



ECONOMIC IMPROVEMENT CORPORATION AGENDA
OCTOBER 18, 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 Economic Improvement Corporation (EIC) meeting held on September 20, 2021.

Attachments:

[EIC Minutes 9-20-2021.pdf](#)

5 MONTHLY REPORTS:

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

5.B. Kerrville Economic Improvement Corporation (EIC) Project Status Update.

5.C. Monthly Financial Report.

Attachments:

[September 2021 financial presentation.pdf](#)

6 EXECUTIVE SESSION:

The Economic Improvement Corporation may, as permitted by law, adjourn into executive

session at any time to discuss any matter listed above including if they meet the qualifications in 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:

6.A. Economic Development Incentive Agreement between Kerrville's 4th on the River, Inc. Arcadia Live) and the City of Kerrville, Texas Economic Improvement Corporation.

6.B. Project Apple (551.087).

7 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

8 ITEMS FOR FUTURE AGENDAS:

9 ANNOUNCEMENTS:

10 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: 10/15/2021 at 3:58 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 Economic Improvement Corporation (EIC) meeting held on September 20, 2021.

AGENDA DATE OF: October 18, 2021 **DATE SUBMITTED:** Sep 21, 2021

SUBMITTED BY: Kesha Franchina

EXHIBITS: [EIC Minutes 9-20-2021.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:

Minutes from the regular Economic Improvement Corporation (EIC) meeting held on September 20, 2021.

RECOMMENDED ACTION:

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on September 20, 2021.

CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION (EIC) REGULAR MEETING – SEPTEMBER 20, 2021

On Monday, September 20, 2021, 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:

Gregory Richards, President
Danny Almond, Vice President
Gregg Appel
Don Barnett
Kim Clarkson, Councilmember, Place 2
Gary Cochrane
Maggie Megee

MEMBERS ABSENT: None.

CHIEF EXECUTIVE STAFF PRESENT:

E.A. Hoppe, Deputy City Manager
Mike Hayes, City Attorney
Kesha Franchina, Deputy City Secretary
Julie Behrens, Director of Finance
Trina Rodriguez, Accounting Manager

VISITORS PRESENT:

Gil Salinas, Kerrville Economic Development Corporation
Theresa Metcalf, Kerrville Economic Development Corporation
Larry Howard, Arcadia Live! Theatre
Michael Kelliher, Arcadia Live! Theatre Executive Director
Kyle Bond, Arcadia Live! Theatre Vice-President
Steve Schulte, Arcadia Live! Theatre Secretary
Scott Stumbo, Arcadia Live! Theatre Treasury
Wes Lane, Arcadia Live! Theatre Board Member
Anne Overby, Arcadia Live! Theatre Board Member
Blake Smith, Arcadia Live! Theatre Board Member
David Wampler, Arcadia Live! Theatre Board Member
Bruce Stracke, Tax Increment Reinvestment Zone Board Member

COVID safety protocols were observed during this meeting.

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

2 **INVOCATION:** President Richards led the invocation.

3 **VISITORS / CITIZENS FORUM:** None.

4 **APPROVAL OF MINUTES:**

4.A. Minutes from the regular Economic Improvement Corporation (EIC) meeting held on August 16, 2021

Gary Cochrane motioned to approve the minutes as presented, Don Barnett and Gregg Appel seconded, and the motion passed 7-0.

5 **MONTHLY REPORTS:**

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

Gil Salinas and Theresa Metcalf presented the KEDC updates and responded to questions.

5.B. Kerrville Economic Improvement Corporation (EIC) Project Status Update

EA presented the EIC Project Status Update handout and responded to questions.

5.C. Monthly Financial Report

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

6 CONSIDERATION AND POSSIBLE ACTION:

6.A. Update from Arcadia Live! Board on current conditions and upcoming events, and possible amendment to existing funding agreement

Larry Howard presented a request to amend the existing funding agreement asking for additional funds of \$400,000 and responded to questions. Gil Salinas and Anne Overby responded to questions.

Gary Cochrane motioned to consider amending the existing funding agreement with the EIC providing an additional \$400,000 to be paid in two (2) installments, one (1) in January 2022 and one (1) in June of 2022. Kim Clarkson clarified funding amount for January and June, and seconded. After further discussion, Gary Cochrane amended his motion to consider revising the funding agreement to provide \$200,000 in the next month and an additional \$200,000 within the following twelve (12) months, including matching of funds up to \$200,000 produced by Arcadia Live! Theatre through donations. Maggie Megee seconded, and the motion passed 7-0.

7 EXECUTIVE SESSION: None.

8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION: N/A

9 ITEMS FOR FUTURE AGENDAS: None.

10 ADJOURN. President Richards adjourned the meeting at 5:03 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: October 18, 2021 **DATE SUBMITTED:** Sep 21, 2021

SUBMITTED BY: Gil Salinas

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:

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: October 18, 2021 **DATE SUBMITTED:** Sep 21, 2021

SUBMITTED BY: EA Hoppe

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:

Economic Improvement Project update.

RECOMMENDED ACTION:

No Action.



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



SUBJECT: Monthly Financial Report.

AGENDA DATE OF: October 18, 2021

DATE SUBMITTED: Oct 15, 2021

SUBMITTED BY: Trina Rodriguez

EXHIBITS: [September 2021 financial presentation.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:

Monthly financial report for the month ending September 30, 2021 will be presented by staff.

RECOMMENDED ACTION:

Information only; no action required.



Financial update for the month ended September 30, 2021

**Economic Improvement Corporation Meeting
October 18, 2021**



Economic Improvement Corporation

Statement of Activities

Month Ended September 30, 2021

	Annual Budget	Current Period	Y-T-D Actual	% of Budget	Remaining Budget
Revenues					
Sales and Use Tax	\$ 3,511,307	\$ 390,132	\$ 4,362,492	124.2%	\$ 851,185
Interest Income	9,000	131	2,619	29.1%	(6,381)
Total Revenues	3,520,307	390,263	4,365,111	124.0%	844,804
Expenditures					
Administrative					
Office Supplies	500	-	-	0.0%	500
Professional Services	10,000	-	-	0.0%	10,000
Administrative Services Fee	185,000	15,417	185,000	100.0%	-
Kerr Economic Development Corp.	197,500	-	197,500	100.0%	-
Total Administrative	393,000	15,417	382,500	97.3%	10,500
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	251,344	20,945	251,344	100.0%	-
Debt Service - Series 2020 Ref (River Trail)	243,337	20,278	243,337	100.0%	-
Debt Service - Series 2015 (KSC)	603,150	50,263	603,150	100.0%	-
Debt Service - KPUB (KMM)	1,020,000	-	1,010,000	99.0%	10,000
Total Debt Service	2,117,831	91,486	2,107,831	99.5%	-
Projects					
Kerrville Christmas Lighting	-	-	100,000	100.0%	(100,000)
Thompson Drive Partners (The Landing)	283,333	-	566,666	200.0%	(283,333)
Airport Projects	225,000	-	29,499	13.1%	195,501
Doyle School	450,000	75,147	536,332	119.2%	(86,332)
Downtown River Trail Feasibility Study	50,000	-	50,000	100.0%	-
Killdeer Mountain Manufacturing	-	-	250,477	-	(250,477)
Total Projects	1,008,333	75,147	1,532,974	152.0%	(524,641)
Total Expenditures	3,519,164	182,050	4,023,305	114.3%	(504,141)
Change in Net Position	\$ 1,143	\$ 208,213	\$ 341,807		

Economic Improvement Corporation

Cash Flow Forecast

As of September 30, 2021

	FY2021 Actual	FY2022 Projection			
	Oct 2020 to Sep 2021	Oct 2021 to Dec 2021	Jan 2022 to Mar 2022	Apr 2022 to Jun 2022	Jul 2022 to Sep 2022
Beginning Cash Balance	\$ 2,397,892	\$ 2,738,631	\$ 3,297,994	\$ 3,934,836	\$ 4,555,621
Revenue					
Sales Tax	4,362,492	959,126	1,036,157	1,019,612	1,208,104
Interest Income	2,619	2,079	2,527	3,015	3,490
Total Revenue	4,365,111	961,206	1,038,684	1,022,627	1,211,594
Expenditures					
Administrative					
Administrative Fee & Supplies	185,000	48,875	48,875	48,875	48,875
Professional Services	-	2,500	2,500	2,500	2,500
KEDC	197,500	78,125	78,125	78,125	78,125
Total Administrative	382,500	129,500	129,500	129,500	129,500
Debt Service	2,107,831	272,342	272,342	272,342	272,342
Projects					
Thompson Drive Partners (The Landing)	566,666	-	-	-	-
Airport Projects	29,499	-	-	-	-
Doyle School	536,332	-	-	-	-
Downtown River Trail Feasibility Study	50,000	-	-	-	-
Killdeer Mountain Manufacturing	250,477	-	-	-	-
Kerrville Christmas Lighting	100,000	-	-	-	-
Total Projects	1,532,974	-	-	-	-
Total Expenditures	4,023,305	401,842	401,842	401,842	401,842
Ending Cash Balance	\$ 2,738,631	\$ 3,297,994	\$ 3,934,836	\$ 4,555,621	\$ 5,365,373

Financial Analysis

Project Analysis as of September 30, 2021			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Committed Projects:			
Airport Projects	375,000	36,866	338,134
Doyle School	650,000	650,000	(0)
Killdeer Mountain Manufacturing	2,088,129	2,069,422	18,706
Committed Project Total	\$ 3,220,000	\$ 2,516,491	\$ 356,840

Cash Analysis as of September 30, 2021		
by Type - Placement - Amount		
Type	Placement	Amount
Short Term	EIC TexPool	\$ 2,738,631
Investment	Total Cash and Investments	\$ 2,738,631

Sales Tax Revenue Analysis - FY2021					
Month	Actual FY2020	Budget FY2021	Actual FY2021	FY2020 vs. FY2021	Budget vs. Actual
October	\$ 294,752	\$ 275,870	\$ 311,718	5.76%	12.99%
November	301,001	287,322	376,028	24.93%	30.87%
December	297,620	269,326	320,874	7.81%	19.14%
January	292,966	276,400	334,661	14.23%	21.08%
February	393,938	364,685	433,414	10.02%	18.85%
March	270,955	253,546	321,565	18.68%	26.83%
April	262,275	248,437	262,388	0.04%	5.62%
May	318,521	323,971	440,837	38.40%	36.07%
June	326,259	288,425	369,003	13.10%	27.94%
July	350,459	289,106	370,485	5.71%	28.15%
August	367,921	330,732	431,388	17.25%	30.43%
September	342,775	303,486	390,132	13.82%	28.55%



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



SUBJECT: Economic Development Incentive Agreement between Kerrville's 4th on the River, Inc. Arcadia Live) and the City of Kerrville, Texas Economic Improvement Corporation.

AGENDA DATE OF: October 18, 2021

DATE SUBMITTED: Oct 15, 2021

SUBMITTED BY: EA Hoppe

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:

No Action.



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



SUBJECT: Project Apple (551.087).

AGENDA DATE OF: October 18, 2021

DATE SUBMITTED: Oct 13, 2021

SUBMITTED BY: EA Hoppe

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:

No Action