quote for spectator grandstands. This would provide box seating for our sponsors and almost 1400 seats for spectators. Providing safe, professional-grade, adequate seating for our anchor event is absolutely essential to the continued success and reputation of Kerrfest. We have enjoyed great partnerships with the City of Kerrville, Kerr County, and the Kerrville Convention and Visitors Bureau to promote our hill country town and businesses.

Our future plans are to continue to grow the event substantially every year, and to continue to expand in to the facilities at the Hill Country Youth Event Center. We recognize the inherent need for permanent seating at the outdoor arena and are exploring several different avenues for that, including public-private partnerships.



Kerrville

KERRVILLE AREA CHAMBER OF COMMERCE

It's all right here.

We humbly request your consideration of this funding request in the amount of \$25,000. Thank you in advance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Harold Dean', written over a light blue horizontal line.

Harold Dean, IOM
President/CEO

Encl:

- a) EIC Funding Request Application
- b) 2013 Kerrfest P&L
- c) 2013 Economic Impact Analysis
- d) Star of Texas Tents and Events Proposal

**City of Kerrville
4B Sales Tax Funding Request
Guidelines and Procedures**

4B Funding from the Economic Improvement Corporation

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve expenditures of 4B funding. Before a project may be considered and awarded funds, the attached application must be completed and submitted to:

**Kerr Economic Development Corporation (KEDC)
1700 Sidney Baker, Ste 100
Kerrville, Texas 78028
(830) 896-1157**

KEDC will review the application to determine if the application is complete and if the project would create a desired economic development effect.

All actions of the EIC are subject to the Development Corporation Act of 1979 (Article 5190.6 Vernon's Civil Statutes, Section 4B and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code). The EIC is a legal entity with statutory authority to spend economic development sales tax dollars ("4B Revenues"). The Corporation is city-chartered and governed by a Council-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and / or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

Types of Projects

The Economic Improvement Corporation will consider applications for:

1. **Direct contributions to business development;** projects should include support of retention, expansion, or recruitment, resulting in public economic benefit, and economic and demographic analyses used for policy development.
2. **Participation in Public Infrastructure;** Projects that are found by the EIC Board of Directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises (Section 501.103 of the Texas Local Government Code).
3. **Quality of Life;** Quality of Life projects which are owned by the City of Kerrville upon completion; or, where funding is requested for the construction of private (which includes non-profit) development projects, but only if the resulting facility is accessible or open to the public; both such Quality of Life projects indirectly result in economic benefits.
4. **Community Event projects;** Community Event projects are those that significantly contribute to the City's objective of promoting tourism and the hotel / conference market.

General Process for Applications

1. Application will be submitted to the KEDC.
2. Once the application is complete, a "GO Team" meeting will be scheduled.
3. If the application is considered feasible, the KEDC Board will review the application (*Business Development projects only*).
4. The EIC will consider the application. The EIC may:
 - a. approve the application and direct a funding agreement to be drafted and presented at the next EIC meeting in conjunction with holding a public hearing,
 - b. request the application be revised and resubmitted, or
 - c. not approve the application. If this occurs, the application process is considered complete and the application will not move forward.
5. Once the public hearing is held and the funding agreement is approved, the funding agreement will be presented to the City Council for final approval. The City Council may:
 - a. approve the funding agreement,
 - b. request the funding agreement be revised and resubmitted, or
 - c. not approve the funding agreement. If this occurs, the process is considered complete and the funds will not be approved.
6. Once the funding agreement is approved by the both the EIC and City Council, funding will not be available until 60 days after the date of the public hearing.

Note – this is a general guide only and the process may take several months to complete. Procedures may change without notice.

Business Development and Participation in Public Infrastructure Projects

Mission and Goals of Business Development and Public Infrastructure Projects

It shall be the mission of the City, EIC and KEDC in administration of these Guidelines and Procedures to promote, encourage, and enhance the creation and retention of jobs which retain and / or expand the City tax base and economy through granting business incentives which assist in the retention, expansion and recruitment of Primary Employers.

A primary employer is any business in which at least 51% of its goods and / or services are sold to customers that are located outside Kerr County, Texas and / or are in one of the following three digit NAICS codes: 31-33 Manufacturing, 42 Wholesale Trade, 48-49 Transportation and Warehousing, 52 Finance and Insurance, 54 Professional and Technical, or 55 Management of Companies (as defined by Texas Legislature HB 2912, 2003 Regular Session); or is a supplier who supplies at least 70% of its non-retail goods and/or services to local primary employer(s) that are located outside of Kerr County, Texas.

Business Incentives are economic incentives for a Primary Employer to induce the creation or retention of primary jobs and Capital Investment that may include, but not limited to job, land, facilities, equipment and infrastructure grants or reimbursements for new facilities or modernizations of current facilities to be determined by the EIC and the City Council.

The goals of the City, EIC and KEDC in administration of these Guidelines and Procedures are to:

- Create and retain primary jobs,
- Expand the City tax base and economy, and
- Strengthen and diversify primary employers within the local economy.

Principles and Guidelines

In making a determination regarding business incentives under these Guidelines and Procedures, the City, EIC and KEDC shall take into consideration the following non-exclusive list of principles and guidelines, if applicable, as factors in its determination:

- The payoff period of a business incentive to the City,
- The number of primary jobs added or retained by the primary employer,
- The average or median gross annual pay and any benefits for each primary job added by the primary employer,
- Whether the potential recipient of business incentives would otherwise locate in Kerrville without the business incentive,
- The type and amount of capital investment by the primary employer,
- The type of the proposed business venture,
- The potential impact on public infrastructure and resources,
- The financial strength of the primary employer,
- Whether the primary employer is consistent with target markets,
- Whether the primary employer is compatible with the community
- The contributions pledged to the primary employer, if any, by the State of Texas, any other governmental entity, KEDC or any other person, entity or association.

Nothing in this section shall be binding upon the City, EIC or KEDC, but is presented for reference by any prospective primary employer. Moreover, the factors listed herein are not an exclusive list. Each determination shall be determined on a case-by-case basis taking into account the factors deemed relevant by the City, EIC and KEDC to that particular project.

Business Incentives Authorized

The EIC and City will contemplate the use of all incentive options available to create an appropriate incentive package tailored for each prospect on a case-by-case basis.

Primary Employer Business Incentives

Authorized Facilities - A capital investment for a facility may be eligible for business incentives by a funding agreement if it creates or retains primary jobs for a primary employer. Incentives may be granted for land or capital investment related to either new facilities, improvements to existing facilities for the purpose of modernization, expansion, for capital investment necessary for the retention of an existing primary employer, or for relocation expenses.

The following types of property shall be ineligible for business incentives: inventories, supplies, tools, furnishings or other forms of movable personal property (not including capital production equipment), vehicles, vessels, aircraft, deferred maintenance investments, improvements to real property which have an economic life of less than 10 years, with the exception of the City or EIC, property owned or used by the State of Texas or its political subdivisions, or by any organization owned or directed by a political subdivision of the State of Texas.

Periodic Certification - The business incentive agreement shall require periodic certification of capital investment as required by the funding agreement.

Completion of Facility Construction - The completion of facility construction or installation of capital investment shall be deemed to occur in the earliest of the following events (as determined by the City and EIC):

- When a certificate of occupancy is issued for the project,
- When commercial production of a product or provision of a service is achieved at the facility,
- When the architect or engineer supervising construction issues a certificate of substantial completion, or some similar instrument, or
- Two years after the date of the funding agreement.

Wage Requirement - In determining an incentive based on new primary jobs, the following matrix shall be considered:

| New Gross Payroll | Incentive per New Primary Job |
|---------------------------------------|--|
| <\$30,000 per new primary job | Up to \$3,000 per new primary job |
| \$30,000-\$40,000 per new primary job | \$3,001 to \$5,000 per new primary job |
| \$40,000-\$50,000 per new primary job | \$5,001 to \$9,000 per new primary job |
| >\$50,000 per new primary job | Up to \$10,000 per new primary job |

Job Creation Qualification - Unless there are extraordinary circumstances, in order to be eligible for business incentives, the planned capital investment shall create or retain and maintain the minimum of 10 full time (2,080 hours / year) permanent, primary jobs within one year of an effective date as set out in the agreement.

Minimum Capital Investment Qualification - In order to be eligible for business incentives, the planned capital investment must exceed \$200,000 in new plant, infrastructure, site prep and equipment.

Schedule of Incentives - The implementation schedule of any and all incentives shall be determined on a case-by-case basis to include periods of one or more years.

Universal Requirements

Project Implementation - An authorized project funded by a business incentive must be implemented within two years of the date of the effective date of the funding agreement.

Location or Residency Requirement - The City will prefer projects be located within City limits or its extraterritorial jurisdiction (ETJ) with voluntary provision for annexation, provided the ability to be annexed is met within 10 years. Projects outside of the City limits must be approved by the Kerr County Commissioners Court. Facilities constructed in the ETJ must be built to minimum City standards, to include building codes and public improvements standards.

'Buy Local' Provision - Each recipient of business incentives shall additionally agree to use best efforts to give preference and priority to local manufacturers, suppliers, contractors, and labor, except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operating efficiency or quality. For the purposes of this provision, the term 'local' is used to describe manufacturers, suppliers, contractors, and labor shall include firms, businesses, and persons who reside in or maintain an office within Kerr County, Texas.

Insurance Requirements - Each recipient of business incentives shall carry workers' compensation insurance and / or other appropriate liability insurance coverage as the EIC determines is appropriate.

Application - KEDC will accept applications for projects at any time. Applications will not be considered until complete. Applicants must be available to present projects at EIC & City Council meetings, as needed.

Contents of Application - The application process shall consist of a completed application form accompanied (when applicable) by: five years annual financials that include profit and loss statements, balance sheets, cash flow statements, IRS reporting forms, pro forma, a general description of proposed capital investments to the facility, a descriptive list of the improvements or program for which business incentives are requested, a list of the kind, number and location of all proposed improvements of the property, a map and property description, and a time schedule for undertaking and completing the proposed improvements or programs. In the case of a modernization or expansion project, a statement of the assessed value of the existing facility as stated by the Kerr Central Appraisal District, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial or other information as the EIC and / or KEDC deems appropriate for evaluating the financial capacity and other relevant factors of the applicant. The applicant will be allowed to address and explain in writing any negative findings before action is taken on a funding agreement.

Feasibility Impact Study - After receipt of a completed application, KEDC may cause to be performed a study of the feasibility and economic impact using an independent

consultant selected by KEDC. If both parties agree, KEDC may share costs with the applicant of performing the study. If performed, this study shall include, but not be limited to, an estimate of the economic effect of the business expansion.

No Business Incentives if Construction has Commenced - No funding agreement shall be approved if the application was filed after the commencement of any construction, alteration or installation of improvements related to the proposed facility modernization, expansion or new facility.

"GO Team"

An executive team ("GO Team") will evaluate and review applications based on:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan,
4. Economic impact analysis results*, including a return on investment and the break-even point (as affected by the extent of developer participation), job creation impact, and impact on the tax base,
5. Project status; for example, projects already under construction.

The "GO Team" will consist of the City Manager, Main Street / Special Projects Manager, EIC Board Member and the Executive Director of the Kerrville Economic Development Corporation. Additional members of staff may be added to the "GO Team" where appropriate depending on the nature and location of the project.

Upon review of the application and support documents, the "GO Team" will make a report to the EIC. KEDC will then notify the applicant of the next available EIC meeting for a project presentation.

The EIC may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the City Council must both approve the funding agreement. Public infrastructure improvement projects will be placed in the Capital Improvements Plan, and when complete, the project is owned by the City.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application for business incentives before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any business incentive, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed business incentives will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

Clawbacks

Each agreement shall contain clawback provisions established on a case-by-case basis to ensure the primary employer is meeting the benchmarks established in the funding agreement.

Administration

Access to Facility - The funding agreement shall stipulate that employees and / or designated representatives of the EIC, and / or the City and KEDC Executive Director will have access to the facility or program during the term of the funding agreement for inspection to determine if the terms and conditions of the funding agreement are being met. All inspections will only be conducted in such manner as to not unreasonably interfere with the construction and / or operation of the facility or program. Inspections will be made with one or more representatives of the owner and in accordance with safety standards.

Periodic reviews - Funding agreement reviews will be conducted periodically by KEDC to ensure that the owner is in compliance with the provisions of the funding agreement. If the owner is not in compliance or is in default, then the appropriate provision of the funding agreement will be enforced to recover any business incentives paid to the owner, unless the owner remedies the default on or before the conclusions of any cure period.

Right to Modify or Cancel - Notwithstanding anything herein or in any funding agreement to the contrary, the EIC may cancel or modify the funding agreement if the owner fails to comply with the funding agreement.

Quality of Life Improvement Projects

Projects which, include land, buildings, equipment, facilities, and improvements found by the (EIC) board of directors to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheatres, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by this section (Section 505.152 of the Texas Local Government Code). Interested businesses, individuals, or non-profit groups are required to complete an application and provide appropriate documentation of the project.

The "GO Team" will evaluate and recommend projects based on the following criteria:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan,
4. Project status; for example, projects already under construction.

The EIC may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the City Council must both approve the funding agreement.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any funding, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed grant will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

Community Event Projects

The objective of funding Community Event projects is to support tourism. Strong consideration will be given to new projects that significantly contribute to the City's objective of growing the tourism and hotel / conference market. Funding Applications intended to grow, expand or start events are given preferred consideration.

The "GO Team" will evaluate and recommend projects based on the following criteria:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Event History,
4. Event Sustainability.

The minimum amount of funding per eligible project is \$5,000 with a maximum amount of \$25,000. The EIC will cease consideration of Community Events applications after total funding of approved Community Events projects exceeds \$100,000 in a fiscal year.

Applications must be submitted by December 1st of each year for the following calendar year. The EIC will consider the applications at the January EIC meeting. Once approved by both the EIC and City Council, funding will not be available until 60 days after the public hearing. The EIC will not approve funding applications for events that have already taken place.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any funding, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed grant will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

The City of Kerrville Economic Improvement Corporation meets monthly at the Kerrville City Hall, Council Chambers, 701 Main Street, Kerrville, Texas. For additional information visit the City's website at www.kerrvilletx.gov or call (830) 257-8000.

APPLICATION FOR 4B SALES TAX FUNDS

CITY OF KERRVILLE ECONOMIC IMPROVEMENT CORPORATION

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve all expenditures of 4B funding. Before a project may be considered and awarded any funds, the attached application must be completed and submitted to:

Kerr Economic Development Corporation
1700 Sidney Baker, Ste. 100
Kerrville, TX 78028
(830) 896-1157

All actions of the EIC are subject to the Development Corporation Act of 1979, article 5190.6 Vernon's Civil Statutes, Section 4B (now codified in Chapters 501, 502, and 505 of the Texas Local Government Code). The EIC is a legal entity with statutory authority to spend economic development sales tax dollars. The Corporation is city-chartered and governed by a Council-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and / or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

APPLICATION SECTION 1 - DEFINITIONS

Business Incentives - Economic incentives for a Primary Employer to induce the creation or retention of primary jobs and Capital Investment that may include, but not limited to job, land, facilities, equipment and infrastructure grants or reimbursements of new facilities or modernizations of current facilities to be determined by the EIC and the City Council.

Capital Investment - The increase in the assessed value of an eligible property as a result of 'expansion' or 'modernization' of an 'existing facility' or construction of a 'new facility'.

City - City of Kerrville, Texas

Clawback - That provision in a Funding Agreement, which states how and to what extent any incentive payments from public funds must be repaid if the stated Performance Standards are not met.

Current Payroll - The company's total expenditure for all employees for the month immediately preceding this application multiplied by 12.

Deferred Maintenance - Improvements necessary for continued operations which do not improve productivity or are preformed to meet regulatory obligations.

Economic Life - The number of years a property improvement or manufacturing / processing equipment is expected to be in service in a facility.

EIC - Kerrville Economic Improvement Corporation

Employee Benefit - Incentives offered to employees and paid for by the employer such as health care coverage, vacation, etc. If an employee pays 30% of the cost, or more, it should not be considered a "benefit" for purposes of this application.

Facility - Property Improvements completed or in the process of construction which together compromise an integral whole, as well as new fixed machinery and equipment. Includes an existing building purchased for expansion or relocation

Full Time Job - The employment of a person for a minimum of 35 hours per week and offering that person all those benefits adopted by company policy for Full Time Employees. Major stockholders or immediate family members should not be included in this number when considering "New Full-Time Jobs Created."

Funding Agreement - A written contract designed to protect the interest of local taxpayers by putting a businesses' job creation or capital investment commitments in writing and by linking the payment of any financial incentive to the business fulfilling its written commitments (i.e. clawbacks).

Hourly Wage - The gross amount paid to the employee for each hour worked not including the Employer's portion of FICA or FWH. Benefits should not be included in this figure, but should be listed separately under the compensation per employee section of the application.

KEDC - The Kerr Economic Development Corporation

Modernization - The replacement and upgrading of existing facilities which increase the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facilities. Modernization may result in from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, repairing or the completion of deferred maintenance.

New Facility - Property previously undeveloped which is placed into service by means other than in conjunction with an expansion or modernization.

Owner - The owner of a facility or program subject to business incentives. If the facility is constructed on a leased property, the owner shall be the party which owns the property subject to the business incentive. A lessee or other interested third party may, at the discretion of the City, be required to join in the execution of the Agreement but shall not be obligated to assure performance of the party receiving the Business Incentive.

Part-Time Job - A person working less than 35 hours per week. Major stockholders or immediate family members should not be included in this category when completing the application under New Part-Time Jobs Created.

Public Capital Project - Improvements owned and maintained by the City of Kerrville included in the Capital Improvement Plan and funded by the capital budget.

Payoff Period - The amount of time in years that it will take the EIC and the City to recover the costs of business incentives from additional revenues it will receive from the facility.

Primary Employer - A business in which at least 51% of its goods and / or services are sold to customers that are located outside Kerr County, Texas and / or are in one of the following three digit NAICS codes: 31-33 Manufacturing, 42 Wholesale Trade, 48-49 Transportation and Warehousing, 52 Finance and Insurance, 54 Professional and Technical, or 55 Management of Companies (as defined by Texas Legislature HB 2912, 2003 Regular Session); or is a supplier who supplies at least 70% of its non-retail goods and/or services to local primary employer(s) that are located outside of Kerr County, Texas.

SECTION II - APPLICANT INFORMATION

Submittal Date: 11/26/13

ORGANIZATION

Kerrville Area Chamber of Commerce

Applicant Name

1700 Sidney Baker Kerrville Texas 78028

Address City State Zip

830-896-1155 830-928-4311 830-896-1175

Phone Alt. Phone Fax

www.kerrvilletx.com

Website

PROJECT CONTACT

Kristan Weaver Vice President of Operations

Contact Person Name Title

1700 Sidney Baker Kerrville Texas 78028

Address City State Zip

830-896-1155 830-683-7097 830-896-1175

Phone Alt. Phone Fax

kristan@kerrvilletx.com

Email Address

Amount of Funding Requested: \$ 25,000.00

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
- o what the requested funding shall be used for,
- o if it is a new, existing or annual event,
- o the number of years the organization has been in existence,
- o the date and location of the event,
- o average annual attendance,
- o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
- o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Submittal Date: ___/___/___

ORGANIZATION

Applicant Name

Address

City

State

Zip

Phone

Alt. Phone

Fax

Website

PROJECT CONTACT

Contact Person Name

Title

Address

City

State

Zip

Phone

Alt. Phone

Fax

Email Address

Amount of Funding Requested: \$ _____

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o what the requested funding shall be used for,
- o pertinent financial information (costs, revenues, percentage of funding request of total budget and financial history), and
- o other information, as requested.

Continue to Section III

Business Development Projects

Submittal Date: ___ / ___ / ___

ORGANIZATION

Applicant Name _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Website _____

PROJECT CONTACT

Contact Person Name _____ Title _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Email Address _____

Type of Business Structure: Corporation Partnership Sole Proprietorship

Year Business Started: Year _____ Location _____

Current Employment: Permanent Full-Time _____ Permanent Part-Time _____

Average Production Wage _____

Full-Time Employees receive the following benefits:

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow
Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or
Chapter 11 of the Bankruptcy Statutes? No Yes Details:

SECTION III - PROJECT INFORMATION

This application is for a:
Business Development
▪ Expansion of Existing Facility or
▪ New Construction
▪ Other ()

Capital Improvements for Public Infrastructure
▪ Utilities
▪ Roadways
▪ Other ()

Quality of Life
▪ Community Event
▪ Project

The proposed improvements are to be located within the following taxing
district(s): City of Kerrville Kerr County Kerrville ISD
Ingram ISD Center Point ISD

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the
company (1) fully explaining the nature and scope of the project; (2) describing the
proposed site and existing improvements, if any; (3) describing all proposed

improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

SECTION V – ECONOMIC IMPACT INFORMATION

Part A - Project Investment in Improvements

Total \$ _____
Sq. Footage of New Building (s) _____
Size of Parking _____
Other _____

Part B - Project Investment in Fixed Equipment

(New)\$ _____
Manufacturer of Equipment _____
Anticipated Useful Life of Equipment _____
Purchase Price \$ _____ Installation Cost \$ _____
Anticipated Delivery time from Date of Order _____

Part C - Permanent Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Full-Time Employees as a result of this project _____
Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles _____

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

Part D - Permanent Part-Time Employment Estimates-
(do not include owners, stockholders or their dependents)

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No Yes

Describe:

To the best of my knowledge, the above information is an accurate description of the
proposed project details.

Kristan D. Weaver

Printed name

11/26/13

Date

Vice-President of Operations

Title

Kristan D. Weaver
Signature

2013 Kerrfest Profit and Loss Statement

| COMPANY | Income | | AMOUNT | | EXPENSES | |
|---|----------------------------|--------------|---------|-------------------------------------|--------------|--|
| | | | | | | |
| Kerr County | MAJOR SPONSOR | \$ 2,500.00 | in-kind | Lester Meier Rodeo | \$ 16,500.00 | |
| City of Kernville | MAJOR SPONSOR | \$ 3,300.00 | in-kind | Ice truck | \$ 217.15 | |
| Convention & Visitors Bureau | MAJOR SPONSOR | \$ 11,000.00 | in-kind | T.A.B.C. | \$ 231.00 | |
| Rev FM | MEDIA SPONSOR | \$ 5,000.00 | in-kind | Garrett Insurance Agency | \$ 771.00 | |
| The Buck 103.7 | MEDIA SPONSOR | \$ 5,000.00 | in-kind | wifebands | \$ 181.84 | |
| Ranch Radio Group | MEDIA SPONSOR | \$ 5,000.00 | in-kind | Bairwire | \$ 1,000.00 | |
| Wells Fargo Bank | MAJOR SPONSOR | \$ 2,500.00 | | DJ | \$ 250.00 | |
| Crewelge Motors | MAJOR SPONSOR | \$ 2,500.00 | | The Bandera Bulletin | \$ 104.00 | |
| Huser Construction/TJ Moore | SPECIALTY ACT SPONSOR | \$ 1,500.00 | | Bandera Courier | \$ 75.00 | |
| Billy's Western Wear/Wrangler | SPECIALTY ACT SPONSOR | \$ 1,500.00 | | Sunbelt Rentals | \$ 573.93 | |
| JM Lowe | DANCE SPONSOR | \$ 1,000.00 | | Buddys Septic & Water Well Service | \$ 600.00 | |
| Kernville Public Utility Board | LET-OUT GATE SPONSOR | \$ 750.00 | | Tent | \$ 1,584.00 | |
| Guadalupe National Bank | LET-OUT GATE SPONSOR | \$ 750.00 | | So Fast Printing | \$ 665.25 | |
| Western Beverages | TENT SPONSOR | \$ 600.00 | | Disc Flag | \$ 550.00 | |
| Brown Distributing | TENT SPONSOR | \$ 600.00 | | T-N-J Kerrfest Signs & Sponsor Bann | \$ 407.00 | |
| Comanche Trace | TENT SPONSOR | \$ 600.00 | | T-N-J Cookoff Plaques | \$ 366.00 | |
| LeMolleur's RV, Truck, and Equipment Repair | ANNOUNCER STAND SPONSOR | \$ 750.00 | | T-N-J Beer Mug Prizes | \$ 151.50 | |
| Grimes Funeral Chapels | EVENT SPONSOR | \$ 600.00 | | T-shirts | \$ 684.00 | |
| Church's Chicken | EVENT SPONSOR | \$ 600.00 | | Bucking Bronze Trophy | \$ 79.00 | |
| Kernville Ranch & Pet Center | EVENT SPONSOR | \$ 600.00 | | Hy-O Buckles | \$ 520.00 | |
| Heritage Investment Management, LLP | EVENT SPONSOR | \$ 600.00 | | Crossroads Buckles | \$ 450.00 | |
| Terminix Pest Control | EVENT SPONSOR | \$ 600.00 | | Banner Fee | \$ 85.00 | |
| Lemon Tree Cleaners | EVENT SPONSOR | \$ 600.00 | | Queen Scholarship | \$ 500.00 | |
| Earnest Roofing | EVENT SPONSOR | \$ 600.00 | | Bleachers | \$ 10,560.00 | |
| Billy's Western Wear/Twisted X Boots | EVENT SPONSOR | \$ 420.00 | | TOTAL CASH EXPENSES | \$ 37,105.67 | |
| Centurion Homes | EVENT SPONSOR | \$ 600.00 | | | | |
| Kerr County Connection | EVENT SPONSOR | \$ 600.00 | | TOTAL PROFIT, including In-kind | \$ 60,477.62 | |
| Republic Services | BUCKING CHUTE SPONSOR | \$ 600.00 | | TOTAL CASH PROFIT | \$ 28,677.62 | |
| Centennial Bank | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Benefit Choices Co. | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Security State Bank & Trust | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Roberts Auto Sales | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Capital Farm Credit | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Silver Saddle Auction Co. | BUCKING CHUTE SPONSOR | \$ 600.00 | | | | |
| Meier Custom Built Homes | BUCKING CHUTE SPONSOR | \$ 295.00 | | | | |
| Chicken Express | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Kerr County Abstract & Title Co. | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Tony Roberts Custom Homes | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Garrett Insurance Agency, Inc. | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Kerr County Farm Bureau | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Ricks Furniture | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Bank of the Hills, a Branch of Comerica | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Humana | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Peterson Regional Medical Center | ARENA SIGN SPONSOR | \$ 295.00 | | | | |
| Wishes My Lingerie | VENDOR | \$ 75.00 | | | | |
| Buzzle's Barbecue | VENDOR | \$ 150.00 | | | | |
| House of Bling | VENDOR | \$ 75.00 | | | | |
| Tracy Jordan | VENDOR | \$ 75.00 | | | | |
| Evans Hats | VENDOR | \$ 75.00 | | | | |
| Italian Ice | VENDOR | \$ 150.00 | | | | |
| Just For You | VENDOR | \$ 75.00 | | | | |
| MG Building Materials | VENDOR | \$ 150.00 | | | | |
| The Raven | VENDOR | \$ 150.00 | | | | |
| Gerardo Trading Co. | VENDOR | \$ 75.00 | | | | |
| D&D Creations | VENDOR | \$ 150.00 | | | | |
| West End Pizza | VENDOR | \$ 75.00 | | | | |
| Face Painting | VENDOR | \$ 4,382.00 | | | | |
| Net Gate Friday | | \$ 12,284.00 | | | | |
| Net Gate Saturday | | \$ 870.00 | | | | |
| Team Roping (net) | | \$ 250.00 | | | | |
| Rockscepes | TEAM ROPING BUCKLE SPONSOR | \$ 250.00 | | | | |
| Comfort Center for Dentistry | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| TC2 Show Cattle | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| Gibson's | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| Behrens Hauling | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| The UPS Store | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| Mini-Mart | YOUTH RODEO BUCKLE SPONSOR | \$ 150.00 | | | | |
| A Child's Place Learning Center | | \$ 95.00 | | | | |
| Youth Rodeo (Net Cash) | | \$ 752.04 | | | | |
| Homebrew Competition (Net) | | \$ 2,355.75 | | | | |
| Carnival (Net) | | \$ 3,161.50 | | | | |
| Beer Sales Profit (Net) | | \$ 1,501.00 | | | | |
| Cookoff (Net) | | \$ 70.00 | | | | |
| Queens Contest | | \$ 500.00 | | | | |
| Wal-Mart | | \$ 78.00 | | | | |
| t-shirt sales | | \$ 84.00 | | | | |
| Washer Pitchin Tournsy (Net Cash) | | \$ 10,500.00 | | | | |
| Bleachers - EIC funding | | \$ 97,583.29 | | | | |
| TOTAL REVENUE, including in-kind | | \$ 65,783.29 | | | | |
| TOTAL CASH REVENUE | | | | | | |

KerrFest 2013 Economic Impact Report

| | |
|---|-------------|
| Net Gate Friday Night: | \$4382.00 |
| Friday Night Attendance: 800 persons | |
| Net Gate Saturday Night: | \$12,284.00 |
| Saturday Night Attendance: 2,000+ persons | |
| Total Net Gate – Up 28% from 2012 | \$16,666.00 |
| Total people to HCYEC for Kerrfest for all events: 3300+ | |
| 59 Sponsors | |
| Cash Sponsorships: | \$27,270.00 |
| Total revenue, including in-kind: | \$86,505.29 |
| Total Cash Revenue: | \$54,705.29 |
| Total Cash Expenses: | \$26,528.52 |
| <i>Approximately 60% of attendees + contestants were from outside Kerr County</i> | |

Special Event Expenditures, based on the following assumptions:

| | |
|--|---------------------|
| 3,300 attendees | |
| 20% or 660 attendees stayed overnight-based on family of 3.3 persons per family = 200 special event roomnights X 3.3 persons/room (industry standard) X \$110 average expenditure/person/day | |
| 660 X \$110.00 = 72,600.00 X 2 days = | \$145,200.00 |
| 3,300 – 660 = 2,640 day trippers X \$69.00/day = | <u>\$182,160.00</u> |
| Total Visitor Expenditures | <u>\$327,369.00</u> |
| Total Cash Revenue: \$54,705.29 X 3.5 turnover = | <u>\$191,468.52</u> |
| Approximate Economic Impact for KerrFest 2013: | <u>\$581,837.52</u> |



Proposal

Company

Kerrville Area Chamber of Commerce
1700 Sidney Baker Ste. 100
Kerrville, TX 78028

Attn: Denny Foster

E-mail:
Office:
Fax:
Cell: (830) 796-1805

Proposal Date: 10/14/13
Withdrawn By: 11/14/13
Amended Date:
Presented By: Mary Fryer
Mobile: (210) 632-5017
Mary.Fryer@startxevents.com

Job Site:

Youth Exhibition Center
3805 State Hwy 27 E
Kerrville, TX 78028
Event Date: Friday, May 16, 2014 @ 8a-12p
Delivery: Monday, May 5th, 2014 @ 8a-12p
Strike: Monday, May 19th, 2014 @ 8a-4p

Star of Texas Events, an Austin Sales, Inc. Company is pleased to quote the following for your consideration:

Bleachers

| | |
|---|--------------------|
| 1 – 13 Row by 180' long 6' elevated bleacher Approximate Gross seating 1560 Net seating 1388 | \$22,620.00 |
| 1 – 8' X 180' long deck with 19 (8'X8') VIP Sections w/ stairs for access to bleacher Seating as well as VIP sections | \$ 5,225.00 |
| Forklift Rental | \$ 3,500.00 |
| Delivery | \$ 1,800.00 |
| 8.25% Tax | Exempt |
| Estimated Total | \$33,145.00 |

Note: All work is quoted as work performed during normal business hours. Any work performed before or after normal business hours are subject to overtime rates

Quality People * Superior Service

Plus Applicable Taxes **Terms: 50% with Order, Balance Due Before Delivery**

Austin Sales, Inc. provides \$2,000,000.00 General Liability and Workman's Comp. insurance

All materials will be of the best grade available and will be constructed to meet O.S.H.A. and A.N.S.I. regulations. Any alterations or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the proposal. The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do as specified. Payment due upon receipt of invoice, unless otherwise stated.

Authorized By: _____ **Date:** _____



Proposal Addendum

Normal conditions are as follows.

- 1. Rental equipment: This proposal is subject to the terms and conditions of our standard rental or sales contract.
2. Terms: Terms of proposal are 50% to Secure Order, balance to be paid before delivery.
3. Normal working hours: This quotation is based on all work being carried out during normal working hours, Monday - Friday 7:00 am - 4:00 pm. Saturday 8:00 am - 1:00pm, excluding holidays. All work executed outside these hours will be charged at overtime rates.
4. Fluctuation: This proposal is based on rates in effect at the date of our initial proposal and is subject to any increases after 30 days.
5. Extras: Any alteration or deviation from the proposal as quoted is subject to be charged at an additional amount. No additional work will be undertaken until approval has been received in writing from an authorized agent of your company.
6. Alterations: Any modification or alterations to the erected structure, by anyone including the Client, will be at the sole risk of the Client, and will remove liability from Star of Texas Events
7. Incomplete Structures: No one except Austin Sales, Inc., employees will be allowed to perform any work on or under the structure while erection, dismantling, additions or alterations are being performed.
8. Access & Permits: Reasonable access for men and materials are to be provided by Client. All permits are the Client's Responsibility.
9. Delays: If the completion of work is delayed, interrupted, or otherwise held up or discontinued because of Weather, Accidents, or any cause whatsoever beyond our control, and is not attributable to negligence or willful failure to perform, we shall not be held liable for any loss sustained by the Client or owner. Client will be liable for any delay, interruption, or stoppage that is attributable to Client or his client.
10. Completion and Use of Rented Items: Client accepts responsibility for all work performed as complete and safe. Client agrees to abide by all local, state and federal laws and OSHA regulations. No open flames or smoking is permitted under any tent structure.
11. Liability and Indemnification: Refer to the Rental Contract or Sales Contract.
12. Making Reservations: Quotes and Proposals do not guarantee availability of rental equipment. Equipment will be reserved only upon receipt of a signed rental contract and a 50% deposit. Final payment is due before delivery and installation.
13. Cancellations: (Non-Refundable 50% Deposit) When you reserve any product from us, and pay the required deposit, we will immediately remove the items from our inventory and schedule a crew. Therefore, any cancellation received within 14 days of installation will be charged 50% of the rental contract order. If the order is cancelled within 24 hours, full payment is due.
14. Tent Installation: Tent installation must be done correctly for the protection of the Client, the tent, and ultimately the success of the event. Therefore, a tent may not be erected in rain, excess wind, electrical storm, or any other weather conditions that pose a danger to any property or injury to any individual. The field supervisor will make the final call on whether the job can be completed safely. Star is not responsible for any acts of God.
15. Weather: Client understands that tents are temporary structures and are NOT to be used as safe protection or shelter from weather conditions like, but not limited to, strong winds, lightning, rain, hail or snow. Please evacuate the tents and seek adequate shelter if any unsafe conditions arise.
16. Damages: Star will take every possible means to protect the client's property. Client agrees to hold harmless Austin Sales, Inc, dba Star of Texas Events from any liability for any damage incurred during delivery, setup, dismantling and removal while on Client's property. This includes, but not limited to, ruts in the grass, sprinkler systems, scratches or cracks on the installed surface, and high wind related damages. Client also understands that tents are temporary structures and may leak during heavy rain.

Terms and conditions accepted by:

Presented by:
Mary Fryer
Austin Sales, Inc.
DbA Austin Sales & Scaffold
DbA Star of Texas Events

Signature _____ Date _____

Contact & Mobile # _____

Date _____

Agenda Item:

6C. Funding request from Kerrville Festival of the Arts to host an arts event in downtown Kerrville on Memorial Day weekend in the amount of \$20,000.00.
(staff)

copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.

December 2, 2013

Kerrville Festival of the Arts
P.O. Box 290454
Kerrville, Texas 78029

Economic Improvement Corporation
701 Main Street
Kerrville, Texas 78028

Dear EIC Board Members:

Please accept our application for Economic Improvement Corporation funding for a new Community Event, Kerrville Festival of the Arts. With approval of the requested funding, this event will be held in the Downtown area on Memorial Day weekend, May 24-25, 2014.

In the absence of the Texas State Arts and Crafts Fair from its traditional role that holiday weekend, it is imperative to offer the opportunity for a major Fine Arts event to continue in Kerrville. To accomplish this, a coalition of the City of Kerrville, Kerr County Market Association and the Historic Downtown Business Alliance have come together to develop this new fine arts event to maintain Kerrville's position as a fine art destination for tourists and to enhance the economic environment for our downtown businesses.

We look forward to the opportunity to present our proposal to the EIC Board of Directors.

Sincerely,


LuAnn Anderson, Executive Director
Kerr County Market Association

**ECONOMIC IMPROVEMENT CORPORATION
COMMUNITY EVENT PROJECT
FUNDING APPLICATION**

December 2, 2013

ORGANIZATION

Applicant Name: Kerrville Festival of the Arts (KFA)

Address: PO Box 290454, Kerrville, Texas 78029

Phone: 830-459-6198

Alt. Phone: 830-895-7962

Website: under construction

PROJECT CONTACT

LuAnn Anderson, Executive Director, Kerr County Market Association

Address: PO Box 290163, Kerrville, Texas 78029

Phone: 830-459-6198

Alt. Phone: 830-895-7962

Email: (pending website completion) kerrmarket@aol.com

Amount of Funding Requested: \$20,000

Mission Statement:

It is the goal of Kerrville Festival of the Arts to develop and conduct an annual juried fine arts show and sale in downtown Kerrville in order to:

- Continue the decades long tradition of a Memorial Day weekend Fine Art event in Kerrville;
- Continue to promote tourism with a multi-day event;
- Emphasize downtown as a destination for both visitors and area residents for an enhanced business climate;
- Enhance Kerrville's image and reputation as the Fine Arts Capital of the Hill Country;
- Encourage and support local artists;
- Provide youth an introduction to and information about the fine arts; and, to

conduct such activities as may be necessary or desirable to accomplish these goals.

Business plan:

Kerrville Festival of the Arts, using EIC funding as "seed money" to initiate the event, will generate revenues from fees charged artists to participate in the event. Additionally, sponsors will be recruited to provide support through donation of money, goods and/or services. Volunteers will be sought to augment staff for development, installation, operation and take-down of the show. Staff will provide full time management and direction of all activities of the event.

New event:

In the absence of the Texas State Arts and Crafts Fair, it is imperative to provide a new event in order to maintain the tradition of bringing artists and art admirers, buyers, collectors and tourists to Kerrville for the Memorial Day weekend.

Ancillary events are anticipated to include children's' art activities facilitated by KACC and family fun activities including street performances by local theatre groups and reenactors are to be managed by HDBA.

Kerrville Festival of the Arts is a new organization being developed and introduced as a cooperative effort through a partnership between the City of Kerrville, Kerr County Market Association, and the Historic Downtown Business Alliance. KCMA has been conducting a successful event in the downtown area since 2002 and will manage and direct the new event. HDBA, which has been in existence (formerly as KDBA) for decades, will direct ancillary activities. The City of Kerrville will provide support services such as street closures, emergency services as appropriate and other support as necessary to insure the success of the event. KFA is intended to become a "stand alone" organization when fully operational.

Date and Location:

Kerrville Festival of the Arts will be held on Memorial Day weekend each year; for 2014 the dates will be May 24-25. The location of the event will be 700 and 800 blocks of Water Street. If additional space becomes necessary, the 600 block of Water Street will be used.

Attendance:

The projected attendance for the event is approximately 100 artists and 5,000 local residents and tourists.

Financial Information:

It is projected that Kerrville Festival of the Arts will thrive in an atmosphere which welcomes artists and supports their endeavors by bringing admirers and customers to this show and sale. After first year acquisition of necessary capital equipment, growth of the event is expected to produce steadily increasing revenues and stable costs. However, since this is a new event there is no financial history.

Revenues will be generated through artists' fees and sponsorships. To encourage the maximum public attendance, there will be no admission fee.

The EIC funding being requested will be used for rental of tents, porta cans and vehicles as well as items for use by volunteers during the event. The requested \$20,000 is 47% of the total estimated operating expenses. To the greatest extent possible, goods and services will be obtained locally, based on cost and availability.

The 2014 Budget Proposal is attached, including an itemized list of proposed specific expenditures of the requested funding.

Kerrville Festival of the Arts

2014 Itemized EIC Request

Expenses

| | | | | |
|--|------------------------|--------------------|-----------|------------------|
| | Tent Rental | 800 blk Water | * \$ | 12,200.00 |
| | Vehicle Rental | 1 pickup | * \$ | 650.00 |
| | Storage Rental | 1 10x10 unit | * \$ | 720.00 |
| | Golf Cart Rental | 2 carts | * \$ | 500.00 |
| | PO Box Rental | 1 box | * \$ | 54.00 |
| | Porta Can Rental | 10 units | * \$ | 958.00 |
| | Tables, Chairs Rental | volunteer stations | * \$ | 65.00 |
| | Canopies | volunteer stations | * \$ | 653.00 |
| | Street Banner Purchase | 2 banners | * \$ | 1,200.00 |
| | Electrical | power to booths | * \$ | 3,000.00 |
| | Total expenses | | \$ | 20,000.00 |

Kerrville Festival of the Arts

2014 Total Budget Proposal

| | | | |
|-----------------|-----------------------------|----------------------------|------------------|
| | Initial cash balance | \$ | - |
| | Final cash balance | \$ | - |
| | | | |
| Income | | | |
| | EIC | * \$ | 20,000.00 |
| | Jury Fees | \$ | 2,500.00 |
| | Sponsorships | \$ | 3,000.00 |
| | Artists Fees | \$ | 17,000.00 |
| | Total income | \$ | 42,500.00 |
| | | | |
| Expenses | | | |
| | Tent Rental | 800 blk Water * \$ | 12,200.00 |
| | Vehicle Rental | 1 pickup * \$ | 650.00 |
| | Storage Rental | 1 10x10 unit * \$ | 720.00 |
| | Golf Cart Rental | 2 carts * \$ | 500.00 |
| | PO Box Rental | 1 box * \$ | 54.00 |
| | Porta Can Rental | 10 units * \$ | 958.00 |
| | Tables, Chairs Rental | volunteer stations * \$ | 65.00 |
| | Layout, support contract | booth marking, etc \$ | 2,000.00 |
| | Mgt Svcs | Staff \$ | 3,000.00 |
| | Advertising | \$ | 3,500.00 |
| | Signage | \$ | 1,500.00 |
| | Supplies | paint, flag ribbon, etc \$ | 1,500.00 |
| | Artists Reception | light refreshments \$ | 1,000.00 |
| | Street Banner Installation | \$ | 170.00 |
| | Reenactors | \$ | 500.00 |
| | Printing Svcs | \$ | 2,000.00 |
| | Atty Fees | \$ | 1,200.00 |
| | CPA fees | \$ | 1,200.00 |
| | Electrical | power to booths * \$ | 3,000.00 |
| | Logo development | \$ | 500.00 |
| | Web site dev & maint | \$ | 1,000.00 |
| | Office supplies | \$ | 1,000.00 |
| | Security | overnight, 2 nights \$ | 1,200.00 |
| | Canopies | volunteer stations * \$ | 866.00 |
| | Street Banner Purchase | 2 banners * \$ | 1,200.00 |
| | Hand trucks, Carts | \$ | 600.00 |
| | Contingency | \$ | 417.00 |
| | Carry Over to 2015 | \$ | - |
| | Total expenses | \$ | 42,500.00 |

SECTION II - APPLICANT INFORMATION

Submittal Date: 12/02/13

ORGANIZATION

Kerrville Festival fo the Arts

Applicant Name

| | | | |
|---------------|-----------|-------|-------|
| PO Box 290454 | Kerrville | Texas | 78029 |
| Address | City | State | Zip |

| | | |
|--------------|--------------|-----|
| 830-459-6198 | 830-895-7962 | |
| Phone | Alt. Phone | Fax |

under construction

Website

PROJECT CONTACT

LuAnn Anderson, Executive Director, Kerr County Market Association

| | |
|---------------------|-------|
| Contact Person Name | Title |
| PO Box 290163 | |
| Kerrville | |
| Texas | |
| 78029 | |
| Address | City |
| State | Zip |

| | | |
|--------------|--------------|-----|
| 830-459-6198 | 830-895-7962 | |
| Phone | Alt. Phone | Fax |

kerrmarket@aol.com (pending web site completion)

Email Address

Amount of Funding Requested: \$ 20,000

- Please include a cover letter and supplemental information as deemed appropriate that:
- o clearly states the mission statement of the organization(s),
 - o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
 - o what the requested funding shall be used for,
 - o if it is a new, existing or annual event,
 - o the number of years the organization has been in existence,
 - o the date and location of the event,
 - o average annual attendance,
 - o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
 - o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statutes? No Yes Details:

SECTION III - PROJECT INFORMATION

This application is for a:

- Business Development
- Expansion of Existing Facility or
 - New Construction
 - Other ()

Capital Improvements for Public Infrastructure

- Utilities
- Roadways
- Other ()

Quality of Life

- Community Event
- Project

The proposed improvements are to be located within the following taxing district(s): City of Kerrville Kerr County Kerrville ISD Ingram ISD Center Point ISD

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, if any; (3) describing all proposed

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No Yes

Describe:

To the best of my knowledge, the above information is an accurate description of the proposed project details.

LuAnn Anderson

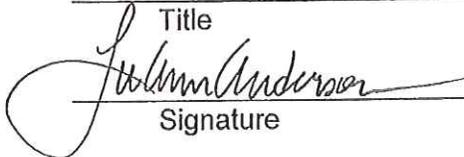
Printed name

December 2, 2013

Date

Executive Director, Kerr County Market Association

Title


Signature

Agenda Item:

6D. Funding request from the Kerrville Folk Festival for event transportation services during the Memorial Day Weekend in the amount of \$7,800.00. (staff)

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.



P.O. Box 291469 • Kerrville, Texas 78029 • phone: (830)257-3600 • fax: (830)257-8690 • email: info@kfmf.org

2014 "Get on the Bus" Project

Proposed by the Kerrville Folk Festival Foundation

The Kerrville Folk Festival Foundation (formerly the Texas Folk Music Foundation), dba Kerrville Folk Festival (KFF), in a collaborative project with the Kerrville Downtown Business Association and the City of Kerrville, proposes the development of a Saturday, May 24th and Sunday, May 25th free Bus Ride service in which three buses on scheduled routes will provide transportation between local Hotels and the two major events/areas held Memorial Day weekend in Kerrville and Kerr County. This temporary addition to the Transportation Infrastructure in Kerrville would provide Public transportation designed to offer greater opportunities for tourism and sales tax revenues in Kerrville and Kerr County.

2014 brings to Kerrville and Kerr County the 43rd Kerrville Folk Festival. For the past 42 years, people from across the nation and around the world have attended KFF's yearly event. Over the last five years, KFF has provided the State of Texas and Kerr County with over \$160,359 in sales tax revenue as well as approximately \$1.9 million in Direct Economic Impact from Festival attendees each year. The development of a temporary Bus route comprised of three 28 passenger buses will offer festival attendees, local residents and visiting tourists increased opportunities to shop local stores and restaurants and attend the Memorial Day events and festivities.

The proposed bus route begins at 10 a.m. Saturday and Sunday and runs until 1 a.m. the following morning. The route includes stops at the YO Ranch Resort Hotel, the Inn of the Hills and other local hotels as need dictates. Also on the route will be Peterson Plaza, located at 700 Water Street at the corner of Sidney Baker. There, passengers may depart and enjoy the assortment of shops and eateries offered in the Historic Downtown Kerrville area. Also accessible from Peterson Plaza is the Kerr County Market Days located on the Kerr County Courthouse grounds. Visitors and locals alike can take a leisurely stroll through Historic Downtown Kerrville to the Courthouse grounds and enjoy the skilled crafts of artisans from across the state of Texas.

Local residents, parking at the Kerrville Parking Garage and visitors of Historic Downtown Kerrville and Kerr County Market Days may then board the buses for the next scheduled stop on the route, the world renowned Kerrville Folk Festival (KFF). Located at Quiet Valley Ranch, 9 miles south of Kerrville on Hwy 16 S, KFF offers passengers the option to enjoy an afternoon and/or evening of music performed by nationally and internationally known songwriters. Return trips from KFF to Kerrville (and the local hotels) will continue throughout the evening until the last run at 1 a.m. each morning.

Upon review of received bids, the company that offers the best rate for the proposed services and schedule is Tuxedo Charters, located in Boerne, TX. Tuxedo Charter's fees for three 28 passenger buses, drivers and all costs incurred for services total \$7,800. This proposal will provide visiting tourists, local residents, or attendees of the Kerrville Folk Festival a source of free public transportation during the Memorial Day weekend and increases the potential for sales tax revenues in Kerrville and Kerr County over the Memorial Day Weekend.

Sincerely,

Dalis Allen, Producer, Kerrville Folk Festival

3876 Medina Hwy, Kerrville, TX 78028

The Kerrville Folk Music Foundation is a 501(c)(3) organization and your donation is tax-deductible to the extent allowed by law.



KERRVILLEMUSICFESTIVALS PO BOX 291469 KERRVILLE, TEXAS 78029 PHONE (830) 257-3600 FAX (830) 257-8690 EMAIL INFO@KERRVILLEMUSIC.COM
KerrvilleFolkFestival.org ©2013 A TEXAS FOLK MUSIC FOUNDATION EVENT | SUPPORTED IN PART BY TCA & AN AWARD FROM THE MARION B. ENDOWMENT FOR THE ARTS

SECTION II - APPLICANT INFORMATION

Submittal Date: 11/21/18

ORGANIZATION

Kerrville Folk Festival Foundation (formerly the TX Folk Music Foundation)
Applicant Name

3876 Medina Hwy Kerrville TX 78028
Address City State Zip

(830) 251-3600 (830) 739-3600 (830) 251-8680
Phone Alt. Phone Fax

www.kerrvillefolkfestival.org
Website

PROJECT CONTACT

Dalis Allen Producer
Contact Person Name Title

3876 Medina Hwy Kerrville TX 78028
Address City State Zip

(830) 251-3600 (830) 739-3600 (830) 251-8680
Phone Alt. Phone Fax

dalis@kerrville-music.com
Email Address

Amount of Funding Requested: \$ 7800.00

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
- o what the requested funding shall be used for,
- o if it is a new, existing or annual event,
- o the number of years the organization has been in existence,
- o the date and location of the event,
- o average annual attendance,
- o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
- o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ 791,644

This Facility \$ 791,644

Local Sales Tax paid Annually \$ 2,321

Current Payroll \$ 9,505/mo

Has the Company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statutes? No Yes () Details:

SECTION III - PROJECT INFORMATION

This application is for a:

- Business Development ()
- Expansion of Existing Facility () or
 - New Construction ()
 - Other ()

Capital Improvements for Public Infrastructure

- Utilities ()
- Roadways ()
- Other ()

Quality of Life

- Community Event
- Project ()

The proposed improvements are to be located within the following taxing district(s): City of Kerrville () Kerr County () Kerrville ISD () Ingram ISD () Center Point ISD ()

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, if any; (3) describing all proposed

improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

SECTION V – ECONOMIC IMPACT INFORMATION

Part A - Project Investment in Improvements N/A

Total \$ _____
Sq. Footage of New Building (s) _____
Size of Parking _____
Other _____

Part B - Project Investment in Fixed Equipment N/A

(New) \$ _____
Manufacturer of Equipment _____
Anticipated Useful Life of Equipment _____
Purchase Price \$ _____ Installation Cost \$ _____
Anticipated Delivery time from Date of Order _____

Part C - Permanent Employment Estimates- (do not include owners, stockholders or their dependents) N/A

Anticipated Number of New Full-Time Employees as a result of this project _____
Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles _____

Anticipated starting salaries of these employees: (avg.) \$ _____ /hour

Part D - Permanent Part-Time Employment Estimates- (do not include owners, stockholders or their dependents) N/A

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact N/A
Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____ FTE X Avg. Wage X 40 hrs X 52 wks \$ _____ PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?
No Yes ()
Describe:

To the best of my knowledge, the above information is an accurate description of the proposed project details.

DALIS ALLEN
Printed name

11-27-13
Date

PRODUCER
Title
Dalis Allen
Signature

12:39 PM
12/18/13
Accrual Basis

TFMF dba Kerrville Folk Festival
Profit & Loss
January through November 2013
Jan - Nov 13

Ordinary Income/Expense

Income

| | |
|--------------------------------------|------------|
| 49000 · Special Events Income | 5,610.20 |
| 45000 · Investments | 0.62 |
| 43400 · Direct Public Support | 50.00 |
| 02 · TICKET SALES REVENUE | 327,353.40 |
| 03 · CAMPGROUND INCOME | 78,870.25 |
| 04 · PROGRAMS INCOME | 31,560.04 |
| 05 · DONATIONS & GRANTS | 162,997.46 |
| 06 · MEMBERSHIP REVENUE | 25,297.20 |
| 07 · CONCESSION | 92,700.22 |
| 08 · COMMISSIONS - CD'S/FOOD VENDORS | 29,569.01 |
| 09 · ADVERTISING REVENUE | 2,617.51 |
| 10 · CRAFT BOOTHS | 30,331.84 |
| 11 · OTHER INCOME | 40,656.94 |
| 12 · SPECIAL EVENTS | 4,855.00 |

Total Income 832,469.69

Cost of Goods Sold

| | |
|-------------------------------------|-----------|
| 13 · DIRECT COST OF INVENTORY SALES | 18,318.47 |
|-------------------------------------|-----------|

Total COGS 18,318.47

Gross Profit 814,151.22

Expense

| | |
|----------------------------------|------------|
| 68300 · Travel and Meetings | 14.83 |
| 65100 · Other Types of Expenses | 5,758.20 |
| 62100 · Contract Services | 8,857.30 |
| 15 · DIRECT COST OF SALES | 43,685.71 |
| 16 · PROGRAMS EXPENSE | 37,248.42 |
| 17 · FESTIVAL EXPENSES | 225,455.22 |
| 18 · ADVERTISING | 52,987.33 |
| 19 · BUSINESS EXPENSE | 58,282.20 |
| 20 · WORKFORCE EXPENSE | 143,762.19 |
| 21 · PROPERTY RENTAL | 45,724.20 |
| 22 · RENTAL | 7,772.98 |
| 23 · MAINTENANCE | 13,915.14 |
| 27 · VEHICLE EXPENSE | 10,611.19 |
| 28 · TELEPHONE EXPENSES | 10,196.62 |
| 29 · UTILITIES | 41,867.23 |
| 30 · VOLUNTEER STAFF EXPENSES | 32,149.66 |
| 31 · DEPRECIATION & AMORTIZATION | 28,776.26 |

Total Expense 767,064.68

Net Ordinary Income 47,086.54

12:39 PM
12/18/13
Accrual Basis

TFMF dba Kerrville Folk Festival
Profit & Loss
January through November 2013
Jan - Nov '13

Net Income

47,086.54

5:56 PM
11/29/13
Accrual Basis

TFMF dba Kerrville Folk Festival
Balance Sheet
As of November 29, 2013
Nov 29, 13

ASSETS

Current Assets

Checking/Savings

| | |
|-----------------------------------|-----------|
| 1000 · USB-5847-Operating Account | 4,888.76 |
| 1005 · USB-5839-Credit Card Acct. | 3,761.52 |
| 1006 · Maintenance Petty Cash | 1,566.14 |
| 1010 · USB-5855--Restricted Funds | 71,083.10 |
| 1012 · TFMF Bank of America | 20,913.89 |
| 1015 · TD Ameritrade #86341604 | 10,426.15 |

Total Checking/Savings 112,639.56

Accounts Receivable

| | |
|----------------------------|----------|
| 11200 · Pledges Receivable | 583.35 |
| 1201 · Accounts Receivable | 9,685.77 |

Total Accounts Receivable 10,269.12

Other Current Assets

| | |
|-------------------------------------|-----------|
| *Undeposited Funds | 4,361.65 |
| 10101 · Office Petty Cash | 54.00 |
| 10102 · Campground Petty Cash | 145.36 |
| 10103 · Off Season Ranch Kitchen PC | 199.82 |
| 10104 · QC Pending | 2,059.99 |
| 10105 · Ranch Clean Up PC | 80.80 |
| 1048 · Prepaid Rent Expense | 3,348.78 |
| 1049 · PrePaid Insurance | 14,516.87 |
| 1050 · KFF Merchandise for re-sale | 13,379.78 |

Total Other Current Assets 38,147.05

Total Current Assets 161,055.73

Fixed Assets

| | |
|---------------------------------------|------------|
| 16400 · Vehicles | 15,000.00 |
| 15000 · Furniture and Equipment | 110.00 |
| 1051 · Computer Hardware | 30,174.24 |
| 1052 · Custom Ticketing Software | 24,900.00 |
| 15900 · Leasehold Improvements | 28,007.60 |
| 1071 · Furniture & Fixtures | 1,172.67 |
| 1053 · Crafts Booths | 597.84 |
| 1059 · Kennedy Theatre Bench Proj | 15,334.01 |
| 1054 · Staff Showers | 389.39 |
| 1055 · Threadgill HC Rest Room | 60.74 |
| 1056 · Threadgill Theatre | 120,222.60 |
| 10561 · Threadgill Water Storage Syst | 246.85 |
| 1057 · Meadows Electric/Water Project | 24,001.87 |
| 1058 · Equipment | 43,168.10 |

5:56 PM
11/29/13
Accrual Basis

TFMF dba Kerrville Folk Festival
Balance Sheet
As of November 29, 2013
Nov 29, 13

| | |
|---------------------------------------|--------------------------|
| 1060 · KOT/Pavillion Women's Restroom | 5,173.99 |
| 1080 · Accum Depr KFF & Threadgill | -106,898.86 |
| Total Fixed Assets | <u>201,661.04</u> |
| Other Assets | |
| 18600 · Other Assets | -348.58 |
| 1800 · Festival Rights | 200,572.87 |
| 1801 · Accum Amort-Intangible Assets | -67,972.88 |
| Total Other Assets | <u>132,251.41</u> |
| TOTAL ASSETS | <u><u>494,968.18</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 · Accounts Payable | 27,784.30 |
| Total Accounts Payable | <u>27,784.30</u> |
| Credit Cards | |
| CREDIT CARDS | 5,476.90 |
| Total Credit Cards | <u>5,476.90</u> |
| Other Current Liabilities | |
| 25800 · Unearned or Deferred Revenue | 14,000.00 |
| TRANSFERS | 300.00 |
| 2200 · Payroll Taxes Payable | 3,282.43 |
| 2300 · Sales Tax Payable | 2,800.03 |
| 2500 · SWRFA CC Processing | 5,605.00 |
| 2507 · Other Current Liability | 7,027.59 |
| 3 · CD Consign.Sales-Perf.Payout | 18,409.64 |
| Total Other Current Liabilities | <u>51,424.69</u> |
| Total Current Liabilities | <u>84,685.89</u> |
| Total Liabilities | 84,685.89 |
| Equity | |
| 3900 · Retained Earnings | 362,021.40 |
| Net Income | 48,260.89 |
| Total Equity | <u>410,282.29</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>494,968.18</u></u> |

Agenda Item:
(Staff)

- 6E. Funding request from Comanche Trace for the Hill Country Wine and Brew Festival in the amount of \$18,643.00. (staff)

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

SUBJECT: Consider a funding request from Comanche Trace for the Hill Country Wine and Brew Festival in the amount of \$18,643

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *ab* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Funding Application

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

A community event funding application has been submitted by Comanche Trace for the 2nd Annual Hill Country Wine and Brew Fest in the amount of \$18,643. This year, the event will be held during Memorial Day weekend in lieu of July. The festival will again feature Texas Wineries, Microbreweries, specialty food vendors, unique retail booths, and live music.

The funding request is for a total of **\$18,643** for rental of items such as:

- Tents
- Generators
- Fencing
- Port-a-potties
- Chairs
- Tables
- Dumpsters
- Misting Fans
- Stage
- Sound System

The Texas Hill Country Wine and Brew Festival received \$20,432 in EIC funding in 2013. The event had approximately 1,250 attendees. Event organizers anticipate up to 3,000 attendees for the 2014 event.

The "GO Team" evaluated this application and finds that it is feasible in that the uses are allowed under the regulations for projects related to recreation or community facilities. A copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.



TEXAS HILL COUNTRY WINE & BREW FESTIVAL
2801 COMANCHE TRACE DR.
KERRVILLE, TX 78028
(830) 895-8505

INFO: TEXASHILLCOUNTRYWINEANDBREWFEEST.COM
WWW.WINEANDBREWFEEST.COM

November 26, 2014

Mr. Jonas Titas, Executive Director of the Kerrville Economic Development Corporation
Kerr Economic Improvement Corporation
701 Main Street
Kerrville, TX 78028

Dear Mr. Titas,

We respectfully submit the following information to the Kerr Economic Improvement Corporation committee members for their review regarding the request from The Texas Hill Country Wine & Brew Festival.

Section IV – Project Description

Texas Hill Country Wine & Brew Fest, Inc. is a 501(C) 3 non-profit organization and will be holding the 2nd Annual Texas Hill Country Wine & Brew Festival around Lake Comanche Trace on Saturday, May 24, 2014 to help kick off the Memorial Day weekend festivities in Kerrville. The 2014 festival will feature Texas Wineries, Microbreweries, specialty food vendors, unique retail booths, and live entertainment.

The festival organizers are anticipating and planning for up to 3,000 attendees for this one day event. This estimate is based on the more than 1,000 paid attendees who attended our inaugural event in 2013. The 2013 festival was held in July, and has had an overwhelmingly positive response from attendees, vendors and sponsors of the event. This is in line with the number of attendees who attend similar festivals in our area. We expect to grow in our attendance as the Fredericksburg Food & Wine Festival – which has over 2,400 attendees annually and Becker Vineyards' 2-day Lavender Festival – which historically draws over 5,000 attendees during its two day event.

The 2014 event will be held during the Memorial Day weekend in May, which should provide pleasant weather for an outdoor event. The Wine & Brew Festival will be a wonderful, high quality event that will enhance Kerrville's other weekends' activities, and will replace the cancelled arts & craft fair which was held during this weekend for 42 years.

General Admission will be \$35, which includes a choice of a souvenir wine or pilsner glass, a wine-bottle carrier, as well as ten tasting-tickets for ten 1 oz tastings of wine or ten 3.5 oz tastings of beer. Tickets for additional tastings will cost \$10 for 10 tickets. Admission for an adult non-alcohol patron is \$25, admission for individuals under 21 will cost \$10, and children under 6 get in free.

We are in the midst of reviewing the musical entertainment for the 2014 festival which will be chosen from several different genres. For additional entertainment, we are looking to bring back trick roper Kevin Fitzpatrick from Bandera to dazzle the crowd with his extraordinary tricks. We are also adding additional entertainment options which will enhance and continue the growth of this premier event that is designed as a family & pet friendly festival in Kerrville.

As of this early date, we have received confirmation from 95% of last year's vendors that they will return for the 2014 festival. In addition to the eight Texas Wineries that participated in the 2013 festival, additional wineries from across the State will be included at the event.

Brown Distributing Company and Ben E. Keith Co. have committed to participate in the 2014 festival showcasing Craft Breweries from Texas and across the nation.

Once again, Buzzie's Bar-B-Q of Kerrville and Chef's Kitchen have committed to participate in the 2014 festival. The festival organizers are contacting additional food vendors who will provide different varieties of food to please every attendee's palette.

Unique specialty vendors are being contacted to provide an additional spectrum to this festival. Some of the vendors who have already committed to attending the 2014 festival are: Hill Country Wine Charms and Artisan Soap, Barrel Design, Blue Bottle Studio, Gourmet Texas Pasta, Texas Hill Country Olive Company, Vela Farms, Artist Melissa Torres, Hill Country Premium Beverages, and Tara Hutch Fine Jewelry. Additional specialty vendors are being added to broaden the variety of vendors.

We will be bringing back the popular large tent with misting fans which will be set up near the entertainment stage where attendees can listen to the music, rest a while and enjoy foods from specialty food vendors. Cold bottled water will be available at no charge, and soft drinks will be available for a minimal charge.

This event will be manned almost entirely by volunteers from the Kerrville community and we expect that volunteer base to grow in 2014. In 2013, we had nearly 60 volunteers who were all wonderful ambassadors for Kerrville with an event that had approximately 50-60% of the patrons coming from 100 or more miles away, and stayed in town multiple days over the holiday weekend. There were also numerous attendees from the San Antonio and Austin area.

An added bonus the 2013 Wine & Brew Festival brought to Kerrville and to our local economy during the festival was the economic impact received from sales tax revenue and hotel & restaurant revenue.

Additionally, an attendee of the festival liked the area so much they contracted to purchase a home at Comanche Trace.

According to the National Association of Homes Builders, the estimated one-year local economic impacts of building **100 single-family homes** with an average price of \$321,000 and built on a lot with an average value of \$40,000 in a typical metro area include:

- \$21.1 million in local income (trade, services, retail, etc.)
- \$2.2 million in taxes and other revenue for local governments, and
- 324 local jobs.

With the average price of \$500,000 for a single-family home in Comanche Trace and an average price of \$80,000 for a lot, the economic impact for the sale/building of **one home** brings an estimated:

- \$339,000 in local income (trade, services, retail, etc.)
- \$35,420 in taxes and other revenue for local governments, and
- 3 local jobs.

Additionally, based on the home and lot prices referenced above, the annually recurring impact for **one home** in Comanche Trace brings an estimated:

- \$49,910 in local income (trade, services, retail, etc.)
- \$12,000 in taxes and other revenue for local governments, and
- ½ local jobs.

If you look at the economic impact of the **16 new homes currently under construction** at Comanche Trace (approximately 25 new home starts in 2013 and an estimated 25 new homes scheduled to begin construction in 2014), these additional homes will add:

- \$5,424,000 in local income (trade, services, retail, etc.)
- \$566,720 in taxes and other revenue for local governments, and
- 48 local jobs.

Comanche Trace, as a community of **306 homes**, provides an annually recurring impact to the Kerrville area of:

- \$15,272,460 in local income (trade, services, retail, etc.)
- \$3,672,000 in taxes and other revenue for local governments, and
- 153 local jobs.

As the Texas Hill Country Wine & Brew Festival continues to grow, so will the positive economic impact to the Kerrville area – and with the continued growth of Comanche Trace – we believe this is a “Win-Win” opportunity for the entire Texas Hill Country.

Kerr Economic Improvement Corporation
November 26, 2014
Page 4

The Texas Hill Country Wine & Brew Festival will provide marketing for this event through multiple venues. THCWBF will advertise the event through the Texas Wine Trail website and e-blasts, Lifestyle magazine and website, radio spots, publications in Houston, San Antonio, and Austin, the Texas Golf Association, local area Chambers of Commerce, CVB websites, Facebook and Twitter. In addition to the marketing venues listed above, wineries who are participating in this festival will also provide e-blast marketing to the members of their Wine Club. Overall, more than 500,000 e-blasts will be sent promoting this event. The festival website address is: www.wineandbrewfest.com.

Check the event website, Facebook, and Twitter pages for the latest news and updates on additional wineries, breweries, vendors, and attractions.

| Website | Facebook | Twitter |
|--|---|--|
| www.wineandbrewfest.com | /TexasHillCountryWineAndBrewFest | /TexasWineFest |

We appreciate your consideration to this request to assist The Texas Hill Country Wine & Brew Festival and look forward to hearing from you soon.

Sincerely,



Trevor Hyde, President
Michael Parker, Vice President
Gena Teer, Secretary

SECTION II - APPLICANT INFORMATION

Submittal Date: 11/26/13

ORGANIZATION

Texas Hill Country Wine & Brew Fest, INC.

Applicant Name

2801 Comanche Trace Dr. Kerrville TX, 78028

| Address | City | State | Zip |
|---------------------|---------------------|---------------------|-----|
| 830-895-8505 | 830-895-8500 | 830-896-7560 | |

| Phone | Alt. Phone | Fax |
|-------|------------|-----|
| | | |

www.wineandbrewfest.com

Website

PROJECT CONTACT

Trevor Hyde

President

Contact Person Name

Title

2801 Comanche Trace Dr. Kerrville, TX 78028

| Address | City | State | Zip |
|---------------------|------|---------------------|-----|
| 830-895-8505 | | 830-895-8506 | |

| Phone | Alt. Phone | Fax |
|-------|------------|-----|
| | | |

thyde@comanchetrace.com

Email Address

Amount of Funding Requested: \$ 18,643.00

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
- o what the requested funding shall be used for,
- o if it is a new, existing or annual event,
- o the number of years the organization has been in existence,
- o the date and location of the event,
- o average annual attendance,
- o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
- o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Submittal Date: ___/___/___

ORGANIZATION

Applicant Name

Address City State Zip

Phone Alt. Phone Fax

Website

PROJECT CONTACT

Contact Person Name Title

Address City State Zip

Phone Alt. Phone Fax

Email Address

Amount of Funding Requested: \$ _____

- Please include a cover letter and supplemental information as deemed appropriate that:
- o clearly states the mission statement of the organization(s),
 - o what the requested funding shall be used for,
 - o pertinent financial information (costs, revenues, percentage of funding request of total budget and financial history), and
 - o other information, as requested.

Continue to Section III

Business Development Projects

Submittal Date: ___/___/___

ORGANIZATION

Applicant Name _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Website _____

PROJECT CONTACT

Contact Person Name _____ Title _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Email Address _____

Type of Business Structure: Corporation Partnership Sole Proprietorship

Year Business Started: Year _____ Location _____

Current Employment: Permanent Full-Time _____ Permanent Part-Time _____

Average Production Wage _____

Full-Time Employees receive the following benefits:

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow
Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or
Chapter 11 of the Bankruptcy Statutes? No Yes Details:

SECTION III - PROJECT INFORMATION

This application is for a:
Business Development
▪ Expansion of Existing Facility or
▪ New Construction
▪ Other ()

Capital Improvements for Public Infrastructure
▪ Utilities
▪ Roadways
▪ Other ()

Quality of Life
▪ Community Event
▪ Project

The proposed improvements are to be located within the following taxing
district(s): City of Kerrville Kerr County Kerrville ISD
Ingram ISD Center Point ISD

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the
company (1) fully explaining the nature and scope of the project; (2) describing the
proposed site and existing improvements, if any; (3) describing all proposed

improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

SECTION V – ECONOMIC IMPACT INFORMATION

Part A - Project Investment in Improvements

Total \$ _____
Sq. Footage of New Building (s) _____
Size of Parking _____
Other _____

Part B - Project Investment in Fixed Equipment

(New)\$ _____
Manufacturer of Equipment _____
Anticipated Useful Life of Equipment _____
Purchase Price \$ _____ Installation Cost \$ _____
Anticipated Delivery time from Date of Order _____

Part C - Permanent Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Full-Time Employees as a result of this project _____
Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles _____

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

Part D - Permanent Part-Time Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No Yes

Describe:

To the best of my knowledge, the above information is an accurate description of the
proposed project details.

Michael Parker

Printed name

11/26/2013

Date

Vice President

Title



Signature

Texas Hill Country Wine & Brew Fest, Inc.
Balance Sheet
As of November 30, 2013

| | | |
|---|--|------------------------|
| Assets | | |
| Current Assets | | |
| Cash | | 1,111.71 |
| Total Current Assets | | <u>1,111.71</u> |
| Total Assets | | <u><u>1,111.71</u></u> |
| | | |
| Liabilities and Owner's Equity | | |
| Current Liabilities | | |
| Advance Payable - Comanche Trace | | 3,977.20 |
| Total Current Liabilities | | <u>3,977.20</u> |
| Total Owner's Equity | | <u>(2,865.49)</u> |
| Total Liabilities & Owner's Equity | | <u><u>1,111.71</u></u> |

UNAUDITED -- FOR INTERNAL USE ONLY

Texas Hill Country Wine & Brew Fest, Inc.
Income Statement
As of November 30, 2013

| | | |
|-----------------------------------|-----------|-------------------|
| Revenue | | |
| Ticket Sales | 26,273.23 | |
| Sponsorships | 33,000.00 | |
| Vendor Fees | 3,400.00 | |
| Misc Revenues | 17,170.24 | |
| Income/Loss From Investment | - | |
| | | <u>79,843.47</u> |
| Total Revenue | | |
| Cost of Sales | | |
| Wine & Beer Cost of Sales | 9,343.39 | |
| Carrying Bags | 827.22 | |
| Bracelets | 481.08 | |
| T-Shirts | 2,653.25 | |
| Glasses | 4,272.56 | |
| Ice | 647.00 | |
| | | <u>18,224.50</u> |
| Total Cost of Revenues | | |
| | | <u>61,618.97</u> |
| Gross Profit | | |
| Operating Expenses | | |
| Salary & Benefits | 397.50 | |
| Advertising & Marketing | 13,540.52 | |
| Equipment Rentals | 13,656.25 | |
| Permits | 356.00 | |
| Police/EMS | 715.00 | |
| Entertainment & Production | 16,777.09 | |
| Insurance | 4,109.00 | |
| Bank/Credit Card Fees | 1,897.59 | |
| Accounting & Legal | 8,939.38 | |
| Miscellaneous | 2,596.13 | |
| Charitable Donation | 1,500.00 | |
| | | <u>64,484.46</u> |
| Total Operating Expenses | | |
| | | <u>(2,865.49)</u> |
| Current Year Income (Loss) | | |

UNAUDITED -- FOR INTERNAL USE ONLY

Texas Hill Country Wine & Brew Fest, Inc.
Operating Budget
For 2014

| | | |
|-----------------------------|-----------|------------------|
| Revenue | | |
| Ticket Sales | 28,000.00 | |
| Sponsorships | 33,000.00 | |
| Vendor Fees | 3,900.00 | |
| Misc Revenues | 17,520.00 | |
| Income/Loss From Investment | - | |
| Total Revenue | | <u>82,420.00</u> |
| Cost of Sales | | |
| Wine & Beer Cost of Sales | 10,310.00 | |
| Carrying Bags | 850.00 | |
| Bracelets | 500.00 | |
| T-Shirts | 2,750.00 | |
| Glasses | 3,600.00 | |
| Ice | 750.00 | |
| Total Cost of Revenues | | <u>18,760.00</u> |
| Gross Profit | | <u>63,660.00</u> |
| Operating Expenses | | |
| Salary & Benefits | 500.00 | |
| Advertising & Marketing | 9,874.00 | |
| Equipment Rentals | 14,720.00 | |
| Permits | 396.00 | |
| Police/EMS | 750.00 | |
| Entertainment & Production | 15,730.00 | |
| Insurance | 4,250.00 | |
| Bank/Credit Card Fees | 1,960.00 | |
| Accounting & Legal | 1,500.00 | |
| Miscellaneous | 2,350.00 | |
| Charitable Donation | 5,000.00 | |
| Total Operating Expenses | | <u>57,030.00</u> |
| Current Year Income (Loss) | | <u>6,630.00</u> |

UNAUDITED -- FOR INTERNAL USE ONLY

Agenda Item:

6F. Funding request from Kerrville's Fourth on the River in the amount of \$23,100.00. (staff)

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

SUBJECT: Consider a funding request from Kerrville's Fourth on the River in the amount of \$23,100

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *ab* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Funding Application

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure Required: | Current Balance in Account: | Amount Budgeted: | Account Number: |
|----------------------------------|--|-----------------------------|----------------------------|
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

An application has been submitted by Kerrville's 4th on the River organization for rented items in conjunction with hosting the Kerrville's 4th on the River event to be held on July 4, 2014 in Lehmann and Monroe Park. The event will consist of children's activities, food vendors, and live music in conjunction with the annual City fireworks display sponsored by Mamacita's. There is no admission fee associated with this event. Approximately 5,000 – 7,000 attended the 2013 event.

Kerrville's 4th on the River, a 501C3 organization, established in 2011 has hosted the event in Louise Hays Park for the past three years. Due to the park improvements / River Trail project, the park will be unavailable to host the event thus relocating the event to Lehmann and Monroe Park. Upon completion of these projects, the event will move back to Louise Hays Park in 2015.

Kerrville's 4th on the River mission is to help the Kerrville Community in its revitalization efforts to attract and create a more vibrant downtown focusing on the Guadalupe River.

The funding request is for a total of **\$23,100** for rental of:

- Stage / Sound
- Tents
- Port-a-potties
- Fencing
- Generators

- Tables / Chairs

Kerrville's Fourth on the River received \$25,000 in EIC funding in 2013.

The "GO Team" evaluated this application and finds that it is feasible in that the uses are allowed under the regulations for projects related to recreation or community facilities. A copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.

October 28, 2013



Dear Mr. Wampler,

Kerrville's 4th on the River is a 501(c)3 tax-exempt organization based in Kerrville, TX. The mission of Kerrville's 4th on the River is to help the Kerrville Community in its revitalization efforts to attract and create a more vibrant downtown focusing on the Guadalupe River.

Kerrville's 4th on the River was started 3 years ago and has been successful events that coincided with the City of Kerrville's fireworks presentation. You may have heard about our events, for Kerrville was one of the only communities to even have a fireworks display in 2011, and was one of the most amazing displays we have ever seen. Thanks to many generous businesses in Kerrville like Mamacitas (who has given the city a grant to fund the fireworks display for 10 years) and James Avery Craftsman (our title sponsor for the 2011 event) and HEB and Guadalupe National Bank (title sponsors in 2012) we were able to bring upwards of 20,000 people to our downtown and city park to enjoy the festivities.

I am writing this letter to ask the Kerrville Economic Improvement Corporation to assist us this year in providing a free concert in downtown Kerrville.

We will have food vendors, kid's activities, and the live music. We want our event to be very family oriented and to be as economically feasible as possible for everyone to enjoy.

As our annual attendance has grown, we are expecting to increase the advertisement and hope to get 7,500 people to the day's festivities.

For the first two years of the event we were able to fund the concert solely on donations and ticket sales, and was able to breakeven. This past year, we were able to raise enough money to put some towards next year's show, and plan to make our first grant to the Friends of the River Trail in 2014.

Our project Budget is as follows:

| | |
|----------------|------------------|
| Stage/Sound- | \$14,500.00 |
| Tents- | \$ 2,500.00 |
| Port a Potties | \$ 2,000.00 |
| Fencing | \$ 200.00 |
| Generators | \$ 3,450.00 |
| Tables/Chairs | <u>\$ 700.00</u> |
| Total | \$23,100.00 |

Thank you for your consideration.

Benjamin Modisett
Kerrville's 4th on the River
President

**City of Kerrville
4B Sales Tax Funding Request
Guidelines and Procedures**

4B Funding from the Economic Improvement Corporation

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve expenditures of 4B funding. Before a project may be considered and awarded funds, the attached application must be completed and submitted to:

**Kerr Economic Development Corporation (KEDC)
1700 Sidney Baker, Ste 100
Kerrville, Texas 78028
(830) 896-1157**

KEDC will review the application to determine if the application is complete and if the project would create a desired economic development effect.

All actions of the EIC are subject to the Development Corporation Act of 1979 (Article 5190.6 Vernon's Civil Statutes, Section 4B and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code). The EIC is a legal entity with statutory authority to spend economic development sales tax dollars ("4B Revenues"). The Corporation is city-chartered and governed by a Council-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and / or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

Types of Projects

The Economic Improvement Corporation will consider applications for:

1. **Direct contributions to business development;** projects should include support of retention, expansion, or recruitment, resulting in public economic benefit, and economic and demographic analyses used for policy development.
2. **Participation in Public Infrastructure;** Projects that are found by the EIC Board of Directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises (Section 501.103 of the Texas Local Government Code).
3. **Quality of Life;** Quality of Life projects which are owned by the City of Kerrville upon completion; or, where funding is requested for the construction of private (which includes non-profit) development projects, but only if the resulting facility is accessible or open to the public; both such Quality of Life projects indirectly result in economic benefits.
4. **Community Event projects;** Community Event projects are those that significantly contribute to the City's objective of promoting tourism and the hotel / conference market.

General Process for Applications

1. Application will be submitted to the KEDC.
2. Once the application is complete, a "GO Team" meeting will be scheduled.
3. If the application is considered feasible, the KEDC Board will review the application (*Business Development projects only*).
4. The EIC will consider the application. The EIC may:
 - a. approve the application and direct a funding agreement to be drafted and presented at the next EIC meeting in conjunction with holding a public hearing,
 - b. request the application be revised and resubmitted, or
 - c. not approve the application. If this occurs, the application process is considered complete and the application will not move forward.
5. Once the public hearing is held and the funding agreement is approved, the funding agreement will be presented to the City Council for final approval. The City Council may:
 - a. approve the funding agreement,
 - b. request the funding agreement be revised and resubmitted, or
 - c. not approve the funding agreement. If this occurs, the process is considered complete and the funds will not be approved.
6. Once the funding agreement is approved by the both the EIC and City Council, funding will not be available until 60 days after the date of the public hearing.

Note – this is a general guide only and the process may take several months to complete. Procedures may change without notice.

Business Development and Participation in Public Infrastructure Projects

Mission and Goals of Business Development and Public Infrastructure Projects

It shall be the mission of the City, EIC and KEDC in administration of these Guidelines and Procedures to promote, encourage, and enhance the creation and retention of jobs which retain and / or expand the City tax base and economy through granting business incentives which assist in the retention, expansion and recruitment of Primary Employers.

A primary employer is any business in which at least 51% of its goods and / or services are sold to customers that are located outside Kerr County, Texas and / or are in one of the following three digit NAICS codes: 31-33 Manufacturing, 42 Wholesale Trade, 48-49 Transportation and Warehousing, 52 Finance and Insurance, 54 Professional and Technical, or 55 Management of Companies (as defined by Texas Legislature HB 2912, 2003 Regular Session); or is a supplier who supplies at least 70% of its non-retail goods and/or services to local primary employer(s) that are located outside of Kerr County, Texas.

Business Incentives are economic incentives for a Primary Employer to induce the creation or retention of primary jobs and Capital Investment that may include, but not limited to job, land, facilities, equipment and infrastructure grants or reimbursements for new facilities or modernizations of current facilities to be determined by the EIC and the City Council.

The goals of the City, EIC and KEDC in administration of these Guidelines and Procedures are to:

- Create and retain primary jobs,
- Expand the City tax base and economy, and
- Strengthen and diversify primary employers within the local economy.

Principles and Guidelines

In making a determination regarding business incentives under these Guidelines and Procedures, the City, EIC and KEDC shall take into consideration the following non-exclusive list of principles and guidelines, if applicable, as factors in its determination:

- The payoff period of a business incentive to the City,
- The number of primary jobs added or retained by the primary employer,
- The average or median gross annual pay and any benefits for each primary job added by the primary employer,
- Whether the potential recipient of business incentives would otherwise locate in Kerrville without the business incentive,
- The type and amount of capital investment by the primary employer,
- The type of the proposed business venture,
- The potential impact on public infrastructure and resources,
- The financial strength of the primary employer,
- Whether the primary employer is consistent with target markets,
- Whether the primary employer is compatible with the community
- The contributions pledged to the primary employer, if any, by the State of Texas, any other governmental entity, KEDC or any other person, entity or association.

Nothing in this section shall be binding upon the City, EIC or KEDC, but is presented for reference by any prospective primary employer. Moreover, the factors listed herein are not an exclusive list. Each determination shall be determined on a case-by-case basis taking into account the factors deemed relevant by the City, EIC and KEDC to that particular project.

Business Incentives Authorized

The EIC and City will contemplate the use of all incentive options available to create an appropriate incentive package tailored for each prospect on a case-by-case basis.

Primary Employer Business Incentives

Authorized Facilities - A capital investment for a facility may be eligible for business incentives by a funding agreement if it creates or retains primary jobs for a primary employer. Incentives may be granted for land or capital investment related to either new facilities, improvements to existing facilities for the purpose of modernization, expansion, for capital investment necessary for the retention of an existing primary employer, or for relocation expenses.

The following types of property shall be ineligible for business incentives: inventories, supplies, tools, furnishings or other forms of movable personal property (not including capital production equipment), vehicles, vessels, aircraft, deferred maintenance investments, improvements to real property which have an economic life of less than 10 years, with the exception of the City or EIC, property owned or used by the State of Texas or its political subdivisions, or by any organization owned or directed by a political subdivision of the State of Texas.

Periodic Certification - The business incentive agreement shall require periodic certification of capital investment as required by the funding agreement.

Completion of Facility Construction - The completion of facility construction or installation of capital investment shall be deemed to occur in the earliest of the following events (as determined by the City and EIC):

- When a certificate of occupancy is issued for the project,
- When commercial production of a product or provision of a service is achieved at the facility,
- When the architect or engineer supervising construction issues a certificate of substantial completion, or some similar instrument, or
- Two years after the date of the funding agreement.

Wage Requirement - In determining an incentive based on new primary jobs, the following matrix shall be considered:

| <u>New Gross Payroll</u> | <u>Incentive per New Primary Job</u> |
|---------------------------------------|--|
| <\$30,000 per new primary job | Up to \$3,000 per new primary job |
| \$30,000-\$40,000 per new primary job | \$3,001 to \$5,000 per new primary job |
| \$40,000-\$50,000 per new primary job | \$5,001 to \$9,000 per new primary job |
| >\$50,000 per new primary job | Up to \$10,000 per new primary job |

Job Creation Qualification - Unless there are extraordinary circumstances, in order to be eligible for business incentives, the planned capital investment shall create or retain and maintain the minimum of 10 full time (2,080 hours / year) permanent, primary jobs within one year of an effective date as set out in the agreement.

Minimum Capital Investment Qualification - In order to be eligible for business incentives, the planned capital investment must exceed \$200,000 in new plant, infrastructure, site prep and equipment.

Schedule of Incentives - The implementation schedule of any and all incentives shall be determined on a case-by-case basis to include periods of one or more years.

Universal Requirements

Project Implementation - An authorized project funded by a business incentive must be implemented within two years of the date of the effective date of the funding agreement.

Location or Residency Requirement - The City will prefer projects be located within City limits or its extraterritorial jurisdiction (ETJ) with voluntary provision for annexation, provided the ability to be annexed is met within 10 years. Projects outside of the City limits must be approved by the Kerr County Commissioners Court. Facilities constructed in the ETJ must be built to minimum City standards, to include building codes and public improvements standards.

'Buy Local' Provision - Each recipient of business incentives shall additionally agree to use best efforts to give preference and priority to local manufacturers, suppliers, contractors, and labor, except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operating efficiency or quality. For the purposes of this provision, the term 'local' is used to describe manufacturers, suppliers, contractors, and labor shall include firms, businesses, and persons who reside in or maintain an office within Kerr County, Texas.

Insurance Requirements - Each recipient of business incentives shall carry workers' compensation insurance and / or other appropriate liability insurance coverage as the EIC determines is appropriate.

Application - KEDC will accept applications for projects at any time. Applications will not be considered until complete. Applicants must be available to present projects at EIC & City Council meetings, as needed.

Contents of Application - The application process shall consist of a completed application form accompanied (when applicable) by: five years annual financials that include profit and loss statements, balance sheets, cash flow statements, IRS reporting forms, pro forma, a general description of proposed capital investments to the facility, a descriptive list of the improvements or program for which business incentives are requested, a list of the kind, number and location of all proposed improvements of the property, a map and property description, and a time schedule for undertaking and completing the proposed improvements or programs. In the case of a modernization or expansion project, a statement of the assessed value of the existing facility as stated by the Kerr Central Appraisal District, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require such financial or other information as the EIC and / or KEDC deems appropriate for evaluating the financial capacity and other relevant factors of the applicant. The applicant will be allowed to address and explain in writing any negative findings before action is taken on a funding agreement.

Feasibility Impact Study - After receipt of a completed application, KEDC may cause to be performed a study of the feasibility and economic impact using an independent

consultant selected by KEDC. If both parties agree, KEDC may share costs with the applicant of performing the study. If performed, this study shall include, but not be limited to, an estimate of the economic effect of the business expansion.

No Business Incentives if Construction has Commenced - No funding agreement shall be approved if the application was filed after the commencement of any construction, alteration or installation of improvements related to the proposed facility modernization, expansion or new facility.

"GO Team"

An executive team ("GO Team") will evaluate and review applications based on:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan,
4. Economic impact analysis results*, including a return on investment and the break-even point (as affected by the extent of developer participation), job creation impact, and impact on the tax base,
5. Project status; for example, projects already under construction.

The "GO Team" will consist of the City Manager, Main Street / Special Projects Manager, EIC Board Member and the Executive Director of the Kerrville Economic Development Corporation. Additional members of staff may be added to the "GO Team" where appropriate depending on the nature and location of the project.

Upon review of the application and support documents, the "GO Team" will make a report to the EIC. KEDC will then notify the applicant of the next available EIC meeting for a project presentation.

The EIC may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the City Council must both approve the funding agreement. Public infrastructure improvement projects will be placed in the Capital Improvements Plan, and when complete, the project is owned by the City.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application for business incentives before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any business incentive, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed business incentives will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

Clawbacks

Each agreement shall contain clawback provisions established on a case-by-case basis to ensure the primary employer is meeting the benchmarks established in the funding agreement.

Administration

Access to Facility - The funding agreement shall stipulate that employees and / or designated representatives of the EIC, and / or the City and KEDC Executive Director will have access to the facility or program during the term of the funding agreement for inspection to determine if the terms and conditions of the funding agreement are being met. All inspections will only be conducted in such manner as to not unreasonably interfere with the construction and / or operation of the facility or program. Inspections will be made with one or more representatives of the owner and in accordance with safety standards.

Periodic reviews - Funding agreement reviews will be conducted periodically by KEDC to ensure that the owner is in compliance with the provisions of the funding agreement. If the owner is not in compliance or is in default, then the appropriate provision of the funding agreement will be enforced to recover any business incentives paid to the owner, unless the owner remedies the default on or before the conclusions of any cure period.

Right to Modify or Cancel - Notwithstanding anything herein or in any funding agreement to the contrary, the EIC may cancel or modify the funding agreement if the owner fails to comply with the funding agreement.

Quality of Life Improvement Projects

Projects which, include land, buildings, equipment, facilities, and improvements found by the (EIC) board of directors to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by this section (Section 505.152 of the Texas Local Government Code). Interested businesses, individuals, or non-profit groups are required to complete an application and provide appropriate documentation of the project.

The "GO Team" will evaluate and recommend projects based on the following criteria:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Consistency with the Comprehensive Plan, Capital Improvement Plan, Airport Master Plan and Parks Master Plan,
4. Project status; for example, projects already under construction.

The EIC may direct a public hearing to be scheduled and a funding agreement to be drafted. The EIC and the City Council must both approve the funding agreement.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any funding, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed grant will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

Community Event Projects

The objective of funding Community Event projects is to support tourism. Strong consideration will be given to new projects that significantly contribute to the City's objective of growing the tourism and hotel / conference market. **Funding Applications intended to grow, expand or start events are given preferred consideration.**

The "GO Team" will evaluate and recommend projects based on the following criteria:

1. Compliance with legal requirements (with necessary assistance from the City Attorney),
2. Funding Availability,
3. Event History,
4. Event Sustainability.

The minimum amount of funding per eligible project is \$5,000 with a maximum amount of \$25,000. The EIC will cease consideration of Community Events applications after total funding of approved Community Events projects exceeds \$100,000 in a fiscal year.

Applications must be submitted by December 1st of each year for the following calendar year. The EIC will consider the applications at the January EIC meeting. Once approved by both the EIC and City Council, funding will not be available until 60 days after the public hearing. The EIC will not approve funding applications for events that have already taken place.

The EIC reserves the right to determine the eligibility of a project and the terms and conditions of any funding agreement. Nothing herein shall be construed to limit the authority of the EIC to examine each application before it on a case-by-case basis and determine in its sole and absolute discretion whether the proposed project should be granted any funding, whether it complies with these Guidelines and Procedures, is feasible, and whether or not the proposed grant will be to the long term benefit of the City. The final decision regarding any business incentive agreement shall be made by the City.

The City of Kerrville Economic Improvement Corporation meets monthly at the Kerrville City Hall, Council Chambers, 701 Main Street, Kerrville, Texas. For additional information visit the City's website at www.kerrvilletx.gov or call (830) 257-8000.

APPLICATION FOR 4B SALES TAX FUNDS

CITY OF KERRVILLE ECONOMIC IMPROVEMENT CORPORATION

Both the Economic Improvement Corporation Board of Directors (EIC) and the Kerrville City Council must approve all expenditures of 4B funding. Before a project may be considered and awarded any funds, the attached application must be completed and submitted to:

Kerr Economic Development Corporation
1700 Sidney Baker, Ste. 100
Kerrville, TX 78028
(830) 896-1157

All actions of the EIC are subject to the Development Corporation Act of 1979, article 5190.6 Vernon's Civil Statutes, Section 4B (now codified in Chapters 501, 502, and 505 of the Texas Local Government Code). The EIC is a legal entity with statutory authority to spend economic development sales tax dollars. The Corporation is city-chartered and governed by a Council-appointed board of directors. The EIC is a 4B Corporation and may fund "projects" focused on the creation of "primary jobs" and / or to provide an economic benefit to the City of Kerrville, as well as "Quality of Life" projects. Application approvals are subject to funding availability.

APPLICATION SECTION 1 - DEFINITIONS

Business Incentives - Economic incentives for a Primary Employer to induce the creation or retention of primary jobs and Capital Investment that may include, but not limited to job, land, facilities, equipment and infrastructure grants or reimbursements of new facilities or modernizations of current facilities to be determined by the EIC and the City Council.

Capital Investment - The increase in the assessed value of an eligible property as a result of 'expansion' or 'modernization' of an 'existing facility' or construction of a 'new facility'.

City - City of Kerrville, Texas

Clawback - That provision in a Funding Agreement, which states how and to what extent any incentive payments from public funds must be repaid if the stated Performance Standards are not met.

Current Payroll - The company's total expenditure for all employees for the month immediately preceding this application multiplied by 12.

Deferred Maintenance - Improvements necessary for continued operations which do not improve productivity or are preformed to meet regulatory obligations.

Economic Life - The number of years a property improvement or manufacturing / processing equipment is expected to be in service in a facility.

EIC - Kerrville Economic Improvement Corporation

Employee Benefit - Incentives offered to employees and paid for by the employer such as health care coverage, vacation, etc. If an employee pays 30% of the cost, or more, it should not be considered a "benefit" for purposes of this application.

Facility - Property Improvements completed or in the process of construction which together comprise an integral whole, as well as new fixed machinery and equipment. Includes an existing building purchased for expansion or relocation

Full Time Job - The employment of a person for a minimum of 35 hours per week and offering that person all those benefits adopted by company policy for Full Time Employees. Major stockholders or immediate family members should not be included in this number when considering "New Full-Time Jobs Created."

Funding Agreement - A written contract designed to protect the interest of local taxpayers by putting a businesses' job creation or capital investment commitments in writing and by linking the payment of any financial incentive to the business fulfilling its written commitments (i.e. clawbacks).

Hourly Wage - The gross amount paid to the employee for each hour worked not including the Employer's portion of FICA or FWH. Benefits should not be included in this figure, but should be listed separately under the compensation per employee section of the application.

KEDC - The Kerr Economic Development Corporation

Modernization - The replacement and upgrading of existing facilities which increase the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facilities. Modernization may result in from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, repairing or the completion of deferred maintenance.

New Facility - Property previously undeveloped which is placed into service by means other than in conjunction with an expansion or modernization.

Owner - The owner of a facility or program subject to business incentives. If the facility is constructed on a leased property, the owner shall be the party which owns the property subject to the business incentive. A lessee or other interested third party may, at the discretion of the City, be required to join in the execution of the Agreement but shall not be obligated to assure performance of the party receiving the Business Incentive.

Part-Time Job - A person working less than 35 hours per week. Major stockholders or immediate family members should not be included in this category when completing the application under New Part-Time Jobs Created.

Public Capital Project - Improvements owned and maintained by the City of Kerrville included in the Capital Improvement Plan and funded by the capital budget.

Payoff Period - The amount of time in years that it will take the EIC and the City to recover the costs of business incentives from additional revenues it will receive from the facility.

Primary Employer - A business in which at least 51% of its goods and / or services are sold to customers that are located outside Kerr County, Texas and / or are in one of the following three digit NAICS codes: 31-33 Manufacturing, 42 Wholesale Trade, 48-49 Transportation and Warehousing, 52 Finance and Insurance, 54 Professional and Technical, or 55 Management of Companies (as defined by Texas Legislature HB 2912, 2003 Regular Session); or is a supplier who supplies at least 70% of its non-retail goods and/or services to local primary employer(s) that are located outside of Kerr County, Texas.

SECTION II - APPLICANT INFORMATION

Submittal Date: 10/28/13

ORGANIZATION

Kerrville's 4th on the River

Applicant Name

PO Box 295081 Kerrville TX 78029

Address

City

State

Zip

830-370-9316

Phone

Alt. Phone

Fax

kerrvilles4th.org

Website

PROJECT CONTACT

Ben Modsiett

President

Contact Person Name

Title

PO Box 295081 Kerrville TX 78029

Address

City

State

Zip

830-370-9316

Phone

Alt. Phone

Fax

bmodisett@me.com

Email Address

Amount of Funding Requested: \$ 23,100.00

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
- o what the requested funding shall be used for,
- o if it is a new, existing or annual event,
- o the number of years the organization has been in existence,
- o the date and location of the event,
- o average annual attendance,
- o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
- o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Submittal Date: ___/___/___

ORGANIZATION

Applicant Name

Address City State Zip

Phone Alt. Phone Fax

Website

PROJECT CONTACT

Contact Person Name Title

Address City State Zip

Phone Alt. Phone Fax

Email Address

Amount of Funding Requested: \$ _____

- Please include a cover letter and supplemental information as deemed appropriate that:
- o clearly states the mission statement of the organization(s),
 - o what the requested funding shall be used for,
 - o pertinent financial information (costs, revenues, percentage of funding request of total budget and financial history), and
 - o other information, as requested.

Continue to Section III

Business Development Projects

Submittal Date: ___/___/___

ORGANIZATION

Applicant Name _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Website _____

PROJECT CONTACT

Contact Person Name _____ Title _____

Address _____ City _____ State _____ Zip _____

Phone _____ Alt. Phone _____ Fax _____

Email Address _____

Type of Business Structure: Corporation Partnership Sole Proprietorship

Year Business Started: Year _____ Location _____

Current Employment: Permanent Full-Time _____ Permanent Part-Time _____

Average Production Wage _____

Full-Time Employees receive the following benefits:

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statutes? No Yes Details:

SECTION III - PROJECT INFORMATION

This application is for a:

- Business Development
- Expansion of Existing Facility or
 - New Construction
 - Other ()

Capital Improvements for Public Infrastructure

- Utilities
- Roadways
- Other ()

Quality of Life

- Community Event
- Project

The proposed improvements are to be located within the following taxing district(s): City of Kerrville Kerr County Kerrville ISD
Ingram ISD Center Point ISD

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, if any; (3) describing all proposed

improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

SECTION V – ECONOMIC IMPACT INFORMATION

Part A - Project Investment in Improvements

Total \$ _____
Sq. Footage of New Building (s) _____
Size of Parking _____
Other _____

Part B - Project Investment in Fixed Equipment

(New)\$ _____
Manufacturer of Equipment _____
Anticipated Useful Life of Equipment _____
Purchase Price \$ _____ Installation Cost \$ _____
Anticipated Delivery time from Date of Order _____

Part C - Permanent Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Full-Time Employees as a result of this project _____
Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

Part D - Permanent Part-Time Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No Yes

Describe:

To the best of my knowledge, the above information is an accurate description of the
proposed project details.

BENJAMIN MODISSETT _____
Printed name

10-28-13 _____
Date

PRESIDENT _____
Title

Benjamin Modisett
Signature

| Expenses | Amount |
|---------------|--------|
| Marketing | 5000 |
| Insurance | 1650 |
| Beer | 5000 |
| Reimbursables | 30000 |
| Entertainment | 32000 |
| TABC | 300 |
| hotels | 805 |
| ice | 1500 |
| security | 510 |
| cups | 3900 |
| pics | 500 |
| tshirts | 570 |
| printing | 200 |
| food | 200 |
| banners | 1100 |
| Total | 83235 |

Total Raised- \$90,000

| Type of Booth | Vendor | Owner | Phone | Email |
|---------------|-------------------------|-------------------------------|------------------------------|--|
| Food | Buzzie's BBQ | Harold Hughes | 830-257-4540 | hughesjr@ktc.com |
| Food | Hayaa Italian Ice | Sylvia Sumpter | 915-282-0313 | havaaitalianice@gmail.com |
| Food | Tara's Table | Tracy Jordan | 830-895-7526 | Tara_Table@yahoo.com kbaggpiper@yahoo.com |
| Food | Kuhl Yogurt | Theresa Metcalf | 830-895-4778 830-377-7838 | Theresa@kuhlyogurt.com |
| Food | Texas Kettlecorn | Angie or Joe Zuniga | 210-218-4923 210-254-6163 | texaskettle@yahoo.com |
| Food | Chef's Kitchen | Dave Wade | 830-928-9959 | hcchefskitchen@yahoo.com |
| Food | Lovin Spoonful | Brandy Weatherford | 830-377-7714 | brandylscc@gmail.com |
| Food | Bob's BlueBell Parlor | Bob Landman | 830-377-2342 | pokermangeorge1@yahoo.com |
| Kids/ Retail | Women's Chamber | Louise Kerby | 830-257-3893 | kirby1@windstream.net |
| Kids/ Retail | DC Concessions | Charles Davenport | 210-845-6245 | circocircuscirque@yahoo.com |
| Kids | Express Yourself | Denise Owens | 325-456-4895 | owensd69@hotmail.com |
| Kids | Open TRAIL Ranch | Lillian Bargh Kate Vasquez | 210-367-8248 | lbargh01@yahoo.com opentrailranch@gmail.com |
| Other | Texas NPR | Mikie Baker | | mikie@tpr.org |
| Retail | Janis Tomlinson's Gifts | Janice Tomlinson | 210-375-3561 | it4gifts@yahoo.com |
| Retail | Native Hills | Kate Dodge | 830-966-4570 830-275-9726 | bkdodge4570@aol.com |

| | | | | |
|--------|-----------------|--------------|--------------|--|
| Retail | Avalon | Walt Smith | 210-274-5755 | avalonjewelry@hotmail.com |
| Retail | Interior Rattan | Danny Norris | 830-257-5691 | dannymatea@yahoo.com |
| Retail | Jacob's Custom | Jason Jacobs | 830-367-3990 | info@jacobsustomknives.com |

| Type of Products | Application/ | | Amount of | Special Requests | Amount Paid |
|---|--------------|-------------|-------------------|---------------------------------------|-------------|
| | Permits | Employees | | | |
| Brisket, Sausage, Turkey | X | 4-5 people | 40'x10' | 20% | \$100 |
| Italian Ice | X | | 10'x10' | | \$558.60 |
| Hamburgers, Fries, Frito Pies | X | | 12'(w)x26' | 20% | \$150 |
| Hamburgers, Yogurt | X | 6 people | 10'x10' | park van behind tent | \$100 |
| Kettlecorn, Lemonade | X | | 10'x10' | 20% | \$312 |
| Tacos, Sliders, Brownies | X | | Ideally 20'x20' | corner by entrance | \$150 |
| | | | 24'x8.5' | away from all food | \$100 |
| Funnel Cakes, Texas Taters | X | | 32'x10' | 20% | \$268.39 |
| Ice Cream | X | | 10'x10' | under bridge with 10'x10' in front | \$100 |
| Kids Activities, Silent Auction, Jewelry | X | 35 people | 2 10'x10' | 20% | \$450 |
| Light Up Toys and Novelty Products | X | 8-12 people | moving | by EMS on end | \$100 |
| Inflatables, Face Painting | X | 3-5 people | 20'x35' | 25% | \$615.25 |
| Horses | X | | 10'x10' | | \$150 |
| Advertising | | | | | \$0 |
| Summer dresses, Hats, Accessories, Windchimes, Yard & Garden | X | | 12'x15' with room | | \$87.50 |
| Custom cast Copper, Bronze, Silver Jewelry | X | | 12'x15' with room | | \$87.50 |

| | | | | |
|--|---|---------|--------------------------------|------------|
| Silver/Steel Pewter Jewelry, Sunglasses, Hats | X | 10'x10' | space to sell on both sides | \$150 |
| Coconut Purses | X | | | \$150 |
| Jacobs Knives | X | | | \$150 |
| | | | | \$4,429 |
| | | | HDBA 1/2 | \$2,214.62 |
| | | | Kerrville's 4th 1/2 | \$2,214.62 |

Agenda Item:

- 6G. Funding request from the Historic Downtown Business Alliance for Sock Hop on the Star in the amount of \$5,016.00. (staff)

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

SUBJECT: Consider a funding request from the Historic Downtown Business Alliance in the amount of \$5,016 for the Sock Hop on the Star event

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *ab* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Funding Application

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

An application has been submitted by the Historic Downtown Business Alliance (HDBA) for the Sock Hop on the Star event to be held in Downtown Kerrville on September 27, 2014. HDBA resurrected the former Harvest Moon Dance with a new 50's theme twist that included a variety of fun oldies type booths, live music, food, classic cars and more. Approximately 450 people attended the first Sock Hop on the Star event in 2013.

The funding request is for a total of **\$5,016** for rental of:

- Tables
- Chairs
- Table cloths
- Booth and raffle supplies (purchase)

The "GO Team" evaluated this application and finds that it is feasible in that the uses are allowed under the regulations for projects related to recreation or community facilities. A copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.

November 30, 2013

Kerr Economic Development Corporation
1700 Sidney Baker, Ste. 100
Kerrville, Texas 78028

To whom it may concern:

The Historic Downtown Business Alliance would like to request \$5,016 in funds to support their Sock Hop on the Star Event to be held in the heart of Downtown Kerrville on September 27th, 2014 from 5-11pm. The funds will be used to cover hard costs of equipment rentals, tables, chairs, table cloths, and booth and raffle supplies.

Event Purpose

- 1) To create a multi-generational family friendly community event that will drive potential customers into Downtown Kerrville.
- 2) To raise awareness of the businesses in Downtown Kerrville.
- 3) To raise funds for the Historic Downtown Business Alliance.

Event History

On September 14th, 2013 from 5 pm to 9 pm, the Historic Downtown Business Alliance hosted its 1st Annual Sock Hop on the Star. The event was free with a suggested donation of \$10 for adults and \$5 for children and included a raffle, silent auction, dancing, and various 50's inspired booths.

HDBA brought back the old tradition of the Harvest Moon Dance that took place every fall in Downtown Kerrville, but replaced it with a fun for all ages 50's street dance that was very well received in its first year.

An estimated 450 people attended and the fledgling event turned a small profit.

Growth Plan

HDBA plans to grow the event attendance and its revenue in the following ways:

- 1) By moving the event to the Saturday of the Kerrville Triathlon, HDBA hopes to provide a fun event for the athletes and their family to attend, while also reducing the amount of days that the downtown streets will need to be closed. This will expand the mostly local crowd that attended in year 1.
- 2) By charging vendors for booth space.
- 3) By soliciting additional sponsors.
- 4) By increasing the marketing budget to include Radio and additional print.
- 5) By increasing the hours of the event giving attendees more time to spend money.



For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 29444
Kerrville, Texas 78029

Historic Downtown Business Alliance Purpose

The Historic Downtown Business Alliance is a not-for-profit organization funded by its membership and local fundraisers.

HDBA's Mission:

- Promote a strong business climate in Historic Downtown Kerrville by developing ideas and programs to promote existing businesses and to attract new businesses;
- Raise monies through membership dues, sponsorships, donations, grants, and fundraising activities to fund activities and advertising focused on expanding the customer base for all Downtown businesses;
- Foster communication and a spirit of cooperation within the Downtown community.

HDBA Background

HDBA in its current format began in 2012 by a group of downtown business owners who wanted to get involved in the revitalization of downtown Kerrville and work together to drive awareness and customers into the heart of our city. The Kerrville Downtown Business Association was currently in existence, but was not making an impact. The Downtown Businesses joined the then KDBA and revised the mission and bylaws to breathe new life into the organization and Downtown Kerrville.

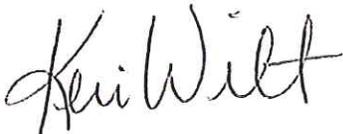
For a brand new organization, HDBA has quickly become involved with the city and partnering with Main Street on key downtown issues, creating new events and refreshing old ones, and working hard to promote Downtown Kerrville.

Downtown Kerrville

Why is focusing on and supporting Downtown important? A successful downtown is important because that is an indicator of community pride, economic vitality, and social capital. Therefore, when the city center suffers, the whole city suffers. Creating an inviting and vibrant city center is an asset for recruiting new residents, businesses, industry, visitors, & the like. It also keeps the current residents happy & excited to call their city home.

Thank you for your time and consideration of funding. If you have any questions, please contact me direction at 830-343-7259 or at contacthdba@downtownkerrville.com.

Sincerely,



Keri Wilt

President of the Historic Downtown Business Alliance



For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 29444
Kerrville, Texas 78029

SECTION II - APPLICANT INFORMATION

Submittal Date: 11/30/13

ORGANIZATION

Historic Downtown Business Alliance

Applicant Name

PO Box 294443 Kerrville Texas 78028

Address

City

State

Zip

830-343-7259

830-896-3663

Phone

Alt. Phone

Fax

www.downtownkerrville.com/hdba

Website

PROJECT CONTACT

Keri Wilt

President

Contact Person Name

Title

623 Water Street Kerrville Texas 78028

Address

City

State

Zip

830-343-7259

830-792-9463

830-896-3663

Phone

Alt. Phone

Fax

keri@grapejuiceonline.com

Email Address

Amount of Funding Requested: \$ 5,016

Please include a cover letter and supplemental information as deemed appropriate that:

- o clearly states the mission statement of the organization(s),
- o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
- o what the requested funding shall be used for,
- o if it is a new, existing or annual event,
- o the number of years the organization has been in existence,
- o the date and location of the event,
- o average annual attendance,
- o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
- o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or Chapter 11 of the Bankruptcy Statutes? No () Yes () Details:

SECTION III - PROJECT INFORMATION

This application is for a:

- Business Development ()
- Expansion of Existing Facility () or
 - New Construction ()
 - Other ()

Capital Improvements for Public Infrastructure

- Utilities ()
- Roadways ()
- Other ()

Quality of Life

- Community Event (✓)
- Project ()

The proposed improvements are to be located within the following taxing district(s): City of Kerrville (✓) Kerr County () Kerrville ISD () Ingram ISD () Center Point ISD ()

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the company (1) fully explaining the nature and scope of the project; (2) describing the proposed site and existing improvements, if any; (3) describing all proposed

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No () Yes ()

Describe:

To the best of my knowledge, the above information is an accurate description of the proposed project details.

Keri Wilt
Printed name

11/30/13
Date

PRESIDENT
Title

Keri Wilt
Signature

Sock Hop Budget

| Sept. 14th | Sept 27th | TBD | TBD |
|------------|-----------|------|------|
| 2013 | 2014 | 2015 | 2016 |

| | | | | |
|-------------------|-------------|-----|------|------|
| Attendance | Approx. 450 | 800 | 1000 | 1200 |
|-------------------|-------------|-----|------|------|

Expenses

| | | | | |
|--------------|-------|---------|---------|---------|
| Music | \$346 | \$1,000 | \$1,200 | \$1,200 |
|--------------|-------|---------|---------|---------|

1 Band Yr One, Two + DJ in future

| | | | | |
|--------------------------|-------|-------|-------|-------|
| Security | \$360 | \$480 | \$600 | \$720 |
| \$120 per police officer | | | | |

| | | | | |
|---|-------|-------|-------|-------|
| Booth Supplies | \$370 | \$300 | \$500 | \$700 |
| Tattoos, Hair Spray/Gel, Face Paint, etc. | | | | |

| | | | | |
|----------------------------|-------|-------|-------|-------|
| Decorations | \$174 | \$227 | \$352 | \$352 |
| 50's Decorations, Balloons | | | | |

| | | | | |
|----------------------------|---------|---------|---------|---------|
| Rentals | \$1,540 | \$4,189 | \$4,899 | \$5,399 |
| Tables/Chairs/Table Cloths | \$1,540 | \$1,540 | \$2,000 | \$2,500 |
| Port-O-Potties | \$0 | \$1,625 | \$1,875 | \$1,875 |
| Light Poles/Generators | \$0 | \$1,024 | \$1,024 | \$1,024 |

| | | | | |
|---|-------|-------|-------|-------|
| Raffle Supplies | \$199 | \$300 | \$400 | \$500 |
| Tickets and Old Time Candy for Big Givers | | | | |

| | | | | |
|---|-------|---------|---------|---------|
| Marketing | \$268 | \$1,000 | \$1,000 | \$1,000 |
| Poster Printing/Social Media/ Radio/Print/Signs | | | | |

| | | | | |
|--------------------|---------|---------|---------|---------|
| Total Costs | \$3,257 | \$7,496 | \$8,951 | \$9,871 |
|--------------------|---------|---------|---------|---------|

Revenue

| | | | | |
|--------------------------------------|---------|---------|----------|----------|
| Donations at the Door/Raffle Tickets | \$2,233 | \$5,000 | \$7,000 | \$9,000 |
| Silent Auction Items | \$385 | \$1,000 | \$1,500 | \$2,000 |
| Sponsorship | \$1,540 | \$3,000 | \$4,000 | \$5,000 |
| Vendors | \$0 | \$500 | \$1,000 | \$1,500 |
| General Donations Total | \$4,158 | \$9,500 | \$13,500 | \$17,500 |

| | | | | |
|-------------------|--------------|----------------|----------------|----------------|
| Net Profit | \$901 | \$2,004 | \$4,549 | \$7,629 |
|-------------------|--------------|----------------|----------------|----------------|

Funding Request

% of Budget

| | | |
|---------|---------|---------|
| \$5,016 | \$6,151 | \$6,951 |
| 67% | 69% | 70% |



Absolute Event Management & Rentals, Inc.
1617 Broadway
Kerrville, TX 78028
(830)315-0033
sales@absoluteem.com
www.AbsoluteEM.com

Quote

| | |
|------------|-----------|
| Date | Quote No. |
| 11/26/2013 | 1067 |
| Exp. Date | |

Address
Keri Wilt
HDBA

| Event Date | Service | Description | Quantity | Rental Rate | Amount |
|--------------------|-----------|--|----------|-------------|-------------------|
| 11/26/2013 | RT60-T | 60" ROUND TABLE | 20 | 10.00 | 200.00 |
| 11/26/2013 | CT3042-T | 30" X 42" COCKTAIL TABLE | 10 | 10.00 | 100.00 |
| 11/26/2013 | RTC120-L | 120" ROUND BASIC POLYESTER TABLE LINEN | 30 | 16.00 | 480.00 |
| 11/26/2013 | WGC-CS | WHITE GARDEN CHAIR WITH PADDED SEAT | 200 | 3.00 | 600.00 |
| 11/26/2013 | BC90132-L | 90" X 132" BASIC POLYESTER TABLE LINEN (for booth tables) | 10 | 16.00 | 160.00 |
| 11/26/2013 | SDEL | STANDARD DELIVERY AND PICK-UP | 1 | 0.00 | 0.00T |
| SubTotal | | | | | \$1,540.00 |
| Tax (8.25%) | | | | | \$0.00 |
| Total | | | | | \$1,540.00 |

This is only an estimate. Actual charges are subject to change until a contract is signed.
A 50% deposit is required to secure rentals unless other arrangements have been made.

Accepted By _____

Accepted Date _____

Rentals are no longer afterthoughts; they are key elements to great events.

SATURDAY SEPT. 14TH 5-9 PM
Downtown Kerrville
SOCK-HOP
ON THE STAR

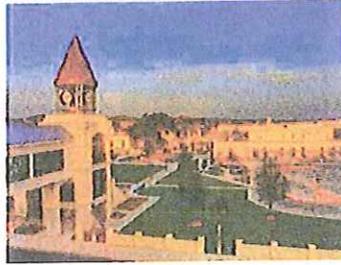
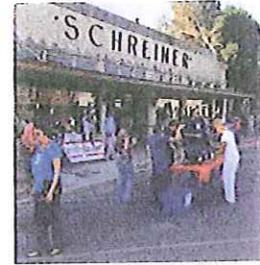
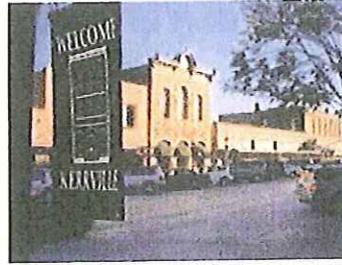
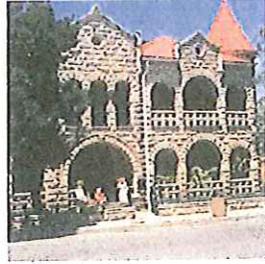
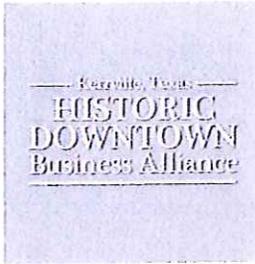
A FAMILY FRIENDLY FUNDRAISING EVENT FOR DOWNTOWN
 Suggested Donation of \$10 Per Adult \$5 Per Kids of All Ages

| | | | | | |
|---------------------------|--|---|--------------------------------------|-------------------------------|------------------------|
| | 50's Dance | | live 50's music | | Dress UP |
| Twist the day Away | | Biggest Bubble Booth | | big tease hair contest | |
| | dance & hulla hoop contests | | diner food malts & shakes | | costume contest |
| photo booth | | candy shop raffle & silent auction | | classic cars | |

100% of Funds Raised will go to the Historic Downtown Business Alliance of Kerrville to support their efforts to reenergize and promote Downtown Kerrville. For More Info call 830-343-7259 or go to www.downtownkerrville.com/hdba or on Facebook: Kerrville Historic Downtown Business Alliance

50's Fun Generously Sponsored by





Who We Are

The Historic Downtown Business Alliance is a not-for-profit organization funded by its membership and local fundraisers. Its success is driven by the hard work and dedication of the volunteers that work to make Downtown Kerrville thrive. We are your direct link to the City of Kerrville and hope to build a stronger more unified downtown through our various committees and our presence within Kerrville.

Our Mission

Our members work hard together to:

- Promote a strong business climate in Historic Downtown Kerrville by developing ideas and programs to promote existing businesses and to attract new businesses;
- Raise monies through membership dues, sponsorships, donations, grants, and fundraising activities to fund activities and advertising focused on expanding the customer base for all Downtown businesses;
- Foster communication and a spirit of cooperation within the Downtown community.

Officers

- President: Keri Wilt, Grape Juice/ Gather
- Vice President: Lanza Teague, Kerr Arts and Cultural Center
- Secretary: Sara Cotton, Yoga Space
- Treasurer: Kristy Vandenberg, Hill Country Chapter of the American Red Cross

Meetings

HDBA meetings are held quarterly on the second Thursday of the month. January and July's meetings are at 6:00 p.m. and April and October's meetings are held at 8:30 a.m. at the Hill Country Red Cross. Members will also be informed regularly with updates regarding downtown via email.



For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 294443
Kerrville, Texas 78029

Historic Downtown Kerrville Alliance Membership

| <u>Contact</u> | <u>Business</u> | <u>Address</u> |
|-----------------------------|------------------------------|----------------------------|
| Bill Marsh | Estate Antiques | 806 Water Street |
| CA Boyett | Sass & Class Boutique | 832 Maint St. Ste 100 |
| Clint Morris | The Alara Group | PO Box 293392 |
| David Tritenbach | David Tritenbach | 216 Riverhill Blvd. |
| Dayton Baublitt | Baublitt Jewelers | 719 Water Street |
| Debbie & Mike Wilson | River's Edge | 832 Water Street |
| Dell M. Sheftall | Sheftall's Inc. Jewelers | 211 Water Street |
| Denise Henneke | DRL Consulting, Inc. | 513 Earl Garrett |
| Donna Bowyer | Main Street Manager | 701 Main Street |
| Gwynn Groggel / Sara Cotton | Yoga Sapce | 804 Main Street |
| Ben Moddiset | Callioux Foundation | Shriner Buiding |
| Kirk Blanchard | High Five Events/TRI | Event Downtown |
| Jeff Talarico | Talarico & Associates | 317 Earl Garrett |
| Joe Herring Jr. | Herring Printing | 615 Water Street |
| John Standridge | Christ Church Presbyterian | 741 Water Street |
| Jon & Sandy Wolfmueller | Wolfmueller's Books | 229 Earl Garrett |
| Ken Wilson | Wilson Asset Mgt. | 231 Earl Garrett |
| Keri Wilt | Grape Juice | 623 Water Street |
| Kevin Sutherland | Property Owner | 809 Main Street |
| Kim Welborn | Co-Nexus Communications | 631 Water Street |
| Kristy Vandenberg | American Red Cross | 333 Earl Garrett |
| Lanza Teague | Kerr Arts & Cultural Center | 228 Earl Garrett |
| Lyndia Rector | Cricket's / Hill Co. Living | 707 Water Street |
| Mary Perkins | Rotter Medical Systems | 812 Main |
| Mary Sue & Mike Douville | Vemma | 313 Earl Garrett |
| Maureen Trueman-Fite | Avon | PO Box 303 |
| Madison Ohlsen | Schreiner Goods | 214 Earl Garrett |
| Micah & Laura Fore | Fore Premier Properties | 804 Water Street |
| Mike McBain | Property Owner | Box 450690 |
| Mindy Wendele | Schreiner Mansion | 226 Earl Garrett |
| Misty O'Fiel | Law Office of Patrick O'Fiel | 305 Earl Garrett |
| Tony Parinello | Union State Bank | 600 Main - PO Box 291447 |
| Rie Foss | Bank of the Hills | 208 Earl Garrett |
| Robert & Vickie Love | Sunrise Antique Mall | 820 Water Street |
| Sharon D. Norlander | Creative Cakes by Sharon | 203-205 Earl Garrett Stree |
| Sue Tiemann | Sue Tiemann | 324 Clay Street |
| Tomasa & Jerry O'Hern | Yeo-Bo's Café | 804 Water Street |
| Traci L. Carlson | Absolute Event Mgt | 407 Main Street |

Dear Prospective HDBA Member,

HDBA was started in 2012 by a group of downtown business owners who wanted to get involved in the revitalization of downtown Kerrville and work together to drive awareness and customers into the heart of our city.

Why is focusing on and supporting Downtown important? A successful downtown is important because that is an indicator of community pride, economic vitality, and social capital. Therefore, when the city center suffers, the whole city suffers. Creating an inviting and vibrant city center is an asset for recruiting new residents, businesses, industry, visitors, & the like. It also keeps the current residents happy & excited to call their city home.

And for a brand new organization, we have surely made our mark by getting involved with the city and partnering with Main Street on key downtown issues, creating new events and refreshing old ones, and working hard to promote Downtown Kerrville.

We hope that you will consider becoming a member of the Kerrville Historic Downtown Business Alliance (HDBA) so we can work together to make Downtown Kerrville the best it can be for businesses and the community.

The following are just a few of the projects HDBA has been involved in for 2012/13:

- HDBA Events helping to drive customers to Downtown:
 - The Holiday Stroll
 - Ladies Night Outs
 - Get on the Bus
 - Block Party
 - Wine Shares
 - 4th on the River
- HDBA Events Coming Up:
 - Sock Hop on the Star
 - Kerrville Tri
 - October Chamber Mixer
 - Downtown Open House
- Worked with the City & Other Organizations On:
 - DTown Parking Analysis
 - Signage Ordinance
 - Historical Narrative Signs
 - "I Wish This Was" Project
- HDBA Marketing:
 - Banner Sign at Key Events and near camps
 - A Frames promoting events
 - downtownkerrville.com
 - Print Media
 - Facebook Postings
 - Press Releases and More!

As an HDBA member, we hope that you will take advantage of the many opportunities to:

- Network with other downtown businesses during our regular meetings and events
- Being among the first people to learn about issues affecting downtown
- Work with a cohesive group of individuals who have a strong voice when it comes to presenting issues to local government and civic organizations
- Finding a committee or position that allows you to use your strengths to better downtown

Sincerely,



Keri Wilt
President of the Historic Downtown Business Alliance



For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 294443
Kerrville, Texas 78029

Membership Benefits

| Benefits | Downtowner | Friends of Historic Downtown |
|--|------------|------------------------------|
| Be a part of a cohesive, strong group that makes a difference for downtown | X | X |
| Network with other HDBA members at quarterly meetings, events, and more | X | X |
| Stay informed about issues effecting downtown through quarterly meetings and regular email newsletters | X | X |
| Work with local groups and organizations such as the CVB, the Chamber, and Main Street to enhance downtown and attract customers | X | X |
| Get involved in our various committees | X | X |
| Receive a list of new and current HDBA members, sent electronically each month | X | X |
| Participate in, or sponsor HDBA events such as Ladies Night Out, the Holiday Stroll, the Block Party, Sock Hop and more | X | X |
| Give input on all things downtown including events, marketing, changes, revitalization efforts of downtown and more | X | X |
| Benefit from HDBA advertising of downtown | X | |
| Participate in HDBA promotions | X | |
| Reach new customers through HDBA's social media sites | X | |
| Take advantage of various benefits through HDBA's Chamber of Commerce membership | X | |
| Request press releases on business expansions, new businesses, events, and more | X | |
| Vote on important decisions regarding downtown | X | |

Membership Descriptions

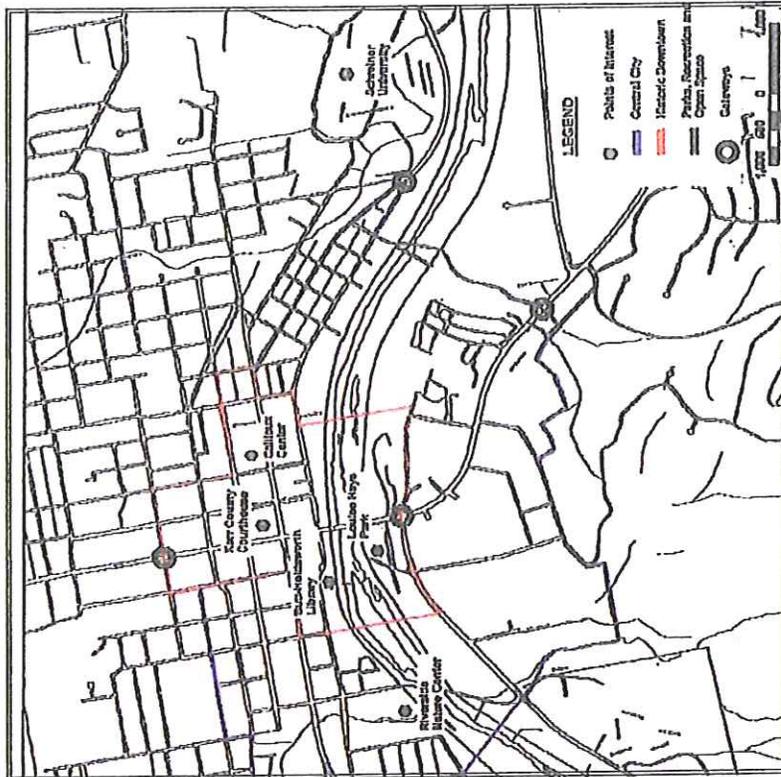
- **Downtowner Membership** is open to all businesses, property owners, non-profit organizations and community events within the Historic Downtown as defined by the City of Kerrville Comprehensive Plan adopted July 9, 2002 (see map on next page). General members are voting members of the Alliance and may request for a roll call vote on any issue to be decided by a vote of the membership. General members may hold office and serve on any committee or project team. General membership costs \$100.00 yearly.
- **Friends of Historic Downtown Membership** is open to all who love downtown Kerrville! This membership allows you to share your thoughts and opinions about downtown to make a difference. Friends of Historic Downtown members are non-voting members but do have opportunities to work within committees, attend meetings, and volunteer to accomplish the mission of the Alliance. Friends of Historic Downtown membership costs \$50.00 a year.



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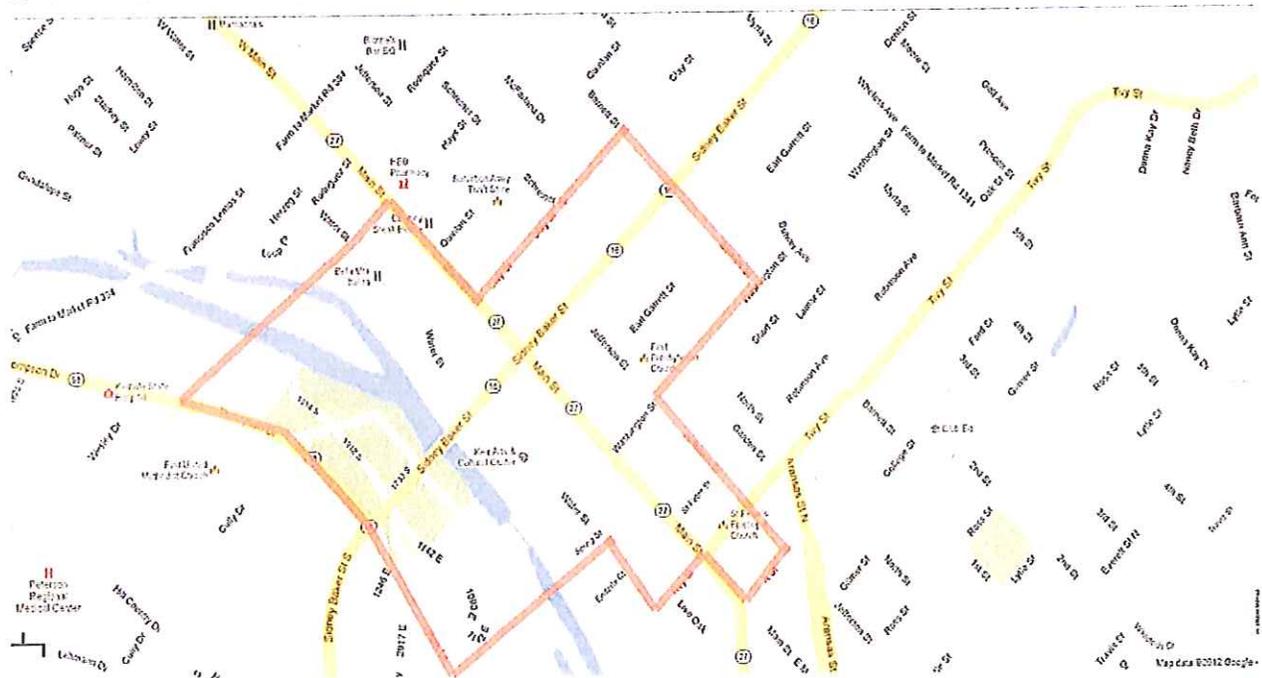
Historic Downtown Kerrville Defined



Historic Downtown Kerrville lines were created by the City of Kerrville as a part of their Comprehensive Plan (see left).

This area is the sole focus of the HDBA.

Below is a more detailed map with the Historic Downtown lines drawn in red.



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 Website: www.downtownkerrville.com/hdba

HDBA
 PO. Box 294443
 Kerrville, Texas 78029

HDBA Driven Events

DOWNTOWN KERRVILLE HOLIDAY STROLL & TREE LIGHTING

FRIDAY NOV. 30TH 5-8PM

COME ENJOY...

| | |
|-------------------------|-----------------------------|
| Holiday Window Displays | Shopping, Snacks & Treats |
| Entertaining to Carols | Lighting the Christmas Tree |
| Scavenger Hunting | Gipping Hot Chocolate |

THEN...

Join the Downtown Carols in the Celebration of Light for the Dedication and Lighting of the New 30 Foot Christmas Tree in the Square at the Holiday Christmas Tree Planting.

FRIDAY OCT 5TH 5-8PM DOWNTOWN KERRVILLE 2012 BLOCK PARTY

SHOPPING QUICK DRAW

DINING & MUSIC WINE SHARE

JOIN IN THE FREE PARKING GARAGE PARK & SHOP FOR FOUR HOURS & TREATS!

FREE PARKING FROM 5-8 PM IN THE 20' Block of East Correll to the 14th Street.

GET ON THE BUS

SAFE, EASY, FUN!

FOR FREE

Thursday, May 24th 5am-10pm
Sunday, May 27th 8am-Midnight

STOP 1

MARKET DAYS

WAXAHATCHIE & KERRVILLE

STOP 2

KERRVILLE FOLK FESTIVAL

STOP 3

Local Art & Crafts

FREE PARKING FROM 5-8 PM IN THE 20' Block of East Correll to the 14th Street.

KERRVILLE'S 4TH ON THE RIVER

July 4th, 2013

FREE FIREWORKS

Come watch the Largest Fireworks Display in the Hill Country beginning at 9:30pm
powered by HARMACORP

FREE FESTIVAL

Live Music, Fun for All the Family Food Vendor Booths, Music, Family Fun & Entertainment

FREE CONCERTS FEATURING HEADLINER

Robert Earl Keen
and special guests
Owen Temple and more!

Live Music On Stage from 9-10pm

FIRST FRIDAY WINE SHARE

PARK-N-PARTY

Fri. Jan. 4th, 6-7:30pm

SNOW DAY DELAY!!
Rescheduled for Friday, January 11th

BRING

A BOTTLE OF WINE TO SHARE (1/2 cup) and YOUR OWN WINE GLASS. This Month's Wine Theme: Tasty & Ready (Screen Tops)

PARK

In the FREE COVERED PARKING GARAGE which has over 60 of the more than \$59 parking spaces that were donated.

ENJOY

Tasty Treats and Local Eats, with Music and Musical Master Classes! There will be heaters if it gets a bit cold, but dress for the Texas weather. Have a great evening with us!

PARTICIPATE

In our "I WISH THIS WAS" project, originally created after Hurricane Katrina in New Orleans to gather input on what locals wanted to see come into their vacant stores. Come help Downtown Kerrville fill their empty stores by telling us what you want to see!

FREE PARKING FROM 5-8 PM IN THE 20' Block of East Correll to the 14th Street.

LADIES NIGHT OUT

THURSDAY APRIL 11th

5:00 PM to 8:00 PM

HISTORIC DOWNTOWN KERRVILLE

SALES

FOOD & BEVERAGES

EXTENDED HOURS

DOOR PRIZES

DRAW YOUR OWN DISCOUNTS & MORE!

GRAB YOUR GIRLFRIENDS AND HEAD DOWNTOWN FOR A NIGHT OF FUN!

Kerrville, Texas
HISTORIC DOWNTOWN Business Alliance

For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 294443
Kerrville, Texas 78029

One Time Credit Card Payment Authorization Form

Sign and complete this form to authorize the HISTORIC DOWNTOWN BUSINESS ALLIANCE (HDBA) to make a onetime debit to your credit card listed below.

By signing this form you give us permission to debit your account on or after the indicated date. This is permission for a single transaction only, and does not provide authorization for any additional unrelated debits or credits to your account.

Please complete the information below:

I _____ authorize the HDBA to charge my credit
(Full name)
card account indicated below for _____ on or after _____. This payment is
(Amount) (Date)
for Historic Downtown Business Alliance membership dues.
(Description of Goods/ Services)

Billing Address: _____
City, State, Zip Code: _____
Email: _____ Phone: _____

| |
|---|
| Account Type: <input type="checkbox"/> Visa <input type="checkbox"/> Mastercard <input type="checkbox"/> American Express <input type="checkbox"/> Discover |
| Cardholder Name: _____ |
| Account Number: _____ Exp. Date: _____ |
| CVV2: (3 digit number on the back of Visa, Discover, Mastercard; 4 digits on the front of American Express) _____ |

I authorize the above named business to charge the credit card indicated in this authorization form according to the terms above. This payment authorization is for the goods/services described above, for the amount indicated above only, and is valid for one time use only. I certify that I am an authorized user of this credit card and that I will not dispute the payment with my credit card company; so long as the transaction corresponds to the terms indicated in this form.

SIGNATURE: _____ DATE: _____



For more information:
Email: contacthdba@downtownkerrville.com
Website: www.downtownkerrville.com/hdba

HDBA
PO. Box 294443
Kerrville, Texas 78029

Agenda Item:
(Councilmember Gross)

6H. Funding request from High Five Events for the Kerrville Triathlon Festival in the amount of \$25,000.00. (staff)

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

SUBJECT: Consider a funding request from High Five Events in the amount of \$25,000 for the Kerrville Triathlon Festival

FOR AGENDA OF: January 27, 2014 **DATE SUBMITTED:** January 23, 2014

SUBMITTED BY: Ashlea Boyle *AB* **CLEARANCES:** Todd Parton
Special Projects Manager City Manager

EXHIBITS: Funding Application

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *[Signature]*

| Expenditure | Current Balance | Amount | Account |
|--------------------|------------------------|------------------|----------------|
| Required: | in Account: | Budgeted: | Number: |
| \$ | \$ | \$ | |

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OF FINANCE:

SUMMARY STATEMENT

An application has been submitted by High Five Events for the 4th annual Kerrville Triathlon Festival to be held in downtown Kerrville the last weekend of September 2014. The festival consists of a sprint distance triathlon and relay, intermediate distance triathlon, half distance triathlon and relay, free kids fun run and a health and fitness exposition. This event has grown from 764 participants in 2011 to 1,264 in 2013. The event will incorporate Louise Hays Park and the River Trail upon completion of those projects, anticipated for 2015.

The funding request is for a total of **\$25,000** however **\$18,600** qualifies for rental of:

- Traffic control barricades
- Shuttle buses
- Tents, tables, chairs, lights
- Fencing
- Port-a-potties and trash receptacles

The "GO Team" evaluated this application and finds that \$18,600 is feasible in that the uses are allowed under the regulations for projects related to recreation or community facilities. A copy of the complete funding application will be made available to the EIC Board for executive session deliberations, or may be viewed independently by the board at KEDC offices.

If this funding application is approved, staff will draft a funding agreement, as directed, to

be presented at the February 24, 2014 EIC meeting in conjunction with holding a public hearing.

RECOMMENDED ACTION

City staff recommends consideration and approval of this funding request.



Dan Carroll
High Five Events
2122 Melridge Pl
Austin, TX 78704
512-917-3579
dan@highfiveevents.com

Kerr Economic Development Corporation (KEDC)
1700 Sidney Baker, Ste 100
Kerrville, TX 78028

November 27, 2013

To whom it may concern:

Please find included with this letter the Application for 4B Sales Tax Funds and supplemental documentation for the Kerrville Triathlon Festival, an event created and produced by High Five Events. I hope you find this event worthy of consideration based upon its positive impact to businesses that benefit from increased visitors to the Kerrville area, and for its influence on Kerrville area residents to follow a healthy lifestyle.

Our company mission is to create and produce the safest, most well organized, and most enjoyable athletic endurance events, while also growing the health and fitness community in the places where we host these events. Our goal is to continue to develop the Kerrville Triathlon into one of the premier triathlon events in the nation, while also making participating in the triathlon an annual fitness tradition for many Kerrville residents.

Please do not hesitate to contact me if you need any additional information regarding the event.

Sincerely,

A handwritten signature in black ink that reads "Daniel P. Carroll".

Daniel P. Carroll, CEO
High Five Events



About the Kerrville Triathlon Festival

The Kerrville Triathlon Festival is held annually on the last weekend in September. The festival consists of the following events:

- Sprint Distance Triathlon & Relay, held on Saturday
- Intermediate Distance Triathlon, held on Sunday
- Half Distance Triathlon & Relay, held on Sunday
- Kids Fun Run, held on Saturday
- Health & Fitness Expo, held on Friday and Saturday

The swim portion of the event is held in the Guadalupe River, with the starting area located behind the Family Sports Center. The bike course makes 2 loops through the City of Kerrville and Kerr County before finishing on the athletic field at Notre Dame School. The multi-loop run course follows Water St and parts of the Guadalupe River Trail. The finish site of the triathlon is the parking lot adjacent to "the star" at the intersection of Water St. and Earl Garrett St.

History

In early 2010, High Five Events approached the City of Kerrville about the possibility of creating a triathlon event. The goal was to create a premier triathlon event that would attract visitors to the Kerrville area and also act as a catalyst to engage Kerr County residents in health and fitness activities. High Five Events collaborated with Kerrville Police, Kerrville Fires & EMS, Kerrville Parks and Recreation, Kerrville Public Works, Kerr County Sherriff, Texas Department of Public Safety, the Texas Department of Transportation, and various Kerrville business and community groups, and in September 2011, the inaugural Kerrville Triathlon was held. Since then, the event has been held each year on the last weekend in September.

Participation (Not including the Kids Fun Run or volunteers):

- 2011 = 764
- 2012 = 1307
- 2013 = 1264

Annually, the event has between 350-400 volunteers.

The Kids Fun Run is 100% free and open to any child under 16 years old. Each child receives a t-shirt and post run treat. In 2013, the kids run had approximately 170 participants.

Demographics

The average participant demographics for 2012 & 2013 are as follows:

- 91% of participants reside outside of Kerr and Gillespie counties.
- 80 City of Kerrville residents participated, many more volunteered.
- 16 different states were represented.

- The Kerrville CVB tracked 1041 room nights for the 2013 event.
- A conservative estimate of economic impact to Kerr County is \$750k to \$1 Million based upon visitor counts and identified spending habits during a sporting event.
- According to USA Triathlon, triathlete data shows:
 - Average Age = 38
 - Average Income = \$128,000
 - 49% report white-color jobs
 - 19% report professional jobs such as doctor, lawyer, or accountant
 - 12% are students are educational workers

Plan for Growth

The Kerrville Triathlon experienced tremendous growth in 2012 as the result of a successful event in 2011. In 2013, those participant numbers were matched, despite the temporary changes to the course due to the construction in Louise Hays Park and the River Trail.

The goal is to reach 2000 total participants for the 2015 edition of the triathlon. The event narrowly missed being selected as the location as the USA Triathlon Age Group for 2014, and it is believed that it has an excellent chance of receiving that designation for 2015. The designation will bring significant national exposure and additional participants. Furthermore, the plan is to make the new Guadalupe River Trail and the improvements to Louise Hays Park showcase features of this already great host city.

Financial Information

Since, its inception, High Five Events has covered all of the expenses of the triathlon.

The cost breakdown from 2013 is below:

| | | |
|-------------------------------|----|---------------|
| Traffic Control Barricades | \$ | 9,300 |
| Water Safety | \$ | 4,700 |
| Medical / EMS | \$ | 3,500 |
| Police | \$ | 9,200 |
| Security | \$ | 2,500 |
| Shuttle Buses | \$ | 1,700 |
| Tents, Tables, Chairs, Lights | \$ | 2,500 |
| Advertising | \$ | 10,000 |
| Fencing | \$ | 3,400 |
| Toilets & Trash | \$ | 1,700 |
| Aid Stations | \$ | 1,000 |
| Awards | \$ | 4,000 |
| Ice | \$ | 1,100 |
| Race Numbers | \$ | 2,000 |
| Shirts, Hats, etc. | \$ | 26,000 |
| Timing | \$ | 5,000 |
| Volunteers | \$ | 2,200 |
| | \$ | <u>89,800</u> |

Plans for Funding

High Five Events is seeking funds to help offset the production costs of the triathlon. The savings from the offset would be used for additional advertising to increase the number of participants. High Five Events can provide a report to the KEDC showing how the funding was used to cover expenses that were directly paid back to City of Kerrville entities, businesses, and individual residents

SECTION II - APPLICANT INFORMATION

Submittal Date: 11/27/13

ORGANIZATION

High Five Events

| | | | |
|--|------------|-------|--------------|
| Applicant Name | | | |
| 2122 Melridge Pl | Austin | TX | 78704 |
| Address | City | State | Zip |
| 512-917-3579 | | | 512-482-8710 |
| Phone | Alt. Phone | Fax | |
| highfiveevents.com or kerrvilletri.com | | | |
| Website | | | |

PROJECT CONTACT

| | | | |
|------------------------|------------|-------|--------------|
| Dan Carroll | | | CEO |
| Contact Person Name | | | Title |
| 2122 Melridge Pl | Austin | TX | 78704 |
| Address | City | State | Zip |
| 512-917-3579 | | | 512=482-8710 |
| Phone | Alt. Phone | Fax | |
| dan@highfiveevents.com | | | |
| Email Address | | | |

Amount of Funding Requested: \$ 25,000

- Please include a cover letter and supplemental information as deemed appropriate that:
- o clearly states the mission statement of the organization(s),
 - o a business plan (a document that projects 3-5 years and outlines a plan to grow revenues),
 - o what the requested funding shall be used for,
 - o if it is a new, existing or annual event,
 - o the number of years the organization has been in existence,
 - o the date and location of the event,
 - o average annual attendance,
 - o pertinent financial information (costs, revenues, percentage of funding request of total event budget and financial history), and
 - o a plan or statement of how the event shall become self-sustained in future years.

Continue to Section III

Financial Information: Five Years Annual Financials Attached _____
Include: Statement of profit and loss; Balance sheet; Cash Flow
Statement; IRS reporting forms, Pro forma

Annual Sales for Corporation / Company \$ _____

This Facility \$ _____

Local Sales Tax paid Annually \$ _____

Current Payroll \$ _____

Has the Company ever filed for bankruptcy protection under Chapter 7 or
Chapter 11 of the Bankruptcy Statutes? No Yes Details:

SECTION III - PROJECT INFORMATION

This application is for a:

- Business Development
- Expansion of Existing Facility or
 - New Construction
 - Other ()

Capital Improvements for Public Infrastructure

- Utilities
- Roadways
- Other ()

Quality of Life

- Community Event
- Project

The proposed improvements are to be located within the following taxing
district(s): City of Kerrville Kerr County Kerrville ISD
Ingram ISD Center Point ISD

SECTION IV - PROJECT DESCRIPTION

Please attach a statement on company letterhead and signed by an officer of the
company (1) fully explaining the nature and scope of the project; (2) describing the
proposed site and existing improvements, if any; (3) describing all proposed

improvements; and (4) providing a list of eligible improvements; (5) provide a list of major, fixed equipment along with manufacturer specifications and cost quote from the manufacturer.

Should this project be approved, the Economic Improvement Corporation may require performance criteria as a part of the funding agreement, in addition to this application. The funding agreement is between the Economic Improvement Corporation and the City of Kerrville. Said funding agreement will outline project costs, timelines, other information may be necessary to carry out the project in an efficient manner.

SECTION V – ECONOMIC IMPACT INFORMATION

Part A - Project Investment in Improvements

Total \$ _____
Sq. Footage of New Building (s) _____
Size of Parking _____
Other _____

Part B - Project Investment in Fixed Equipment

(New)\$ _____
Manufacturer of Equipment _____
Anticipated Useful Life of Equipment _____
Purchase Price \$ _____ Installation Cost \$ _____
Anticipated Delivery time from Date of Order _____

Part C - Permanent Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Full-Time Employees as a result of this project _____
Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles _____

Anticipated starting salaries of these employees: (avg.) \$ _____/hour

Part D - Permanent Part-Time Employment Estimates- (do not include owners, stockholders or their dependents)

Anticipated Number of New Part-Time Employees as a result of this project _____

Anticipated Number within 12 months of Completion of this project _____
Anticipated Number within 24 months of Completion of this project _____
Typical Job Descriptions or Job Titles of these employees: _____

Anticipated starting salaries of these employees: (avg.) \$ _____ / hour

Part E - Payroll Impact

Within 12 months of Project Completion _____ Within 24 months of Project
Completion _____

\$ _____
FTE X Avg. Wage X 40 hrs X 52 wks

\$ _____
PTE X Avg. Wage X 20 hrs X 52 wks

SECTION VI - OTHER ASSISTANCE

Has the Company applied for any State or Federal assistance on this project?

No Yes

Describe:

To the best of my knowledge, the above information is an accurate description of the
proposed project details.

Daniel P. Carroll

Printed name

11/27/13

Date

CEO

Title

Daniel P. Carroll

Signature

2013 Kerrville Triathlon Profit & Loss Statement

Income

| | | |
|---------------------|----|----------------|
| Registration Fees | \$ | 143,025 |
| Sponsorship | \$ | 27,400 |
| Total Income | \$ | 170,425 |

Production Costs

Course

| | | |
|-----------------|----|-------|
| Traffic Control | \$ | 9,212 |
| Water Safety | \$ | 4,700 |
| Medical / EMS | \$ | 3,521 |
| Police | \$ | 9,165 |
| Misc Course | \$ | 386 |

| | | |
|----------------|----|--------|
| Contract Labor | \$ | 1,200 |
| Expo | \$ | 1,480 |
| Advertising | \$ | 10,000 |

Site

| | | |
|-------------------|----|-------|
| Equipment | \$ | 1,698 |
| Fence | \$ | 3,350 |
| Security | \$ | 2,475 |
| Shuttle Buses | \$ | 1,683 |
| Sound / Announcer | \$ | 2,325 |
| Tents | \$ | 807 |
| Toilets / Trash | \$ | 1,662 |
| Truck Rental | \$ | 1,645 |

Supplies

| | | |
|---------------|----|--------|
| Aid Stations | \$ | 1,000 |
| Awards | \$ | 3,957 |
| Ice | \$ | 1,090 |
| Numbers | \$ | 1,987 |
| Bags | \$ | 2,500 |
| Hats | \$ | 8,861 |
| Event Guide | \$ | 2,009 |
| Shirts | \$ | 11,051 |
| Water Bottles | \$ | 2,324 |
| Misc Supplies | \$ | 624 |

| | | |
|------------|----|-------|
| Timing | \$ | 4,741 |
| Volunteers | \$ | 4,159 |

| | | |
|--------------------|----|---------------|
| Total Costs | \$ | 99,612 |
|--------------------|----|---------------|

Agenda Item:
(Staff)

- 6I. Discussion and direction to City staff regarding a multi-year financial and capital project plan. (staff).

