



## **ECONOMIC IMPROVEMENT CORPORATION AGENDA**

**MONDAY, FEBRUARY 13, 2023, 4:00 PM**

**Kerrville City Hall Council Chambers**

**701 Main Street, Kerrville, Texas**

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### **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 January 9, 2023.

#### Attachments:

[\*EIC Minutes 1-9-2023.pdf\*](#)

### **5 MONTHLY REPORTS:**

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

5.B Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

#### Attachments:

[\*20230213\\_EIC Project Update 2-3-2023.pdf\*](#)

5.C Monthly Financial Report.

#### Attachments:

[\*20230213\\_January 2023 financial presentation.pdf\*](#)

## **6 CONSIDERATION AND POSSIBLE ACTION:**

6.A Amendment to the Economic Development Grant Agreement between Kerr Economic Development Corporation and the City of Kerrville Texas Economic Improvement Corporation.

Attachments:

*KEDC Economic Development & Talent Pipeline Strategic Plan.pdf*

6.B Update on Phase 1 completion and remaining budget balance of the Tranquility Island Lighting Project and possible next steps for Phase 2.

Attachments:

*2021-41 EIC PFA Kerrville Christmas Lighting Corporation -Tranquility Island.pdf*

## **7 EXECUTIVE SESSION:**

*The Economic Improvement Corporation may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in 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 Project Mount Saddle.

## **8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:**

## **9 ITEMS FOR FUTURE AGENDAS:**

## **10 ADJOURN.**

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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: 2/10/2023 at 2:30 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

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

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**SUBJECT:** Minutes from the regular Economic Improvement Corporation (EIC) meeting held on January 9, 2023.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** January 10, 2023

**SUBMITTED BY:** Kesha Franchina, Deputy City Secretary

**EXHIBITS:**

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

**PAYMENT TO BE MADE TO:** N/A

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**Kerrville 2050 Item?** No

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

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**SUMMARY STATEMENT:**

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on January 9, 2023.

**RECOMMENDED ACTION:**

Approve minutes from the regular Economic Improvement Corporation (EIC) meeting held on January 9, 2023.

**ATTACHMENTS:**

[\*EIC Minutes 1-9-2023.pdf\*](#)

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION (EIC)  
REGULAR MEETING – January 9, 2023**

On Monday, January 9, 2023, 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  
John Anderson  
Gregg Appel  
Kim Clarkson, Councilmember Place 2  
Gary Cochrane

**MEMBERS ABSENT:**

Kyle Bond

**CHIEF EXECUTIVE STAFF PRESENT:**

Michael Hornes, Assistant City Manager  
Kim Meismar, Assistant City Manager  
Mike Hayes, City Attorney  
Kesha Franchina, Deputy City Secretary  
Julie Behrens, Director of Finance  
Ashlea Boyle, Director of Parks and Recreation  
Trina Rodriguez, Assistant Director of Finance

**VISITORS PRESENT:** No citizen speakers registered to speak during the Visitors/Citizens forum item 3.

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

**2    INVOCATION:** Gary Cochrane 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 December 12, 2022.

Vice-President Almond motioned to approve the minutes, and Gregg Appel seconded. The motion passed 6-0.

**5    MONTHLY REPORTS:**

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

Gil Salinas and Katy Milton Jordan presented the KEDC update.

5.B. Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements.
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

Michael Hornes presented the EIC Project Status Update, and responded to questions.

**5.C. Monthly Financial Report.**

Trina Rodriguez presented the Monthly Financial Report.

President Richards moved to item 7.A. Public Hearing.

**6 CONSIDERATION AND POSSIBLE ACTION:**

**6.A. City Council 2022-2023 priority list of policies and programs.**

Michael Hornes presented the list of priorities, and responded to questions. Ashlea Boyle responded to questions. No decisions were made.

**6.B. Economic Improvement Funding priorities.**

Michael Hornes presented the list of priorities, and responded to questions. Ashlea Boyle responded to questions. No decisions were made.

**7 PUBLIC HEARING AND POSSIBLE ACTION:**

**7.A. Consider funding the Project Funding Agreement between the City of Kerrville, Texas, Economic Improvement Corporation and the City of Kerrville, Texas for a concept feasibility study for an extension of the River Trail around Nimitz Lake.**

President Richards opened the Public Hearing at 4:15 p.m.

Michael Hornes presented the Agreement, and responded to questions.

President Richards closed the Public Hearing at 4:21 p.m. There were no citizen Speakers.

Gregg Appel motioned to approve the expenditure for the study on expanding the River Trail on to Nimitz Lake. Kim Clarkson Seconded, and the motion passed 5-1. Vice-President Almond opposed.

President Richards moved to item 6.A.

**8 EXECUTIVE SESSION: None.**

**9 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION: None.**

**10 ITEMS FOR FUTURE AGENDAS: None.**

11 **ADJOURN.** President Richards adjourned the meeting at 4:40 p.m.

Minutes Approved: \_\_\_\_\_

President Gregory Richards: \_\_\_\_\_

Attest: Kesha Franchina, Deputy City Secretary: \_\_\_\_\_



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

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**SUBJECT:** Kerr Economic Development Corporation (KEDC) update.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** January 6, 2023

**SUBMITTED BY:** Gil Salinas, KEDC Executive Director

**EXHIBITS:**

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

**PAYMENT TO BE MADE TO:** N/A

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**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

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**SUMMARY STATEMENT:**

**RECOMMENDED ACTION:**

Information only; no action required.



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

**SUBJECT:** Kerrville Economic Improvement Corporation (EIC) project status update including the following:

- Tranquility Island Electrical Infrastructure
- KERV Airport Improvements
- Killdeer Mountain Manufacturing
- Peterson Medical Center Campus Infrastructure Improvements
- Louise Hays Park Fitness Court
- Downtown Area Streetscape
- Downtown River Trail Extension
- River Trail, Nimitz Lake

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** January 6, 2023

**SUBMITTED BY:** Michael Hornes, Assistant City Manager

### EXHIBITS:

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

**PAYMENT TO BE MADE TO:** N/A

**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

### **SUMMARY STATEMENT:**

### **RECOMMENDED ACTION:**

Information only; no action.

### **ATTACHMENTS:**

[\*20230213\\_EIC Project Update 2-3-2023.pdf\*](#)

**Monthly EIC Project Status Report**

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Tranquility Island Electrical Infrastructure	Partnership with City and Kerrville Christmas Lighting Corporation to help further enhance seasonal and Christmas lighting on Tranquility Island	Complete	Phase 1 Complete	Phase 1 construction complete. Phase 2 pending funding to continue based on engineer's projected cost.
2	KERV Airport Improvements	Partnership with KERV, TxDOT, City and County to build T-Hangars, Box Hangars, and other building improvements	TBD	TBD	Dirtwork has begun on both the row hangar and box hangar project site as of December, 2022.
3	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	2023	Staff has been conducting inspections for plumbing and electrical work on the main building finish out.
4	Peterson Medical Center Campus Infrastructure Improvements	Campus improvements including extension of public utilities and roadway	Private	2023	Partnership Agreement approved January 2022. Design in progress for Surgery Center. Construction in progress for off-site parking with completion anticipated early Summer 2023.
5	Louise Hays Park Fitness Court	Collaboration between BCBSTX, National Fitness Campaign and local donors to provide quality outdoor fitness equipment in Louise Hays Park.	NA	Spring, 2023	The grand opening is scheduled for Spring (March) 2023, pending any unforeseen delays.
6	Downtown Area Streetscape	Relocate overhead utility lines to underground; improved beautification of the garage with stone veneer panels, stone planter boxes, LED light upgrades and xeriscaped planter beds.	TBD	Spring, 2023	KPUB has finalized design and is working on the bid documents. KPUB expects to issue PO in mid-February and commence construction in March, 2023. Landscape improvements to follow installation completion by KPUB.
7	Downtown River Trail extension	River Trail extension from G Street to Tranquility Island	Jun-23	TBD	Funding application approved by EIC in November, 2022. Design contract awarded by Council on January 24, 2023.
8	River Trail, Nimitz Lake	Feasibility study of extending trail around lake	TBD	TBD	EIC approved funding for feasibility study for extension of the Kerrville River Trail around Nimitz Lake. Council approved funding agreement January 24, 2023.



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

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**SUBJECT:** Monthly Financial Report.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** January 10, 2023

**SUBMITTED BY:** Trina Rodriguez, Assistant Director of Finance

**EXHIBITS:**

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

**PAYMENT TO BE MADE TO:** N/A

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**Kerrville 2050 Item?** No

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

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**SUMMARY STATEMENT:**

**RECOMMENDED ACTION:**

Information only; no action.

**ATTACHMENTS:**

[\*20230213\\_January 2023 financial presentation.pdf\*](#)



# **Financial update for the month ended January 31, 2023**

**Economic Improvement Corporation Meeting  
February 13, 2023**



**Economic Improvement Corporation**  
**Statement of Activities**  
**Month Ended January 31, 2023**

**Revenues**

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Sales and Use Tax	\$ 5,262,270	\$ 436,330	\$ 1,666,257	\$ 1,610,442	\$ 55,816
Interest Income	28,373	24,844	83,713	8,657	75,056
Investment Maturity	3,000,000	-	1,000,000	1,000,000	-
<b>Total Revenues</b>	<b>8,290,643</b>	<b>461,174</b>	<b>2,749,971</b>	<b>2,619,099</b>	<b>130,872</b>

**Expenditures**

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Administrative					
Supplies and Miscellaneous	650	-	-	-	-
Legal Services	10,000	-	-	-	-
Professional Services	200,000	16,667	66,667	66,667	-
Kerr Economic Development Corp.	312,500	78,125	156,250	156,250	-
Total Administrative	523,150	94,792	222,917	222,917	-
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	251,291	20,941	83,764	83,764	-
Debt Service - Series 2020 Ref (River Trail)	231,000	19,250	77,000	77,000	-
Debt Service - Series 2015 (KSC)	602,850	50,238	200,950	200,950	-
Total Debt Service	1,085,141	90,428	361,714	361,714	-
Investment Purchases	2,500,000	-	980,161	980,161	-
Projects					
Airport Projects	95,901	*	475	475	-
Sid Peterson Memorial Hospital	800,000	-	-	-	-
Outdoor Fitness Court	100,000	*	100,000	100,000	-
Downtown Utilities/Streetscape	400,000	*	-	-	-
Downtown River Trail	1,020,280	*	125,000	125,000	-
Total Projects	2,416,181	125,000	225,475	225,475	-
<b>Total Expenditures</b>	<b>6,524,472</b>	<b>310,220</b>	<b>1,790,266</b>	<b>1,790,266</b>	<b>-</b>

**Change in Net Position**

\$ 1,766,171    \$ 150,954    \$ 959,704

**Economic Improvement Corporation****Cash Flow Forecast****As of January 31, 2023**

	<b>FY2023 Actual</b>	<b>FY2023 Estimate</b>	<b>FY2023 Projection</b>	
	Oct 2022 to Jan 2023	Feb 2023 to Mar 2023	Apr 2023 to Jun 2023	Jul 2023 to Sep 2023
<b>Beginning Cash Balance</b>	\$ 3,606,229	\$ 4,540,596	\$ 5,027,100	\$ 4,968,514
<b>Revenue</b>				
Sales Tax	1,666,257	895,332	1,244,462	1,512,034
Interest Income	83,713	46,210	66,024	64,502
Investment Maturity	1,000,000	1,000,000	-	1,000,000
<b>Total Revenue</b>	2,749,971	1,941,542	1,310,486	2,576,536
<b>Expenditures</b>				
Administrative				
Supplies and Miscellaneous	-	163	163	163
Legal Services	-	2,500	2,500	2,500
Professional Services	66,667	33,333	50,000	50,000
Kerr Economic Development Corp.	156,250	-	78,125	78,125
Total Administrative	222,917	35,996	130,788	130,788
Debt Service	361,714	180,857	271,285	271,285
Projects				
Airport Projects	475	23,975	23,975	47,475
Sid Peterson Memorial Hospital	-	-	800,000	-
Outdoor Fitness Court	100,000	-	-	-
Downtown Utilities/Streetscape	-	200,000	-	200,000
Downtown River Trail	125,000	-	125,000	125,000
Total Projects	225,475	223,975	948,975	372,475
Investment Purchase	980,161	1,000,000	-	1,000,000
<b>Total Expenditures</b>	1,790,266	1,440,828	1,351,048	1,774,548
Interest Receivable	25,337	14,210	18,024	16,502
<b>Ending Cash Balance</b>	\$ 4,540,596	\$ 5,027,100	\$ 4,968,514	\$ 5,754,000



# Financial Analysis

Cash Analysis as of January 31, 2023		
Type	Placement	Amount
Pool	EIC TexPool	\$ 4,397,588
ST Investment	MUFG Bank CP-62479MQP1	\$ 993,561
ST Investment	Toyota Motor Credit CP-8923A1VR9	\$ 485,949
ST Investment	FHLB Call Note-3130ATRA7	\$ 498,956
<b>Total Cash and Investments</b>		<b>\$ 6,376,055</b>

Sales Tax Revenue Analysis - FY2023					
Month	Actual FY2022	Budget FY2023	Actual FY2023	FY2022 vs. FY2023	Budget vs. Actual
October	\$ 365,850	\$ 385,387	\$ 442,046	20.83%	14.70%
November	420,172	432,879	411,128	-2.15%	-5.02%
December	333,189	378,611	376,754	13.08%	-0.49%
January	421,736	413,564	436,330	3.46%	5.50%
February	474,948	516,676	490,308	3.23%	-5.10%

Project Analysis as of January 31, 2023				
Project Description		EIC Commitment	Disbursed Funding	Remaining Funding
<b>Committed Projects:</b>				
Airport Projects		132,767	37,341	95,426
Sid Peterson Memorial Hospital		1,600,000	-	1,600,000
Outdoor Fitness Court		100,000	100,000	-
Downtown Utilities/Streetscape		400,000	-	400,000
Downtown River Trail		1,020,280	125,000	895,280
<b>Committed Project Total</b>		<b>\$ 3,253,047</b>	<b>\$ 262,341</b>	<b>\$ 2,990,706</b>



# Questions?



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

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**SUBJECT:** Amendment to the Economic Development Grant Agreement between Kerr Economic Development Corporation and the City of Kerrville Texas Economic Improvement Corporation.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** February 2, 2023

**SUBMITTED BY:** Michael Hornes, Assistant City Manager

**EXHIBITS:**

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

**PAYMENT TO BE MADE TO:** N/A

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**Kerrville 2050 Item?** Yes

**Key Priority Area** E - Economic Development

**Guiding Principle** N/A

**Action Item** E2.1 - Retain the existing KEDC general concept, which views the City/KEDC/County/businesses as partners

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**SUMMARY STATEMENT:**

The City of Kerrville, Economic Improvement Incorporation and the Kerr Economic Development Corporation entered into a 3 year agreement to fund KEDC, ultimately approved by the City Council on August 23, 2022. During the creation of the agreement, KEDC was still working on their 3 year Strategic Plan and as such, could not be included in the agreement at the time. On February 6, KEDC met and approved the final version of the plan, which is attached here. That plan is titled "Talent Pipeline Review" and will now be included as a part of Exhibit B and is attached for your review.

The Kerr Economic Development Corporation (KEDC) contracted with TIP Strategies, Inc. (TIP) to conduct a two-part project. The first element of the engagement was to facilitate a board retreat that culminated in recommendations to guide KEDC's future economic development activities. Concerns about talent and workforce permeated the discussion, and helped inform the second part of the project, a talent pipeline review. This report is a summary of findings related to TIP's examination of the regional talent pipeline and how it aligns with the needs of current and future employers.

**RECOMMENDED ACTION:**

Approve the amendment to the Economic Development Grant Agreement between Kerr Economic Development Corporation and the City of Kerrville Texas Economic Improvement Corporation.

**ATTACHMENTS:**

*KEDC Economic Development & Talent Pipeline Strategic Plan.pdf*



# TALENT PIPELINE REVIEW

PREPARED FOR THE KERR ECONOMIC DEVELOPMENT CORPORATION

# Acknowledgments

TIP Strategies would like to thank the staff and leadership of the Kerr Economic Development Corporation, as well as the many stakeholders and community members who contributed to the planning process.

## Kerr Economic Development Corporation

- **Gil Salinas**  
Executive Director,  
*Kerr Economic Development Corporation*
- **Theresa Metcalf**  
Former Deputy Director,  
*Kerr Economic Development Corporation*
- **Katie Milton Jordan**  
Manager of Business Development,  
Entrepreneurship, and Talent,  
*Kerr Economic Development Corporation*

## Consulting Team



STRATEGIES

**TIP Strategies, Inc.**, is a privately held Austin-based firm providing consulting and advisory services to public and private sector clients. Established in 1995, the firm's core competencies are strategic planning for economic development, talent strategies, organizational development, resiliency planning, and equity initiatives.

### Contact

TIP Strategies  
13492 N Hwy 183, Suite 120-254, Austin, TX 78750  
PH: +1 512 3439113

[www.tipstrategies.com](http://www.tipstrategies.com)

### Project Contributors

Tracye McDaniel, President  
Jennifer Todd-Goyne, Senior Consultant

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Goal 2. Anchor Institutions.....	3
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Goal 4. Community Convenor .....	5
Talent Pipeline Key Takeaways .....	6

# PROJECT OVERVIEW

The Kerr Economic Development Corporation (KEDC) contracted with TIP Strategies, Inc. (TIP) to conduct a two-part project. The first element of the engagement was to facilitate a board retreat that culminated in recommendations to guide KEDC's future economic development activities. Concerns about talent and workforce permeated the discussion, and helped inform the second part of the project, a talent pipeline review. This report is a summary of findings related to TIP's examination of the regional talent pipeline and how it aligns with the needs of current and future employers.

As part of the review, TIP conducted independent data analysis and engaged with stakeholders through roundtables and interviews. During these conversations, a commitment to long-term growth and economic opportunity for everyone on the part of government officials, business owners, and residents became clear. Characteristics of Kerr County and Kerrville (collectively referred to as Kerr) that make the area attractive to residents and businesses include a high quality of place; deep community relationships; strong anchor institutions, including a hospital and university; excellent K-12 and higher education institutions; and a history of regional, inter-organizational collaboration. However, as the region has added residents and employers in recent years, the community has begun to experience new obstacles to future prosperity.

- **Housing.** Workers face challenges finding housing due to low market inventory and high prices that make many homes unaffordable.
- **Childcare.** Finding available, affordable childcare with the flexibility to match non-traditional hours assigned to many shift workers is a major issue for the Kerr workforce.
- **Job/skills alignment.** Businesses with job openings that require a higher level of education often have a hard time finding workers with the knowledge and skills required.
- **Changing environment.** Several employers cited difficulties in hiring and retaining workers due to post-pandemic shifts in worker preferences, employee matriculation in pursuit of higher wages, and a lack of available housing for newcomers.

The goals, actions, and strategies in this *Talent Pipeline Review* were informed by the data, stakeholder input, and best practices.

# ACTION PLAN

## GOAL 1. MARKETING & BRANDING

*Position Kerr County as a dynamic and welcoming region to a wide range of audiences.*

Kerr County is an attractive place to live and work due to its natural environment, historic downtown, sense of community, educational assets, and cultural amenities. Unfortunately, many people outside of the region are unfamiliar with the benefits of living and working in Kerr, and current residents and business owners are not always aware of economic successes and opportunities. Developing a unified marketing strategy and brand will leverage existing efforts in talent and business attraction as well as tourism development.

### Strategies and Actions

- 1.1. Develop a multi-year unified marketing, branding, and communications plan to attract businesses and talent to Kerr.
  - 1.1.1. Create a messaging strategy, logo, tag line, and brand standards that can be used by economic development partners in Kerrville and Kerr County to promote the area.
  - 1.1.2. Develop a standalone webpage, using the unified branding strategy, that is designed to attract new workers and businesses by promoting Kerr's unique advantages in quality of life, community, business, and job opportunities. This webpage should be cross-referenced on economic development organization sites.
  - 1.1.3. Engage on social media and web platforms, including a focus on professional sites such as LinkedIn, to tell Kerr's story. Posts should highlight economic successes, share positive experiences of local business owners and leaders, convey the perspectives of residents (including those who left Kerr at some point but decided to return), and raise awareness of major events.
- 1.2. Market to commuting workers and local graduates.
  - 1.2.1. Partner with local media to amplify Kerr's story and marketing message, encouraging people who are going to school or working in Kerr to further engage with the community by living there.
  - 1.2.2. Contact employers, high schools, colleges, and universities to identify opportunities for engagement at job fairs or other events designed to connect attendees with the area.
  - 1.2.3. Ensure talent attraction and retention is an objective of the KEDC Business and Innovation Forum.
  - 1.2.4. Work with high schools, colleges, and universities to reach out to former graduates and connect them with local businesses and job opportunities.
- 1.3. Leverage the Kerrville Folk Festival and other hallmark events that attract visitors from outside the region to promote Kerr as a place to live and do business.
  - 1.3.1. Market Kerr as a destination for living and working, with a physical presence at major events and festivals, or with content in the event's promotional materials, such as a program or website.
  - 1.3.2. Survey attendees to gain an understanding of their perceptions of Kerr as visitors, and whether it is a place they would consider living or working. Use this information to inform future messaging in the marketing and branding initiative.
  - 1.3.3. Encourage festival and event attendees to engage with the community outside of the event by connecting them with local businesses, cultural amenities, and future events.

## Case Study: Make It Tampa Bay

Wanting to capitalize on its status as a popular tourist destination, the Tampa Bay Economic Development Council, in partnership with Hillsborough County and Visit Tampa Bay (the destination marketing organization for the county) and, created a cohesive marketing campaign to entice tourists and businesses alike into staying permanently. The Make It Tampa Bay initiative specifically targets millennial job seekers and business owners who had previously travelled to the region. Their social media accounts and website offer job postings, events, neighborhood information, entrepreneurship resources, and local business owner profiles.

For more information: <https://makeittampabay.com/>

## GOAL 2. ANCHOR INSTITUTIONS

*Involve Kerr's major employers and institutional assets in addressing talent challenges.*

Kerr County is home to several large anchor institutions who are active in the local community. Creating connections between these entities and the efforts of KEDC is critical to building Kerr's workforce and ensuring alignment between the offerings of educational providers and the needs of employers. The influence of these institutional assets within the region is also important, as they can elevate issues related to talent attraction and retention.

### Strategies and Actions

#### 2.1. Involve Kerr's major employers and institutions in addressing talent challenges.

- 2.1.1. Coordinate with local employers to survey their workforce and gain a greater understanding of employees' perspectives on working or living in Kerr and related quality-of-life topics.
- 2.1.2. Engage with major employers, colleges, and universities to expand leadership development programs, experiential learning opportunities, apprenticeships, and internship programs to strengthen connections between students and prospective employers.
- 2.1.3. Use program completion data for Kerr and Bexar Counties to identify which educational institutions are providing graduates in high-need occupational fields, and market Kerr to students in those programs.
- 2.1.4. Invite regional workforce development specialists on business retention and expansion visits where workforce availability is likely to be a major issue.

#### 2.2. Work with anchor institutions to undertake sector-specific talent initiatives.

- 2.2.1. Prioritize talent initiatives for KEDC's target sectors: aviation and aerospace, medical and health, craft agriculture, remote workers, and advanced manufacturing.
- 2.2.2. Host sector-specific forums with representatives from business, education, and training providers to identify talent challenges and design responsive strategies.

## Case Study: Pflugerville Manufacturing Academy (PMA)—3D Training Program

Launched in May of 2020, the 3D Training Program sought to create awareness of additive manufacturing careers to create a future workforce for the local industry. Past workforce surveys revealed that employers needed to rebrand manufacturing as a career option, reaching audiences as early as high school, to supply the local additive manufacturing industry with a skilled workforce. In the short-term, local workers needed to be upskilled to meet current demand. The Pflugerville Community Development Corporation (PCDC) collaborated with Austin Community College (ACC), three local additive manufacturers, and the local industry consortium to craft a 40-hour curriculum targeting residents and teachers. The weeklong training was split between 2.5 days of online instruction and 2.5 days of onsite training at one of the participating employer facilities. PCDC developed a memorandum of understanding (MOU) between all public parties (ACC and Workforce Solutions Capital Area) and separate MOUs and leasing agreements between PCDC and the additive manufacturing companies.

For more information: <https://www.pfdevelopment.com/news/p/item/33421/pflugerville-manufacturing-academy-announces-first-graduating-class>

## GOAL 3. EXISTING WORKFORCE

*Connect segments of the existing population that are not in the labor force to employers and employment opportunities.*

Employers consistently cite difficulties in finding workers, a reflection of Kerrville's traditionally low unemployment rate and the area's relatively large retiree population. A short-term solution is to connect those who are not currently in the labor force, or who are underemployed, with job opportunities.

### Strategies and Actions

- 3.1.** Connect segments of the population that are unemployed or under-employed with employers and job opportunities.
  - 3.1.1.** Work with schools and colleges to encourage students to obtain internships and part- or full-time jobs to learn customer service and other basic employability skills.
  - 3.1.2.** Connect retired professionals to K-12 programs to introduce students to diverse career options.
  - 3.1.3.** Make channels of re-entry easier for residents who have been out of the workforce (e.g., full-time caretakers, retirees, and ex-offenders) by creating outreach campaigns targeting these residents and partnering with employers to remove barriers to access.
  - 3.1.4.** Partner with the nonprofit community to connect clients who are work-ready to living wage jobs.
- 3.2.** Work with employers to identify and address specific barriers to employment.
  - 3.2.1.** Utilize results from the survey in Action 2.1.1 to identify and address challenges to gaining or maintaining employment.
  - 3.2.2.** Work with education providers to identify or develop a curriculum for "soft" skills such as communication, leadership, problem solving, and working as part of a team that can be incorporated into their programs and follow up with employers to evaluate the curriculum's efficacy.

## Case Study: Pathways to Work

Pathways to Work (PW) is a cross sectoral workforce development initiative led by the United Way of Metropolitan Dallas (UW). Composed of funders, employers, and training providers, PW advances entry-level workers into high demand, middle skill jobs in technology and healthcare through industry-informed training and credentialing programs. Specifically, PW focuses on jobs that require a high-school diploma and some training or college, but not a four-year degree. The initiative's primary objectives are 1) convening thought leaders to develop innovative training strategies; 2) investing resources that help workers build basic and technical skills with wraparound support; and 3) building capacity of funders, employers, and community workforce programs.

For more information: <https://unitedwaydallas.org/programs/pathways-to-work/>

## GOAL 4. COMMUNITY CONVENOR

*Bring a cross-section of entities together to identify and prioritize talent-related challenges and brainstorm potential solutions.*

Many challenges to building the talent pipeline in Kerr are outside the traditional realm of economic development. Local employers and workers often cited the availability and affordability of both housing and childcare as a major barrier to worker attraction and retention. KEDC does not directly influence these aspects of the community but does have a unique role to play in elevating the concerns of employers and bringing organizations together under the umbrella of economic growth.

### Strategies and Actions

- 4.1.** Bring a cross-section of entities together to identify and prioritize talent-related challenges and brainstorm potential solutions.
  - 4.1.1.** Host roundtable discussions with employers and issue-related organizations on topics such as housing, childcare, and worker retention to identify creative solutions.
  - 4.1.2.** Coordinate with the Kerrville Area Chamber of Commerce's housing committee and leverage the connections and knowledge of both organizations.
- 4.2.** Elevate the concerns of employers by sharing their challenges related to attracting and retaining workers at Kerrville City Council meetings and through KEDC's messaging campaigns, especially when new housing developments are under discussion.

## Case Study: Mid-America Regional Council Regional Housing Partnership

TIP Strategies partnered with the Mid-America Regional Council (MARC) and the National League of Cities in 2019 to host a First Suburbs Regional Housing Summit focused on workforce housing. One outcome from this summit was the creation of a Regional Housing Partnership between the Greater Kansas City Local Initiatives Support Corporation and MARC. The partnership's goal is to expand and sustain access to affordable housing in the region through efforts in seven areas: 1) market data and analytics; 2) networked leadership; 3) financing and development tools; 4) production capacity; 5) rental and ownership support systems; 6) supportive public policy; and 7) public engagement and support. To date, the partnership has established a Housing Data Hub to inform policy and decision-making with analytics and has formed a multi-organizational strategy committee that meets regularly to advise on strategy, goals, and measurable outcomes for the partnership.

For more information: <https://www.marc.org/economy/housing>

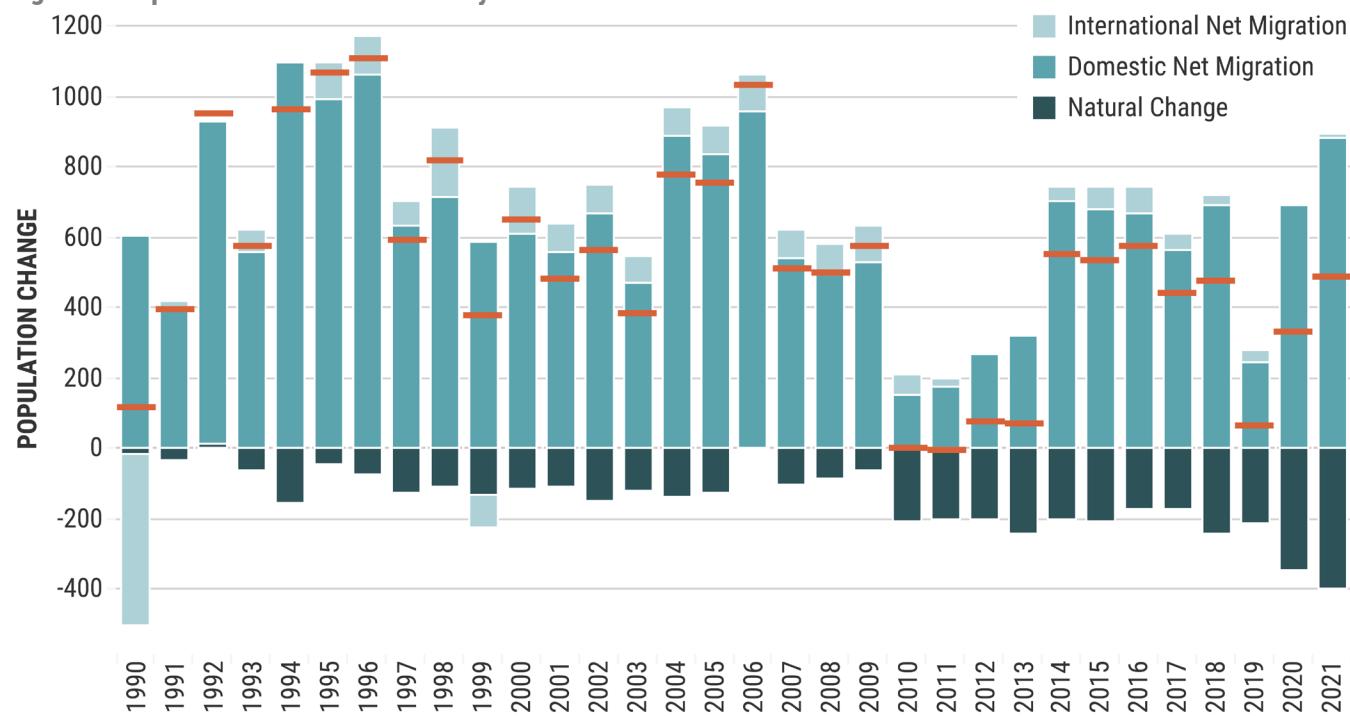
# TALENT PIPELINE KEY TAKEAWAYS

As part of the strategic planning process, TIP Strategies conducted an analysis of Kerr County's talent pipeline. The analysis encompassed a variety of data points covering occupations and skills, commuting patterns, and education and training completions. An in-depth analysis, the *Kerr County Talent Pipeline Analysis*, was delivered to the KEDC in an interactive data visualization. Highlights from this analysis, summarized below, informed and guided the recommendations.

## *Population growth is slowing and is heavily dependent on domestic migration.*

In most places, the natural change in population—the difference in births over deaths—is a positive number. In Kerr County, however, the population's age distribution is skewed by a large retiree community, resulting in a declining rate of natural change. In other words, for the past three decades, more deaths have been recorded than births, a trend that accelerated as the COVID-19 pandemic began. What keeps Kerr County growing is the constant influx of new residents, the vast majority of which are people moving to the county from other parts of the US (domestic migration) rather than from outside the US (international migration). Domestic migration can be volatile—higher in some years, lower in others—but over the past three decades, the overall positive trend in domestic migration has persisted. Yet at a headline level, the pace of population growth over 30 years has gradually eased, largely due to the offsetting impact of Kerr County's increasingly negative natural change. The concern is that this pattern could represent a longer-term trend toward slower population growth and create additional challenges for building the talent pipeline.

**Figure 1. Population Growth: Kerr County**



Source(s): US Census Bureau, Population Estimates Program; Moody's Analytics; TIP Strategies, Inc.

Note(s): Natural change is the difference between annual births and deaths. Total population change includes a residual (a change in population that cannot be attributed to any specific demographic component). Residual change is not shown in the chart but is included in the net population change shown by the red bars. Components for 2010 and 2020 are estimated based on a 12-month projection of the 2nd quarter (the period between the Census and the mid-year estimate) that is not seasonally adjusted.

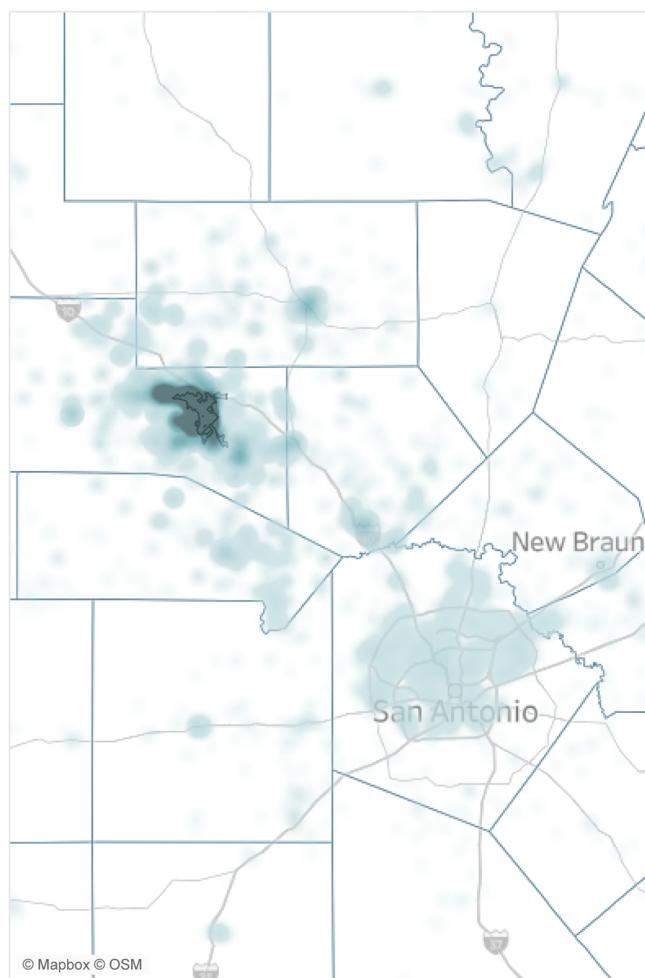
## Kerr has an extensive labor shed, with commute patterns extending to San Antonio.

As Kerr County's population has climbed, the number of people commuting into Kerrville has increased, with inbound workers coming from as far away as San Antonio. Local reliance on labor from San Antonio is an opportunity to recruit talent to the region. Many of the workers who commute into Kerr County are in the healthcare and social assistance sector. In fact, Kerr County's net deficit of healthcare workers as marked by inbound commuting, has typically run a few hundred annually in any given year. The worker deficit in this sector aligns with the medical and health target.

Figure 2. Kerrville's Labor Shed in 2019

### WHERE KERRVILLE, TX, WORKERS LIVED IN 2019

This map shows where workers live by census block group. Darker, larger circles indicate more workers live in the census area, and lighter, smaller circles indicate fewer workers live in that area. The boundary (the shaded gray region) shows the total number of workers in the City.



### LIVED AND WORKED IN KERRVILLE, TX, IN 2019

4,175

### CITIES WHERE KERRVILLE, TX, WORKERS LIVED IN 2019

3,477  
Other location in Kerr County, TX

792 San Antonio, TX	226 Austin, TX	225 Ingram, TX	220 Other location in Kendall County, TX	
165 Other Location in Bexar Co., TX	83 Del Rio, TX	80	77	
293 Other location in Bandera County, TX	164 Fredericksburg, TX	76	56	56
268 Other location in Gillespie County, TX	64	51		51
	105 Boerne, TX	62	51	

Source(s): Source: Longitudinal Employer-Household Dynamics (LEHD), Origin-Destination Employment Statistics (LODES); TIP Strategies, Inc.  
Note(s): Only includes residents and workers in Texas. Treemap (right side of figure) only includes cities with at least 50 commuting workers.

# Exhibit B

KERR ECONOMIC DEVELOPMENT CORPORATION

## **Kerr and Bexar County institutions have diverse programs related to target industries.**

Nearby educational institutions are training students for careers in health professions, business, computer science, personal services, and education.

**Figure 3. Program Completion: Kerr and Bexar County Institutions, 2021**

Distribution of degrees or certificates conferred for a specific course of study

<b>Health Professions and Related Programs</b> 7,150 (21.5%)	<b>Culinary, Entertainment, and Personal Services</b> 1,675 (5.0%)	<b>Computer and Information Sciences and Support Services</b> 1,303 (3.9%)	<b>Education</b> 1,276 (3.8%)
	<b>Psychology</b> 991 (3.0%)	<b>Biological and Biomedical Sciences</b> 947 (2.8%)	<b>Social Sciences</b> 790 (2.4%)
<b>Liberal Arts and Sciences, General Studies and Humanities</b> 7,090 (21.3%)			<b>Parks, Recreation, Leisure, Fitness, and Kinesiology</b> 707 (2.1%)
	<b>Engineering</b> 702 (2.1%)	<b>Homeland Security, Law Enforcement, Firefighting and Related Protective Services</b> 700 (2.1%)	<b>Mechanic and Repair</b>
<b>Business, Management, Marketing, and Related Support Services</b> 4,284 (12.9%)	<b>Multi/Inter-disciplinary Studies</b> 504 (1.5%)	<b>Precision Production</b> 359 (1.1%)	
		<b>Construction Trades</b> 342 (1.0%)	
	<b>Communication, Journalism, and Related Programs</b> 483 (1.5%)	<b>Visual and Performing Arts</b> 340 (1.0%)	
	<b>Engineering/Engineering-Related Technologies/Technicians</b> 458 (1.4%)	<b>Legal Professions and Studies</b> 340 (1.0%)	

National Center for Education Statistics (NCES), Integrated Postsecondary Education Data System (IPEDS); Lightcast 2022.4—QCEW Employees, Non-QCEW Employees, and Self-Employed; TIP Strategies, Inc.



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

**SUBJECT:** Update on Phase 1 completion and remaining budget balance of the Tranquility Island Lighting Project and possible next steps for Phase 2.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** February 7, 2023

**SUBMITTED BY:** Michael Hornes, Assistant City Manager

### 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

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**Kerrville 2050 Item?** Yes

**Key Priority Area** D - Downtown Revitalization

**Guiding Principle** N/A

**Action Item** D1.12 - Expand/Grow Christmas light installation to the entire Downtown area and Louise Hays Park

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### **SUMMARY STATEMENT:**

Attached is the current funding agreement between the City of Kerrville, TX (City), the City of Kerrville Economic Improvement Corporation (EIC), and the Kerrville Christmas Lighting Corporation (KCLC), for electrical infrastructure improvements on Tranquility Island in the amount not to exceed \$100,000. The original scope of this project was to light approximately 105 Cypress Trees that border the river in this area, at a shared estimated cost of \$200,000. These improvements allow for additional trees to be lit with LED "up lights", in addition to ground pedestals and features. Phase 1 was completed for a total cost of \$155,727 which included engineering and construction. This completed approximately half of the project.

This project is consistent with K2050's action item to expand Christmas lighting in Louise Hays Park. The City has engaged an electrical engineer for design services, and as of the writing of this agenda bill, we have yet to receive their probably cost estimate for Phase 2. The request from KCLC is to utilize the remaining \$45,000, plus \$5,000 they have in their account and split the cost of the remainder between KCLC and the EIC.

### **RECOMMENDED ACTION:**

Provide feedback and direct staff on recommendations for next steps.

**ATTACHMENTS:**

[\*2021-41 EIC PFA Kerrville Christmas Lighting Corporation -Tranquility Island.pdf\*](#)

PROJECT FUNDING AGREEMENT BETWEEN THE CITY OF KERRVILLE, TEXAS, ECONOMIC IMPROVEMENT CORPORATION; THE CITY OF KERRVILLE, TEXAS; AND KERRVILLE CHRISTMAS LIGHTING CORPORATION; FOR THE INSTALLATION OF ELECTRICAL INFRASTRUCTURE TO SERVE TRANQUILITY ISLAND WITHIN LOUISE HAYS PARK

THIS PROJECT FUNDING AGREEMENT (the "Agreement") is entered into this 31<sup>st</sup> day of March, 2021, by and between the **City of Kerrville, Texas Economic Improvement Corporation** ("EIC"), a Texas non-profit corporation established by City pursuant to Section 4B of Tex. Rev. Civ. Stat. Art. 5190.6 and now codified in Chapters 501, 502, and 505 of the Texas Local Government Code; otherwise known as the Development Corporation Act of 1979 ("the Act"); the **City of Kerrville, Texas** ("City"), a Texas home-rule municipality; and **Kerrville Christmas Lighting Corporation** ("KCLC"), a Texas nonprofit corporation. EIC, City, and KCLC may be 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 construction of projects which EIC finds to be encompassed within the definitions of "Projects", as that word is defined by Chapters 501 and 505 of the Act; and

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

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

**WHEREAS**, KCLC mission is to enhance Christmas lighting within the greater Kerrville area in order to promote Christmas spirit, tourism, and the quality of life; and

**WHEREAS**, after a successful fundraising and lighting project in 2020, KCLC's focus has shifted toward a project to improve the electrical infrastructure and lighting on Tranquility Island within the City's Louise Hays Park by flood-proofing the electrical grid as a means of supporting additional lighting and other uses in this area (the "Project"); and

**WHEREAS**, following completion of the Project, the City plans to oversee the installation of programmable floodlights on approximately 105 Cypress Trees that border the river in this area, and in doing so, foster the development of a gathering spot for Kerrville residents and tourists; and

**WHEREAS**, City has hired and is currently overseeing an engineering consultant for design services related to the Project; and

**WHEREAS**, the Project is estimated to cost \$200,000.00, with KCLC fundraising and contributing \$100,000.00 toward this cost; and

**WHEREAS**, KCLC seeks grant funding from the EIC in the amount of \$100,000.00, for the remaining portion of the cost for the Project; and

**WHEREAS**, once KCLC provides its portion of the Project's costs to the City, City will then proceed with the Project, to including bidding a construction contract; and

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

**WHEREAS**, more specifically, EIC finds that the Project includes facilities and improvements required or suitable for use for entertainment and tourist purposes and events and other related improvements that enhance any of the items described here; and

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

**WHEREAS**, on March 15, 2021, in a meeting that was open to the public in accordance with the Texas Open Meetings Act, the EIC held a public hearing pursuant to Section 501.072 of the Act related to the proposed expenditure of 4B Revenues for the Project;

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

1. **“Project” Defined:** When used in this Agreement, the phrase “Project” means the project summary and approximate cost itemization, to date, as specified in **Exhibit A**, attached hereto, and included herein for all purposes. City will manage the funding it receives from KCLC and EIC and the bidding, management, and construction of the Project. Other than continuing to prepare design documents, City will not proceed with the Project until it receives KCLC’s full contribution for \$100,000.00 (“KCLC’s Contribution”). City shall not substantively alter the description of the Project in any respect without the prior approval of the EIC. In addition, City shall provide periodic reports to the EIC with respect to the Project, its design, timing, and costs. Where the bidding process determines that the cost of the Project will exceed \$200,000.00, the City is under no obligation to proceed but may choose to suspend its performance until discussing this issue with the parties and/or terminate this Agreement.
2. **Agreement to Fund Project:** EIC agrees to provide City an amount up to and not to exceed \$100,000.00 in 4B Revenues for the Project. EIC will provide the funding only after City confirms that it has received KCLC’s Contribution.
3. **Payments Authorized:** City is authorized to make payments for the Project directly from the General Capital Projects Fund.
4. **Eligible Costs:** Payments made by City from 4B Revenues as authorized by Section 3, above, are limited to the payment of “costs” as defined in the Act.
5. **City’s Receipt of KCLC’s Contribution:** Prior to bidding, City must receive KCLC’s Contribution. Should City fail to receive this amount on or before December 31, 2021, City shall report this event to EIC and the EIC and/or City may terminate this Agreement.
6. **Project’s Timeline:** City has begun work toward the design of the Project. Thereafter, construction activities will begin on or before March 15, 2022. Should such activities not occur by these dates, EIC may elect to terminate this Agreement.
7. **Conditions Under which City may Suspend Performance of its Obligations under this Agreement:** Under any of the following conditions, the City may, at its option, after at least fifteen (15) days written notice to EIC and KCLC, suspend further performance under this Agreement until such time as KCLC shall have cured the condition(s) and so notified the City, in writing, that the condition(s) have been cured:
  - a. KCLC becomes insolvent. “Insolvent” is defined to mean one either has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, or is insolvent within the meaning of the federal bankruptcy law.

b. The appointment of a receiver of KCLC, 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 KCLC as bankrupt.

d. The filing by KCLC 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.

e. Should any of these conditions not be cured by KCLC within ninety (90) days, KCLC will be considered to have breached this Agreement and City may, at its option, with written notice to KCLC, terminate this Agreement.

8. **KCLC's Representations, Warranties, and Performance:**

a. KCLC represents and warrants as of the date hereof:

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

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

(iii) No litigation or governmental proceeding is pending, or, to the knowledge of KCLC, threatened against or affecting KCLC, which may result in a material adverse change in KCLC's business; properties, to include KCLC's Property; or operations sufficient to jeopardize KCLC's legal existence;

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

(v) Following completion of the Project and then the subsequent lighting, KCLC shall help promote the Project to the community; and

(vi) KCLC shall pay City \$100,000.00 on or before December 31, 2021, which City shall use for Project costs. Should the overall cost of the Project end up being less than \$200,000.00, City is not obligated to refund any part of this amount to KCLC.

b. Except as expressly set forth in this section, KCLC makes no other representation or warranty of any kind in connection with or related to the provisions of this Agreement.

9. **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 will 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. **Amendment:** This Agreement may be amended only by written amendment signed by the parties.

11. **Notices:** All notices given with respect to this Agreement must be in writing and will be deemed to have been properly given for all purposes (i) if sent by a nationally recognized overnight carrier for next business day delivery, on the first business day following deposit of such notice with such carrier unless such carrier confirms such notice was not delivered, then on the day such carrier actually delivers such notice, or (ii) if personally delivered, on the actual date of delivery, or (iii) if sent by certified U.S. Mail, return receipt requested postage prepaid, on the fifth business day following the date of mailing, or (iv) if sent by facsimile, then on the actual date of delivery (as evidenced by a facsimile confirmation) provided that a copy of the facsimile and confirmation is also sent by regular U.S. Mail, addressed as follows:

**For EIC**

President

City of Kerrville, Texas, Economic Improvement Corporation

City Hall, 701 Main Street

Kerrville, Texas 78028

Facsimile: (830) 792-3850

**For City**

City Manager, City of Kerrville

City Hall, 701 Main Street  
Kerrville, Texas 78028  
Facsimile: (830) 792-3850

**KCLC**

George Eychner, President  
KCLC  
2108 Sidney Baker St.  
Kerrville, Texas 78028

12. **Applicable Law:** This Agreement is governed by and construed in accordance with the laws of the State of Texas. The Agreement is entered into and fully performable within Kerr County, Texas. Accordingly, venue for any cause of action arising pursuant to this Agreement is proper only in Kerr County, Texas.
13. **Interpretation:** Each party has had the opportunity to be represented by counsel of its choice in negotiating this Agreement. This Agreement will therefore be deemed to have been negotiated and prepared at the joint request, direction, and construction of the parties, at arm's length, with the advice and participation of counsel, and will be interpreted in accordance with its terms without favor to any party.
14. **No Joint Venture:** Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between any or all of the parties.
15. **Parties in Interest:** Nothing in this Agreement shall entitle any party other than EIC, City, or KCLC to any claim, cause of action, remedy, or right of any term of this Agreement.
16. **Survival of Terms:** All rights, duties, liabilities, and obligations accrued prior to termination will survive termination.
17. **Entire Agreement:** This Agreement represents the entire agreement of the parties with respect to the subject matter hereof.

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

CITY OF KERRVILLE, TEXAS

By: Bill Blackburn  
Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon  
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

Michael C. Hayes  
Michael C. Hayes, City Attorney

CITY OF KERRVILLE, TEXAS ECONOMIC  
IMPROVEMENT CORPORATION

By: Greg Richards  
Greg Richards, President

ATTEST:

Kesha Franchina  
Kesha Franchina, Secretary for the EIC

KCLC

By: George Eychner  
George Eychner, President



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

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**SUBJECT:** Project Mount Saddle.

**AGENDA DATE OF:** February 13, 2023      **DATE SUBMITTED:** February 6, 2023

**SUBMITTED BY:** Michael Hornes, Assistant City Manager

### **EXHIBITS:**

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

**PAYMENT TO BE MADE TO:** N/A

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**Kerrville 2050 Item?** Yes

**Key Priority Area** N/A

**Guiding Principle** N/A

**Action Item** N/A

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### **SUMMARY STATEMENT:**

### **RECOMMENDED ACTION:**

Information.