



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

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

Instructions for callers:

Dial one of the following numbers:
800-832-5611 (Toll Free) or
346-248-7799 or 253-215-8782

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

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

The Meeting ID is **972 7413 6084#**

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

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

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

Instructions for written comments:

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

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

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

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



ECONOMIC IMPROVEMENT CORPORATION AGENDA
MARCH 1, 2021, 4:00 PM
Kerrville City Hall Council Chambers
701 Main Street, Kerrville, Texas

The purpose of the Economic Improvement Corporation is to improve economic prosperity in the City of Kerrville.

1 CALL TO ORDER

2 INVOCATION

3 VISITORS / CITIZENS FORUM:

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

4 APPROVAL OF MINUTES:

4.A. [Minutes from the regular EIC meeting held on December 14, 2020](#)

Attachments:

[EIC 12-14-2020.pdf](#)

5 MONTHLY REPORTS:

5.A. [Kerr Economic Development Corporation \(KEDC\) update](#)

5.B. [Kerrville Economic Improvement Corporation \(EIC\) project status update](#)

Attachments:

[EIC Project Update - 20210215.pdf](#)

5.C. [Monthly Financial Report](#)

Attachments:

[20210215_Presentation_January Financial Update.pdf](#)

[EIC debt considerations.pdf](#)

6 CONSIDERATION AND POSSIBLE ACTION:

6.A. Application for funding from the Kerrville Christmas Lighting Corporation to enhance electrical infrastructure on Tranquility Island.

Attachments:

[20210301_KCLC EIC Packet \(002\).pdf](#)

6.B. Requested Amendment to the Economic Development Grant Agreement between the Doyle School Community Center, Inc. and the City of Kerrville, Texas Economic Improvement Corporation.

Attachments:

[2020-22 EIC Grant Agreement between Doyle School Community Center and EIC \(002\).pdf](#)

[Doyle Handout of presentation 2.2021 \(002\).pdf](#)

6.C. Review Payment Terms for the Loan Agreement and Promissory Note between Kerrville Public Utility Board and City of Kerrville Texas.

Attachments:

[2020-64 Loan Agreement City of Kerrville and KPUB - Killdeer Mountain Manufacturing.pdf](#)

7 EXECUTIVE SECTION:

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

7.A. Application for funding from the Kerrville Christmas Lighting Corporation to enhance electrical infrastructure on Tranquility Island. (551.071, 551.087)

7.B. Requested Amendment to the Economic Development Grant Agreement between the Doyle School Community Center, Inc. and the City of Kerrville, Texas Economic Improvement Corporation. (551.071, 551.072, 551.087)

7.C. Requested Amendment to the Economic Development Grant Agreement between James Avery Craftsman and the City of Kerrville, Texas Economic Improvement Corporation.

8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

9 ITEMS FOR FUTURE AGENDAS:

10 ANNOUNCEMENTS:

11 ADJOURN.

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

I hereby certify that this agenda was posted as notice of the meeting on the bulletin board at the City Hall of the City of Kerrville, Texas, and on the City's website on the following date and time: 2/26/2021 at 3:55 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Kesha Franchina

Kesha Franchina, Deputy City Secretary, City of Kerrville, Texas



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



SUBJECT: Minutes from the regular EIC meeting held on December 14, 2020

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 05, 2021

SUBMITTED BY: Kesha Franchina

EXHIBITS: [EIC 12-14-2020.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
NA	NA	NA	NA

PAYMENT TO BE MADE TO: NA

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Approval of regular EIC meeting held on December 14, 2020

RECOMMENDED ACTION:

Approve minutes

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION
REGULAR MEETING – DECEMBER 14, 2020**

On Monday, December 14, 2020, at 4:00 p.m. the regular meeting of the City of Kerrville, Texas Economic Improvement Corporation, was called to order by President Gregory Richards, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

Members Present:

Danny Almond, Vice President
Don Barnett
Gary Cochrane
Kent McKinney
Maggie Megee
Gregory Richards, President
Aaron Yates

Members Absent: None

City Executive Staff Present:

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

1 INVOCATION: Vice President Danny Almond offered the invocation.

2 VISITORS PRESENT: No Citizens were present. Theresa Metcalf (KEDC). In addition, a ZOOM webinar was offered.

3 APPROVAL OF MINUTES:

3.A. Minutes from the regular EIC meeting held on October 19, 2020

Maggie Megee moved to approve the minutes as presented. Kent McKinney seconded, and the motion passed 7-0.

4 MONTHLY REPORTS:

4.A. Kerr Economic Development Corporation (KEDC) Update

Gil Salinas presented and answered questions. Theresa Metcalf presented and answered questions.

4.B. Kerrville Economic Improvement Corporation (ECI) Project Status Update

EA Hoppe presented and answered questions.

4.C. Monthly Financial Report

Amy Dozier presented and answered questions.

5 PUBLIC HEARING AND POSSIBLE ACTION:

5.A. Funding Agreement between the City of Kerrville, TX Economic Improvement Corporation and the City of Kerrville, TX to fund a Concept Feasibility Study for an extension of the Kerrville River Trail from G Street to Downtown Kerrville.

President Richards opened the Public Hearing at 4:24 p.m. No Citizens were present, no callers participated through ZOOM, and President Richards closed the Public Hearing at 4:24 p.m.

Gary Cochran motioned to approve Funding Agreement Study, Maggie Megee Seconded, and the motioned passed 6-0. 1 Opposed, Don Barnett

6 EXECUTIVE SECTION:

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

The EIC did not break into Executive Session.

7 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION: None

8 ITEMS FOR FUTURE AGENDAS: None

9 ANNOUNCEMENTS:

Maggie Megee referenced Martin Luther King Day as the next regularly scheduled EIC meeting, noting that City offices were closed for the holiday, and requested to change the next meeting date. The EIC decided to schedule the January meeting on Thursday, January 14th in Council Chambers at 4:00 p.m. with the possibility of cancelling the January meeting.

10 ADJOURN. President Richards adjourned the meeting at 4:34 p.m.

Minutes Approved: _____

President Greg Richards: _____

Attest:

Kesha Franchina, Deputy City Secretary: _____



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



SUBJECT: Kerr Economic Development Corporation (KEDC) update

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 05, 2021

SUBMITTED BY: Kesha Franchina

EXHIBITS:

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
NA	NA	NA	NA

PAYMENT TO BE MADE TO: NA

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

No action



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



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

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 05, 2021

SUBMITTED BY: EA Hoppe

EXHIBITS: [EIC Project Update - 20210215.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
NA	NA	NA	NA

PAYMENT TO BE MADE TO: NA

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Presentation

Monthly EIC Project Status Report

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Olympic Drive Extension	Extension of roadway and utilities from existing Olympic Drive to Loop 534	Complete	Mar-2021	Utilities have been extended and connected. Final paving has been completed and punch list items will be finalized over the next several weeks as the pavement cures. Some auxiliary utility work is still ensuing around the edges of the Right of Way. Roadway opening anticipated in March 2021.
2	Aquatics Center Feasibility Study	Assessment of the Olympic Pool complex to include public/stakeholder meetings and recommendations for enhancement	Mar-2020	N/A	Community presentation will be rescheduled due to pandemic.
3	Thompson/Spur 98 Infrastructure Ext.	Extension of water and wastewater infrastructure along the Spur 98 corridor to the The Landing development	Private	Complete	The off-site utility work has been completed, inspected, and accepted by the City. The Landing has begun to receive Certificates of Occupancy and is in the process of finishing a substantial amount of their proposed multi-family housing units. The 120-unit multifamily complex is being marketed for near-term occupancy.
4	Doyle Community Center Improvements	Significant enhancements to the building and site work to add functionality	Fall 2020	TBD/private	Temporary building have moved onsite and connected to utilities. Revised construction estimates have been received. Significant construction progress anticipated in early 2021.
5	KERV Airport Improvements	Partnership with KERV, TxDOT, City and County to build T-Hangars, Box Hangars, and other building improvements	TBD	TBD	Partnership Agreement approved Fall 2019. KERV working with TxDOT for T-hangar design effort. KERV has completed demolition of the "Horseshoe Building." Box Hangar site work pending TxDOT T-hangar project.
6	Killdeer Mountain Manufacturing	Renovation of 40,000 sq ft building on 8.2 acres in Airport Commerce Park for 400+ employee Tier-1 aerospace manufacturer	Private	2021	Land and existing building shell have been conveyed to KMM. Annexation and Zoning have been completed. Utility work is ensuing. Design professionals have been engaged by KMM for the renovation effort, which is anticipated to begin in 2021.
6	Downtown River Trail Concept Study	The concept study will evaluate the feasibility of extending the River Trail in the downtown area north of the Guadalupe River between G Street and the bridge at Tranquility Island.	Summer 2021	N/A	The Funding Agreement with the City of Kerrville for the concept study was finalized and approved in January 2021 and a subsequent contract was executed with Hewitt Engineering to complete the work. Project kick off and site evaluations are ensuing.



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



SUBJECT: Monthly Financial Report

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 05, 2021

SUBMITTED BY: Amy Dozier

EXHIBITS: [20210215_Presentation_January Financial Update.pdf](#)
[EIC debt considerations.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
NA	NA	NA	NA

PAYMENT TO BE MADE TO: NA

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

See the attached monthly financial report that will be presented. In addition, see the attached general debt information that will be discussed.

RECOMMENDED ACTION:

Information only; no action required



Financial update for the month ended January 31, 2021

**Economic Improvement Corporation Meeting
February 15, 2021**



Economic Improvement Corporation
Statement of Activities
Month Ended January 31, 2021

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Remaining Budget
Revenues					
Sales and Use Tax	\$ 3,511,307	\$ 334,661	\$ 1,343,280	38.3%	\$ (2,168,026)
Interest Income	9,000	273	1,386	15.4%	(7,614)
Total Revenues	3,520,307	334,934	1,344,666	38.2%	(2,175,641)
Expenditures					
Administrative					
Office Supplies	500	-	-	0.0%	500
Professional Services	10,000	-	-	0.0%	10,000
Administrative Services Fee	185,000	15,417	61,667	33.3%	123,333
Kerr Economic Development Corp.	197,500	49,375	98,750	50.0%	98,750
Total Administrative	393,000	64,792	160,417	40.8%	232,583
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	251,344	20,945	83,781	33.3%	167,563
Debt Service - Series 2020 Ref (River Trail)	247,830	20,278	81,112	32.7%	166,718
Debt Service - Series 2015 (KSC)	603,150	50,263	201,050	33.3%	402,100
Debt Service - KPUB (KMM)	20,000	1,667	6,667	33.3%	13,333
Total Debt Service	1,122,324	93,153	372,610	33.2%	736,380
Projects					
Thompson Drive Partners (The Landing)	283,333	-	283,333	100.0%	-
Airport Projects	225,000	-	25,400	11.3%	199,600
Doyle School	450,000	-	38,525	8.6%	411,475
Killdeer Mountain Manufacturing	-	-	477	-	(477)
Downtown River Trail Feasibility Study	50,000	-	-	0.0%	50,000
Total Projects	1,008,333	-	347,735	34.5%	660,598
Total Expenditures	2,523,657	157,944	880,762	34.9%	1,642,895
Change in Net Position	\$ 996,650	\$ 176,990	\$ 463,903		

Economic Improvement Corporation

Cash Flow Forecast

As of January 31, 2021

	FY2021 Actual	FY2021 Projected			
		Oct 2020 to Jan 2021	Feb 2021 to Mar 2021	Apr 2021 to June 2021	Jul 2021 to Sep 2021
		\$ 2,397,892	\$ 2,861,796	\$ 2,688,716	\$ 2,718,724
Beginning Cash Balance					
Revenue					
Sales Tax	1,343,280	620,168	862,020	915,944	
Interest Income	1,386	1,500	2,250	2,250	
Total Revenue	1,344,666	621,668	864,270	918,194	
Expenditures					
Administrative					
Administrative Fee & Supplies	61,667	30,833	46,500	46,250	
Professional Services	-	-	10,000	-	
KEDC	98,750	-	49,375	49,375	
Total Administrative	160,417	30,833	105,875	95,625	
Debt Service	372,610	280,581	280,581	280,581	
Projects					
Thompson Drive Partners (The Landing)	283,333	283,333	-	-	
Airport Projects	25,400	-	-	-	
Doyle School	38,525	150,000	197,807	-	
Downtown River Trail Feasibility Study	-	50,000	-	-	
Killdeer Mountain Manufacturing	477	-	250,000	-	
Total Projects	347,735	483,333	447,807	-	
Total Expenditures	880,762	794,747	834,263	376,206	
Ending Cash Balance	\$ 2,861,796	\$ 2,688,716	\$ 2,718,724	\$ 3,260,712	

Financial Analysis

Project Analysis as of January 31, 2021			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Committed Projects:			
Thompson Drive Partners (The Landing)	\$ 850,000	\$ 566,666	\$ 283,334
Airport Projects	375,000	32,767	342,233
Doyle School	500,000	152,193	347,807
Killdeer Mountain Manufacturing	2,095,000	1,819,422	275,578
Committed Project Total	\$ 3,820,000	\$ 2,571,049	\$ 1,248,951

Cash Analysis as of January 31, 2021		
by Type - Placement - Amount		
Type	Placement	Amount
Short Term Investment	EIC TexPool	\$ 2,861,796
	Total Cash and Investments	\$ 2,861,796

Sales Tax Revenue Analysis - FY2021					
Month	Actual FY2020	Budget FY2021	Actual FY2021	FY2020 vs. FY2021	Budget vs. Actual
October	\$ 294,752	\$ 278,543	\$ 311,718	5.76%	11.91%
November	301,001	286,414	376,028	24.93%	31.29%
December	297,620	270,746	320,874	7.81%	18.51%
January	292,966	277,472	334,661	14.23%	20.61%
February	393,938	366,686			
March	270,955	253,482			
April	262,275	252,162			
May	318,521	321,737			
June	326,259	288,122			
July	350,459	288,759			
August	367,921	329,872			
September	342,775	297,314			
YE Adjustment*	92,904				
YTD Total	\$ 3,912,345	\$ 3,511,307	\$ 1,343,280	13.23%	20.67%

*to convert from cash to accrual basis for financial reporting purposes

EIC Debt Considerations

Debt currently supported by EIC

1. Debt is ISSUED by the City, but SUPPORTED by EIC
2. Debt is secured by property taxes, which lowers interest rate
3. City debt is currently rated AA
4. Current interest rates are approximately 2.0%
5. Impacts City's ability to issue debt - must be coordinated with other City needs

EIC Issued Debt

1. EICs can issue revenue bonds
2. Revenue bond features:
 - a. NOT secured by property tax
 - b. Backed by sales tax
 - c. Requires a separate rating, which may be lower than AA
 - d. Interest rates are higher than rates for tax secured debt (likely 20 - 50 basis points)
 - e. Sales tax revenue bonds are considered riskier than "essential service" revenue bonds
 - f. Reserve fund and coverage ratio requirements
 - Likely required to hold 1 year of debt service in a reserved fund unless available revenues are 2x annual debt service
 - Strong inverse correlation between coverage and interest rate

Capacity Estimates

1. FY2021 debt service is equal to 32% of budgeted revenues
2. Available revenue after fixed expenditures is approximately \$2 million per year
3. Using a 2x debt service coverage ratio, EIC could issue approximately \$15 million in debt, making debt service approximately 60% of revenue
4. Future revenue may not be fully available for direct project expenditures due to debt service coverage requirements



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



SUBJECT: Application for funding from the Kerrville Christmas Lighting Corporation to enhance electrical infrastructure on Tranquility Island. (551.071, 551.087)

AGENDA DATE OF: March 1, 2021

DATE SUBMITTED: Jan 22, 2021

SUBMITTED BY: EA Hoppe

EXHIBITS: [20210301_KCLC EIC Packet.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$100,000	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	D - Downtown Revitalization
Guiding Principle	D1. Create a “living room” for the community and a “front door” for visitors—a full-service destination that attracts anchor uses and increased residential and mixed-use development.
Action Item	D1.12 - Expand/Grow Christmas light installation to the entire Downtown area and Louise Hays Park

SUMMARY STATEMENT:

The Kerrville Christmas Lighting Corporation (KCLC) mission is to enhance Christmas lighting within the greater Kerrville area in order to promote Christmas spirit and boost tourism and quality of life. In 2020, KCLC raised \$40,000 for 44 ornaments along Sidney Baker. For 2021, the organization’s focus is shifting toward making improvements to the Tranquility Island electrical grid to support holiday lighting and attractions.

KCLC has made application to the Kerrville Economic Improvement Corporation (EIC) for funding assistance with a matching-grant that would provide for a total of \$200,000 in electrical improvements. Their application requests \$100,000 from the EIC if \$100,000 can be raised in private donations from Kerrville citizens and other businesses. Their

application was reviewed by the Go TEAM in January and was determined to be administratively complete and ready for review by the EIC.

RECOMMENDED ACTION:

Provide feedback and direct staff on the potential development of a Funding Agreement and Public Hearing date.

Kerrville Christmas Lighting Corporation
[a 501(c)(3) organization]

The Kerrville Christmas Lighting Corporation (KCLC) mission is to enhance Christmas lighting within the greater Kerrville area in order to promote Christmas spirit and boost tourism and quality of life. In 2020, KCLC raised \$40,000 for 44 ornaments along Sidney Baker. For 2021, the organization's focus is shifting toward making Tranquility Island really shine with the installation of a flood-proof electrical grid to support holiday lighting and attractions.

The first step after the electrical grid is in place is to install up and down programmable floodlights on 105 Cypress Trees that border the river. This enhancement to Tranquility Island will foster the development of a gathering spot for Kerrville, its residents and tourists.

Tourism is a vital component to the town's economy, and the industry trends show travelers are looking for outside and/or recreational types of destinations. Rivers and lakes are also a top-chosen destination according to VRBO. KCLC believes Tranquility Island will be a big draw for community members and tourists, alike, even during times of COVID. The lighting of 105 cypress trees the lengths of Tranquility Island will provide a well-lighted space so families will feel comfortable while getting out to celebrate the holidays safely.





KERRVILLE
CHRISTMAS

lighting corp. 

Kerrville Christmas Lighting Corporation (KCLC)

- Who is KCLC?
- What has KCLC accomplished?
- What does KCLC wish to accomplish?

KCLC: The Formative Years

- 1991 or 1992 – City Warehouse fire claims all Christmas decorations/ornaments
- 1995 – Volunteer group formed to decorate the courthouse
- 2000 – Volunteer group incorporated as Kerrville Christmas Lighting Corporation (KCLC) – 501©(3) organization
 - Mission - raise funds to purchase and install courthouse decorations
- 2018 – KCLC loses mission
- 2020 – KCLC re-purposed in February
 - Mission – to raise funds to support infrastructure, lighting, equipment, decorations and maintenance needs and requirements for holiday lighting initiatives in the greater Kerrville area.

KCLC Board

- Board Members
 - George Eychner, President
 - Stephen Fine, Vice President
 - Sergio Marquez-Lopez, Treasurer
 - Rose Bradshaw, Secretary
 - Dr. Bill Rector
 - Caitlin Probandt
 - David LaBrot
 - Kathy LeStourgeon
- Liaison Members
 - KPUB – Allison Bueche
 - City of Kerrville Parks and Recreation Dept. – Ashlea Boyle
 - Kerr County – Jonathan Letz
 - CVB – Julie Davis
 - Chamber – Brad Barnett

2020 Accomplishments

- Sep 3 – Decision to raise funds for Gold Zig Zag Christmas Ornaments to hang on utility poles along Sidney Baker Corridor from IH-10 to Main Street
- Sep 25 – Raised \$40,000 and ordered 44 ornaments
- Nov 2 – Ornaments delivered to KPUB
- Nov 8 – KPUB started installing ornaments
- Nov 21 – In coordination with the City of Kerrville, KCLC put on the inaugural Light up the Hills Virtual Live Cast of the Christmas Tree Lighting Ceremony

"Kerrville DID It"

**Christmas decorations returning to Sidney Baker after
24 year absence thanks to these spirited donors:**

Art Bell
Becky & Harley Belew
Bill Penack & Century 21 REALTORS
Mary Lee & Bill Tennant
Century 21 The Hills Realty
Christine & Donald Carbaugh
Collin Gray Appraisal Co.
Crenwelge Motors
David LaBrot
Dawn Collum - Collum, Wofford & Associates
Deana & Bill Blackburn
Delayne & Mike Sigerman
Dr. Susan Putthoff - SLP Dentistry
Evelyn Tothmer
First United Methodist Church
Ginnie & Tom Moser
Hal & Charlie Peterson Foundation
Hill Country Lighting & Home Center
Hill Country Telephone Cooperative (HCTC)
Hosannah Lutheran Church
Judy and George Eychner
Kerrville Host Lions Club
Jan Lynch - Rustic Elegance
Jennifer & Don Harris
Judicial Workplace Arbitrations, Inc.
Karen and Jonathan Letz
Ken Stoepel Ford Inc.
Kerr County Abstract & Title
Kerr County Women's Chamber
Kerrville Area Chamber of Commerce

Kerrville Convention & Visitors Bureau
Kerrville Daily Times
Kerrville Kiwanis Club
Kerrville Public Utility Board
Kim & Austin Clarkson
Local Dry Cleaning & Laundry
Lyndia & Dr. Bill Rector
Mariane Noakes
Margarite Arket
Maureen Granflatn
Melissa & Stephen Fine
MiniMart
Moore's Home Furnishings
Peterson Health
RE/MAX Kerrville
Rotary Club of Kerrville
Ruth & Gene Lehmann
Slate Gray Gallery
Stockton Williams
Sue & Bill Tiemann
Terminix
Texas Hill Country Bank
The Law Office of Patrick O'Fiel, P.C.
Vicki & Rob Kelly
Vickie & Gary Cochran
Wolfmueller's Books

And they are 7 ft. tall 😊



Inaugural Light up the Hills Virtual Christmas Tree Lighting Ceremony!!!



KCLC 2021 Proposed Project

- Raise \$200,000 to install permanent electrical infrastructure on Tranquility Island to be engineer designed for the flood plain.
- Operating Concept (similar to Schreiner U River Trail extension)
 - Obtain EIC Grant for \$100,000 to be used as a matching fund.
 - Raise up to \$50,000 from corporations & foundations
 - Raise \$50,000 from Kerrville Area Citizens
- All funds to be donated to the City who will provide project management. The project will follow the public bidding process pursuant to purchasing policy.

Who's Idea is this?

Light the Island
City of Kerrville, Texas



KCLC 2021 Proposed Project

- The City has engaged an electrical engineer to design the project and will fund the design.
- Will be designed for the flood plain
- Scope of work to include:
 - Electrical plans to include re-sizing of existing electrical service near the Library currently feeding the island based on the new calculated load.
 - Specification of new panel board and lighting controls to replace existing at electrical service location.
 - Sizing of new conductors to be pulled in two (2) existing 3" conduit that extend from the existing electrical service to an existing in-grade box on the island near the end of the bridge connection to the island.

KCLC 2021 Proposed Project, cont.

- Scope of work, continued:
 - Sizing and routing of new branch circuits for tree lighting and for power to decorative features.
 - Receptacles located on plans for future event power.
 - All electrical specifications will be placed on plans

Existing Electrical Service to Island



- 60 amp service behind Butt Holdsworth Memorial Library
 - Underground to island via PVC conduit attached to underside of Library bridge
 - Installed in 2012 to support Kerr County Women's Chamber Christmas Display
 - Maxed out with current lighting/display



Planned Electrical

- 200 amp service as baseline
 - Underground extending length of Island
- Enable up-lighting of approx. 105 cypress trees
- Ground receptacles will also be included for ground lighting and decorations
- Use of programmable LED lighting



Project supports Kerrville 2050 Plan – Downtown Revitalization Chapter:

- D1 Relating to creating a “living room” for the community and a “front-door” for visitors
 - D1.12: **Expand/Grow Christmas light installation** to the entire Downtown area and **Louise Hays Park**

Project supports Kerrville 2050 Plan - Community Placemaking Chapter:

- C1 Relating to Community Amenities for All Ages
 - C1.3: Create and promote more **youth-friendly events in City Parks**
 - C1.5: Develop more **free and low-cost events and activities for families**

Project supports Kerrville 2050 Plan - Parks, Open Space & the River Corridor Chapter:

- P3 Relating to Parks Master Plan
 - Consider the use of **innovative approaches to funding** park acquisitions and improvements
- P4 Relating to enhancing/investing in existing parks
 - Plan for **more recreational amenities along the river**
 - **Increase programming at Louise Hays/Lehmann-Monroe parks**
- P6 Relating to promoting and marketing all City parks and amenities
 - Incorporate the river into all advertising promotions
 - Develop a well-planned specific media campaign to **promote the river to locals & tourists**

Future possibilities with Permanent Electrical Infrastructure

- Up-lights programmable to provide opportunity to “light up” other holidays such as the 4th on the River
- Support development of a large scale Christmas destination experience
 - Ice skating, Santa’s Workshop, snow machine, sledding
 - Provide venue opportunity for carolers, ensembles
 - Venue for “Bethlehem in the Hills” productions
 - Walk-thru lighted Christmas village

Christmas 2020



Christmas 2020 up close



Potential - Only in Kerrville!!!



For Kids: “Snow” on the Island

- Put on by the City of Kerrville Parks and Recreation
 - Plans to expand programming



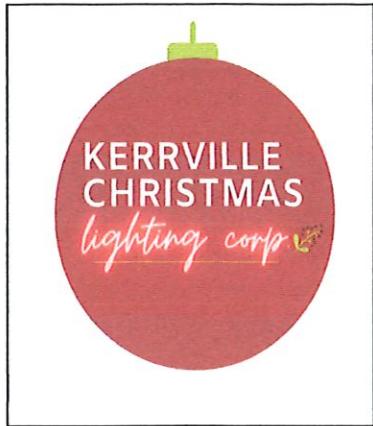
Additional Entertainment Opportunities



A large, solid red circle with a green stem and loop at the top, resembling a Christmas ornament.

KERRVILLE
CHRISTMAS

lighting corp. 



Kerrville Christmas Lighting Corporation
[a 501(c)(3) organization]
P.O. Box 293213
Kerrville, TX 78029

January 11, 2021

To: Whom it may concern

Subject: Kerrville Christmas Lighting Corporation Application for 4B Sales Tax Funding

Background: The Kerrville Christmas Lighting Corporation (KCLC) was incorporated on June 5, 2020 as a 501(c)(3) Tax Exempt organization and was issued Employer Identification Number 74-2968371 by the IRS on July 17, 2002. The KCLC is an outgrowth of the Kerrville Christmas Lighting Committee formed in 1995 with the charter of being a volunteer organization with the purpose of annually decorating the Kerr County Courthouse. After being incorporated as a not-for-profit organization, KCLC became a fund-raising entity in addition to being the labor pool for actually doing the court house decorating. In 2017, the Cailloux Foundation assumed the responsibility and in 2018 the Kerr County Maintenance Department took over this holiday decorating task.

Having lost its reason for existence for three consecutive years, the KCLC Board talked of dissolving the organization. Hearing this, a working group was formed on Dec. 6, 2019 to discuss the feasibility of repurposing KCLC to become a fund-raising entity for holiday lighting for the greater Kerrville area. On Feb. 20, 2020, the existing KCLC Board of Directors met and voted in a new slate of officers and approved the following revised mission statement:

"The mission of the Kerrville Christmas Lighting Corporation is to raise funds to support infrastructure, lighting, equipment, decorations and maintenance needs and requirements for holiday lighting initiatives in the greater Kerrville area".

First Repurposed Accomplishment: On Sep 3, 2020, the KCLC Board voted to raise funds to purchase 25 "Gold colored Zig Zag Christmas Tree Ornaments" for display along Sidney Baker Street on the utility poles from the I-10 Interchange to Main Street. By Sep 27, 2020, \$40,000 was raised and 44 ornaments were ordered through Christmas Decor, a local Kerrville business. The ornaments arrived the first week of November and were expertly and graciously installed by KPUB.

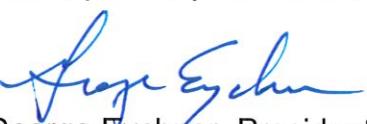
Current Situation: On Oct 1, 2020, the KCLC Board of Directors voted to take on the task of raising funds to install an electrical grid on Tranquility Island to support The City Parks and Recreation Department "Light the Island" initiative started in 2019. Currently it consists of the installation of non-permanent up and down LED spotlights on approximately 25 Cypress Trees on Tranquility Island that stand between the Guadalupe River and the River Trail. The effect of these lights combined with the Christmas display erected by the Kerr County Women's Chamber is a remarkable combination that provides a natural attraction for children of all ages. However, electrical power for this effort is make-shift, not fool proof and maxed out. Imagining the expansion of electrical power to light trees the length of the island will not only provide a breath-taking experience but provide the capability for future expansion of displays and attractions such as a Santa's Village complete with ice-skating rink.

Use of Funds: City Parks and Recreation has obtained an estimate from a local area electrical contractor of \$200,000 to install permanent underground and environmentally conscious electrical power on the Island and obtain the LED spotlights and materials necessary to light a total of 105 Cypress Trees the length of Tranquility Island. The LED spotlights currently used, as well as the additional ones to be purchased, are programmable and could, for example, be programmed red, white or blue to coincide with the Fourth on the River celebration.

This request to EIC is our first effort to raise funds for this initiative. If we were to receive EIC support for half the cost of this project we believe that endorsement combined with our successful Christmas ornament purchase initiative would virtually guarantee corporate and community support for the second \$100,000. However if a lesser amount might be granted, we would use it as the basis for attracting and securing donations from foundations and corporate sponsors to achieve a base of \$100,000. We would then use that base as a challenge amount for area citizens to match. One approach to citizens would be to "adopt" a tree for \$950 with some sort of appropriate recognition.

If approved, we would not expect, nor want, the EIC grant until we could verify the additional funds had been pledged or secured. We believe having EIC backing is key to our success.

Thank you for your consideration.



George Eychner, President
KCLC Board of Directors

Submittal Date: 01/12/2021

ORGANIZATION

KERRVILLE CHRISTMAS LIGHTING CORPORATION
 Applicant Name
P.O. Box 293213, KERRVILLE, TX 78029
 Address City State Zip
830-370-1663 830-895-4972 830-792-5897
 Phone Alt. Phone Fax
N/A
 Website

PROJECT CONTACT

George Eychner, President KCLC Board of Directors
 Contact Person Name Title
604 CARDINAL DR., KERRVILLE, TX 78028
 Address City State Zip
830-370-1663 830-895-4972 830-792-5897
 Phone Alt. Phone Fax
geychner@yahoo.com
 Email Address

Amount of Funding Requested: \$ 100,000 00

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

- o clearly states the mission statement of the organization(s),
- o 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.

ATTACHED

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

- Project (X)

This project is being applied for under which applicable Section of Chapter 501, 502, 505 (list all that apply):

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

SECTION IV - PROJECT DESCRIPTION

ATTACHED

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	\$ <u>200,000.00</u>
Sq. Footage of New Building (s)	<u>N/A</u>
Size of Parking	<u>N/A</u>
Other <u>FOR ELECTRICAL GRID</u>	<u>N/A</u>

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)

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

~~N/A~~ **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.

George Eychner

Printed name

_____ Date

President, KCLC Board of Directors

Title

George Eychner

Signature



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



SUBJECT: Requested Amendment to the Economic Development Grant Agreement between the Doyle School Community Center, Inc. and the City of Kerrville, Texas Economic Improvement Corporation. (551.071, 551.072, 551.087)

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 22, 2021

SUBMITTED BY: EA Hoppe

EXHIBITS: [2020-22 EIC Grant Agreement between Doyle School Community Center and EIC \(002\).pdf](#)
[Doyle Handout of presentation 2.2021 \(002\).pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$150,000	N/A	N/A	N/A

PAYMENT TO BE MADE TO: Doyle School Community Center

Kerrville 2050 Item?	Yes
Key Priority Area	C - Community / Neighborhood Character and Place Making
Guiding Principle	C4. Promote design that is in keeping with Kerrville, its natural beauty, history, culture and diversity using art, landscaping and other aesthetic features, including “random order” (sameness that doesn’t seem forced); encourage design that promotes interaction, a sense of community and gatherings
Action Item	C4.8 - When and where reasonable, promote the preservation and/ or renovation of historic homes/buildings by offering incentives and/or tax breaks

SUMMARY STATEMENT:

The Kerrville Economic Improvement Corporation (EIC) entered into an Economic Development Grant Agreement with the Doyle School Community Center, Inc. in April 2020 for \$500,000 to help facilitate over \$1,000,000 in improvements for various renovations to their location along Paschal Avenue. As further design efforts have been

refined and project bidding has occurred, the projected cost of improvements for Phase I are more than originally anticipated. The non-profit has asked to amend the Agreement for an additional \$150,000 in grant funding. A presentation is attached further outlining the status of the renovation and the requested Agreement amendment.

RECOMMENDED ACTION:

Provide direction on amending the existing Economic Development Grant Agreement.
Set a public hearing date if necessary.

**ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN
THE DOYLE SCHOOL COMMUNITY CENTER, INC. AND THE
CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT
CORPORATION**

This Economic Development Grant Agreement ("Agreement") is entered into as of the Effective Date by and between **THE DOYLE SCHOOL COMMUNITY CENTER, INC.**, a Texas nonprofit corporation ("Doyle"), acting herein by and through its duly authorized Executive Director; and the **CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION** ("EIC"), a Type B Economic Development Corporation established pursuant to Chapters 501, 502, and 505 of the Texas Local Government Code, as amended (*i.e.*, the Development Corporation Act and hereafter referred to as "the Act"), acting by and through its duly authorized President. Doyle and EIC are sometimes collectively referred to herein as "Parties" and individually as "Party".

WITNESSETH:

WHEREAS, pursuant to the Act, EIC is authorized to provide funding relating to the development and provision of projects which EIC finds to be encompassed within the definition of "Projects", as that word is defined by Chapters 501 and 505 of the Act; and

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

Expenditures for job training required or suitable for the promotion of development and expansion of business enterprises and other enterprises described by state law, as provided by Section 501.102 of the Act; and land, buildings, equipment, facilities, improvements, and expenditures found by the EIC to be required or suitable for use for a career center, as provided by Section 501.105 of the Act; and

WHEREAS, Doyle owns and operates a Community Center, as defined below, that was previously built and used as a school to serve African American children who lived nearby; and

WHEREAS, Doyle's stated mission is to provide education, hope, and community to the Doyle neighborhood located within Kerrville, by providing a focus and location for the delivery of educational activities, community organizations, and services to children, adults, and senior citizens of Kerrville; and

WHEREAS, Doyle's *Strategic Plan* (the "Plan"), which is still a draft developed by Doyle's board, provides that the Doyle neighborhood service area is home to many citizens who work hard to provide a healthy lifestyle, education, and food for their

families; however, barriers exist such as unreliable transportation, incomplete education and training, and absence of a medical home that provides consistent wellness services and medical help for chronic illnesses, and seasonal or temporary illness; these barriers lead to hopelessness and joblessness that continues the cycle of multigenerational poverty; and

WHEREAS, Doyle, as a means of addressing issues within its neighborhood and service area, has actively sought both financial support from foundations as well as entering into partnerships with other entities such as Schreiner University and the City of Kerrville; and

WHEREAS, Doyle was recently awarded a grant as part of a Health Collaborative in Kerrville as a means of bringing services to the Doyle neighborhood to help solve food scarcity, transportation inequities, and health care inequities that exist in this neighborhood; and

WHEREAS, Doyle, as part of identified tasks within its Plan, seeks to continue developing and offering various programs geared toward providing individuals with training for vocations; and

WHEREAS, Doyle and its programming raises the level of healthcare, provides a means of getting people to services that exist outside the neighborhood, gives access to food provisions for healthy eating, and provides educational programs that fill in gaps to make for better and more productive employees, which not only meets the criteria of quality of life but also raises up the skills and assets of the local workforce that can support the development of new or expanded business enterprises; and

WHEREAS, as part of its vocational training, Doyle has developed plans to design, renovate, and then staff a career center within its facility; and

WHEREAS, EIC, after finding that providing a grant to fund the development of a career center functioning as part of the Community Center, such renovations to include new water lines, HVAC system, and safety systems, is required or suitable for use for a career center to be used for job training required or suitable for the development and expansion of business and other enterprises, has determined that such a 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*; and

WHEREAS, EIC finds that it will be in the public interest to enter into this Agreement with Doyle to provide a grant of 4B Revenues, as defined below, to Doyle for a portion of its costs necessary for the construction of the Project; and

WHEREAS, on March 16, 2020, 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, Doyle and EIC agree as follows:

Article I **Definitions**

For purposes of this Agreement, each of the following terms has the meaning set forth herein unless the context clearly indicates otherwise:

“4B Sales Tax” means the one-half of one percent (0.5%) sales and use tax imposed pursuant to the Act and collected by City for the benefit of EIC.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly Controlling, Controlled by, or under common Control with such Person.

“Bankruptcy or Insolvency” means the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any part of such Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Commencement of Project” means that plans have been prepared and all approvals thereof required by applicable governmental authorities, including permits, have been obtained for the construction of the Project.

“Community Center” the property and buildings owned and operated by Doyle and located at 110 W. Barnett Street, Kerrville, Texas 78028.

“Completion of Project” means the date that the certificate of occupancy for all buildings and other improvements comprising the Project have been issued by City and that Doyle is able to occupy the entirety of the Community Center and use the Project for its intended purposes.

“Control,” or any derivation thereof, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of securities, by contract or otherwise.

“Force Majeure” means any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the

Party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns, or work stoppages.

“Grant” means the amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) paid by EIC to Doyle in installments as provided in this Agreement.

“Person” means an individual, corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

“Project” means the specific scope of work provided to the EIC by Doyle for Phases I and II applicable to the Community Center, which is attached as **Exhibit A**.

Article II Term

2.1. Effective Date and Termination. The term of this Agreement (the “Term”) commences on May 1, 2020 (the “Effective Date”), and terminates on the earlier of:

- (a) December 31, 2030;
- (b) when terminated by mutual agreement of the Parties;
- (c) if Commencement of Project does not occur by the date set forth in Section 4.5 and, EIC elects to terminate this Agreement by providing notice to Doyle before Commencement of Project actually occurs;
- (d) if Completion of Project does not occur by the date set forth in Section 4.5 and, EIC elects to terminate this Agreement by providing notice to Doyle before Completion of Project actually occurs;
- (e) when terminated pursuant to Articles VIII or IX; or
- (f) at Doyle’s sole and absolute discretion, upon Doyle’s return of the Grant, or the portion of the Grant it has received, to EIC.

2.2 Rights upon Termination. Upon termination of this Agreement, all rights, duties, and obligations of any kind under this Agreement will automatically expire and terminate and be of no other force and effect except to the extent such obligations expressly survive the termination of this Agreement.

Article III 4B Revenue Grant

3.1 Payment of Grant. Subject to the continued satisfaction of all the terms and conditions of this Agreement by Doyle, EIC agrees to provide Doyle with an amount up to and not to exceed the Grant. EIC shall administer the Grant to Doyle on a reimbursable basis. Prior to its initial payment request, Doyle must provide EIC with (i) evidence that the Doyle board has adopted the Plan in substance largely similar to the Plan attached as **Exhibit B**; (ii) appropriate evidence, in the EIC's sole opinion, that Doyle possesses or controls enough funds, which, when combined with the Grant, is enough to pay for the Project along with an appropriate amount of additional funding, not less than 10% of the overall cost of the Project, to cover any contingencies; (iii) appropriate evidence of the date of Commencement of Work. In addition and prior to any subsequent request for payment, Doyle shall submit written evidence of costs, such as invoices, receipts, and bills of sale for review and approval by EIC, such approval to be at EIC's sole discretion. Following each submission and verification thereof, which may include on-site inspections to confirm the construction, installation, and the progress of the Project, EIC shall then reimburse Doyle for the cost.

3.2 Grant Limitations. Under no circumstances shall the obligations of EIC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision.

3.3 Current Revenue. EIC will pay the Grant solely from lawfully available funds that have been appropriated by EIC.

3.4 Grant Limited to "Costs". Payments made by EIC to Doyle from 4B Sales Taxes will be limited to the payments of "costs" as defined by the Act and as specified above for the Project.

Article IV Conditions to the Economic Development Grant

4.1 Generally. The obligation of EIC to provide the Grant and the right of Doyle to retain the Grant without an obligation to repay all or any portion of the Grant to EIC shall be conditioned upon continued compliance with, and satisfaction of, each of the terms and conditions of this Agreement by Doyle and specifically, each of the conditions set forth in this Article IV.

4.2 Good Standing. Doyle shall not have an incurred a breach or default of this Agreement beyond any applicable notice and cure period.

4.3 Regulations Applicable to Project. Doyle shall comply with all applicable regulations of the City, to include its building codes, in its development and construction of the Project.

EIC 2020-22

4.4 Required Use. Commencing on the Completion of Project, and continuing thereafter until December 31, 2030, Doyle shall not use the Community Center for any purpose other than those generally provided for within its *Strategic Plan*. Doyle's use and the operation and occupancy of the Community Center shall not cease for more than six (6) months, except in connection with and to the extent of an event of Force Majeure.

4.5 Commencement and Completion of Project. Subject to events of Force Majeure, Commencement of Project shall commence not later than April 15, 2021. Subject to events of Force Majeure, Completion of Project shall occur not later than April 15, 2022. If Commencement of Project or Completion of Project does not occur prior to the foregoing dates, EIC may terminate its obligation to make any additional payments of the Grant and to seek any additional remedies available under this Agreement or law.

4.6 Records. Doyle shall keep and maintain complete and accurate records relating to its costs of designing and constructing the Project for three (3) years following the termination of this Agreement. EIC and its representatives shall be entitled to inspect Doyle's records related to the Project during the term of this Agreement and for three (3) years thereafter, upon reasonable notice at Doyle's offices at the address identified in Section 10.4, below.

4.7 Reports to EIC. Following the initial payment from EIC to Doyle, Doyle shall make written quarterly reports to EIC on or before the last day of the calendar quarter for the term of this Agreement. Said reports, at a minimum, shall include information on the status of the Project, the estimated completion date of the Project, and an update on the Doyle's provision of job training and other programs.

Article V Sale of Project, Merger or Consolidation of Doyle

5.1 Sale of Doyle Assets. A sale of all or any of the assets of Doyle shall not release Doyle from its duties and responsibilities to EIC under the terms of this Agreement and shall not result in the assignment of this Agreement by such acquiring entity without prior written consent from EIC, which will not be unreasonably withheld; provided, that Doyle's proposed successor shall have the financial condition to fully satisfy Doyle's duties and responsibilities hereunder and agrees to assume Doyle's responsibilities under this Agreement. EIC may, in its sole discretion, reasonably determine whether such proposed successor's financial condition is satisfactory.

5.2 Merger. In the event of any proposed merger or other consolidation of Doyle with any third party not affiliated with Doyle, not later than thirty (30) days prior to any such merger or consolidation, Doyle shall provide EIC with information and assurance reasonably acceptable to EIC regarding: (i) the surviving entity's assumption and satisfaction of the Doyle's obligations hereunder; and (ii) the

financial condition of the surviving entity upon such merger or other consolidation to demonstrate that the surviving entity shall have the financial condition to fully satisfy Doyle's duties and responsibilities under this Agreement.

5.3 EIC Rights. Notwithstanding anything in this Agreement to the contrary, it is expressly understood and agreed that EIC shall have no rights to approve or disapprove any sale or merger transaction of any kind involving Doyle. In the event of any sale or merger involving Doyle or its affiliates, the surviving entity shall assume Doyle's obligations and rights hereunder and be entitled to any and all benefits to be received pursuant to this Agreement.

Article VI **Doyle's Representations and Warranties**

Doyle represents and warrants as of the date hereof:

(a) Doyle is a Texas nonprofit corporation existing in good standing and authorized to do business in the State of Texas;

(b) Execution of this Agreement has been duly authorized by Doyle's governing body and this Agreement is not in contravention of Doyle's corporate charter, or any agreement or instrument to which Doyle is a party or by which it may be bound as of the date hereof;

(c) No litigation or governmental proceeding is pending, or, to the knowledge of Doyle, threatened against or affecting Doyle, which may result in a material adverse change in Doyle's business, properties, or operations sufficient to jeopardize Doyle's legal existence or for-profit viability;

(d) No written application, written statement, or correspondence submitted by Doyle to EIC in connection with this Agreement, or in connection with any transaction contemplated hereby, to the knowledge of Doyle, 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; and

(e) Except as expressly set forth in this Article VI, Doyle makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

Article VII **EIC'S Representations and Warranties**

EIC represents and warrants as of the date hereof:

(a) 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;

- (b) Execution of this Agreement has been duly authorized by EIC;
- (c) 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;
- (d) 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; and
- (e) Except as expressly set forth in this Article VII, EIC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

Article VIII Conditions under which EIC May Suspend Performance of Its Obligations Under This Agreement

EIC may, at its sole option and after thirty (30) days written notice to Doyle, suspend EIC's performance under this Agreement until Doyle has cured the condition(s) and so notified EIC in writing that the condition(s) have been cured:

- (a) Doyle becomes insolvent;
- (b) The appointment of a receiver of Doyle, 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 Doyle as bankrupt; or
- (d) The filing by Doyle 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 the foregoing conditions not be cured by Doyle within ninety (90) days after the onset of the condition, Doyle will be considered to have breached this Agreement and EIC may, at its option, with written notice to Doyle, terminate this Agreement and Doyle shall be obligated to refund the Grant, or the portion of the Grant it has received to date, to EIC.

Article IX Remedies

9.1 Notice and Opportunity to Cure. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement by any Party, 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. This provision and specifically the notice and time to cure shall not apply to the obligations of Doyle found within Article IV.

9.2 Termination. Upon breach of this Agreement by either Party and the failure to cure as permitted by Section 9.1, the non-breaching Party shall have the sole right and discretion to either terminate this Agreement and/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.

9.3 Delay Not Waiver. Any delay by a Party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not, so long as the breach or default by the other 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 a Party with respect to any specific default by the other Party except to the extent specifically waived in writing.

Article X General Provisions

10.1 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.

10.2 Amendment. This Agreement may be amended only by written amendment signed by both Parties.

10.3 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 a state court of competent jurisdiction 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.

10.4 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; (ii) if personally delivered, on the actual date of delivery; (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing; or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

For Doyle

Kay Tally-Foos, Executive Director
Doyle School Community Center, Inc.
110 W. Barnett Street
Kerrville, Texas 78028

For EIC

President

City of Kerrville, Texas, Economic Improvement Corporation
701 Main Street
Kerrville, Texas 78028
Facsimile: (830) 792-3850

10.5 Approval. Where review and approval of the EIC is contemplated by this Agreement, such review and approval may be conducted and provided by City staff pursuant to the City of Kerrville's administrative services agreement with the EIC.

10.6 Assignment. This Agreement is binding upon the Parties and their successors and assigns. Except as set forth in Article V, 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, the assigning Party shall be relieved of any and all obligations and liabilities on the part of such assigning Party under this Agreement. Doyle may, without written consent of EIC, assign this Agreement to any entity controlled and 100% owned by Doyle or by the parent,

subsidiary, or affiliate of Doyle provided the entity assumes all of Doyle'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; such abilities are each at least as great as those of Doyle; and Doyle 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.

10.7 Parties in Interest. Nothing in this Agreement shall entitle any party other than Doyle or EIC to any claim, cause of action, remedy, or right of any kind except as expressly provided in Article IX.

10.8 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 arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any Party.

10.9 No Joint Venture. Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties.

10.10 Survival of Terms. All rights, duties, liabilities, and obligations accrued prior to termination shall survive termination.

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

10.12 Recitals. The recitals to this Agreement are incorporated herein.

10.13 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

10.14 Employment of Undocumented Workers. During the term of this Agreement, Doyle agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), Doyle shall repay the Grants and any other funds received by Doyle from EIC as of the date of such violation within one hundred twenty (120) days after the date Doyle is notified by EIC of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Doyle is not liable for a violation of this section in relation to any workers employed by a subsidiary, Affiliate, contractor, subcontractor, or franchisee of Doyle or any other Person other than Doyle.

SIGNED AND AGREED on this 3rd day of April, 2020.

DOYLE SCHOOL COMMUNITY CENTER, INC.

BY: Kay Tally-Foos

Kay Tally-Foos, Executive Director

CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION

BY: CKE

Kenneth Early, President

ATTEST:

BY: Kayla McInturff

Kayla McInturff, Recording Secretary

APPROVED AS TO FORM:

BY: MIC

Michael C. Hayes, Attorney for EIC

Exhibit A

PROPOSED RENOVATIONS FOR DOYLE SCHOOL COMMUNITY CENTER

PHASE ONE:

- New ceiling and insulation
- New water lines
- New HVAC complete
- Wet-pipe fire sprinkler system
- New electrical service above ceiling
- New kitchen and dining area

\$338,456

PHASE TWO:

- Selective interior demolition
- New Main Entrance
- Remodel Restrooms
- New wiring, lighting, electrical throughout
- New flooring finishes and paint
- New grease trap

\$497,530



ADDITIONAL FUNDING NEEDED

- Temporary Buildings in order to close building for renovations and continue programs.
- Architecture and Engineering Services

Estimated cost: \$60,000

Estimated cost: \$80,000





SUPPLEMENTAL INFORMATION

The mission of the Doyle School Community Center is to provide a focus and location for the delivery of educational activities, community organizations, and services to children, adults, and senior citizens of Kerrville. the focus is on the neighborhood surrounding the Center, (east to Hayes Street, north to Holdsworth, south to Schreiner Street, and West to Town Creek Road. See map attachment), others in Kerrville who ask for services are welcome.

The purpose of this funding request is for support of renovations of the Center, which will create a more secure, efficient and practical building in which to provide services. Over the past decade, Peter Lewis, local architect, and Carson Conklin of JMLowe builders, have donated time and expertise to help the volunteers at Doyle create a solid plan to renovate the facility. To begin, plans include infrastructure remedies and a kitchen renovation. The "above ceiling" work will demolish ductwork, update electrical distribution and plumbing, in order to install new insulation, new HVAC ductwork and controls, new water lines for future use, a wet-pipe fire sprinkler system, new electrical service, and then install a new ceiling. The current HVAC system works hard, uses a large amount of electricity to do so, and has minimal impact on the temperature in the building! Other wiring that is above the ceiling will lead to better lighting, better technology in the building, and a fire suppression system.

The first phase of renovation also involves a new kitchen, to be remodeled in order to serve meals as part of our services to seniors, the children's programs, and other community events. It will also be created in such a way that it can be a teaching kitchen to hold classes in nutrition and healthy cooking. This entails new appliances, flooring, vent system, and grease trap; truly a complete renovation of the cooking space and the dining space.

After the above ceiling work and the kitchen work, the priority is to demolish selected interior walls to open up some spaces that were closed into sections for office spaces and workrooms during K.I.S.D. ownership. This would suit the needs of services that are planned for youth programs that are ongoing, and the new health initiative that is soon to begin.

At the completion of these phases, the building will also have separate men's and women's bathrooms that are ADA compliant.

In order to establish a better plan for security, the main entrance on Barnett Street will be re-established, since it was closed in to create storage space during KISD ownership. Creating a central entrance will direct individuals into the building through



one entryway, making it easier to monitor. The other four doors will be used primarily for egress when not being monitored.

To complete the indoor renovations, the rest of the lighting and electrical distribution will be completed. The entire building will have new flooring installed, and be painted.

These additions will create a more pleasant environment, with better lighting and sound distribution.

The impact to the community comes in targeted areas: education, community building, and services.

THE FINANCIAL HISTORY of the Doyle School Community Center is one that has relied on a small operating budget and many volunteer hours. Over the past decade, the Center has operated on less than \$50,000 per year; some years on a far smaller amount. During this time, the Center has kept a high profile amongst the people that are the primary targeted population: the Doyle neighborhood. Quarterly programs such as Blue Santa, National Night Out, and Back to School Bash are important events for the support of the citizens. Throughout this time, afterschool clubs that help students with homework and provide mentorship have been operated, along with summer programs for youth. Support programs such as Texas Legal Aid, vacation Bible programs, story nights, money matters education, and adult fellowship sessions have been offered through collaborations with churches, Schreiner University, and other nonprofits.

Most programs (along with facility upkeep) have been accomplished by the efforts of volunteers who have nurtured the relationships with the collaborators, in-kind donations from businesses in the City of Kerrville, support from the City government, and support from local Foundations. The Center has not taken on debt; yet services have been provided to over a thousand people each year, and the facility is functional even though it is aging and has suffered renovations prior to it becoming a community center that make some programs more difficult to operate.

The current influx of support from BUILD Health that has program, staffing, and renovation funds is certainly a "game changer" for the organization. It has come at a time that the HVAC has become almost beyond repair, the bathroom situation (of being ADA non-compliant), fire suppression being nonexistent, and the food preparation "kitchen" limitations are a barrier to important programs.

The new programs that have funding attached have attracted the attention and support of local funders such as the Perry and Ruby Stevens Foundation and the Hal and Charlie Peterson Foundation. These programs will also make us eligible and more attractive to regional foundations such as the Mabee Foundation, the Sterling-Turner Foundation, and the Greehey Foundation.



The Need

The "Quality of Life" designation of this request could not be more accurate when establishing the need for assistance for the Doyle neighborhood. This neighborhood is made up almost exclusively of people who can benefit from the Doyle Center as the conduit through which services flow.

The population* of this neighborhood is:

- below the County average in access to health interventions,
- above the County average of incidence of infant mortality, the incidence of influenza and pneumonia, and above the State average in prevalence of chronic diseases
- below the County average level of educational attainment (12.3% of Doyle neighborhood residents have no high school diploma, compared to 6.6% of the population in the rest of the County.)
- above the percentage of people without insurance compared to the County.

Most of these factors are due to poverty and continued segregation and separation from the rest of the city. In this neighborhood, 61% of the African American citizens, and 21% of Hispanic persons are living on wages beneath the poverty level. The mean household income for all households is \$35,386

Youth and families need educational supports such as after school and summer programs that enhance their educational experience. Preschoolers make up 7.2% of the population, and school age children make up 17.4% of the neighborhood residents.

The elderly in the Doyle neighborhood have needs such as meals, access to healthy food to cook at home, and health screenings; 29.9% of the citizens are over 60 years of age. Health care and food sources are all outside of the neighborhood, and many of the individuals rely on others for transportation to food banks, grocery stores, and medical services. Doyle will house a driver for KerrKonnect at the Center with funding from the BUILD Health grant.

Since there is a low level of educational attainment, there is a population of individuals who need services such as G.E.D. tutoring, assistance getting access to higher education at the local community college and university, and other training such as personal budgeting and financial management.

There is a high number of Hispanic individuals living in this neighborhood, and many of them lack English speaking and reading skills. Translation services and classes to teach English are needed in order to help them attain higher paying jobs, and to be able to access services in the community.



Giving a hand up to individuals with these needs can only improve the economy of Kerrville. Better job skills for the service sector in Kerrville can assist businesses that have a difficult time attracting quality workers. More citizens seeking, and being prepared for, higher education will build the home-grown professional sector. Historically, most well-educated individuals who are natives of the Doyle neighborhood move away from Kerrville rather than putting their professional skills to use in Kerrville.

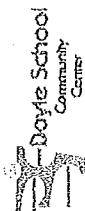
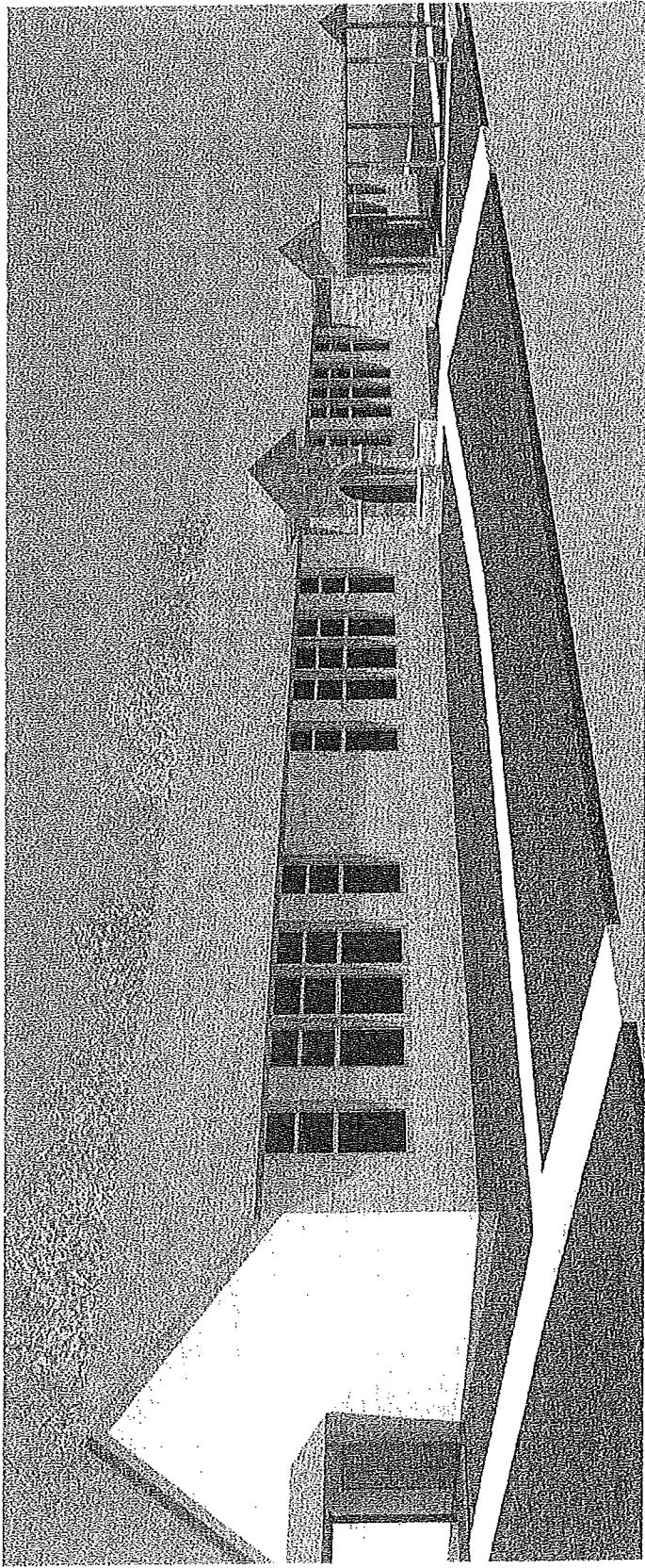
Building up the Doyle Center into a hub of resources, increasing community pride, and providing health care support will potentially keep people who benefit from Doyle services in Kerrville to help grow it economically.

*Data source Census data, factfinder.census.gov in Schreiner University Community Assessment, senior nursing students.



Any citizen in Kerrville or surrounding areas is welcome to access services at Doyle Center. The Board of Directors and Staff of the Doyle Center consider the service area to be the one on the map below.

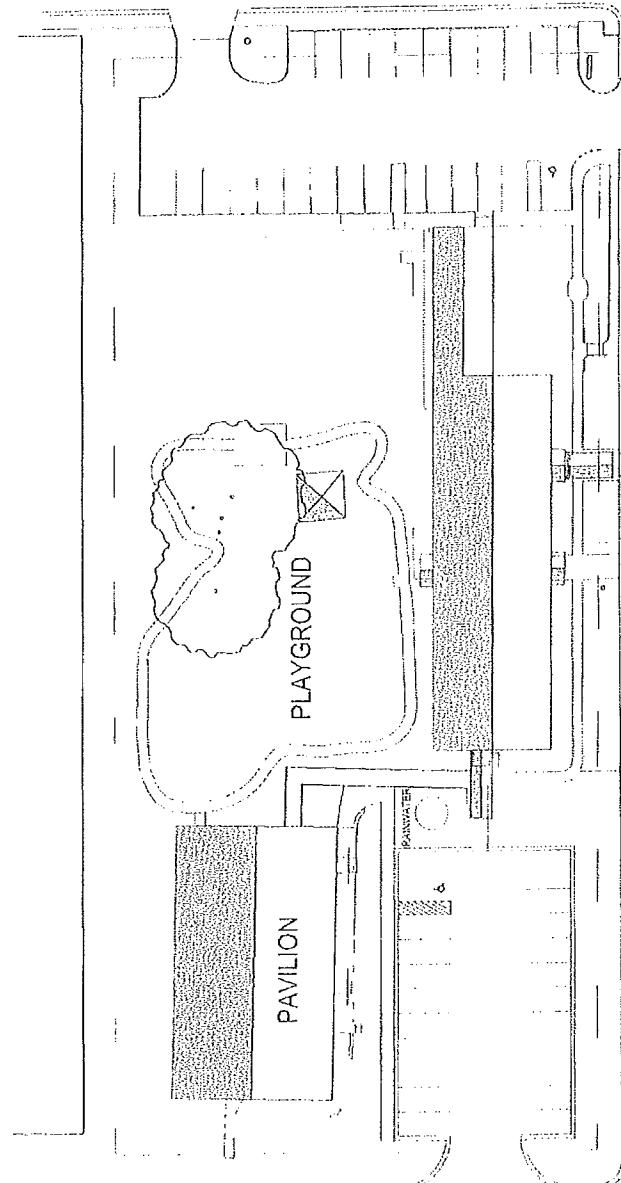




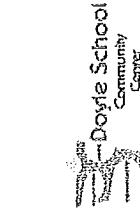
Renovations and Alterations to
Doyle School Community Center



PASCAL AVE.



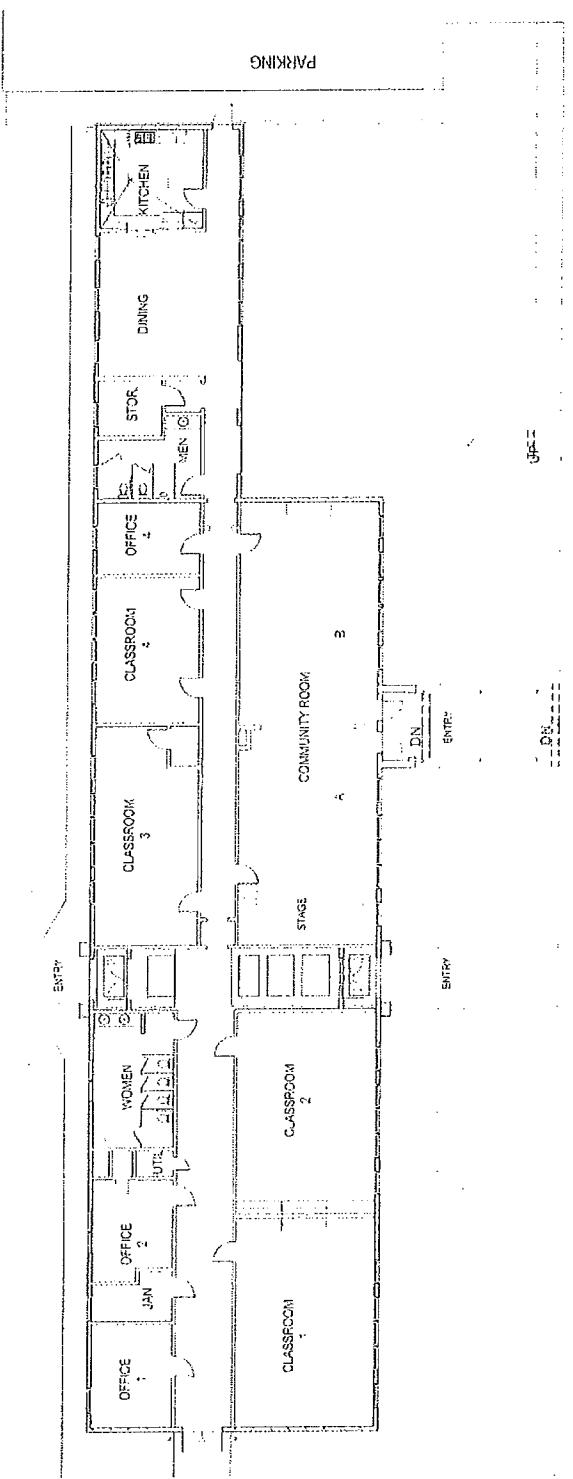
WEBSTER AVE.



Site Plan

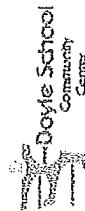
Renovations and Alterations to
Doyle School Community Center

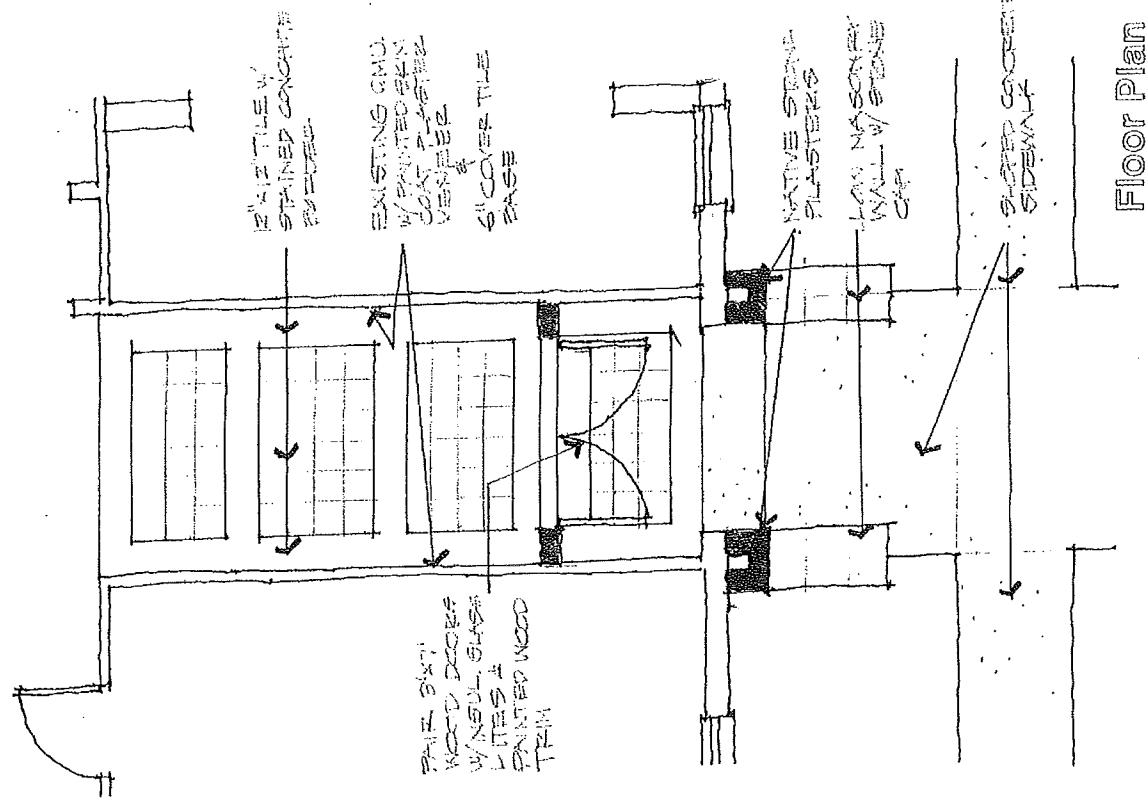




Floor Plan

Renovations and Alterations to
Doyle School Community Center

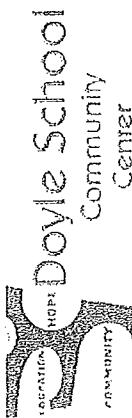




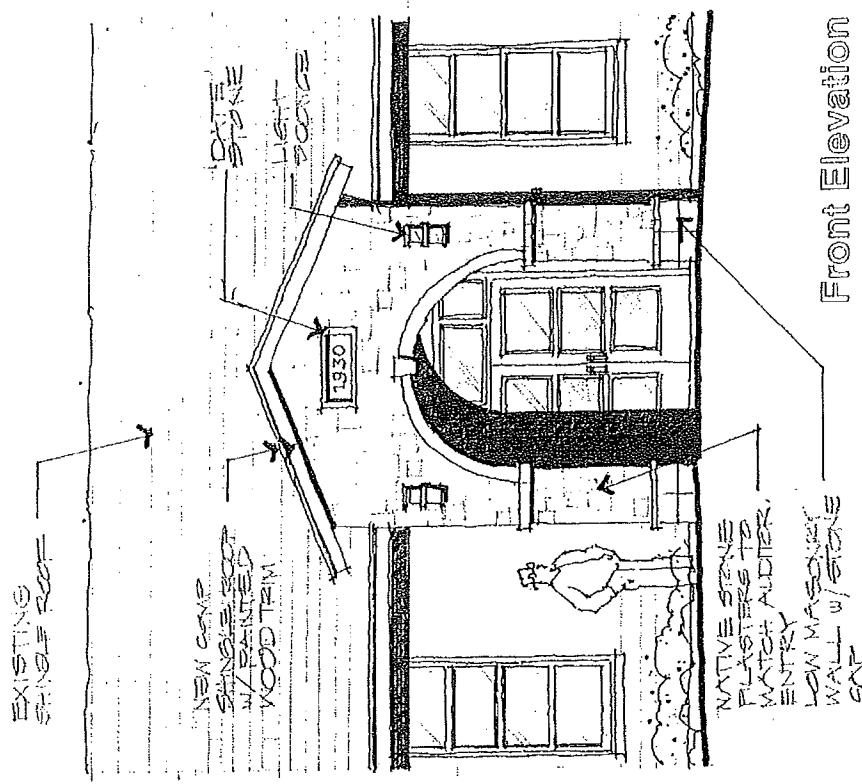
PETER LEWIS
ARCHITECT - ASSOCIATE

351 West North Street, Somerville, MA 02145

(617) 625-4212

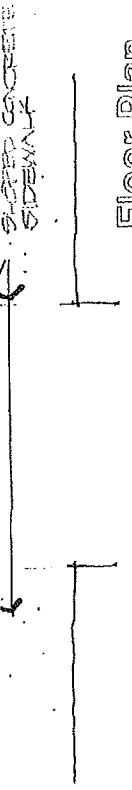
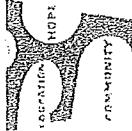


Front Elevation



Front Elevation

Floor Plan



CURRENT PHASING

Phase 1: Interior Above Ceiling Only - \$338,456

- Protect all existing floors and furnishings during demo and above ceiling work
- Demo all existing ceilings throughout including lay-in batt insulation
- Demo all existing ductwork, electrical distribution, plumbing, etc.
- Install new R-38 wire up batt insulation at underside of entire roof deck
- Install new HVAC ductwork and controls throughout
- Run new domestic water lines overhead (capped for future)
- Install new wet-pipe fire sprinkler system
- Install new electrical service and run distribution in attic space
- New acoustical grid ceilings with lay-in 2x2 ceiling tiles
- Patch/repair as necessary until Phase 2
- Gut and remodel existing kitchen complete

Phase 2: Interior Renovations - \$497,530

- Interior selective demolition
- New Main Entry and Vestibule
- Gut and remodel existing restrooms complete
- New wiring, lighting, and electrical distribution throughout
- New flooring finishes throughout all rooms and corridors
- Repaint all new and existing walls
- New grease trap



Doyle School Community Center Strategic Plan

OUR MISSION

The mission of the Doyle School Community Center is to provide education, hope and community to the Doyle neighborhood by providing a focus and location for the delivery of educational activities, community organizations, and services to children, adults, and senior citizens of Kerrville.

OUR VISION

Doyle citizens will thrive mentally, physically, and emotionally.

OUR CORE VALUES

- Serve all populations in the area around the Center Doyle without discrimination (socio economic, gender, age, religions, non-religious).
- Financial transparency
- Recognition of the inherent dignity of all we serve and who enter the Center by how people are treated, both in types of programs offered and how programs are offered.
- Model care for creation.
- Provide services in an ethical manner.

STRATEGIC GOALS

STRATEGIC GOAL #1

Develop a strategic funding model that ensures long term sustainability of the facility, grounds, staffing, and programs.

STRATEGIC GOAL #2

Plan, execute, evaluate, and strengthen programs for effectiveness and suitability for meeting the needs of the Doyle citizens.



STRATEGIC GOAL #3

Develop a plan for staff and board development to ensure that both have the skills and knowledge base to fulfill Doyle's mission.

STRATEGIC GOAL #4

Successfully renovate and repurpose the building to include its historical integrity with current and future needs.

BACKGROUND AND HISTORY

The Doyle School Community Center is a non-profit Community Center located in Kerrville, Texas, a historically underserved and low socioeconomic neighborhood. A needs assessment was completed in early 2003 by Partners in Ministry, and it found a need for services that could come from a Community Center. The Center was formed in 2003 to provide hope, education and community to the Doyle neighborhood. The Center was originally the school built to serve the African American children who lived nearby. After public school integration, the school later became the first public school kindergarten in Kerrville, and went on to serve various roles in the education of children in Kerrville Independent School District. In 2003, a board of directors reflecting the ethnic diversity and history of the area was established, and the building was purchased through a grant by the Cailloux Foundation. During its 17-year history, Doyle's service to the neighborhood has been due to the efforts of a working Board of Directors and volunteers. Quarterly neighborhood gatherings, afterschool kids club, summer kids club, bi monthly senior luncheons, and other special programs such as "Money Matters." Families that live in the neighborhood may also rent space for special occasions such as birthdays and reunions.

In 2018, a partnership with Schreiner University enabled an expansion of services. New programs such as literacy nights of story time for children and Zumba thons, as well as an expansion of the afterschool club has enabled more individuals to access services. The Public Health nursing students have done asset mapping to assess needs in the neighborhood, giving the Board of Directors valuable information to guide decisions.

In 2019, the City of Kerrville chose the Doyle neighborhood as its first neighborhood for a Development Plan. In several stakeholder meetings held at The Doyle, citizens could give input for needs of the neighborhood such as sidewalks, park improvements, roads, and other



services. This partnership between the Doyle Center and the City has proven to be a valuable resource to improve the daily lives of the citizens.

In late 2019, a grant was awarded to a Health Collaborative in Kerrville, who had requested funds to bring services to the Doyle neighborhood to that would solve food scarcity, transportation inequities and health care inequities that exist in this neighborhood. Through this grant, services to the community surrounding Doyle are increasing rapidly.

The recent progress in providing important services to the neighborhood has created a need for rapid, but studied improvement in the facility and an increase in personnel at the Doyle Center.

PROGRAMS AND COMMUNITY IMPACT

The Doyle School Community Center neighborhood service area is home to many citizens who work hard to provide a healthy lifestyle, education, and food for their families. However, barriers exist such as unreliable transportation, incomplete education and training, and absence of a medical home that provides consistent wellness services and medical help for chronic illnesses, and seasonal or temporary illness. These barriers lead to hopelessness and joblessness that continues the cycle of multigenerational poverty.

The Doyle Center strives to address these issues with programs and support in the following areas:

- Development of young children, youth, and teens.
- Services that strengthen families and community health and wellbeing.
- Services that support dignity and good health for aging adults.

Forming partnerships with the citizens of the Doyle neighborhood and gaining buy-in for Doyle's programs so that services are relevant and helpful is the model by which the Board of Directors operates.

- The Board of Directors is committed to a hiring model that will encourage applicants from the neighborhood;
- Neighborhood meetings that help gain insight into real needs rather than perceived needs are part of our planning and evaluation model



- Partnerships and collaborations with other nonprofits in Kerr County help Doyle provide

Services directly to the neighborhood that we may not otherwise be able to provide, and to do so would be replicating services that exist elsewhere in the County. We believe that being conduit for services outside of the neighborhood to our citizens is a good use of our resources.

Healthy Development of Young Children, Youth, and Teens

The Doyle School Community Center's programs for young children, youth, and teens centers its work in the 40 Developmental Assets® Framework, which seeks to grow a child's ability to avoid risky behaviors and engage in positive behaviors. This is a framework in which any program can operate: afterschool and summer club, teen gatherings, and toddler/parent programs. All of Doyle's program outcomes are targeted to young people who know their worth, are skilled and prepared for workforce, and possess social emotional strength to succeed in youth and adulthood.

Family and Community Health and Wellbeing

Programs at the Doyle School Community Center are focused on raising the overall health of its families. We target establishing a healthy lifestyle, including overcoming use of illicit drugs, tobacco, and dependence on alcohol. Furthermore, healthy food selection and healthy cooking, and fitness activities alongside support of preventative care initiatives, and education to stabilize chronic illnesses are all important targets of programs offered at Doyle.

Additionally, Doyle partners with programs that uplift the spiritual lives of its citizens. While Doyle does not endorse or provide programs that further any particular spiritual denomination or practice, Doyle does help provide access to programs that support a person's spiritual well-being.

Support for the Dignity and Health of Aging Citizens

Doyle provide programs that give aging adults opportunities for social interaction around interesting games and topics. Within these programs are opportunities for health screenings, education relative to aging and independent living, and support to find and access a medical home.



STRATEGIC GOALS

STRATEGIC GOAL #1

Develop a strategic funding model that ensures long term sustainability of the facility, grounds, staffing, and programs.

The well-being of the Doyle School Community Center is rooted in support from individuals, local government, corporations, and foundations. Over the years, when we have depended on volunteer labor, gifts from local funders has enabled Doyle to continue to serve the neighborhood by keeping basic bills such as electricity, water, and insurance paid. We must maintain these important relationships with those who have supported Doyle over the past two decades.

Our organization is at a critical stage of growth with recent funding from BuildHealth and critical partnerships with Peterson Health, First United Methodist Church, and the City of Kerrville. As Doyle's capacity to serve more people grows with the addition of staff and programs, a funding model that includes new sources of support, both outside the City of Kerrville, and within must be developed. Our message of hope for the people of the Doyle neighborhood, which will in turn strengthen the fabric of Kerrville, providing a quality workforce, and citizens that are woven into governmental institutions will attract more funding for the Center. A strategic approach to evaluation to show outcomes, and therefore build a case for the Doyle Center's existence and support must occur.

STRATEGIC GOAL #2

Plan execute, evaluate, and strengthen programs for effectiveness and suitability for meeting the needs of the Doyle citizens.

A well-thought out approach to determining what programs will have the maximum benefit to the neighborhood that includes input from the citizens of the neighborhood is critical to the



success of both the programs and the participants. Programs that are relevant to current workforce needs in Kerrville, along with knowing the areas of health and wellness that are most

in need of support, and responsiveness to the dynamics of community life must guide the decisions being made regarding programs.

Programs that are being executed must be done with all attention to the details of the needs of the participants. The staff must be equipped with necessary tools and knowledge of current best practices regarding the programs offered.

During and upon completion of programs, adequate and pertinent data must be collected in order to know the efficacy of the programs.

STRATEGIC GOAL #3

Develop a plan for staff and board development to ensure that both have the skills and knowledge base to fulfill Doyle's mission.

Creating organizational sustainability by equipping the staff and Board with necessary information and skills will allow us to operate more efficiently and effectively. Continuous capacity building by following plans to financial stability will ensure that Doyle's mission is fulfilled.

Doyle is quickly building capacity with more staff employed than ever in its 17-year history. The BUILD Health Grant is the catalytic event that has enabled this rapid growth, and it will be up to this staff to be the engine that creates energy to sustain programs by excelling in program delivery. The Board must tend to the internal customers – the staff – well in order for them to do the job of The Center, and further the mission. The staff's well-being must be tended to as much as our neighborhood citizens, by a careful monitoring of work load, creative staff development, and good working conditions.

The Board of Directors must on-board and nurture new members to provide the support and leadership that the staff requires. The Board of Directors should be a walking billboard for the mission and programs of Doyle – telling the story of lives changed by the programs delivered at Doyle. The Board of Directors must have a plan for attracting new members who can bring



needed human capital that can positively guide the policies and fund development of Doyle. While serving on the Board, the individuals must be shown appreciation by a well thought out and executed plan of communication, training, and skill and knowledge development.

STRATEGIC GOAL #4

Successfully renovate and repurpose the building to include its historical integrity with current and future needs.

Funding from philanthropic foundations and governmental entities are enabling the Doyle Center to renovate the building with three purposes in mind: building efficiency, building safety, and a reflection of the building's history.

We are committed to creating a successful plan that utilizes funds well, and that ensures that all critical needs of programs and the citizens of Doyle neighborhood are considered and met.

The renovation will be done while the building is occupied and programs are being held, so an effective Communications Plan for staff to know and understand upcoming changes in areas that are off-limits, parking and entrance changes, and utility access changes is important.



THE OPERATIONS PLAN

The Doyle School Community Center has developed an operations plan to ensure timely implementation of strategic goals and objectives and instill accountability throughout the process.

The operations plan will remain flexible, understanding that objectives may change based on external and internal environmental conditions. Goals will remain as approved by the Board over the duration of the three-year period of the Strategic Plan. Staff will finalize the operations plan with responsible parties and timelines.

DOYLE SCHOOL COMMUNITY CENTER

4B SALES TAX FUNDING REQUEST



PROPOSED RENOVATIONS FOR DOYLE SCHOOL COMMUNITY CENTER

PHASE ONE:

- New ceiling and insulation
- New water lines
- New HVAC complete
- Wet-pipe fire sprinkler system
- New electrical service above ceiling
- New kitchen and dining area

\$338,456

PHASE TWO:

- Selective interior demolition
- New Main Entrance
- Remodel Restrooms
- New wiring, lighting, electrical throughout
- New flooring finishes and paint
- New grease trap

\$497,530



ADDITIONAL FUNDING NEEDED

- Temporary Buildings in order to close building for renovations and continue programs.
- Architecture and Engineering Services

Estimated cost: \$60,000

Estimated cost: \$80,000





**Renovations and Alterations to
Doyle School Community Center**

PETER LEWIS
ARCHITECT • ASSOCIATES



QUALITY OF LIFE ISSUES ADDRESSED BY PROGRAMS AT DOYLE (TO BE ENHANCED BY RENOVATIONS)

EDUCATION

Support for elementary children to ensure school success.

HEALTH

Navigation to medical homes.

SENIOR SERVICES

Food Bank and Farmers Market specifically for senior citizens.

FOOD EQUITY

Nutritional food procurement and cooking

Food bank programs for families
Transportation
Community events to create social interactions.
Wellness programs to promote good health.
Purposeful programs for teens to gain thriving behaviors

Food Bank Friday for all in need (on site & transport to FUMC)



THE BUILDING RENOVATION IS TO ADDRESS THREE MAIN ISSUES

Efficiency – replace obsolete HVAC system, electrical system, bathrooms modernized, and IT.

Safety – replace the original entrance in the middle of the building and make the other points of entrance to be used only when a program is using and monitoring it. This would help us control access to the building.

Effective Use of Space and Historical Integrity – up until 2003, KISD repurposed this building to suit its needs, which resulted in some spaces too small, and some bigger than necessary for effective delivery of community programs. The plans call for some renovation to make the building closer to the historical one, but also to make it suit the purposes of the current programs for the health and wellbeing of the neighborhood citizens.



HOPE FOR HEALTH

- Staffing: Project Manager, Navigator, Therapist, Health Worker, Driver
- Provides: Building Improvements, IT, Office Supplies & Equipment, Transportation for neighborhood residents

DOYLE CENTER

EXPENSES:

- Staffing: $\frac{3}{4}$ time Facility Manager, $\frac{1}{2}$ time Custodian, $\frac{1}{4}$ time Kids Club Coordinator, $\frac{1}{2}$ time Outreach Coordinator

FUNDING:

- Local Foundation Grants
- Events
- Individual donations



OTHER FUNDING

Perry and Ruby Stevens Charitable Foundation: \$200,000 for Building Renovations (committed)

Hal and Charlie Peterson Foundation: \$200,000 for Building Renovations (committed)

Mabee Foundation: \$225,000 for phase three and four phase renovations, (outdoor pavilion, parking, play ground)

Healthy Cities Funding: \$50,000 for onsite Food Bank





Renovations and Alterations to
Doyle School Community Center



Update on Renovation & Request for Additional Funding



Timeline

June – September

- Drawings done and finalized
- Plans for delivery of Temporary Buildings finalized (plumbing, electrical, digital)

October

- pre bid meetings and temporary buildings delivered and installed

November

- bids from two contractors came in and Zuber Construction was chosen.

December and January

- worked to reduce cost of renovations, as the bid was approximately \$200K more than we still had available after expenses for plans, temp buildings, engineering, ADA evaluations
- sought other funding to meet new budget, and possibly be able to afford original quote (especially the complete commercial kitchen)

February

- Demolition began on the 8th



Concessions made before plans were put out for bids

- We made the complete renovation of the kitchen as a commercial kitchen an “add alternative.”
- We made parking lot resurfacing and the new parking lot on west side an “add alternative.”



Current reductions from original bid from Zuber

- Large windows in hallway will not be installed.
- Kitchen cabinets and counters greatly reduced.
- Flooring choice reduced.
- Ceiling tile choice reduced.
- Lighting choice reduced.



Statement of Need and Justification

Overall, the building cost was higher than anticipated. This is from several factors:

- The pandemic played a part in slowing the planning process, which in turn increased temporary building rental months (about \$4K per month)
- Installation of the Temporary Buildings was more involved than initially understood – electrical, water, and septic service provision was much higher than anticipated.
- The plans from which we were working for our original estimates had not gone through a complete engineering plan, nor had full drawings been completed at the time Doyle applied for EIC funds, and Foundation Grants.
- Asbestos Abatement costs are a bit higher than planned.



Request from E.I.C.

Doyle School Community Center Board of Directors requests an additional \$150,000 toward costs for renovation of the Doyle Center.



Capital Campaign continues

The Board of Directors of the Doyle Center will continue our capital campaign to fund the add alternatives, upgrade some of the items that we reduced to get the current cost of \$980K, and fund the next year of operations.



Renovations and Alterations to
Doyle School Community Center





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



SUBJECT: Review Payment Terms for the Loan Agreement and Promissory Note between Kerrville Public Utility Board and City of Kerrville Texas.

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Feb 05, 2021

SUBMITTED BY: Amy Dozier

EXHIBITS: [2020-64 Loan Agreement City of Kerrville and KPUB - Killdeer Mountain Manufacturing.pdf](#)

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

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

In September 2020, the City borrowed \$1 million from the Kerrville Public Utility Board (KPUB). The City transferred the \$1 million to the Kerrville Economic Improvement Corporation (EIC) to be used for an Economic Development Grant Agreement with Killdeer Mountain Manufacturing. EIC agreed to pay the debt service on the loan.

The loan has a 2% interest rate and is structured for interest-only payments until a balloon payment of the entire \$1 million principal amount is due in 2024.

The first \$10,000 interest only payment is due on March 15th. There is no penalty for prepayment on the principal of the loan. EIC has a cash balance of \$2.9 million as of

January 31, 2021. Given current projects, EIC's cash balance is projected to stay at \$2.7 million or higher for the rest of the 2021 fiscal year. EIC's cash funding is currently invested in a local government pool account earning 0.10%.

The EIC Board previously requested that a discussion regarding the March 15, 2021 payment amount be placed on its February agenda.

RECOMMENDED ACTION:

Consideration and possible action

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") is made and entered into by and between **KERRVILLE PUBLIC UTILITY BOARD** ("Lender") and **CITY OF KERRVILLE**, a Texas home rule municipality ("Borrower").

In consideration of their respective obligations, undertakings and commitments herein set forth and subject to the terms, provisions and conditions hereof, the parties hereto agree as follows:

SECTION 1. THE LOAN

1.01 Loan. Subject to and upon the terms and conditions herein set forth, Lender agrees to loan to the Borrower an amount not to exceed **\$1,000,000** (the "Credit Amount") on a term basis, in accordance with the provisions hereof (the "Loan").

1.02 Promissory Note Evidencing the Loan. The Loan will be evidenced by and payable in accordance with a Promissory Note ("Note") in a principal amount not to exceed **\$1,000,000**, dated September 15, 2020. The Loan matures on September 15, 2024 (the "Maturity Date"), and will bear interest at the rate set forth in the Note. All payments under the Note will be made in immediately available funds to Lender's address as set out in Paragraph 6.06, prior to 3:00 p.m., Kerrville time, on or before the due date thereof; funds received after that time will be deemed to have been received by Lender on the next following banking day. Borrower has agreed to pay the Note in accordance with **SCHEDULE 1**, attached hereto (and the Note) and made a part hereof for all purposes. **SCHEDULE 1** sets out interest only payments for the first three and one half years and then interest plus principal payment on the Maturity Date.

1.03 Voluntary Prepayments. Prior to demand or maturity of the Loan, the Borrower has the right to prepay the Loan, in whole or in part, at any time and from time to time, without premium or penalty.

SECTION 2. CONDITIONS PRECEDENT

The following are conditions precedent to the funding of the Loan:

2.01 No Event of Default (hereinafter defined) or Unmatured Event of Default (hereinafter defined) will then exist.

2.02 The representations and warranties herein will be true and correct in all material respects.

2.03 Lender will have received a copy, duly certified by the City Secretary of the Borrower, of the resolution of the City Council of the Borrower authorizing the borrowing hereunder and the execution and delivery of this Agreement, the Note and

CONTRACT 2020-64

all other applicable Loan Documents and of the specimen signatures of the officers of the Borrower authorized to sign this Agreement, the Note and all other applicable Loan Documents.

SECTION 3. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to Lender the following:

3.01 Organization and Existence. The Borrower is the City of Kerrville, Texas, a home rule municipality.

3.02 Authorization, Enforceability, Etc. Borrower has legal authorization to borrow the Credit Amount and has the legal authority to place the Loan proceeds into its Economic Improvement Corporation ("EIC") operating fund ("EIC Fund"). The execution, delivery and performance by the Borrower of the Agreement, Note, and all other applicable loan documents (the "Loan Documents") does not and will not (i) violate any provision of any agreement, law, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect which adversely affects or could adversely affect the financial condition of the Borrower; or (ii) result in a breach of or constitute a default under the Borrower's City Charter or any indenture or any payment obligation or loan or credit agreement or any other agreement or instrument to which the Borrower is a party or by which the Borrower is bound or affected, and will not result in the creation or imposition of any lien, charge or encumbrance on, or security interest in, any of their respective properties pursuant to the provisions of any such agreement or instrument; and (iii) the Loan Documents, when duly executed and delivered, will constitute legal, valid and binding obligations of the Borrower, respectively, enforceable against such parties in accordance with their respective terms.

3.03 Full Disclosure. No information furnished by the Borrower in connection with the transactions contemplated hereby contains any materially untrue statement or omission of material fact.

3.04 Litigation. There is no litigation, proceeding or investigation pending or threatened against or affecting the Borrower that would impact the Agreement.

SECTION 4. COVENANTS

4.01 EIC Fund, Special Use and Project Budget. All of the Loan proceeds will be deposited into the EIC Fund for EIC to use for the purchase of a building near the Kerrville Airport to support economic development.

4.02 Funding Source and City Budget. In addition to the terms set out on the Promissory Note, Borrower will pay the Note: (i) from revenues held in the EIC Fund; and (ii) this debt obligation and the amount of the annual payments due must be shown in the annual City budget, until paid in full. The Note is not collateralized but is secured

solely by Lender's pledge of and authority to withhold future franchise fees to Borrower for the term of this Agreement.

4.03 Notice of Default. Promptly upon becoming aware of the occurrence thereof, the Borrower will furnish to Lender written notification of any Event of Default or any event which, with the giving of notice or the lapse of time, or both, could constitute an Event of Default (an "Unmatured Event of Default"), specifying in connection with such notification all actions the Borrower proposes to take or is taking in order to remedy such circumstances.

4.04 Further Assurances. The Borrower will promptly deliver to Lender such information (not otherwise required to be furnished pursuant to the Loan Documents) respecting its business, affairs, assets, and liabilities, and such opinions, certifications, and documents, in addition to those mentioned in this Agreement, as Lender may reasonably request.

SECTION 5. EVENTS OF DEFAULT

5.01 Event of Default. As used herein and as set forth in the Note, the term "Unmatured Event of Default" means an event or condition, which with the passing of time or giving of notice or both would constitute an Event of Default. After 10 days written notice for a monetary default or 30 days written notice for a non-monetary default, an "Event of Default" will exist if any of the following occurs:

(a) Payment. The Borrower fails to make any payment of principal or interest on the Note when due or fails to make any payment of fees or other amounts with respect to the Loan when such payment is due; or

(b) Performance. The Borrower fails to perform or observe any covenant or provision contained herein; or

(c) Loan Documents. A default occurs under any of the Loan Documents; or

(d) Warranties or Representations. Any warranty, representation or other statement by or on behalf of the Borrower or any Guarantor contained in the Loan Documents, or in any instrument furnished in compliance with or in reference to the Loan Documents, is false, misleading, or incorrect in any material respect as of the date made.

5.02 Certain Rights of Lender.

(a) Remedies Upon Default. Should an Event of Default occur, Lender may, in its discretion, do any one or more of the following:

(i) Acceleration. Declare the unpaid balance of the Loan immediately due and payable, whereupon it will be due and payable.

(ii) Termination. Terminate any commitment of Lender to lend hereunder in its entirety or as to any portion thereof, to the extent Lender will deem appropriate.

(iii) Setoff. Setoff any amounts due and owing to Lender by Borrower, whether principal, interest or fees, including any amounts accelerated pursuant to the terms hereof, against any funds contained in any account maintained by Borrower at Lender.

(iv) Exercise of Rights. Exercise any and all rights afforded by the Loan Documents, including without limitation, the Note, or by any applicable laws, whether at law, in equity or otherwise, as Lender will deem appropriate, including, but not limited to, the rights to bring suit or other proceeding before any court or any governmental department, agency or instrumentality of any sort whatsoever, either for specific performance of any covenant or condition contained in the Loan Documents or in aid of the exercise of any right granted to Lender in the Loan Documents.

(b) Lender Not in Control. None of the covenants or other provisions contained in this Agreement will give Lender the right or power to exercise control over the affairs and/or management of the Borrower.

(c) Cumulative Rights. All rights available to Lender hereunder and under the Loan Documents will be cumulative of and in addition to all other rights granted to Lender at law or in equity, whether or not Lender will have instituted any suit for collection or other action in connection with the Loan Documents.

(d) Waiver by Borrower. Borrower hereby waives any and all demands for payment, presentments for payment, notices of intention to accelerate, notices of acceleration of maturity, protests and notices of protests regarding the Loan.

SECTION 6. MISCELLANEOUS

6.01 Term. This Agreement continues, unless sooner terminated or extended as provided herein, until the Maturity Date. Upon any such termination, the Borrower's obligations and the powers and rights of Lender hereunder will continue in full force and effect until the Loan has been paid in full and all other liabilities and obligations of the Borrower hereunder have been satisfied.

6.02 Controlling Agreement. All agreements between the Borrower and Lender, whether now existing or hereafter arising and whether written or oral, are hereby limited so that in no contingency or event whatsoever, whether by reason of

demand or acceleration of the maturity hereof or otherwise, will the amount contracted for, charged, received, paid or agreed to be paid to Lender for the use, forbearance, or detention of the funds evidenced hereby or otherwise, or for the performance or payment of any covenant or obligation contained in any instrument securing the payment thereof, exceed the maximum amount permissible under applicable law. If, from any circumstance whatsoever, interest would otherwise be payable to Lender in excess of the maximum lawful amount, the interest payable to Lender will be reduced to the maximum amount permitted under applicable law; and if from any circumstance Lender will ever receive anything of value deemed interest by applicable law in excess of the maximum lawful amount, an amount equal to any excessive interest will be applied to the reduction of the principal hereof and not to the payment of interest or if such excessive interest exceeds the unpaid balance of principal hereof, such excess will be refunded to the Borrower. All interest paid or agreed to be paid to Lender will, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full period until payment in full of the principal (including the period of any renewal or extension hereof) so that the interest hereon for such full period will not exceed the maximum amount permitted by applicable law. The term "applicable law" as used herein means the laws of the state of Texas or the laws of the United States, whichever laws allow the greater rate of interest, as such laws now exist or, to the extent allowed by law, may be changed or amended or come into effect in the future. This paragraph will control all agreements between Borrower and Lender.

6.03 No Third Party Beneficiary. This Agreement is for the sole benefit of the Borrower and Lender and is not for the benefit of any third party.

6.04 Number and Gender. Whenever used herein and where the context requires, the singular member includes the plural, and the plural includes the singular, and the use of any gender will be applicable to all genders.

6.05 Notices. All notices permitted hereunder will be given to the addressee at the following address:

If to Lender: Kerrville Public Utility Board
2250 Memorial Blvd.
Kerrville, Texas 78028
Attention: Chief Executive Officer

Mailing Address
P.O. Box 294999
Kerrville, Texas 78029-4999
Attention: Chief Financial Officer

If to Borrower: City of Kerrville
701 Main Street
Kerrville, Texas 78028

Attn: City Manager

All notices given hereunder will be in writing and will be considered properly given if mailed by first-class United States mail, postage prepaid, registered or certified with return receipt requested, or by delivering same in person to the addressee, or by prepaid telegram. All notices permitted herein to be given by mail will be effective upon deposit in to the care and custody of the U.S. Postal Service. Notice given in any other manner will be effective upon receipt at the address of the addressee. Either party may change its address for purposes of receiving notice hereunder upon not less than 15 days notice given in the manner prescribed herein.

6.06 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the state of Texas and the laws of the United States of America applicable to transactions in the State of Texas. Borrower and Lender agree that the sole and exclusive place of jurisdiction for resolution of any dispute arising out of or relating to this Agreement will be Kerrville, Kerr County, Texas.

6.07 Invalid Provisions. If any provision herein or in the Loan Documents is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision will be fully severable, the document affected will be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part thereof, and the remaining provisions thereof will remain in full force and effect and will not be affected by the severance herein provided. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there will be added automatically a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

6.08 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the Borrower, Lender and their respective successors and assigns; provided, however, Borrower may not transfer or assign any of its rights or obligations hereunder without the express written consent of Lender.

6.09 Amendment. Except as provided herein, this Agreement may not be amended or modified except by written instrument signed by the parties hereto.

6.10 Expenses. Whether or not any advance is made hereunder the Borrower agrees to pay the reasonable expenses of Lender in connection herewith, including all legal fees, all filing and recording fees, costs of credit reports and of inspections of any collateral, and all costs involved in enforcement and collection pursuant to the terms of the Loan Documents, which expenses will be due and payable on demand therefor. Without limiting the generality of the foregoing, Borrower will, except in connection with a billing error inquiry, pay to Lender a fee of \$20.00 per hour for any research requested or authorized, whether orally or in writing, by Borrower with respect to the Loan. Borrower will further pay \$1.00 per copy for any photocopies requested or authorized, whether orally or in writing, by Borrower with respect to the Loan.

6.11 Entire Agreement. This Agreement and the Loan Documents constitute the entire understanding and agreement between the Borrower and Lender with respect to the transactions contemplated hereby and supersede all prior written or oral understandings and agreements between the Borrower and Lender with respect thereto. The Borrower hereby acknowledges that, except as incorporated in writing herein and in the Loan Documents, there are not and were not, and no persons are or were authorized by Lender to make, any representations, understandings, stipulations, agreements or promises, whether oral or written.

6.12 Captions and Section Headings. Captions and section headings used herein are for convenience only and will not be used in construing this Agreement.

6.13 Loan Agreement Governs. In the event of any conflict between the terms of this Agreement and any terms of any other Loan Document, the terms of this Agreement will govern. All of the Loan Documents are by this reference incorporated into this Agreement.

6.14 USA Patriot Act Notice. Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act.

6.15 Note Not a Public Security. None of the Loan Documents, including the Note, will be deemed to be a "public security" pursuant to Chapter 1201.002(2), as amended, under the Texas Government Code.

IN WITNESS WHEREOF, the Borrower and Lender have caused this Agreement to be executed this 15th day of September, 2020.

BORROWER:

City of Kerrville, a Texas home rule municipality

By: Mark McDaniel
Name: Mark McDaniel
Its: City Manager

LENDER:
Kerrville Public Utility Board

BY: 

Name: Mike Wittler
Its: Chief Executive Officer

SCHEDULE 1

Amortization Schedule

City of Kerrville
Amortization Schedule - Loan with KPUB

Principal Amount \$ 1,000,000
Interest Rate 2.0%
Term (in years) 4
Issue Date 9/15/2020
First Payment Date 3/15/2021
Last Payment Date 9/15/2024

Date	Principal	Interest	Total	Balance
3/15/2021		10,000	10,000	1,000,000
9/15/2021		10,000	10,000	1,000,000
3/15/2022		10,000	10,000	1,000,000
9/15/2022		10,000	10,000	1,000,000
3/15/2023		10,000	10,000	1,000,000
9/15/2023		10,000	10,000	1,000,000
3/15/2024		10,000	10,000	1,000,000
9/15/2024	1,000,000	10,000	1,010,000	
	1,000,000	80,000	1,080,000	

Promissory Note

Basic Information

Date: September 15, 2020

Borrower: City of Kerrville, a Texas home rule municipality

Borrower's Mailing Address: 701 Main Street
Kerrville, Kerr County, Texas 78028
Attn: City Manager

Lender: Kerrville Public Utility Board

Place for Payment: Office:
2250 Memorial Blvd.
Kerrville, Texas 78028
Attn: Chief Executive Officer

Mailing Address: P.O. Box 294999
Kerrville, Texas 78029-4999
Attn: Chief Financial Officer

Principal Amount: One Million and NO/100
(\$1,000,000.00)

Annual Interest Rate: Two and 00/100 percent (2.0%), based on a 360 day year,
with twelve 30-day months

Maturity Date: September 15, 2024

Annual Interest Rate on Matured, Unpaid Amounts: Ten and No/100 percent (10%)

Terms of Payment (principal and interest): Payments of all accrued interest and certain mandatory principal reductions as set out on the payment schedule attached hereto and made a part hereof as **SCHEDULE 1**; such payments to be made bi-annually beginning on March 15, 2021 and continuing on or before March 15 and September 15 of each year until September 15, 2024 ("Maturity Date") when all unpaid principal and all accrued, but unpaid interest, is payable in full.

Security for Payment: Lender's pledge of and authority to withhold future franchise fees to Borrower for the term of this Agreement.

Promise to Pay

CONTRACT 2020-64

Borrower promises to pay to the order of Lender the Principal Amount plus interest at the Annual Interest Rate. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due by the Maturity Date. If any amount is not paid either when due under the Terms of Payment or on acceleration of maturity, Borrower promises to pay any unpaid amount plus interest from the date the payment was due to the date of payment at the Annual Interest Rate on Matured, Unpaid Amounts.

Defaults and Remedies

Notwithstanding any other provision of this note, in the event of a default or failure to pay any principal or interest when is due on this Note, before exercising any of Lender's remedies under this Note, Lender will first give Borrower written notice of default and Borrower will have ten days after notice is given in which to cure the default. If the default is not cured ten days after notice, Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law. The Lender may cure any default hereunder by withholding City transfer payments established in Section 35(c) Third of Ordinance No. 2013-21 until the default is cured.

Waivers

Borrower waives, to the extent permitted by law, all (i) demand for payment, (ii) presentation for payment, (iii) notice of intention to accelerate maturity, (iv) notice of acceleration of maturity, (v) protest and (vi) notice of protest.

Attorney's Fees

Borrower also promises to pay reasonable attorney's fees and any other related costs if an attorney is retained to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

Prepayment

Borrower may prepay this Note at any time without premium or penalty.

Usury Savings

Interest on the debt evidenced by this note will not exceed the maximum rate or amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the Principal Amount or, if the Principal Amount has been paid, refunded. On any acceleration or required or permitted prepayment, any excess interest will be canceled automatically as of the acceleration or prepayment or, if the excess interest has already been paid, credited on the Principal Amount or,

if the Principal Amount has been paid, refunded. This provision overrides any conflicting provisions in this note and all other instruments concerning the debt.

Other Clauses

Borrower is responsible for all obligations represented in this Note.

When the context requires, singular nouns and pronouns include the plural.

BORROWER

CITY OF KERRVILLE, a Texas home rule
municipality

By: 
Name: Mark McDaniel
Title: City Manager

SCHEDULE 1

City of Kerrville Amortization Schedule - Loan with KPUB

Principal Amount \$ 1,000,000
Interest Rate 2.0%
Term (in years) 4
Issue Date 9/15/2020
First Payment Date 3/15/2021
Last Payment Date 9/15/2024

Date	Principal	Interest	Total	Balance
3/15/2021		10,000	10,000	1,000,000
9/15/2021		10,000	10,000	1,000,000
3/15/2022		10,000	10,000	1,000,000
9/15/2022		10,000	10,000	1,000,000
3/15/2023		10,000	10,000	1,000,000
9/15/2023		10,000	10,000	1,000,000
3/15/2024		10,000	10,000	1,000,000
9/15/2024	1,000,000	10,000	1,010,000	-
	1,000,000	80,000	1,080,000	

Schedule 1

DM #241410 v5
1694/37

CONTRACT 2020-64

RESOLUTION NO. 20-15

A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD APPROVING A PROMISSORY NOTE AND LOAN AGREEMENT WITH THE CITY OF KERRVILLE, TEXAS SUBJECT TO CERTAIN REQUIREMENTS.

WHEREAS, the City of Kerrville, Texas ("City") is a home rule city under the Constitution and laws of the State of Texas operating under its Charter as amended June 10, 2014; and

WHEREAS, by adoption of Ordinance No. 87-45 on the 24th day of November, 1987, the City Council created a Board of Trustees ("Board") to manage and control a newly acquired electric transmission and distribution system ("system") from the Lower Colorado River Authority which provision has been continued through a succession of subsequent City bond ordinances, the most recent being Ordinance No. 2013-21, adopted October 22, 2013, and the Board has continuously managed the City's system since its members were appointed and qualified for office; and

WHEREAS, the Board finds it has accumulated funds to partially finance future electric system improvements, work on which is not planned to commence until approximately 2024; and

WHEREAS, the City needs in the near future to purchase a building near the Kerrville Airport to support economic development; and

WHEREAS, the Board finds that it would be an economic opportunity and in the interest of the system ratepayers to loan the City a sum not to exceed \$1,000,000 (i) at an interest rate in excess of that which KPUB is earning on its current investments; (ii) on standard commercial terms; and (iii) with an amortization schedule which would repay the funds in time for the Board to commence its planned electric system improvements; and

WHEREAS, the Board finds that it is not prohibited by the Charter, Bond Ordinance No. 2013-21, or general law to make the loan to the City, and the loan funds are not needed in the near future by the Board for the reliable, adequate and efficient operation of the system; and

WHEREAS, KPUB has offered to make the loan to the City and KPUB Staff has caused to be prepared a Promissory Note and corresponding Loan Agreement consistent with the above findings and requirements of the Board; now, therefore,

BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:

Section 1. The Note not to exceed \$1,000,000 and Loan Agreement by and between the City of Kerrville, Texas, and the Board of Trustees of the City of Kerrville, Texas, dated September 15, 2020, is hereby approved.

Section 2. The funds from the loan will be dedicated to the purchase of a building near the Kerrville Airport to support economic development.

Section 3. The City will repay the loan under the terms and conditions of the Note and Loan Agreement from revenues from its Economic Improvement Corporation operating fund.

Section 4. The City Manager shall cause annual budgets to provide for repayment of the principal and interest of the loan to the extent that the City is obligated to make repayment during any fiscal year and shall cause any required disclosures to reflect the obligations of the City for repayment of the loan.

Section 5. This action of the Board shall not be precedent for future loans and is approved as a onetime opportunity for the System to earn additional revenue.

PASSED, APPROVED AND ADOPTED on this 19th day of August, 2020



Bill Thomas, Chairman

ATTEST:



Mark Cowden, Secretary



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



SUBJECT: Application for funding from the Kerrville Christmas Lighting Corporation to enhance electrical infrastructure on Tranquility Island. (551.071, 551.087)

AGENDA DATE OF: March 1, 2021

DATE SUBMITTED: Jan 22, 2021

SUBMITTED BY: EA Hoppe

EXHIBITS: [20210301_KCLC EIC Packet.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$100,000	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	D - Downtown Revitalization
Guiding Principle	D1. Create a “living room” for the community and a “front door” for visitors—a full-service destination that attracts anchor uses and increased residential and mixed-use development.
Action Item	D1.12 - Expand/Grow Christmas light installation to the entire Downtown area and Louise Hays Park

SUMMARY STATEMENT:

The Kerrville Christmas Lighting Corporation (KCLC) mission is to enhance Christmas lighting within the greater Kerrville area in order to promote Christmas spirit and boost tourism and quality of life. In 2020, KCLC raised \$40,000 for 44 ornaments along Sidney Baker. For 2021, the organization’s focus is shifting toward making improvements to the Tranquility Island electrical grid to support holiday lighting and attractions.

KCLC has made application to the Kerrville Economic Improvement Corporation (EIC) for funding assistance with a matching-grant that would provide for a total of \$200,000 in electrical improvements. Their application requests \$100,000 from the EIC if \$100,000 can be raised in private donations from Kerrville citizens and other businesses. Their

application was reviewed by the Go TEAM in January and was determined to be administratively complete and ready for review by the EIC.

RECOMMENDED ACTION:

Provide feedback and direct staff on the potential development of a Funding Agreement and Public Hearing date.



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



SUBJECT: Requested Amendment to the Economic Development Grant Agreement between the Doyle School Community Center, Inc. and the City of Kerrville, Texas Economic Improvement Corporation. (551.071, 551.072, 551.087)

AGENDA DATE OF: March 1, 2021 **DATE SUBMITTED:** Jan 22, 2021

SUBMITTED BY: EA Hoppe

EXHIBITS: [2020-22 EIC Grant Agreement between Doyle School Community Center and EIC \(002\).pdf](#)
[Doyle Handout of presentation 2.2021 \(002\).pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$150,000	N/A	N/A	N/A

PAYMENT TO BE MADE TO: Doyle School Community Center

Kerrville 2050 Item?	Yes
Key Priority Area	C - Community / Neighborhood Character and Place Making
Guiding Principle	C4. Promote design that is in keeping with Kerrville, its natural beauty, history, culture and diversity using art, landscaping and other aesthetic features, including “random order” (sameness that doesn’t seem forced); encourage design that promotes interaction, a sense of community and gatherings
Action Item	C4.8 - When and where reasonable, promote the preservation and/ or renovation of historic homes/buildings by offering incentives and/or tax breaks

SUMMARY STATEMENT:

The Kerrville Economic Improvement Corporation (EIC) entered into an Economic Development Grant Agreement with the Doyle School Community Center, Inc. in April 2020 for \$500,000 to help facilitate over \$1,000,000 in improvements for various renovations to their location along Paschal Avenue. As further design efforts have been

refined and project bidding has occurred, the projected cost of improvements for Phase I are more than originally anticipated. The non-profit has asked to amend the Agreement for an additional \$150,000 in grant funding. A presentation is attached further outlining the status of the renovation and the requested Agreement amendment.

RECOMMENDED ACTION:

Provide direction on amending the existing Economic Development Grant Agreement.
Set a public hearing date if necessary.



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



SUBJECT: Requested Amendment to the Economic Development Grant Agreement between James Avery Craftsman and the City of Kerrville, Texas Economic Improvement Corporation.

AGENDA DATE OF: March 1, 2021

DATE SUBMITTED: Feb 08, 2021

SUBMITTED BY: Kesha Franchina

EXHIBITS:

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

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Discussion