

AGENDA FOR REGULAR MEETING

CITY OF KERRVILLE, TEXAS

ECONOMIC IMPROVEMENT CORPORATION

MONDAY, AUGUST 17, 2015 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, AUGUST 17, 2015, 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 Economic Improvement Corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit their presentation to three minutes.

2. APPROVAL OF THE MINUTES:

2A. Minutes of the regular meeting held on July 20, 2015.

3. MONTHLY REPORTS:

3A. Monthly financials for July 2015. (staff)

3B. Projects update. (staff)

River Trail project

Cailloux Theater Support Facility

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Review and consider amendments to the agreement for the property on Airport Commerce Park.

4B. Discussion and action regarding the Fiscal Year 2016 EIC budget. (staff)

5. PUBLIC HEARING AND POSSIBLE ACTION:

5A. Multiyear Economic Development Grant Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerr Economic Development Corporation in an amount not to exceed \$520,000.

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 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 August 14, 2015, at 12:00 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. 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.

7. ITEMS FOR FUTURE AGENDAS:

8. ANNOUNCEMENTS:

9. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 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 August 14, 2015, at 12:00 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 July 20, 2015.

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

JULY 20, 2015

On Monday July 20, 2015, 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 Gary Cochrane.

Members Present:

David Wampler, President
Gary Cochrane, Vice President
Sheri Pattillo, Secretary
Delayne Sigerman
Paul Stafford
Gary Stork
James Wilson

Members Absent: None

City Executive Staff Present:

Todd Parton, City Manager
Kristine Day, Deputy City Manager
Ashlea Boyle, Special Projects Manager
Cheryl Brown, Deputy City Secretary
Sandra Yarbrough, Director of Finance
Brian Crenwelge, Project Manager
Malcolm Matthews, Parks and Recreation Director

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

1. VISITORS/CITIZENS FORUM:

Bruce Stracke with Brinkman Commercial Properties spoke regarding the airport commerce park property. He reviewed the PDD, zoning for the area, and the development agreement with its restrictions and requirements. He stated that Mr. Brinkman hoped to bring the matter before the EIC at their August meeting to ask that some of the restrictions or "triggers" of the development agreement be amended or removed.

2. APPROVAL OF MINUTES:

Mr. Cochrane moved to approve the minutes for May 22, 2015. Mr. Wilson seconded, and the motion passed 7 to 0.

3. MONTHLY REPORTS:

3A. Monthly financials for June, 2015:

Ms. Yarbrough reported a beginning balance of \$3,472,674; with \$256,008 revenue, and \$661,060 expenditures; leaving an ending cash balance on June 30, 2015 of \$3,067,622. There was a 5.07% tax revenue increase over 2014. She reviewed the capital projects status summary, which showed an ending cash balance of \$ 2,341,629 and the cash and investments fund, which showed an (annualized) interest earned of 0.11%.

3B. Projects update.

Cailloux Campus Support Facility

Mr. Crenwelge reported that the low bidder for the Cailloux Campus Support Facility was HMC Construction, in the amount of \$932,099.

Lowry Park Trail

Mr. Crenwelge reported that the bid opening that was scheduled for July 7, 2015 was cancelled, and the new bid opening date was August 11, 2015.

4. CONSIDERATION AND POSSIBLE ACTION:

4A. Kerr Economic Development Corporation (KEDC) Fiscal Year 2016 funding request in the amount of \$154,404.

Mr. Titas presented the funding request, and reviewed the financial activities for Fiscal Year 2015. He reviewed the budget for KEDC for the coming fiscal year.

Mr. Wilson moved to approve the funding request. Ms. Pattillo seconded, and the motion passed 7-0.

4B. Appointment of Economic Improvement Corporation (KEDC) liaison to the Kerr Economic Development Corporation Board of Directors.

Mr. Cochrane nominated Mr. Wampler to continue as liaison to the KEDC Board of Directors. Mr. Wilson seconded, and the motion passed 7 to 0.

4C. Discussion and action regarding the Fiscal Year 2016 EIC budget.

Mr. Parton presented the proposed Fiscal Year 2016 EIC budget. He also reviewed several possible projects for the coming years. He answered questions from the board members. He stated he planned to come back to the next meeting with a more concrete budget plan for FY2016.

5. INFORMATION AND DISCUSSION:

This item was heard prior to Consideration and Possible Action, due to a request made to Mr. Wampler before the meeting began.

5A. Update from Habitat for Humanity regarding the Maud Jennings Subdivision.

Philip Stacy, Executive Director of Habitat for Humanity presented the update.

Mr. Stacy thanked the EIC for the funding they contributed toward the project. He stated that Habitat for Humanity had raised \$292,000 for the project. EIC funded \$375,000. The total cost of the project was \$667,000. He reviewed the expenses for the project.

He stated Allen Keller from Fredericksburg was the low bidder at \$587,000, and that Wellborn Engineering was awarded the construction consulting contract. Groundbreaking took place a couple of weeks ago, with a projected finish date at the end of September, 2015. He then reviewed the history of Habitat for Humanity in Kerr County.

6. 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.

7. ITEMS FOR FUTURE AGENDAS: None

8. ANNOUNCEMENTS: None

9. ADJOURNMENT:

Mr. Wampler adjourned the meeting at 5:50 p.m.

APPROVED: _____

David Wampler, President

ATTEST:

Cheryl Brown
Deputy City Secretary

Agenda Item:

3A. Monthly financials for July 2015. (staff)

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

SUBJECT: EIC Financials

FOR AGENDA OF: August 17, 2015 **DATE SUBMITTED:** August 12, 2015

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

EXHIBITS: Monthly Financials
AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

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

PAYMENT TO BE MADE TO:

REVIEWED BY THE DIRECTOR OR FINANCE:

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 - Summary
For the month ending July 31, 2015

Beginning Cash Balance		\$ 3,067,622
Income:		
Sales Tax	\$ 238,328	
Transfer In - Closed Project E62	\$ 51,273	
Interest Revenue	\$ 508	
Total Income	<u>\$ 290,109</u>	
Expenses:		
Administrative Service Fee	\$ 8,333	
Transfer for Debt Service - 2012	\$ 42,667	
Total Expenses	<u>\$ 51,000</u>	
Revenues Over (Under) Expenditures		<u>\$ 239,110</u>
Ending Cash Balance		<u><u>\$ 3,306,731</u></u>

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Improvement Fund - Revenue and Expense Statement
For the month ending July 31, 2015

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Budget Balance
BEGINNING CASH BALANCE	\$ 2,873,663		\$ 2,873,663		
REVENUE:					
Sales and Use Tax	\$ 2,931,638	\$ 238,328	\$ 2,546,790	86.87%	\$ 384,848
Interest	\$ 5,000	\$ 508	\$ 4,559	91.19%	\$ 441
Other Income - Fox Tank			\$ 14,000		\$ (14,000)
Transfer In		\$ 51,273	\$ 237,748		\$ (237,748)
TOTAL REVENUE	\$ 2,936,638	\$ 290,109	\$ 2,803,098	95.45%	\$ 385,289

	Annual Budget	Current Period	Y-T-D Actual & Encumbrance	% of Budget	Budget Balance
EXPENDITURES:					
Administrative					
Local Meetings	\$ 100		\$ 60	60.00%	\$ 40
Advertising	\$ 100	\$ -	\$ 20	20.00%	\$ 80
Administrative Services Fee	\$ 100,000	\$ 8,333	\$ 83,333	83.33%	\$ 16,667
Transfer to Debt Service Fund - River Trail	\$ 512,000	\$ 42,667	\$ 426,667	83.33%	\$ 85,333
Economic Development Governing Body	\$ 175,000	\$ -	\$ 166,250	95.00%	\$ 8,750
River Trail Contribution	\$ 150,000		\$ 150,000	100.00%	\$ -
Total Administrative	\$ 937,200	\$ 51,000	\$ 826,330	88.17%	\$ 110,870
Category I - Business Development					
ED Set Aside	\$ 500,000		\$ 500,000	100.00%	\$ -
James Avery			\$ 610,000		
Unspecified	\$ -	\$ -	\$ -	0.00%	\$ -
Total Category I	\$ 500,000	\$ -	\$ 1,110,000	100.00%	\$ -
Category II - Quality of Life					
Special Events	\$ 100,000	\$ -	\$ 83,700	83.70%	\$ 16,300
Streetscape	\$ 500,000	\$ -	\$ -	0.00%	\$ 500,000
Baseball Complex	\$ 500,000	\$ -	\$ -	0.00%	\$ 500,000
Boardwalk	\$ 250,000	\$ -	\$ -	0.00%	\$ 250,000
Theater Expansion			\$ 350,000		
Unspecified	\$ -			0.00%	\$ -
Total Category II	\$ 1,350,000	\$ -	\$ 433,700	32.13%	\$ 916,300
Category III - Public Infrastructure					
Unspecified	\$ -	\$ -	\$ -	0.00%	\$ -
Total Category III	\$ -	\$ -	\$ -	0.00%	\$ -
Contingency	\$ -	\$ -	\$ -	0.00%	\$ -
TOTAL EXPENDITURES	\$ 2,787,200	\$ 51,000	\$ 2,370,030	85.03%	\$ 1,027,170

NET REVENUES TO EXPENDITURES	\$ 149,439	\$ 239,109	\$ 433,068
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ENDING CASH BALANCE	Budget	Actual
	\$ 3,023,101	\$ 3,306,731

CITY OF KERRVILLE
Economic Improvement Corporation
Sales Tax Revenue Analysis - FY15
For the month ending July 31, 2015

Revenue Month	Actual FY 2012	Actual FY 2013	Actual FY 2014	Approved FY 2015	Actual FY 2015	FY14 vs FY15	Budget vs Actual
October	\$ 219,934	\$ 226,663	\$ 241,503	\$ 243,616	\$ 238,933	\$ (2,570)	-1.92%
November	\$ 203,379	\$ 210,744	\$ 234,150	\$ 236,201	\$ 257,654	\$ 23,504	9.08%
December	\$ 208,227	\$ 204,782	\$ 214,424	\$ 216,303	\$ 251,851	\$ 37,427	16.43%
January	\$ 204,051	\$ 217,647	\$ 229,761	\$ 231,772	\$ 245,845	\$ 14,073	6.07%
February	\$ 264,744	\$ 284,177	\$ 296,036	\$ 298,620	\$ 335,071	\$ 36,451	12.21%
March	\$ 186,812	\$ 205,749	\$ 207,869	\$ 209,693	\$ 223,251	\$ 13,557	6.47%
April	\$ 185,835	\$ 215,800	\$ 218,030	\$ 219,942	\$ 227,065	\$ 7,123	3.24%
May	\$ 223,320	\$ 251,468	\$ 268,682	\$ 271,032	\$ 273,281	\$ 2,249	0.83%
June	\$ 195,775	\$ 234,781	\$ 267,530	\$ 269,871	\$ 255,511	\$ (14,360)	-5.32%
July	\$ 210,758	\$ 216,641	\$ 222,961	\$ 224,909	\$ 238,328	\$ 13,419	5.97%
August	\$ 239,007	\$ 245,964	\$ 266,321	\$ -	\$ -	\$ -	0.00%
September	\$ 203,486	\$ 224,905	\$ 238,926	\$ -	\$ -	\$ -	0.00%
YTD Total	\$ 2,545,329	\$ 2,739,321	\$ 2,906,194	\$ 2,421,960	\$ 2,546,790	\$ 130,874	5.15%

CITY OF KERRVILLE
Economic Improvement Corporation
Capital Projects Fund - Summary
For the month ending July 31, 2015

Beginning Cash Balance		\$ 2,341,629
Income:		
Cailloux Theater Grants	\$ 263,474	
Total Income:	\$ 263,474	
Expenses:		
Chalk Festival	\$ 15,000	
4th on the River	\$ 24,950	
Transfer Out - Close Project #E62	\$ 51,273	
Cailloux Theater Expansion	\$ 754	
Total Expenses:	\$ 91,977	
Revenues Over (Under) Expenditures		\$ 171,497
Ending Cash Balance		\$ 2,513,126

CITY OF KERRVILLE
Economic Improvement Corporation
Project Status Summary
For the month ending July 31, 2015

Fiscal Years	Projects	Agreement Commitment	EIC Funded To Date	Total Funded	Expenses to Date	Project Balance
2012-13	Downtown Streetscape	\$ 35,100	\$ 35,100	\$ 35,100	\$ 34,412	\$ 688
2013-14	Cailloux Theater Expansion	\$ 850,000	\$ 850,000	\$ 1,113,474	\$ 67,601	\$ 1,045,873
2013-14	Habitat for Humanity	\$ 375,000	\$ 375,000	\$ 375,000	\$ 27,184	\$ 347,816
2014-15	Special Events FY15	\$ 100,000	\$ 83,700	\$ 83,700	\$ 74,950	\$ 8,750
2014-15	James Avery	\$ 1,220,000	\$ 610,000	\$ 610,000		\$ 610,000
2014-15	Ed Set Aside	\$ 500,000	\$ 500,000	\$ 500,000		\$ 500,000
TOTALS		\$ 3,080,100	\$ 2,453,800	\$ 2,717,274	\$ 204,147	\$ 2,513,126

Cash Balance on 7/31/2015 \$ 2,513,126

General Capital Improvement Projects - supported by EIC

Fiscal Years	Projects	Agreement Commitment	Total Funded	Expense To Date	To Balance
2011-12	River Trail	\$ 6,000,000	\$ 5,990,998	\$ 4,122,117	\$ 1,868,882
2011-12	Louise Hays/Lehmann Monroe parks	\$ 2,000,000	\$ 2,600,000	\$ 2,600,000	\$ (0)
	Funding Agreement - C2011-76Totals	\$ 8,000,000	\$ 8,590,998	\$ 6,722,117	\$ 1,868,882

Notes:

6/24/14 - Project adjustments - \$600,000.00 moved from River Trail project to Louise Hays/Lehman Monroe park improvements per EIC and City Council meetings - additional funding to replenish River Trail project to be requested by city staff from EIC at future EIC meeting.

9/22/14 - Project replenished - \$600,000.00 approved at EIC meeting related to Louise Hays/Lehman Monroe park improvements (see note above) reported on 9/30/14 financial report at October 2014 meeting.

Cash and Investments

For the month ending July 31, 2015

Cash and Investment Balances by Fund			
<u>City G/L Fund</u>	<u>Fund Name</u>	<u>Balance</u>	<u>Period</u>
40	Sales Tax Improvement Fund (operating fund)	\$ 3,306,731	7/31/2015
75	EIC Projects Fund (capital projects fund)	\$ 2,513,126	7/31/2015
Total Cash and Investments		\$ 5,819,857	7/31/2015

Cash and Investments by Type - Placement - Amount					
<u>Type</u>	<u>Investment Placement</u>	<u>Amount</u>	<u>Interest Earned</u>	<u>Interest Earned (Annualized)</u>	<u>Period Ending</u>
Cash	Wells Fargo Checking	\$ 2,071,297	\$ -	0.00%	7/31/2015
ST Investment	EIC TexPool	\$ 1,624,411	\$ 86.90	0.06%	7/31/2015
ST Investment	EIC TexStar	\$ 1,625,593	\$ 99.60	0.07%	7/31/2015
HILCO FCU	CD	\$ 248,980	\$ 116.25	0.56%	7/31/2015
Kerr County FCU	CD	\$ 249,576	\$ 204.96	0.99%	7/31/2015
Total Cash and Investments		\$ 5,819,857	\$ 507.71	0.10%	7/31/2015

Agenda Item:

3B. Projects update. (staff)
River Trail project
Cailloux Theater Support Facility

EIC Projects Update August 17, 2015

Cailloux Campus Support Facility:

HMC Construction started the site work at the Cailloux Campus Support Facility.

The anticipated completion date is the end of January.

Lowry Park Trail:

The bid opening was held on August 11th, the bids are under evaluation.

The award date is scheduled for August 25th.

Agenda Item:

4A. Review and consider amendments to the agreement for the property on Airport Commerce Park.

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

SUBJECT: Airport Commerce Park – Development Agreement and Zoning

FOR AGENDA OF: August 17, 2015 **DATE SUBMITTED:** August 13, 2015

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

EXHIBITS:

Citizen Agenda Bill by Bruce John Stracke, Brinkman Commercial Properties

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

Attached is an agenda bill submitted by Bruce John Stracke with Brinkman Commercial Properties that was considered by the City Council on August 11, 2015. Council took no action and asked staff to provide a recommendation at a future meeting.

Mr. Stracke will be present to provide a report to the EIC board.

RECOMMENDED ACTION

Staff requests additional discussion and direction from the EIC Board.

Citizen Agenda Bill

TO BE CONSIDERED BY THE CITY COUNCIL CITY OF KERRVILLE, TEXAS

SUBJECT OF REQUEST: Airport Commerce Park - Development Agreement and Zoning

AGENDA DATE: 8/11/2015

DATE SUBMITTED: 8/5/2015

REQUESTED/SUBMITTED BY: Bruce John Stracke - Brinkman Commercial Properties

PHONE NUMBER: 830-896-8888

ORGANIZATION REPRESENTING: Airport Commerce Park, LTD

MAILING ADDRESS: 821 Earl Garrett Street

CITY: Kerrville

STATE: TX

ZIP: 78028

EMAIL ADDRESS: brucejohn@brinkmancommercial.com

EXHIBITS/INFORMATION: Exhibits delivered digitally to Todd Parton and Ashlea Boyle Please give us a call to discuss any questions or issues - 830.896.8888

STAFF NOTE: Exhibits have been provided to the City Council in a separate packet. A complete packet of the exhibits is available upon request, 258-1118.

APPROVED FOR SUBMITTAL BY CITY MANAGER:

WILL THIS ITEM
REQUIRE CITY COUNCIL
TO AUTHORIZE THE
EXPEDITURE OF CITY
FUNDS?:

NO

IF YES, STATE AMOUNT
REQUESTED:

Field not completed.

DESCRIPTION AND
DETAILS OF REQUEST:

Airport Commerce Park (ACP) Development Agreement September 2001 - August 2021 I. For 14 years Airport Commerce Park Development Agreement has been inconsequential to industrial buyers A. City annexed 75.73 acres and 14.19 acres B. EIC funded \$630,000 toward water and sewer extensions to this and other tracts 1. One such property: the 29 acres Brinkman Commercial Properties sold to James Avery Craftsman for their new manufacturing facility C. Currently Planned Development District (PD-01-23) 1. 66 very specific uses that are not consistent with our current zoning districts D. Issues. 1. Development Agreement is a barrier to success. a) Repayment upon sales have not worked as intended for the city or owner (1) Developer Participation \$100,000 to be paid as land sold (a) Current balance per City Staff is approximately \$70,000 (b) Any contract for sale or lease will trigger the payment of the balance, whether to an end user or not. Recently a sale of ACP failed to local group in significant part to this \$70,000 repayment and the electricity provider being Bandera Electric Cooperative (BEC) rather than Kerrville Public Utility Board (KPUB). E. Need for City help with the following: 1. rezone the entire tract a) removing the existing PDD b) rezoning request to E-26 zoning (1) primarily manufacturing and industrial (2) professional offices, contractor yards and some retail sales 2. Terminate the Development Agreement a) currently the Development Agreement requires platting and development in short 12 month timelines whether the market is ready to absorb the development our not. (1) Allow development to suit the market as identified by Jonas Titus and actual end users rather previous sales II. How can we accomplish this? A. Allow the owner to rezone the property E-26 removing the PDD and bring the

property back into one of Kerrville's standard zoning districts B. Terminate the development agreement to remove the burdens that have stopped continued development over the years as Section VI, A, 2 allows 1. The best way to move this area forward is to allow the market to drive each phase of development like we see on the Avery project down the road. a) release the deed of trust requiring repayment on the properties b) remove the memorandum of development agreement c) limited well use and exclusive agreement for Water and Wastewater Services continues d) drilling of wells prohibited continues e) annexation service plan remains C. Work the City, Owners and KPUB work together with BEC to have KPUB service the parcel We are available anytime to provide further background or answer questions: Bruce John Stracke, Harvey Brinkman or Carl Henneke at 830.896.8888

**RECOMMENDED
COUNCIL ACTION:**

A. Allow the owner to rezone the property E-26 removing the PDD and bring the property back into one of Kerrville's standard zoning districts B. Terminate the development agreement to remove the burdens that have stopped continued development over the years as Section VI, A, 2 allows 1. The best way to move this area forward is to allow the market to drive each phase of development like we see on the Avery project down the road. a) release the deed of trust requiring repayment on the properties b) remove the memorandum of development agreement c) limited well use and exclusive agreement for Water and Wastewater Services continues d) drilling of wells prohibited continues e) annexation service plan remains C. Work the City, Owners and KPUB work together with BEC to have KPUB service the parcel

Agenda Item:

4B. Discussion and action regarding the Fiscal Year 2016 EIC budget. (staff)

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

SUBJECT: Adoption of FY2016 budget

FOR AGENDA OF: Aug. 17, 2015

DATE SUBMITTED: Aug. 13, 2015

SUBMITTED BY: Todd Parton
City Manager

CLEARANCES:

EXHIBITS: Proposed FY2016 Budget
Report – Harper Rd. @ IH-10 Interchange Improvements

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: 

Expenditure	Current Balance	Amount	Account
Required:	in Account:	Budgeted:	Number:
\$0	\$0	\$0	

PAYMENT TO BE MADE TO:

REVIEWED BY THE FINANCE DEPARTMENT:

SUMMARY STATEMENT

Attached is a copy of the proposed EIC budget for FY2016. The document contains a column that shows the budget discussed by the EIC at its last regular meeting. Another column has been added showing some modifications to the budget discussed by the City Council at its budget workshop held on August 4, 2015. City Council discussed the EIC budget since it is adopted as part of the city's overall budget.

The proposed modifications are highlighted in yellow and result from the addition of \$500,000 allocated for the preliminary design phase for improvements to Harper Road and IH-10. A copy of an engineering report outlining this project has been attached and shows scenarios for the full scope of the improvements. It is anticipated that the project would be built in multiple stages and this allocation would fund the required environmental studies and schematic design. City staff will discuss this project in detail at the EIC meeting.

RECOMMENDED ACTION

City staff recommends that the EIC take action to approve its FY2016 budget for consideration and approval by the City Council.

EIC - Proposed FY16 Budget - WORKSHEET

	FY15 Estimated	FY16 Proposal	FY16 Proposal #2	FY17 Projected	FY18 Projected	FY19 Projected	FY20 Projected	FY21 Projected
BEGINNING CASH BALANCE	\$2,873,663	\$3,617,851	\$3,617,851	\$3,625,381	\$3,377,650	\$3,232,053	\$3,232,053	\$2,011,162
REVENUE:								
Sales and Use Tax	\$3,082,996	\$3,206,316	\$3,206,316	\$3,302,505	\$3,368,555	\$3,536,983	\$3,678,463	\$3,788,816
Interest	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Transfers In	\$237,748							
TOTAL REVENUE	\$3,325,744	\$3,211,316	\$3,211,316	\$3,307,505	\$3,373,555	\$3,541,983	\$3,683,463	\$3,793,816
EXPENDITURES:								
Administrative								
Local Meeting - Workshops	\$100	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Advertising	\$100							
Transfer to General Fund Debt Service	\$621,406	\$1,108,882	\$1,108,882	\$1,114,736	\$1,118,653	\$1,115,536	\$1,118,853	\$1,112,636
Economic Development Governing Body	\$166,250	\$154,404	\$154,404	\$180,000	\$180,000	\$185,000	\$185,000	\$185,000
River Trail Funding	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative Services Fee	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Total Administrative	\$1,037,856	\$1,363,786	\$1,363,786	\$1,395,236	\$1,399,153	\$1,401,036	\$1,404,353	\$1,398,136
Category I - Business Development								
ED Set Aside	\$500,000	\$500,000	\$160,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
James Avery Craftsman	\$610,000	\$610,000	\$610,000					
Unspecified	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Category I	\$1,110,000	\$1,110,000	\$770,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Category II - Quality of Life								
Schreiner University Project								
Special Events	\$83,700							
Streetscape								
Baseball Complex								
Cailloux Theater Expansion	\$350,000							
Broadwalk								
Tennis Center				\$750,000	\$750,000			
LHP Lighting		\$250,000	\$250,000					
Olympic Pool		\$100,000	\$100,000					
Downtown Streetscape Enhancements								
Parking Garage		\$160,000	\$160,000					
Planter Boxes		\$20,000	\$20,000					
Street Furniture		\$100,000	\$100,000					
Water Feature				\$250,000				
Gateway Features					\$120,000			
Singing Wind Ball Fields					\$750,000			
Guadalupe Park Enhancements						\$1,500,000		
Unspecified	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Category II	\$433,700	\$630,000	\$470,000	\$1,160,000	\$1,620,000	\$1,500,000	\$0	\$0
Category III - Public Infrastructure								
Housing		\$100,000	\$100,000	\$500,000		\$500,000		\$500,000
Village West Utilities								
Water 1/2 cost								
Wastewater (line extension)							\$3,000,000	
IH10 @ FM 783			\$500,000					
Unspecified	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Category III	\$0	\$100,000	\$600,000	\$500,000	\$0	\$500,000	\$3,000,000	\$500,000
Contingency								
TOTAL EXPENDITURES	\$2,581,556	\$3,203,786	\$3,203,786	\$3,555,236	\$3,519,153	\$3,901,036	\$4,904,353	\$2,398,136
NET REVENUES TO EXPENDITURES	\$744,188	\$7,530	\$7,530	-\$247,731	-\$145,598	-\$359,053	-\$1,220,890	\$1,395,680
FUND BALANCE	\$3,617,851	\$3,625,381	\$3,625,381	\$3,377,650	\$3,232,053	\$2,873,000	\$2,011,162	\$3,406,843
Accumulated ED Set Aside	\$ 500,000	\$ 1,000,000		\$ 1,500,000	\$ 2,000,000	\$ 2,500,000	\$ 3,000,000	\$ 3,500,000
Accumulated ED Set Aside - Proposal #2	\$ 500,000	\$ -	\$ 660,000	\$ 1,160,000	\$ 1,660,000	\$ 2,160,000	\$ 2,660,000	\$ 3,160,000

**EXECUTIVE SUMMARY REPORT
AND CONCEPTUAL LAYOUT**

For

**Harper Rd. at IH-10
Interchange Improvements**

Submitted to:

City of Kerrville

Prepared by:



Bryan J. Spina, PE, CFM
Texas P.E. No. 103776

June 2015



Solutions Today with a
Vision for Tomorrow

engineers | architects | contractors
TBPE FIRM NO. F-366

CITY OF KERRVILLE

**Harper Rd. at IH-10 Interchange Improvements
Executive Summary and Conceptual Layout**

<u>SECTION</u>	<u>PAGE(S)</u>
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B. Conceptual Typical Sections	
C. Probable Project Cost Estimate Breakdown	
D. Overpass Alternate Option Conceptual Layout	
E. Overpass Alternate Option Probable Project Cost Estimate Breakdown	



CITY OF KERRVILLE

HARPER RD. AT IH-10 INTERCHANGE IMPROVEMENTS

EXECUTIVE SUMMARY

The City of Kerrville contracted with LNV, Inc. to provide a budgetary construction and engineering estimate, conceptual layout and an executive summary for improving the Harper Road (RM 783) at IH-10 interchange to a diamond interchange and a proposed east-bound two-way frontage road. The proposed improvements include a proposed west-bound exit from IH-10 to Harper Road, a proposed east-bound entrance to IH-10 from Harper Road, a proposed 5,000 linear foot long east-bound two-way frontage road to allow access to the properties abutting the south side IH-10 right-of-way, and a proposed exit ramp to the frontage road. In addition to the proposed interchange improvements the existing partial clover-leaf west-bound exit ramp and east-bound entrance ramp will be removed.

LNV, Inc has also developed a budgetary construction and engineering estimate and conceptual layout for an alternative option to provide a separate overpass with exit and entrance ramps to and from IH-10 for the proposed future road (shown as Town Creek Parkway on Attachment D) southeast of Harper Road.

Existing Conditions

The existing Harper Road interchange at IH-10 is a partial clover-leaf configuration. The west-bound exit and the east-bound on-ramp are circular clover-leaves and do not meet current freeway ramp design standards. The clover-leaf ramps were installed due to the location of Town Creek in relation to Harper Road. Town Creek is just east of Harper Road and typical diamond interchange ramps would have required the construction of bridges across Town Creek.

Another additional issue with IH-10 at Harper Road is the Harper Road Bridge does not provide enough vertical clearance along IH-10 main lanes for oversized loads. This means any trucks carrying oversized loads along IH-10 are routed through the City of Kerrville due to the clearance issue on IH-10 at Harper Road.

West-Bound IH-10 Improvements at Harper Road

The West-Bound IH-10 Improvements at Harper Road require the following improvements:

- Proposed (approximately 2,600 linear foot) exit ramp to line up with the existing on ramp at Harper Road to create a cross intersection and allowing continued use of the existing turn lane and bridge rail and metal beam guard fence.
- Exit ramp will consist of a 14 foot wide travel lane with a six (6) foot outside shoulder and two (2) foot inside shoulder. See **Attachment B** for the Ramp Typical Section.
- Proposed bridge to cross Town Creek.
- Proposed box culvert cross-structure to allow an existing drainage swale to drain properly to Town Creek.
- Demolition of the existing clover-leaf exit ramp.



To construct the proposed west-bound exit ramp, five (5) parcels of right-of-way acquisition will be required. The total acreage to be acquired would be approximately 13 acres of land. See **Attachment A** Conceptual Layout, for location of required parcels.

The following issues had to be considered in developing the conceptual layout of the West-Bound IH-10 Improvements:

- The existing west-bound entrance ramp cannot be adjusted to tie into Harper Road further to the south, as any adjustment to the south would eliminate the possibility of a left turn lane onto the entrance ramp and cause issues with the existing approach guard fence to the Harper Road bridge rail.
- Town Creek is angled towards Harper Road north of IH-10 and allows for limited space between Harper Road and Town Creek requiring the construction of a bridge just east of Harper Road.
- The available right-of-way just east of Harper Road at the existing west-bound entrance ramp location is limited.
- The limited right-of-way and proximity of Town Creek requires right-of-way acquisition for ramp improvements.

The probable construction cost of the West-Bound Improvements at Harper Road is **\$4,460,000**. Please see **Attachment A** for the Conceptual Layout of the proposed improvements and **Attachment C** for the Probable Project Cost Estimate Breakdown.

East-Bound IH-10 Improvements at Harper Road

The East-Bound IH-10 Improvements at Harper Road require the following improvements:

- Proposed (approximately 5,000 linear foot) two-way frontage road requested by the City of Kerrville.
- The two-way frontage road would consist of two 12 foot wide lanes with eight foot shoulders on each side and curb and a five (5) foot sidewalk on the south side. See **Attachment B** for the Frontage Road Typical Section.
- Proposed (approximately 1,000 linear foot) east-bound entrance ramp at the end of the two-way frontage road.
- A proposed east-bound exit ramp (approximately 1,600 linear feet) east of Harper Road to allow traffic to exit to the proposed frontage road and access the adjacent properties.
- Both the proposed entrance and exit ramp will consist of a 14 foot wide travel lane with a six (6) foot outside shoulder and two (2) foot inside shoulder. See **Attachment B** for the Ramp Typical Section.
- Proposed bridge to cross Town Creek.
- Two proposed storm drainage systems. One system to drain to Town Creek and one to drain to the Town Creek tributary 3,400 linear feet east of Town Creek.
- 60 foot extensions to the double barrel 120 inch corrugated metal pipe culvert at the Town Creek tributary.
- Demolition of the existing clover-leaf entrance ramp.
- Construction of an 8" water main extension along the proposed frontage road.



To construct the proposed extension to the double barrel 120 inch culvert, one (1) parcel of right-of-way acquisition will be required to allow for proper side slope tie-in from the proposed frontage road. The total acreage to be acquired would be approximately two (2) acres of land.

The following issues had to be considered in developing the conceptual layout of the East-Bound IH-10 Improvements:

- The existing east-bound exit ramp cannot be adjusted to tie into Harper Road further to the north, as any adjustment to the north would cause the elimination of a large oak tree and will cause issues with the existing approach guard fence to the Harper Road bridge rail.
- Close coordination between the City of Kerrville, TXDOT and FHWA will be necessary for approval of a two-way frontage road.
- The varying topography requires a considerable amount of fill material to construct the proposed frontage road and east-bound entrance and exit ramps.

The probable construction cost of the East-Bound Improvements at Harper Road is **\$9,660,000**. Please see **Attachment A** for the Conceptual Layout of the proposed improvements and **Attachment C** for the Probable Project Cost Estimate Breakdown.

Overpass Alternate Option

The Overpass Alternate Option would include the following improvements:

- Proposed overpass located approximately 6000 linear feet southeast of Harper Road near the location of a proposed future road (shown as Town Creek Parkway on Attachment D).
- Proposed diamond interchange with entrance and exit ramps to and from IH=10 at the proposed overpass.
- Both the proposed entrance and exit ramp will consist of a 14 foot wide travel lane with a six (6) foot outside shoulder and two (2) foot inside shoulder. See **Attachment B** for the Ramp Typical Section.

Additional Options to include with the Overpass Alternate Option

- Proposed (approximately 5,000 linear foot) two-way frontage road towards Harper Road with a dead-end at Town Creek.
- Proposed bridge to cross Town Creek and frontage road connection to Harper Road.
- Re-profiling of IH-10 main lanes under the Harper Road overpass to increase the bridge clearance to the height required for oversized high loads to pass safely under the bridge.

The following issues had to be considered in developing the conceptual layout of the East-Bound IH-10 Improvements:

- Close coordination between the City of Kerrville, TXDOT and FHWA will be necessary for approval of a two-way frontage road.
- The varying topography requires a considerable amount of fill material to construct the proposed frontage road and overpass.



The probable construction cost of the Overpass Alternate Option is **\$6,600,000**, the Frontage Road Additional Option is **\$4,470,000**, the Frontage Road Bridge and Connection to Harper Road Additional Option is **\$3,500,000**, and the Re-profiling of IH-10 Additional Option is **\$6,450,000**. Please see **Attachment D** for the Overpass Alternate Option Conceptual Layout and **Attachment E** for the Overpass Alternate Option and Additional Options Probable Project Cost Estimate Breakdown.

Engineering

The following Engineering Services are required to design the proposed improvements at Harper Road at IH-10:

- Schematic Design and Layout Services to develop a preliminary design schematic layout for TXDOT.
- Survey Services to topographically survey the project area, map the existing right-of-way and to create proposed right-of-way plats and field notes for property acquisition.
- Environmental Engineering Services to complete all environmental documents required by NEPA and to develop and submit any necessary Army Corp of Engineers permits.
- Geotechnical Engineering Services to conduct soil borings and provide a Geotechnical Report including foundation studies and pavement sections for the frontage road and exit/entrance ramps.
- Civil Engineering Services to design the roadway and drainage improvements and to develop and submit a Conditional Letter of Map Revision (CLOMR) and/or Letter of Map Revision (LOMR).
- Structural Engineering Services to design the bridge structures over Town Creek and any necessary retaining walls.

The probable engineering cost to design the Harper Road at IH-10 Interchange Improvements is **\$2,118,000**, see **Attachment C**. See **Attachment E** for the probable engineering costs for the Overpass Alternate Option and Additional Options.

Conclusion

In summary, the proposed Harper Road at IH-10 Interchange Improvements are:

- A proposed west-bound exit from IH-10 to Harper Road and demolition of the existing west-bound clover-leaf exit to create the west-bound portion of a diamond interchange at Harper Road.
- A proposed east-bound entrance to IH-10 from Harper Road and demolition of the existing east-bound clover leaf entrance to create the east-bound portion of a diamond interchange at Harper Road.
- A proposed 5,000 linear foot long east-bound two-way frontage road to allow access to the properties abutting the south side IH-10 right-of-way.
- A proposed exit ramp to the proposed frontage road approximately 1,600 linear feet east of Harper Road.
- Right-of-way acquisition of a total of six (6) parcels to construct the proposed improvements.

In development of the probable construction estimate, a pavement section consisting of a 2" hot-mix asphalt surface layer, an 8" hot-mix asphalt base layer, and an 8" lime-treated subgrade section was used. This section is similar to the pavement currently being used for the construction of a frontage road in the City of Boerne along IH-10.

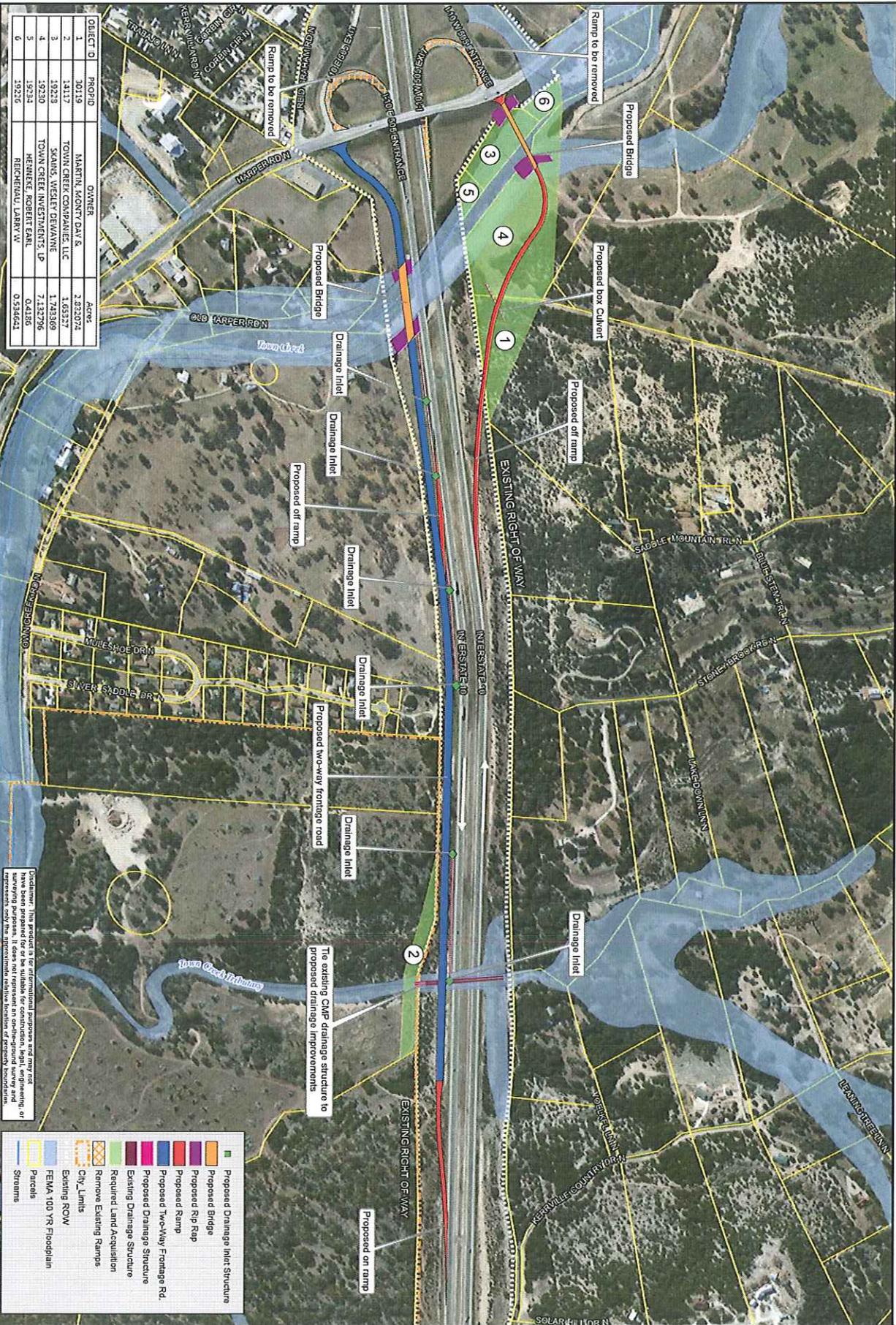


For all of the above proposed improvements, the Total Probable Project Cost is **\$16,238,000** based on current year costs. Below is a table showing the breakdown of costs and the total probable project cost in five years assuming a 5% increase in costs each year.

CONSTRUCTION	Amount
WEST BOUND EXIT RAMP	\$4,460,000.00
EAST BOUND FRONTAGE ROAD AND EXIT/ENTRANCE RAMPS	\$9,660,000.00
TOTAL PROBABLE CONSTRUCTION	\$14,120,000.00
TOTAL PROBABLE ENGINEERING (15%)	\$2,118,000.00
TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$16,238,000.00
TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$20,730,000.00

Note: The probable costs provided in this summary are for budgetary purposes only and are not to be used for engineering design purposes.





OBJECT ID	PROPID	OWNER	ACRES
1	10119	MARTIN, MONTY DAV S.	2.832024
2	14117	TOWN CREEK COMPANIES, LLC	1.65337
3	19273	SKANS, WESLEY DEWAYNE, III	1.793369
4	19230	TOWN CREEK INVESTMENTS, LP	7.132796
5	19234	HEINRICH, ROBERT EARL	0.4486
6	19216	REICHELTAU, LARRY W.	0.554641

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for construction, legal, engineering, or other professional use. The information contained herein represents only the approximate relative location of property boundaries.

- Proposed Drainage Inlet Structure
- Proposed Bridge
- Proposed Rip Rap
- Proposed Ramp
- Proposed Two-Way Frontage Rd
- Proposed Drainage Structure
- Existing Drainage Structure
- Required Land Acquisition
- Remove Existing Ramps
- City Limits
- Existing ROW
- FEMA 100 YR Floodplain
- Parcels
- Streams

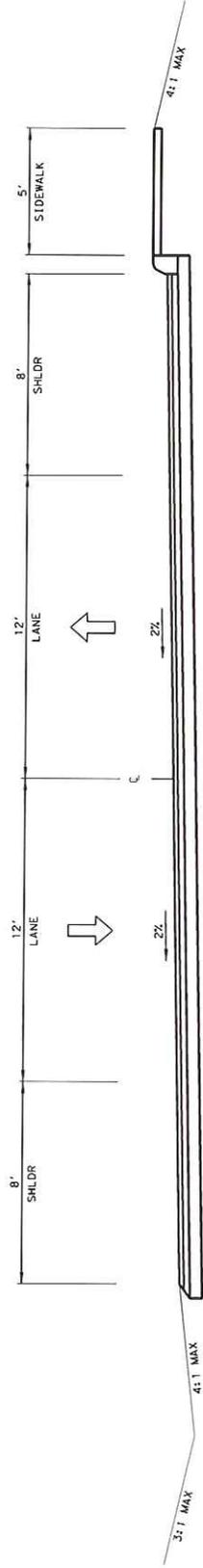
0 500 1,000 Feet

Harper Rd @ IH-10 Interchange Improvements Conceptual Layout

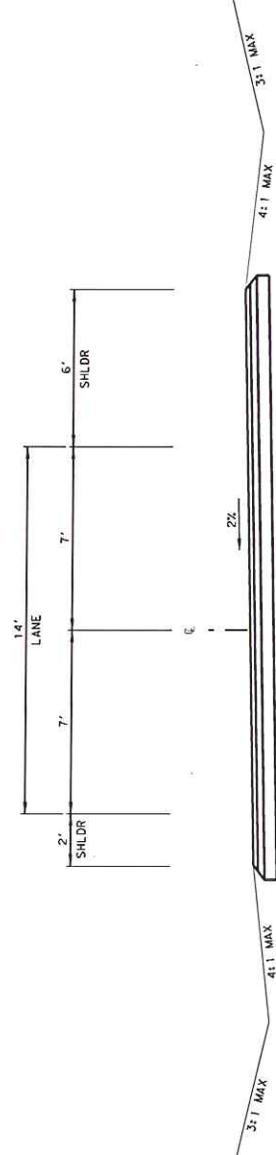
Kerrville, TX

ENV PROJ. NO.	150138
DATE	4/28/2015
SCALE	1 inch = 500 feet
FILE	B4-10 @ Harper Rd. 11x17
DRAFTED	JS

ATTACHMENT A



FRONTAGE ROAD TYPICAL SECTION
N.T.S.



RAMP TYPICAL SECTION
N.T.S.



engineers | architects | surveyors

9916 TESORO DR., STE. 401
TAMPA, FL 33617
TEL: 813.973.7827
WWW.LNVINC.COM

IH-10 @ HARPER RD.
INTERCHANGE IMPROVEMENTS

**CONCEPTUAL
TYPICAL SECTION**

ATTACHMENT B

DRAWN BY:	CHKD BY:	SHT NO.:
PROJECT NO.: 150138	DATE: 4/29/2015	

DISCLAIMER: THIS PRODUCT IS FOR INFORMATIONAL PURPOSES AND MAY NOT BE USED FOR ANY OTHER PURPOSES OR CONSTRUCTION. LEGAL, ENGINEERING, OR SURVEYING PURPOSES SHOULD CONSULT WITH THE APPROPRIATE PROFESSIONAL REPRESENTATIVE. THIS REPRESENTS ONLY THE APPROXIMATE RELATIVE LOCATION OF PROPERTY BOUNDARIES.

ATTACHMENT C

Harper Rd. at IH-10 Probable Project Cost Estimate Breakdown

Created by: LNV, Inc.

Date: 4/29/15

WEST BOUND EXIT RAMP

SECTION	AMOUNT
TRAFFIC CONTROL	\$184,760.00
ROADWAY	\$1,825,675.50
BRIDGE	\$1,197,990.00
SMALL STRUCTURES	\$227,000.00
EROSION CONTROL	\$47,900.00
PAVEMENT MARKING AND SIGNING	\$13,305.00
LAND ACQUISITION (EST. @ \$20,000/AC)	\$260,000.00
CONTINGENCY (~20%)	\$703,369.50
TOTAL PROBABLE CONSTRUCTION COST	\$4,460,000.00

EAST BOUND FRONTAGE ROAD AND EXIT/ENTRANCE RAMPS

SECTION	AMOUNT
TRAFFIC CONTROL	\$238,950.00
ROADWAY	\$4,739,451.00
BRIDGE	\$1,877,260.00
SMALL STRUCTURES	\$403,000.00
EROSION CONTROL	\$120,700.00
PAVEMENT MARKING AND SIGNING	\$39,100.00
LAND ACQUISITION (EST. @ \$20,000/AC)	\$40,000.00
WATER MAIN EXTENSION	\$600,000.00
CONTINGENCY (~20%)	\$1,601,539.00
TOTAL PROBABLE CONSTRUCTION COST	\$9,660,000.00

TOTAL OVERALL PROBABLE CONSTRUCTION COST	\$14,120,000.00
---	------------------------

TOTAL PROBABLE ENGINEERING (15%)	\$2,118,000.00
---	-----------------------

TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$16,238,000.00
--	------------------------

TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$20,730,000.00
--	------------------------

Note: The probable costs provided above are for budgetary purposes only and are not to be used for engineering design purposes.



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0 750 1,500 Feet

Overpass Alternative Option Conceptual Plan

Kerrville, TX

LNV PROJ. NO.	150138
DATE	6/1/2015
SCALE	1 inch = 750 feet
FILE	B4-10 Kerrville Overpass
DRAFTED	JS

**ATTACHMENT
D**

ATTACHMENT E

Overpass Alternate Option Probable Project Cost Estimate Breakdown

Created by: LNV, Inc.

Date: 5/27/15

OVERPASS AND EXIT/ENTRANCE RAMPS

SECTION	AMOUNT
ROADWAY	\$4,386,576.00
BRIDGE	\$1,100,000.00
CONTINGENCY (~20%)	\$1,113,424.00
TOTAL PROBABLE CONSTRUCTION COST	\$6,600,000.00

TOTAL PROBABLE ENGINEERING (15%)	\$990,000.00
---	---------------------

TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$7,590,000.00
--	-----------------------

TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$9,690,000.00
--	-----------------------

EAST BOUND FRONTAGE ROAD WITH DEAD-END AT TOWN CREEK

SECTION	AMOUNT
ROADWAY	\$3,723,100.00
CONTINGENCY (~20%)	\$746,900.00
TOTAL PROBABLE CONSTRUCTION COST	\$4,470,000.00

TOTAL PROBABLE ENGINEERING (15%)	\$670,500.00
---	---------------------

TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$5,140,500.00
--	-----------------------

TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$6,570,000.00
--	-----------------------

Note: The probable costs provided above are for budgetary purposes only and are not to be used for engineering design purposes.

ATTACHMENT E

Overpass Alternate Option Probable Project Cost Estimate Breakdown

Created by: LNV, Inc.

Date: 5/27/15

FRONTAGE ROAD BRIDGE AND CONNECTION TO HARPER RD.

SECTION	AMOUNT
ROADWAY	\$1,342,385.00
BRIDGE	\$1,577,260.00
CONTINGENCY (~20%)	\$580,355.00
TOTAL PROBABLE CONSTRUCTION COST	\$3,500,000.00

TOTAL PROBABLE ENGINEERING (15%)	\$525,000.00
---	---------------------

TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$4,025,000.00
--	-----------------------

TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$5,140,000.00
--	-----------------------

REPROFILING OF IH-10

SECTION	AMOUNT
ROADWAY	\$5,370,400.00
CONTINGENCY (~20%)	\$1,079,600.00
TOTAL PROBABLE CONSTRUCTION COST	\$6,450,000.00

TOTAL PROBABLE ENGINEERING (15%)	\$967,500.00
---	---------------------

TOTAL PROBABLE PROJECT COST (YEAR 2015)	\$7,417,500.00
--	-----------------------

TOTAL PROBABLE PROJECT COST (YEAR 2020 W/ 5% INCREASE/YEAR)	\$9,470,000.00
--	-----------------------

Note: The probable costs provided above are for budgetary purposes only and are not to be used for engineering design purposes.

Agenda Item:

5A. Multiyear Economic Development Grant Agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerr Economic Development corporation in an amount not to exceed \$520,000. (staff)

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

SUBJECT: Public hearing and consideration of a multiyear economic development grant agreement between the City of Kerrville, Texas Economic Improvement Corporation and the Kerr Economic Development Corporation in an amount not to exceed \$520,000

FOR AGENDA OF: August 17, 2015

DATE SUBMITTED: August 12, 2015

SUBMITTED BY: Ashlea Boyle *AB*
Special Projects Manager

CLEARANCES: Todd Parton
City Manager

EXHIBITS: Economic Development Grant Agreement between the EIC and KEDC

AGENDA MAILED TO:

APPROVED FOR SUBMITTAL BY CITY MANAGER: *TP*

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 July 20, 2015, the EIC approved KEDC's funding request in the amount of \$154,404. Attached is the corresponding economic development grant agreement between the EIC and KEDC. The term is October 1, 2015 through September 30, 2016 with eligibility for two additional terms. The total grant through the term of this agreement shall not exceed \$520,000.

RECOMMENDED ACTION

Staff recommends holding a public hearing and consideration and approval of the agreement as presented.

ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN KERR ECONOMIC DEVELOPMENT CORPORATION (KEDC) AND THE CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

This Agreement entered into by and between **KERR ECONOMIC DEVELOPMENT CORPORATION** (“KEDC”), a Texas nonprofit corporation, acting herein by and through its duly authorized officer, Jonas Titas (“KEDC Executive Director”), and the **CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION** (“EIC”), a Texas nonprofit corporation established pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 (otherwise known as the Development Corporation Act of 1979 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code) (hereafter referred to as “the Act”), acting by and through its duly authorized President, David Wampler.

WITNESSETH:

WHEREAS, the EIC was formed to administer the sales and use tax approved by the citizens of Kerrville, Texas, in May 1995 and collected for projects to enhance economic development and/or the quality of life within the Kerrville area; and

WHEREAS, pursuant to the Act, the EIC is authorized to provide funding for promotional expenses, such expenses which are used to advertise or publicize the City for the purpose of developing new and expanded business enterprises; and

WHEREAS, KEDC is a 501(c)6 private non-profit entity whose purpose is to support and promote the retention, expansion, and attraction of business entities in Kerr County in a manner that complements the efforts of its economic development partners and enhances the quality of life for residents of Kerrville and surrounding areas; and

WHEREAS, KEDC has applied for funding from the EIC for marketing to expand and increase its efforts toward the promotion of economic development in the Kerrville area; and

WHEREAS, the EIC finds that the formation of the KEDC was intended to promote and develop new or expanded business enterprises and to foster the creation or retention of “primary jobs,” as that term is defined by the Act; and

WHEREAS, Section 505.102 of the Act provides that a Type B corporation may contract with another private corporation to (1) carry out an industrial development program or objective; or (2) assist with the development or operation of an economic development program or objective consistent with the purposes and duties specified by the Act; and

WHEREAS, pursuant to Section 505.103 of the Act, the EIC is limited to spending not more than 10 percent of its current annual revenues for promotional expenses in any given year; and

WHEREAS, EIC has determined that such a grant (“Grant”) complies with the Act and is in keeping with the mission of EIC and *City of Kerrville Economic Improvement Corporation 4B Sales Tax Funding Request Guidelines and Procedures* in that it will enhance business development and/or the “quality of life” within the community; and

WHEREAS, EIC finds that it will be in the public interest to enter into an agreement with KEDC to provide sales tax revenues collected pursuant to the Act (“4B Revenues”) to KEDC for costs related to marketing expenses for economic development; and

WHEREAS, on August 17, 2015, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, EIC held a public hearing pursuant to Section 505.159 of the Act related to the proposed expenditure of 4B revenues for the purposes provided above;

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

**ARTICLE I.
EIC’S OBLIGATIONS**

- A. Subject to terms found elsewhere in this Agreement, EIC hereby grants KEDC funding up to the following annual amounts during the term of this Agreement.
- (1) EIC will pay KEDC \$154,403.84 for the initial period of this Agreement, said period to begin on October 1, 2015, and end on September 30, 2016. EIC will make a full payment in this amount to KEDC on or before October 31, 2015.
- (2) KEDC, subject to Sections 1.C and 1.D., is eligible to receive an amount up to \$180,000.00 for each of the remaining two years of this Agreement, said time periods to run from October 1 through September 30 of the following years.
- B. EIC’s payments to KEDC are solely intended for KEDC’s costs directly related to: i) carrying out an industrial development program or objective as more specifically described in Section II., below; and ii) assisting with the development and operation of an economic development program or objective consistent with the purposes and duties specified by the Act. Such activities are collectively referred to herein as “Economic Development.”
- C. Payments to be made by EIC to KEDC for the second and third year of this Agreement are subject to the following:
- (1) EIC’s appropriation of funds for such payments in the budget year for which they are paid. Any payment made by EIC to KEDC must be made solely from the annual budgeting and appropriations of EIC. In the event that EIC does not appropriate funds in any fiscal year for payments under this Agreement, EIC will not be liable to KEDC for any such or future payments and KEDC will have the right to terminate this Agreement; and
- (2) EIC’s annual review, consideration, and approval of KEDC’s fulfillment of its obligations, as specified within ARTICLE II.
- D. Where EIC determines that a yearly payment should be made to KEDC, EIC shall make said yearly payment in full on or before October 31 of that year.

- E. In no event shall the total amount of the Grant from EIC to KEDC exceed Five Hundred Twenty Thousand and No/100 Dollars (\$520,000.00).
- F. KEDC specifically agrees that EIC shall only be liable to KEDC for the actual amount of the Grant to be conveyed to KEDC and shall not be liable to KEDC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or costs of court for any act of default by EIC under the terms of this Agreement.

**ARTICLE II.
KEDC'S OBLIGATIONS**

- A. Pursuant to the purposes for which the Grant was awarded and in strict accordance with Section 505.102 of the Texas Local Government Code, KEDC shall use the Grant for only those costs directly resulting from its Economic Development. Toward this end, KEDC will conduct Economic Development pursuant to its adopted "mission", "objectives", and "target markets" as specified in **Exhibit A**. In addition, in fulfilling its obligations under this Agreement, KEDC shall comply fully with its "Strategic Plan" pursuant to the document of the same name and dated July 29, 2010, and which is attached as **Exhibit B**. KEDC may not change its mission, objectives, or Performance Measures without providing prior written notice to EIC.
- B. KEDC shall hire and employ sufficient professional personnel to perform its Economic Development obligations, including but not limited to, an Executive Director ("Director").
- C. KEDC shall maintain complete and accurate records relating to the costs and expenditures made for Economic Development as specified in **Exhibit C**. KEDC shall maintain such records separate and identifiable from its other records and for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect the records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice.
- D. KEDC, either through its Director or another representative, must appear at each regular meeting of the EIC or make a presentation regarding its Economic Development pursuant to a regularly posted agenda item, which may include meeting with the EIC in executive session pursuant to II.E., below. Where appropriate, the Director or KEDC representative will provide written documentation to support the presentation. The regular meeting is scheduled for the third Monday of each month and where neither the Director nor KEDC's representative is able to attend this meeting, the Director must provide prior, written notice to the EIC of this absence.
- E. KEDC understands that the EIC may, in accordance with state law, vote to deliberate certain matters in executive session including, but not limited to: i) where the public discussion of the subject would have a detrimental effect on the EIC's negotiating position; ii) where the subject concerns commercial or financial information that the EIC has received from a business prospect that the EIC is seeking to have locate, stay, or expand within the Kerrville area and with which the EIC is conducting economic development negotiations; and/or iii) to deliberate the offer of a financial or other incentive to a business prospect. Toward this end

and with an understanding of KEDC's performance of its Economic Development obligations, the EIC may believe that the presence of the Director in executive session is necessary for deliberation and that the Director's interest is not adverse to the EIC's interests. However, at any time where the Director believes that his interests may be adverse to the EIC's interests, the Director will immediately notify the EIC of this issue, the specifics thereof, and will not take part in the executive session.

- F. KEDC shall only be liable to EIC for the actual amount of the Grant to be conveyed to KEDC and shall not be liable to EIC for any other actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by KEDC under the terms of this Agreement.

**ARTICLE III.
KEDC'S REPRESENTATIONS AND WARRANTIES**

- A. KEDC represents and warrants as of the date hereof:
- (1) KEDC is a Texas 501(c)6 private non-profit corporation existing in good standing and authorized to do business in the State of Texas;
 - (2) Execution of this Agreement has been duly authorized by KEDC and this Agreement is not in contravention of KEDC's corporate charter, or any agreement or instrument to which KEDC is a party or by which it may be bound as of the date hereof;
 - (3) No litigation or governmental proceeding is pending, or, to the knowledge of KEDC Officer, threatened against or affecting KEDC, which may result in a material adverse change in KEDC's business, properties or operations sufficient to jeopardize KEDC's legal existence; and
 - (4) No written application, written statement or correspondence delivered by KEDC to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of KEDC Officer, contains any untrue statement of a material fact or fails to state any material fact necessary to keep the statements contained therein from being misleading.
- B. Except as expressly set forth in this Article III, KEDC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE IV.
EIC'S REPRESENTATIONS AND WARRANTIES**

- A. EIC represents and warrants as of the date hereof:
- (1) EIC, to the best of the knowledge of its Board of Directors, is legally authorized to enter into this Agreement by virtue of the statute under which it is governed and by the authorities and powers vested in it as a corporation duly and properly organized under the Act;

- (2) Execution of this Agreement has been duly authorized by EIC;
 - (3) No litigation or governmental proceeding is pending, or, to the knowledge of any of EIC's officers, threatened against or affecting EIC, which may result in EIC's inability to meet its obligations under this Agreement; and
 - (4) EIC has no reasonable basis for believing that it has or will have incurred debts beyond its ability to pay as such debts mature, including but not limited to the obligations set forth in this Agreement.
- B. Except as expressly set forth in this Article IV, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

**ARTICLE V.
MAJOR FORCES PREVENTING KEDC FROM CARRYING
OUT ITS OBLIGATIONS UNDER THIS AGREEMENT**

If, by reason of force majeure, such as fire, flood, windstorm, drought, or other act of God, act of war, act of terrorism, labor strike, or economic downturn affecting KEDC, KEDC is reasonably unable to fulfill its obligations under this Agreement, KEDC shall use reasonable and diligent efforts to rectify the situation to allow it to perform its obligations specified herein with all due haste. In the event that the situation cannot be rectified within six (6) months after the occurrence of the force majeure, either party may terminate this Agreement by providing thirty (30) days advance written notice to the other without further liability hereunder. To the extent that KEDC has not expended funds from the Grant, KEDC shall immediately, but in any event within ten (10) days, return such funding to the EIC and to other funding stakeholders on a pro-rata basis.

**ARTICLE VI.
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 KEDC, suspend its further performance under this Agreement until such time as KEDC shall have cured the condition(s) and so notified EIC, in writing, that the condition(s) have been cured:

- A. The KEDC 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 KEDC, or of all or any substantial part of its property, and the failure of such receiver to be discharged within sixty (60) days thereafter.
- C. The adjudication of KEDC as bankrupt.

- D. The filing by KEDC 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 KEDC within a period of three (3) months EIC may, at its option, with written notice to KEDC, terminate this Agreement and KEDC shall have no further obligations hereunder.

ARTICLE VII. REMEDIES

- A. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, by any party hereto, or any successor to such party, such defaulting or breaching party (or successor) shall upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In the event that remedial action is not taken or not diligently pursued and the default or breach shall not be cured or remedied within a reasonable time (but in no event later than ninety (90) days from the date of notification of such breach), the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including but not limited to, seeking specific performance and/or injunctive relief, enforcement by mandamus or by the appointment of a receiver in equity with power to charge and collect rents, purchase price payments, and loan payments and to apply the revenues from the project in accordance with this Agreement, as required by the Act.
- B. Upon breach of this Agreement by either party and the failure to cure as permitted by this Article VII, the non-breaching party shall have the sole right and discretion to either terminate this Agreement or pursue any and all remedies which may be provided by law and this Agreement. Each party acknowledges and agrees that no party hereunder shall be entitled to recover any amounts in excess of the Grant contracted for under this Agreement and that no party hereunder shall be liable to the other party for any other actual or consequential damages for any act of default by such party under the terms of this Agreement.
- C. Any delay by any party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not, so long as the breach or default by another party shall be continuing, operate as a waiver of such rights or to deprive it of or limit such rights in any way; nor shall any waiver in fact be made by any party with respect to any specific default by any other party except to the extent specifically waived in writing.

ARTICLE VIII. GENERAL PROVISIONS

- A. Severability. The provisions of this Agreement are severable, and if for any reason a provision of this Agreement is determined to be invalid by a court having competent jurisdiction over the subject matter of the invalid provision, the invalidity shall not affect other provisions that can be given effect without the invalid provision. Further, in lieu of

such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement, a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

- B. Amendment. This Agreement may be amended only by written amendment signed by both parties.
- C. Venue. All payments made pursuant to this Agreement and other obligations performed under this Agreement shall be made or performed in Kerrville, Kerr County, Texas. Venue shall lie in Kerr County, Texas; and this Agreement shall be governed by and construed in accordance with the laws of the State of Texas without respect to the conflict of laws rules thereof.
- D. Notices. All notices given with respect to this Agreement shall be in writing and shall be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:
1. EIC
President
City of Kerrville, Texas, Economic Improvement Corporation
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

With a copy to:
City Manager
City of Kerrville
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850
 2. KEDC
1700 Sidney Baker Suite 100
Kerrville, Texas 78028
Phone: (830) 896-1175
- E. Assignment. This Agreement shall be binding upon the parties hereto and their successors and assigns. This Agreement may not be assigned by either party without the specific prior written consent of the other, which consent will not be unreasonably withheld. In the event that a party consents to any valid assignment of this Agreement by the other party hereto, the

assigning party shall be relieved of any and all obligations and liabilities on the part of such assigning party under this Agreement. KEDC may, without written consent of EIC, assign this Agreement to any entity controlled and 100 percent owned by KEDC or by the parent, subsidiary or affiliate of KEDC provided the entity assumes all of KEDC's obligations and liabilities under this Agreement; agrees to comply with all provisions of this Agreement; has the legal, managerial, technical and financial ability to properly perform and discharge such obligations and liabilities; and such abilities are each at least as great as those of KEDC and KEDC provides a written guarantee of such assignee's performance in a form reasonably acceptable to EIC. EIC shall be advised in writing of such assignment and of the entity's qualifications at least sixty (60) days before such assignment occurs.

- F. Parties In Interest. Nothing in this Agreement shall entitle any party other than KEDC or EIC to any claim, cause of action, remedy or right of any kind except as expressly provided in Article VII.
- G. Term. The term of this Agreement (the "Term") shall commence on October 1, 2015 (the "Effective Date"), and shall terminate on the earlier of: (i) September 30, 2018; (ii) when terminated by mutual agreement of the parties; (iii) when terminated pursuant to Article VII; (iv) at KEDC's sole and absolute discretion but only upon and subject to KEDC's return of all Grant funding to EIC that it has received under this Agreement; or, (v) upon KEDC's repayment of all monies that are demanded by EIC. Upon termination of this Agreement as specified herein, all rights, duties and obligations of any kind under this Agreement shall automatically expire and terminate and be of no other force and effect.
- H. Interpretation. Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement shall therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arms length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
- I. Indemnity. **IT IS UNDERSTOOD AND AGREED BETWEEN THE PARTIES THAT KEDC, IN PERFORMING ITS OBLIGATIONS HEREUNDER, IS ACTING INDEPENDENTLY, AND EIC ASSUMES NO RESPONSIBILITY OR LIABILITY IN CONNECTION THEREWITH TO KEDC. KEDC AGREES TO INDEMNIFY AND HOLD HARMLESS EIC, ITS OFFICERS AND AGENTS, AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS THAT MAY ARISE OUT OF OR BE OCCASIONED BY KEDC'S BREACH OF ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT OR BY ANY NEGLIGENT ACT OR OMISSION OF KEDC, ITS OFFICER, AGENTS, ASSOCIATES OR EMPLOYEES, IN THE PERFORMANCE OF THIS AGREEMENT; AND NOTHING HEREIN SHALL BE CONSTRUED AS A WAIVER OF ANY GOVERNMENTAL IMMUNITY AVAILABLE TO EIC UNDER TEXAS LAW.**

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

EXECUTED AND EFFECTIVE, as of the date indicated above, by the City of Kerrville, Texas, Economic Improvement Corporation, by and through its Board President, duly authorized to execute same by action of the Board, and by Kerrville Economic Development Corporation, acting through its duly authorized official.

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

**KERRVILLE ECONOMIC
DEVELOPMENT CORPORATION**

David Wampler, President

By: _____
Jonas Titas, Executive Director

ATTEST:

Rex Boyland, Secretary to the Corporation

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

EXHIBIT A

MISSION

“To Retain Existing Jobs and Create New Job Opportunities in Kerrville and Kerr County.”

OBJECTIVES

- Leverage City/County/Municipal resources and financial positions to support job creation and retention through the efforts of highly experienced staff.
- Expand the capacity of Kerrville/Kerr County to compete with other regions by developing programs/initiatives that support the growth and development of the private sector, including Business Retention and Expansion.
- Develop and implement a comprehensive marketing/communication strategy aimed at branding and positioning the City and County as one of America’s best places to do business.
- Facilitate the development of economic development projects by structuring deals that fully leverage public investment (land, bonds, grants) with private capital, and yield a reasonable return on investment (tax base, job creation, and business creation) to local taxpayers over the long term.
- Function as the central point of communication for job development, retention and expansion progress and strategy among local municipalities, regional economic development, civic and non-profit community organizations.

TARGET MARKETS

- Aviation
- Energy
- Light Manufacturing
- Craft Agriculture
- Hotel/Conference Center



EXHIBIT B

KEDC Strategic Planning Session Notes

September 4, 2014

Goals for the Next 18 months

1. Better communicate our mission to our Stakeholders and Kerrville
2. Work on community perception of KEDC
3. Invest in materials to help promote KEDC, current website, and our achievements
4. Create elevator speech
5. Hold regular Strategic Planning Sessions to continue writing new Strategic Plan
6. Link KEDC website with the new Kerrville Alive website
7. Continue site readiness on Airport Industrial Property and potential development
8. Resolve Non-Profit status

Individual Notes

Topic: KEDC Organization Advancement and Leadership (Do this first)

- **Communicate our mission to Kerrville and local groups**
- **Create elevator speech (KEDC role, wins, mission, vision, strategies)**
- **Pitch elevator speech to KEDC Stakeholders**
- **Invest in materials to promote KEDC, website, and our achievements**
- **Expand KEDC presence and role**
- **Spearhead effort to get a community-wide vision of what Kerrville should look like in 10-20 yrs**
- Be recognized as primary entity that ushers new and existing business and jobs into community
- Do PowerPoint presentations at various community Boards (Rotary, SU, County, EIC, etc)
- Get on City Council, Comm. Court, KISD, KPUB agendas regularly to provide updates, wins, vision, strategies
- Hold workshops with all Stakeholders with facilitator to work through issues and get common focus
- Stakeholder support – look for 10 year commitment from current Stakeholders
- Brochure/one page handout listing KEDC's annual achievements
- Create/maintain/improve KEDC credibility

Topic: Internal Communication and Collaboration

- **Promote KEDC successes to Kerrville community**
- **Hold periodic Strategic Planning Sessions (1-2 times per year)**
- **Add KEDC link to Kerrville Alive website**
- **Improve communication within community regarding success**
- **Stakeholder newsletter, annual report**

- Hold annual meetings with Stakeholders and KEDC Board, get input
- Hold periodic strategy sessions
- Quarterly updates with Stakeholders
- Develop community-wide vision, get buy-in from Stakeholders to support 10-20 yr plan
- Market KEDC to our Board/marketing plan to sell to Stakeholders and community
- Establish relationship with all media outlets to communicate economic data on regular basis (newspaper, chamber, radio, TV, public speaking)
- Piggy back on Kerrville Alive marketing materials
- Work with like organizations to establish communication vehicle
- Define destination retail
- Figure out a way to solve issue with the local paper and Kerr County

Topic: Advancing Our Physical Infrastructure and Built Space

- **Airport: develop site plan to promote project, market property, build spec building, ask for community support for project, City/County \$ for site prep**
- **Promote available properties on website**
- **Develop list of available space/land**
- Real estate opportunities with virtual renderings
- Public/private partnership (P3) real estate investment plan
- Establish road map to growing our tourism opportunities (Conv. Center, hotel, wine/craft ag)
- Promote quality of life projects/progress to leverage into primary jobs
- West Village: develop cost estimates for spec building, collaborate with CoK for utilities, commercial zoning, Enterprise Fund Grant for infrastructure

Topic: Entrepreneurship and Innovation

- **Partner with Hill Country Telecommunications on promoting our high-speed data infrastructure**
- **Look into loan guarantee program possibilities**
- **Investigate start-up capital programs for new and small business development**
- Identify industry based on local strengths
- Work with SBDC on incubator
- Research, review maker space model – does it fit here?

Topic: Align Talent/Education

- **Better utilize Alamo College**
- **Find out what local employers need, market to Alamo College and schools**
- Partnerships with local employers and education organizations
- Work better with local education providers
- Grant writing support

Etc.

- Convention center – find a way to jointly fund it, govt/private \$
- Business involvement – get local leaders aboard
- Work to overcome egos that negatively impact progress
- Improve community understanding of the role of KEDC
- Develop and communicate risk proposition
- Present a clear business case for each project, post
- Primary job creation; show primary job growth on a consistent basis “measurable results”
- Internal marketing; establish viability as an organization
- New/small business toolkit and support
- Get County/City cooperation
- Refine real estate strategy
- Affordable housing
- Continue and strengthen common vision and mission within KEDC
- Identify one “bold” initiative to defend against agreed risk
- Find new Stakeholders

**Kerrville Economic Development Corporation
2015/2016 Budget**

	FY 12/13	FY 13/14	FY 14/15	FY 15/16	Per EIC Req.
Income					
City of Kerrville	14,500.00	17,500.00	16,250.00	23,750.00	20,865.38
EIC	127,000.00	60,000.00	166,250.00	175,750.00	154,403.84
Kerr County	14,500.00	17,500.00	16,250.00	23,750.00	20,865.38
KPUB	14,500.00	17,500.00	16,250.00	23,750.00	20,865.38
Other Income	-	-	-	-	-
Total Income	170,500.00	112,500.00	215,000.00	247,000.00	216,999.98
Expense					
Business Expenses	54,550.00	42,000.00	34,000.00	34,500.00	34,500.00
Contract Services	5,000.00	2,000.00	7,500.00	5,000.00	5,000.00
Operations	32,517.00	20,139.00	18,780.00	19,850.00	19,850.00
Other Types of Expenses	2,000.00	1,100.00	900.00	900.00	900.00
Payroll Expenses	151,723.60	149,794.00	160,420.00	171,281.60	171,281.60
Travel & Meetings	23,500.00	20,000.00	20,500.00	25,000.00	25,000.00
Total Expenses	269,290.60	235,033.00	242,100.00	256,531.60	256,531.60
Net Income:		-122,533.00	-27,100.00	-9,531.60	-39,531.62