

**NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



**Monday, March 1, 2021
6:00 PM**

Notice is hereby given of a Regular meeting of the Tomball City Council, to be held on Monday, March 1, 2021 at 6:00 PM, City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

IN ACCORDANCE WITH ORDER OF THE OFFICE OF THE GOVERNOR ISSUED MARCH 16, 2020, THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, WILL CONDUCT THE MEETING SCHEDULED FOR MARCH 1, 2021, 6:00 PM, AT 401 MARKET STREET, TOMBALL, TEXAS, 77375. IN ORDER TO ADVANCE THE PUBLIC HEALTH GOAL OF LIMITING FACE-TO-FACE MEETINGS (ALSO CALLED "SOCIAL DISTANCING") TO SLOW THE SPREAD OF THE CORONAVIRUS (COVID-19), THERE WILL BE LIMITED PUBLIC ACCESS TO THE LOCATION DESCRIBED ABOVE. THIS MEETING AGENDA AND THE AGENDA PACKET ARE POSTED ONLINE AT:

***HTTPS://TOMBALLTX.GOV/ARCHIVE.ASPX?AMID=38*; A RECORDING OF THE MEETING WILL BE MADE AND WILL BE AVAILABLE TO THE PUBLIC IN ACCORDANCE WITH THE OPEN MEETINGS ACT UPON WRITTEN REQUEST.**

The public toll-free dial-in numbers to participate in the telephonic meeting are any one of the following (dial by your location): +1 312 626 6799 US (Chicago); +1 646 876 9923 US (New York); +1 301 715 8592 US; +1 346 248 7799 US (Houston); +1 408 638 0968 US (San Jose); +1 669 900 6833 US (San Jose); or +1 253 215 8782 US (Tahoma) - Meeting ID: 895 1774 0384, Passcode: 763659. The public will be permitted to offer public comments telephonically, as provided by the agenda and as permitted by the presiding officer during the meeting.

- A. Call to Order
- B. Invocation - Led by Pastor Courtney White – Fountain of Love Church of God In Christ
- C. Pledges to U.S. and Texas Flags

- D. Public Comments and Receipt of Petitions; *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law - GC, 551.042.]*
- E. Reports and Announcements
1. Announcements
 2. Reports by City staff and members of council about items of community interest on which no action will be taken:
 - I. Luisa Taylor – Quarterly Investment Report for Period Ending December 31, 2020. The Public Funds Investment Act requires that a report of the City's Investments be presented to Council on a quarterly basis. The investment report includes a listing of all investments together with information relating to diversification, cost vs. market values at the end of the quarter, yield information, and weighted average maturities. On December 31, 2020, the City had total cash and cash equivalents in the amount of \$57,727,800.
- F. Approval of Minutes
1. Approve the Minutes of the February 1, 2021 Regular Tomball City Council Meeting
- G. Old Business
1. Adopt on Second Reading, Ordinance No. 2021-11, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section Seven and Eight Properties within the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto.
- H. New Business
1. Approve Resolution No. 2021-10, a Resolution of the City Council of the City of Tomball, Texas supporting the proposed Tomball Senior Village Housing Community; approving an application for federal housing tax credits to finance such project; providing an in-kind contribution for such project and providing an effective date
 2. Accept Donation of a Grant from the Tomball Health Foundation in the Amount of \$490,000 for the Proposed Improvements to Jerry Matheson Park.

3. Consideration and possible action to approve, as a Project of the Tomball Economic Development Corporation, an agreement with Kinsley Armelle to make direct incentives to, or expenditures for, the creation or retention of primary jobs associated with the relocation and development of its corporate headquarters to be located at 21255 Spell Circle, Tomball, Texas 77375. The estimated amount of expenditures for such Project is \$45,000.00.
4. Approve, on First Reading, Resolution No. 2021-07-TEDC, a Resolution of the City Council of the City of Tomball, Texas, authorizing and approving the Tomball Economic Development Corporation's Project to Expend Funds in accordance with an Economic Development Agreement by and between the Corporation and The Hutson Group to make direct incentives to, or expenditures for, the construction of capital improvements, including pedestrian and parking improvements, along Houston Street and North Elm Street in Old Town Tomball. The estimated amount of expenditures for such Project is \$48,800.00.
5. Appoint/Reappoint Members to Regular and Alternate Position Vacancies on the Board of Adjustments (BOA), for Terms Expiring March 2, 2023
6. Approve Resolution No. 2021-09, a Resolution of the City Council of the City of Tomball, Texas approving a Reimbursement Agreement relating to the Wood Leaf Reserve Public Improvement District.
7. Authorize City Manager to execute a Professional Services Agreement with Freese & Nichols for the development of the Risk and Resilience Assessment and Emergency Response Plan required by the American Water Infrastructure Act of 2018
8. Approve Resolution No. 2021-11, a Resolution of the City of Tomball, Texas, Canceling the Regular City Officer's Election Scheduled to be Held on the 1st Day of May, 2021, in Accordance with Section 2.053(A) of the Texas Election Code; Directing the Giving of Notice of Such Cancellation of Election; and Providing Details Relating to the Cancellation of Such Election

Aprobar la Resolución Nro. 2021-11 Cancelando la Elección Regular de Funcionarios Municipales programada para celebrarse el día 1 de mayo de 2021 de acuerdo con la Sección 2.053(a) del Código Electoral de Texas; instruyendo que se de aviso de tal cancelación de elección; y proveyendo detalles relativos a la cancelación de tal elección.

Chấp thuận Nghị Quyết số 2020-11, Hủy Bỏ Cuộc Bầu Cử Viên Chức Thành Phố Thường Kỳ Dự Kiến sẽ được tổ chức vào ngày 1 tháng Năm, 2021, Chiếu theo Mục 2.053(a) của Bộ Luật Tuyển Cử Texas; Chỉ thị việc đưa ra Thông Báo về

Hủy Bỏ Cuộc Bầu Cử đó; và Cung Cấp Thông Tin Chi Tiết Liên quan đến việc Hủy Bỏ Cuộc Bầu Cử đó.

通過決議案2021-

11, 取消一般市府官員應於2021年5月1日的選舉計畫, 其是根據德克薩斯州選舉法2.053(a)節; 茲此通知該選舉取消; 以及提供關於取消該選舉的詳情。

9. Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- * Sec. 551. 074 – Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee

I. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 25th day of February 2021 by 5:00 PM, and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Doris Speer, City Secretary, TRMC/MMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY BE VIEWED ONLINE AT www.ci.tomball.tx.us.

City Council Meeting Agenda Item Data Sheet

Meeting Date: February 15, 2021

Topic:

Luisa Taylor – Quarterly Investment Report for Period Ending December 31, 2020. The Public Funds Investment Act requires that a report of the City's Investments be presented to Council on a quarterly basis. The investment report includes a listing of all investments together with information relating to diversification, cost vs. market values at the end of the quarter, yield information, and weighted average maturities. On December 31, 2020, the City had total cash and cash equivalents in the amount of \$57,727,800.

Background:

Origination:

Recommendation:

Party(ies) responsible for placing this item on agenda: Glenn Windsor, Finance Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Doris Speer 2/10/2021 Approved by _____
Staff Member Date City Manager Date

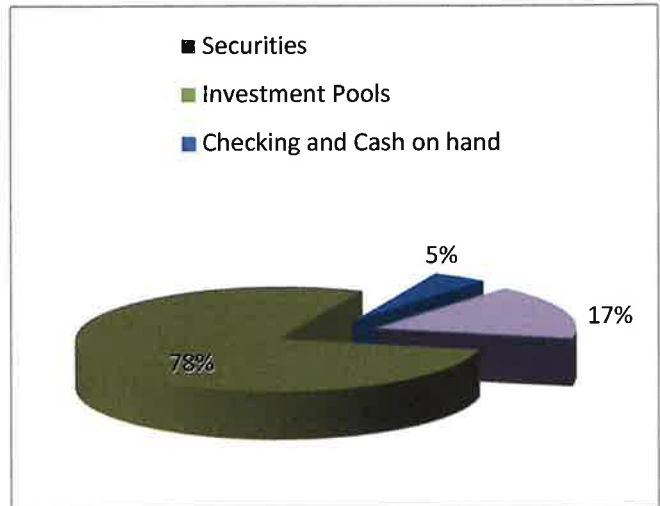
CITY OF TOMBALL PORTFOLIO DIVERSIFICATION December 31, 2020

By Type

| | Current Market Value | Percent Portfolio |
|---------------------------|-------------------------|----------------------|
| Securities | \$ 9,915,448 | 17% |
| Investment Pools | 45,257,597 | 78% |
| Checking and Cash on hand | 2,554,755 | 4% |
| Total Portfolio | \$ 57,727,800 | |

Safety of principal is the first priority of any Public investing portfolio. The City of Tomball invests in Securities of Federal, State and Local Governments, in Texas CLASS and in the state pool, TexPool. These investments are in securities with a rating of A-1/P-1 or higher and pools with Standard & Poor's highest rating of AAAm. Our charter requires that we maintain reserves of no less than 90 days and no more than one year of the current budgeted expenditures. The City currently has reserves in excess of the charter requirement.

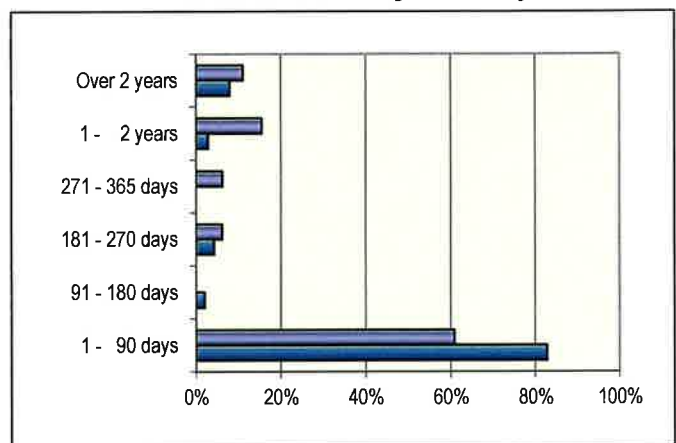
Diversification by Type



By Maturity

| | Current Market Value | Percent Portfolio |
|------------------------|-------------------------|----------------------|
| 1 - 90 days | \$ 47,812,352 | 83% |
| 91 - 180 days | 1,182,767 | 2% |
| 181 - 270 days | 2,466,302 | 4% |
| 271 - 365 days | - | 0% |
| 1 - 2 years | 1,637,319 | 3% |
| Over 2 years | 4,629,060 | 8% |
| Total Portfolio | \$ 57,727,800 | |

Diversification by Maturity



Ensuring adequate liquidity is available to cover all expenditures is the second priority of any public investing program. The City staff forecasts cash flow and ladders the maturity of investments to ensure funds are adequate when needed. A portion of funds are kept in overnight investments as a buffer for any unexpected expenditures. These overnight investments (TexPool, Texas CLASS) have been performing according to market in the yield category as well as providing liquidity.

**CITY OF TOMBALL
 INVESTMENT PORTFOLIO SUMMARY
 ACTIVITY FOR QUARTER ENDING
 December 31, 2020**

ALL CITY FUNDS (POOLED)

| INVESTMENTS | COST | MARKET | RATIO | YTM at COST | BENCHMARK YTM** |
|---------------------|-------------|---------------|--------------|------------------------|----------------------------|
| Beginning of period | 6,085,344 | 6,167,677 | 1.0135 | 2.932% | 0.12% |
| Purchases | 3,810,127 | 3,774,078 | | | |
| Maturities/Calls | - | - | | | |
| Change in value | | (26,307) | | | |
| Sales | | | | | |
| End of period | 9,895,471 | 9,915,448 | 1.0020 | 3.451% | 0.10% |

**Benchmark security is the One-year U. S. Treasury Bill

Weighted average maturity of the portfolio at quarter end is the following number of days: 610.57

This report is in compliance with the investment strategies as approved and the Public Funds Investment Act.



 Treasurer

**CITY OF TOMBALL
INVESTMENTS IN SECURITIES
PORTFOLIO AS OF DECEMBER 31, 2020**

| SECURITY DESCRIPTION | CUSIP NUMBER | RATING | MATURITY DATE | INTEREST YIELD | MARKET VALUE | DAYS AFTER 12/31/20 | INDIVIDUAL MARKET VALUE/TOTAL | WAM DAYS x PERCENT | CALLABLE |
|---|--------------|--------|---------------|----------------|------------------|---------------------|-------------------------------|--------------------|----------|
| 1) Texas A&M Revenue - 1.4% | 88213AFW0 | AAA | 5/15/2021 | 1.400% | 276,188 | 135 | 2.785% | 3.76 | Y |
| 2) Texas A&M Revenue - 2.229% | 88213AHH1 | AAA | 5/15/2021 | 2.229% | 906,579 | 135 | 9.143% | 12.34 | Y |
| 3) Texas ST REF Student Loan - 4.0% | 882724JU2 | AAA | 8/1/2021 | 4.000% | 1,266,648 | 213 | 12.774% | 27.21 | N |
| 4) Eagle Mountain & Saginaw TX - 5.0% | 269896NT3 | AAA | 8/15/2021 | 5.000% | 895,517 | 227 | 9.032% | 20.50 | N |
| 5) Hurst-Euless-Bedford TX ISD - 2.434% | 447819DX8 | AAA | 8/15/2021 | 2.434% | 304,137 | 227 | 3.067% | 6.96 | N |
| 6) San Antonio TX muni - 5.0% | 796311CQ9 | AA | 2/1/2022 | 5.000% | 210,410 | 397 | 2.122% | 8.42 | N |
| 7) Clear Creek TX ISD - 3.4% | 1845403R1 | AAA | 2/15/2022 | 3.400% | 206,632 | 411 | 2.084% | 8.56 | Y |
| 8) Texas A&M Revenue - 2.246% | 88213ADP7 | AAA | 5/15/2022 | 2.246% | 883,538 | 500 | 8.911% | 44.55 | N |
| 9) Univ of TX Build America - 3.675% | 9151375J8 | AAA | 8/15/2022 | 3.675% | 336,739 | 592 | 3.396% | 20.10 | Y |
| 10) Alvin TX ISD - 5.0% | 022447S98 | AAA | 2/15/2023 | 5.000% | 407,477 | 776 | 4.110% | 31.89 | N |
| 11) Lubbock TX - 2.520% | 549188UK4 | AA | 2/15/2023 | 2.520% | 522,785 | 776 | 5.272% | 40.91 | N |
| 12) Texas A&M Revenue - 2.349% | 88213AKA2 | AAA | 5/15/2023 | 2.349% | 493,115 | 865 | 4.973% | 43.02 | N |
| 13) Grand Parkway Trans - 1.608% | 38611TCV7 | AA | 10/1/2023 | 1.608% | 457,976 | 1004 | 4.619% | 46.37 | Y |
| 14) Texas ST REF TXBL - 4.0% | 8827235H8 | AAA | 10/1/2023 | 4.000% | 628,733 | 1004 | 6.341% | 63.66 | N |
| 15) Austin TX Elec Utility - 5.0% | 052414PE3 | AA | 11/15/2023 | 5.000% | 994,026 | 1049 | 10.025% | 105.16 | N |
| 16) N Harris CNTY - 5.0% | 65956NGL4 | AA | 12/15/2023 | 5.000% | 306,496 | 1079 | 3.091% | 33.35 | N |
| 17) San Antonio Elec & Gas Rev - 5.25% | 7962532J0 | AA | 2/1/2024 | 5.250% | 294,242 | 1127 | 2.968% | 33.44 | Y |
| 18) Amarillo TX Tax NTS - 2.0% | 023015J35 | AAA | 2/15/2024 | 2.000% | 524,210 | 1141 | 5.287% | 60.32 | N |
| TOTALS | | | | 3.451% | 9,915,448 | 648 | 100.000% | 610.57 | |

CITY OF TOMBALL
CASH AND CASH EQUIVALENTS
FOR QUARTER ENDING
December 31, 2020

| FUNDS | CASH AND CASH EQUIVALENTS | | | | | | TOTAL CASH, CASH EQUIVALENTS AND INVESTMENTS |
|-------|-----------------------------------|---------------------|----------------------|------------------------|---------------------------------------|--------------------------|--|
| | MAJOR FUNDS | TEXAS CLASS | TEXPOOL | OPERATING ACCOUNT | TOTAL CASH AND CASH EQUIVALENTS | INVESTMENT SECURITIES | |
| | General | \$ 2,712,314 | \$ 2,106,317.51 | \$ 1,448,616.75 | \$ 6,267,248 | \$ 3,156,190.95 | \$ 9,423,439 |
| | Debt Service | 1,016,330.20 | 513,612.27 | 137,978.85 | 1,667,921.32 | - | 1,667,921.32 |
| | Enterprise | 2,890,299.28 | 1,711,708.86 | 38,179.88 | 4,640,188.02 | - | 4,640,188.02 |
| | OTHER FUNDS | 0.00 | - | - | - | - | - |
| | Special Revenue | 81,370.12 | 3,735.98 | 11,763.70 | 96,869.80 | - | 96,869.80 |
| | Municipal Court Building Security | 108,493.47 | 74,762.31 | 88,081.18 | 271,336.95 | - | 271,336.95 |
| | Municipal Court Technology | 65,096.01 | 112,637.97 | 12,418.40 | 190,152.38 | - | 190,152.38 |
| | Hotel Occupancy Tax | 108,493.46 | 350,791.47 | 8,610.33 | 467,895.26 | - | 467,895.26 |
| | Tomball "Fun Runs" | 0.00 | 5,293.82 | 9,332.15 | 14,625.96 | - | 14,625.96 |
| | General Capital Projects | 2,044,939 | 23,501,783.17 | 308,131.53 | 25,909,100.25 | 6,759,257.15 | 32,668,357.40 |
| | Business Park | 0.00 | 941,058.69 | - | 941,058.69 | - | 941,058.69 |
| | Fleet Replacement | 488,220.45 | 315,901.35 | 5,310.80 | 809,432.59 | - | 809,432.59 |
| | Water Capital Recovery | 108,493.46 | 2,081,476.87 | 15,786.55 | 2,205,756.88 | - | 2,205,756.88 |
| | Sewer Capital Recovery | 162,740.15 | 1,623,672.80 | 15,832.08 | 1,802,245.03 | - | 1,802,245.03 |
| | Health Insurance Trust | 0.00 | 2,047,133.81 | 428,038.75 | 2,475,172.56 | - | 2,475,172.56 |
| | Tomball Legacy Fund | - | 26,673.83 | 26,673.83 | 53,347.66 | - | 53,347.66 |
| | TOTALS | \$ 7,796,097 | \$ 35,416,561 | \$ 2,554,754.76 | \$ 47,812,352 | \$ 9,915,448 | \$ 57,727,800 |

City Council Meeting Agenda Item Data Sheet

Meeting Date: February 15, 2021

Topic:

Approve the Minutes of the February 1, 2021 Regular Tomball City Council Meeting

Background:

Origination: City Secretary

Recommendation:

Party(ies) responsible for placing this item on agenda: Doris Speer, City Secretary

FUNDING (IF APPLICABLE)

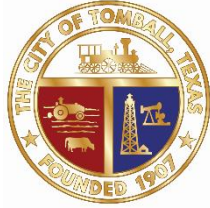
Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

| | | | | | |
|--------|--------------------|-----------------|-------------|--------------|-------|
| Signed | <u>Doris Speer</u> | <u>2-2-2021</u> | Approved by | _____ | _____ |
| | Staff Member | Date | | City Manager | Date |

**MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



**Monday, February 1, 2021
6:00 PM**

The City Council of the City of Tomball, Texas, conducted the meeting scheduled for February 1, 2021, 6:00 PM, at 401 Market Street, Tomball, Texas 77375, via video/telephone conference.

A. Mayor Fagan called the meeting to order at 6:00 p.m.; Councilmembers present:

Council 1 John Ford
Council 2 Mark Stoll
Council 3 Chad Degges
Council 4 Derek Townsend, Sr.
Council 5 Lori Klein Quinn

Others present:

City Manager – Robert Hauck
Assistant City Manager – David Esquivel
City Secretary – Doris Speer
City Attorney – Loren B. Smith
Assistant City Secretary – Tracylynn Garcia
Police Chief – Jeff Bert
Fire Chief – Randy Parr (via video)
Marketing Director – Mike Baxter (via video)
Finance Director – Glenn Windsor
Director of Public Works – Beth Jones (via video)
Director of Community Development – Craig Meyers
CSO Administrative Assistant – Sasha Luna
Fire Marshal – Joe Sykora
Community Center Manager – Rosalie Dillon
PID Contract Administrator – Scott Bean

B. Invocation - Led by Pastor Tim Niekerk – Salem Lutheran Church

C. Pledges to U.S. and Texas Flags – Led by Jeff Bert

D. No public comments were received.

E. Reports and Announcements

1. Announcements

- I. Saturday, January 30, 2021 – **Harris County Sheriff’s Jr. Posse “Pony Express” Annual Stop** in Tomball, at the Depot – 9:00 a.m.
- II. February 12, 2021– Last day to apply for Place on Ballot for the May 1, 2021 General City Election – 5:00 p.m.
- III. Tomball Police Department Annual Data Capture Report – 2020 (SB 1074)

2. Reports by City staff and members of council about items of community interest on which no action will be taken:

F. Approval of Minutes

1. Approve the Minutes of the January 18, 2021 Regular Tomball City Council Meeting

Motion was made by Council 4 Townsend, Sr., seconded by Council 2 Stoll to approve the Minutes of the January 18, 2021 Regular Tomball City Council Meeting.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

- G. Old Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*

1. Adopt, on Second Reading, Ordinance No. 2021-01, an Ordinance of the City of Tomball, Texas, Extending the City Limits of Said City to Include All of the Territory Within Certain Limits and Boundaries and Annexing to the City of Tomball All of the Territory Within Such Limits And Boundaries; Approving a Service Plan for All of the Area Within Such Limits and Boundaries; Containing Other Provisions Relating to the Subject; and Providing a Savings and Severability Clause (*Being a 3.119-Acre (138,840 Square Feet) Tract or Parcel of Land Situated in the Elizabeth Smith Survey, A-70, Harris County, Texas, Being out of Unrestricted Reserve “C” of the Final Plat of Tomball Greens, as*

Recorded under Film Code No. 440128 of the Map Records of Harris County, Texas, also Being Out and Part of a 5.00 Acre Tract Described in Deed Recorded under Clerk's File No. Z331045 of the Real Property Records of Harris County, Texas) [11234 Spell Road, HCAD 1207880000010]

2. Adopt, on Second Reading, Ordinance No. 2021-02, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by establishing the zoning district of approximately 3.119 acres of land, legally described as Reserve C3 Tomball Greens, within the City of Tomball, Harris County, Texas, to the **General Retail** District; said property being generally located at the northeast corner of Hufsmith-Kohrville Road and Spell Road at 11234 Spell Road; providing for the amendment of the Official Zoning Map of the City; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

Motion was made by Council 2 Stoll, seconded by Council 1 Ford to approve all Old Business Consent items in a single action.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

H. New Business

New Business items 1, 2 and 3 will not be considered during the February 1, 2021 meeting, at the request of the City Manager. Consensus of Council was unanimous to remove items 1, 2 and 3 from consideration.

1. Conduct Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Tomball Heights Properties in the City of Tomball Public Improvement District Number Nine, Established by City Council Resolution No. 2019-12 (*Sydney's Park*)

No Action Taken

2. Adopt on First Reading, Ordinance No. 2021-05, An Ordinance Of The City Council Of Tomball, Texas, Approving The Service And Assessment Plan For The City Of Tomball Public Improvement District Number Nine (*Tomball Heights, aka Sydney's Park*)

No Action Taken

3. Adopt on First Reading, Ordinance No. 2021-06, An Ordinance Of The City Council Of Tomball, Texas, Levying an Assessment Against Section One Properties Within The City Of Tomball Public Improvement District Number Nine (Tomball Heights Subdivision); And Making Certain Findings Related Thereto (*Sydney's Park*)

No Action Taken

4. Mayor Fagan opened the Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Section Seven and Eight in the City of Tomball Public Improvement District Number Two, Established by City Council Resolution No. 2007-22 (*Raleigh Creek*) at 6:08 p.m.

Receiving no public comments, Mayor Fagan closed the public hearing at 6:08 p.m.

No action necessary.

5. Motion was made by Council 4 Townsend, Sr., seconded by Council 2 Stoll to ready Ordinance No. 2021-11 by caption only on First Reading.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

Motion was made by Council 4 Townsend, Sr., seconded by Council 2 Stoll to adopt on First Reading, Ordinance No. 2021-11, An Ordinance Of The City Council Of Tomball, Texas, Levying an Assessment Against Section Seven And Eight Properties Within The City Of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); And Making Certain Findings Related Thereto.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

6. Motion was made by Council 4 Townsend, Sr., seconded by Council 2 Klein Quinn to approve Resolution No. 2021-08, a Resolution and Order of the City Council of the City of Tomball, Texas, in Support of Greater Harris County 9-1-1 Legislation

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

7. Motion was made by Council 4 Townsend, Sr., seconded by Council 5 Klein Quinn to approve Supplemental No. 1 to Professional Services Agreement for Engineering Services Related to Engineering & Planning Project No. 2017-10033 City of Tomball Livable Centers Implementation Alley Improvements, in the amount of \$137,105.00

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

8. Motion was made by Council 2 Stoll, seconded by Council 4 Townsend, Sr. to approve Change Order 4 for E&P Project Number 2017-10005, Medical Complex Segment 4B, to Durwood Greene Construction Co. for a total amount of \$80,000.00

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

- I. Motion was made by Council 4 Townsend, Sr., seconded by Council 2 Stoll to adjourn.

Voting Yea: Council 1 Ford, Council 2 Stoll, Council 3 Degges, Council 4 Townsend, Sr., Council 5 Klein Quinn

Motion carried unanimously.

PASSED AND APPROVED this the 1st day of March 2021.

Doris Speer
City Secretary, TRMC, MMC

Gretchen Fagan
Mayor

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: February 15, 2021

Topic:

Adopt on Second Reading, Ordinance No. 2021-11, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section Seven and Eight Properties within the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto.

Background:

Public Improvement District Number Two was created in 2007 and comprises the entirety of the Raleigh Creek Subdivision which will ultimately contain 347 single family lots. Assessments were levied on Section One properties in 2014, Sections Two and Three in 2018, and Sections Four Five and Six in 2019. The developer has completed improvements for Section Seven and Eight properties and the assessments now need to be levied on those lots.

As with Section One through Six lots, the assessments proposed are on a per lot basis. Based on the public infrastructure costs for the development, the total, one-time assessment \$26,197.39 is proposed which represents the principal amount of the assessment. The annual installment (financed assessment) proposed is \$2,876.33 which is the principal amount of the assessment amortized over 15 years at 7% interest. With the annual administrative cost of \$71.91 per lot, the total annual payment will equal \$2,984.24 per lot.

Home values in Raleigh Creek are expected to average \$350,000. A \$2,984.24 annual assessment installment payment on a \$350,000 home is the equivalent of a \$0.85 property tax rate.

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable at any time by each homeowner which would terminate the assessment.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

As with other City Public Improvement Districts, Harris County will collect the PID assessments in the same manner as property taxes and transferred to a City-established PID revenue fund. A report on the reimbursable developer costs will be performed by a qualified CPA firm and the revenues will be disbursed to the developer once a year after administrative costs have been deducted.

EXAMPLE AMORTIZATION SCHEDULE

Duration 15
 Interest Rate 7.50%
 Annual Payment Amount \$2,876.33
 Total Lifetime Payment \$43,144.99
 Total Principal \$26,197.39
 Total Interest \$16,947.60

| Payment | Principal | Interest Payment | Payments collected | Principal Balance |
|---------|-------------|------------------|--------------------|-------------------|
| | | | | \$26,197.39 |
| 1 | \$1,042.52 | \$1,833.82 | \$2,876.33 | \$25,154.87 |
| 2 | \$1,115.49 | \$1,760.84 | \$2,876.33 | \$24,039.38 |
| 3 | \$1,193.58 | \$1,682.76 | \$2,876.33 | \$22,845.81 |
| 4 | \$1,277.13 | \$1,599.21 | \$2,876.33 | \$21,568.68 |
| 5 | \$1,366.52 | \$1,509.81 | \$2,876.33 | \$20,202.16 |
| 6 | \$1,462.18 | \$1,414.15 | \$2,876.33 | \$18,739.97 |
| 7 | \$1,564.53 | \$1,311.80 | \$2,876.33 | \$17,175.44 |
| 8 | \$1,674.05 | \$1,202.28 | \$2,876.33 | \$15,501.39 |
| 9 | \$1,791.24 | \$1,085.10 | \$2,876.33 | \$13,710.15 |
| 10 | \$1,916.62 | \$959.71 | \$2,876.33 | \$11,793.53 |
| 11 | \$2,050.79 | \$825.55 | \$2,876.33 | \$9,742.75 |
| 12 | \$2,194.34 | \$681.99 | \$2,876.33 | \$7,548.41 |
| 13 | \$2,347.94 | \$528.39 | \$2,876.33 | \$5,200.46 |
| 14 | \$2,512.30 | \$364.03 | \$2,876.33 | \$2,688.16 |
| 15 | \$2,688.16 | \$188.17 | \$2,876.33 | \$0.00 |
| TOTAL | \$26,197.39 | \$16,947.60 | \$43,144.99 | |

Origination: Scott Bean, Hawes Hill Calderon, LLP

Recommendation:

Adopt, on Second Reading, Ordinance No. 2021-06

Party(ies) responsible for placing this item on agenda:

Tracylynn Garcia, Asst City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Doris Speer 2-2-2021
 Staff Member Date

Approved by _____
 City Manager Date

ORDINANCE NO. 2021-11

AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS, LEVYING AN ASSESSMENT AGAINST SECTION SEVEN AND EIGHT PROPERTIES WITHIN THE CITY OF TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER TWO (RALEIGH CREEK SUBDIVISION); AND MAKING CERTAIN FINDINGS RELATED THERETO.

* * * * *

WHEREAS, the City of Tomball (the “City”) is authorized pursuant to TEX. LOCAL GOV’T CODE, Ch. 372, as amended (“Chapter 372”) to create public improvement districts for the purposes described therein, and to levy and collect an assessment in furtherance of the purposes thereof; and

WHEREAS, the City has created City of Tomball Public Improvement District Number Two (the “PID”), adopted a Service and Assessment Plan (the “Plan”) for the PID, all in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City Council filed a proposed assessment roll with the City secretary which roll was available for public inspection, and following notice thereof by mail and publication as required by Chapter 372, the City Council held a public hearing at which written or oral objections to the proposed assessments were considered and passed on by the City Council; and

WHEREAS, the City Council has determined that the levy of a special assessment for and on behalf of the PID is necessary and advisable, and that the proposed assessment roll apportions the cost of the subject improvements in the PID on the basis of special benefits accruing to the property because of the improvement, **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The assessment roll attached hereto is hereby approved and the special assessments described therein are hereby levied on the subject property in accordance with the terms of the Plan, which Plan determines, *inter alia*, the method of payment of the assessments, and makes provision for the payment thereof in periodic installments, interest thereon and the collection thereof. The Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. There is hereby created a first and prior lien securing payment of the assessment levied, effective as of the date of this Ordinance as provided in the Plan and Chapter 372.

Section 4. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 1ST DAY OF FEBRUARY 2021.

| | |
|------------------------|------------|
| COUNCILMAN FORD | <u>AYE</u> |
| COUNCILMAN STOLL | <u>AYE</u> |
| COUNCILMAN DEGGES | <u>AYE</u> |
| COUNCILMAN TOWNSEND | <u>AYE</u> |
| COUNCILMAN KLEIN QUINN | <u>AYE</u> |

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 1ST DAY OF MARCH 2021.

| | |
|------------------------|-------|
| COUNCILMAN FORD | _____ |
| COUNCILMAN STOLL | _____ |
| COUNCILMAN DEGGES | _____ |
| COUNCILMAN TOWNSEND | _____ |
| COUNCILMAN KLEIN QUINN | _____ |

GRETCHEN FAGAN, Mayor

ATTEST:

DORIS SPEER, City Secretary

EXHIBIT "A" – Page 1

Public Improvement District Number Two
 Raleigh Creek Subdivision
 Section Seven and Eight Assessment Roll
 City of Tomball, Harris County, Texas

| Owner | Section | Block # | Lot # | Total Assessment | Annual Assessment Installment | Financed Assessment Term | Annual Administrative Cost | Total Annual Payment |
|---------------------|---------|---------|-------|------------------|-------------------------------|--------------------------|----------------------------|----------------------|
| DR HORTON TEXAS LTD | 7 | 1 | 1 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 2 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 3 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 4 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 5 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 6 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 7 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 8 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 9 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 10 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 11 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 12 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 13 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 14 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 1 | 15 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 1 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 2 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 3 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 4 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 5 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 6 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 7 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 8 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 9 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 10 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 11 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 12 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 13 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 14 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 15 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| DR HORTON TEXAS LTD | 7 | 2 | 16 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 1 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 2 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 3 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 4 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 5 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 6 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 7 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 8 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 9 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 10 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 11 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ 71.91 | \$ 2,948.24 |

EXHIBIT "A" – Page 2

| | | | | | | | | | |
|---------------------|---|---|----|--------------|------------|----------|----|-------|-------------|
| LS Development, LLC | 8 | 1 | 12 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 13 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 14 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 15 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 16 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 17 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 1 | 18 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 2 | 1 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 2 | 2 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 2 | 3 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 2 | 4 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 2 | 5 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 1 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 2 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 3 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 4 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 5 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 6 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 7 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 8 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 9 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 10 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 11 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |
| LS Development, LLC | 8 | 3 | 12 | \$ 26,197.39 | \$2,876.33 | 15 years | \$ | 71.91 | \$ 2,948.24 |

City Council Meeting Agenda Item Data Sheet

Meeting Date: March 1, 2021

Topic:

Consider approval of Resolution 2021-10, a Resolution of the City Council of the city of Tomball, Texas supporting the proposed Tomball Senior Village Housing Community; approving an application for federal housing tax credits to finance such project; providing an in kind contribution for such project and providing an effective date.

Background:

Origination: Texas Inter-Faith Housing

Recommendation:

Party(ies) responsible for placing this item on agenda: Craig T. Meyers, P.E., Community Development Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

RESOLUTION NO. 2021-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS SUPPORTING THE PROPOSED TOMBALL SENIOR VILLAGE HOUSING COMMUNITY; APPROVING AN APPLICATION FOR FEDERAL HOUSING TAX CREDITS TO FINANCE SUCH PROJECT; PROVIDING AN IN KIND CONTRIBUTION FOR SUCH PROJECT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, CSH Tomball Senior Village, Ltd. and its affiliates (the "Applicant") propose to build an affordable housing development with up to 80 residential units (the "Housing") in the City of Tomball; and

WHEREAS, the Housing is expected to be located at the Southeast Corner of Medical Complex Drive and SH249, Tomball, Texas 77377 and is expected to be named "Tomball Senior Village"; and

WHEREAS, the Applicant has submitted a pre-application (TDHCA #21003) and proposes to submit a final full application for financing for the Housing, including Competitive 9% Low Income Housing Tax Credits ("Tax Credits") from the Texas Department of Housing and Community Affairs; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TOMBALL, TEXAS THAT:

SECTION ONE. The City Council of the City of Tomball hereby confirms its support for the development and construction of the Housing described above and that this formal action has been taken to put on record the opinion expressed by the City on this date.

SECTION TWO. The City Council of the City of Tomball hereby approves the Applicant's application for Tax Credits from the Texas Department of Housing and Community Affairs and supports an award of Tax Credits for the Housing pursuant to the Qualified Allocation Plan of the Texas Department of Housing and Community Affairs.

SECTION THREE. That as provided for in §11.3(c) of the Qualified Allocation Plan, it is expressly acknowledged and confirmed that the City of Tomball has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds and

SECTION FOUR. That the City of Tomball hereby supports the proposed Tomball Senior Village development, and confirms that its governing body has voted specifically to approve the construction of the Development and to authorize an allocation of Housing Tax Credits for the Development pursuant to Tex. Gov't Code §2306.6703(a)(4), and

SECTION FIVE. In accordance with 10 Texas Administrative Code §11.9(d)(2), the City hereby commits to an in-kind contribution to the Housing in the form of a reduced fee for the benefit of the Housing in the amount of \$250.00.

SECTION SIX. That for and on behalf of the Governing Body of the City of Tomball, Mayor Gretchen Fagan is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

SECTION SEVEN. This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED this ___ day of _____, 2021 at a Regular Meeting of the City Council of the City of Tomball, Texas.

CITY OF TOMBALL

Mayor
City of Tomball

ATTEST:

City Secretary
City of Tomball

Tomball Senior Village at Medical Complex Drive

An Upscale Affordable Senior Living Development

City of Tomball , Texas



Tomball Senior Village

An Upscale Affordable Senior Living Development

[Executive Summary](#)

Texas Inter-Faith Group with Super Urban Realty (“TIF/SuperUrban”) are proposing to secure an award of housing tax credits from TDHCA to acquire and develop 3.61 acres of land along Medical Complex Drive in Tomball where the TIF Group would own, operate and provide resident services for an active adult senior living community with upscale apartment homes.

The proposed development would include the following components:

Senior Living (3.61 acres) – 50 to 60 units of Age Restricted 55+ Active Adult Housing (Elderly Development)

TIF/SuperUrban serving as Development Partners, will engage a “best in class” design team to develop architectural and design guidelines for the proposed development to insure that exterior facades in addition to interior amenities and unit finishes meet and exceed the expectations of local stakeholders, investment partners and future residents.

TIF/SuperUrban will leverage development experience and industry relationships to plan, finance and build an affordable senior living community utilizing best practices and a commitment to quality based on a sustainable economic model. The result will be an award worthy development that furthers the goal of creating high quality affordable housing options for the elderly residents of Tomball with convenient proximity to immediate family and access to points of interest in Tomball.

Tomball Senior Village

An Upscale Affordable Senior Living Development

Development Location



Tomball Senior Village

An Upscale Affordable Senior Living Development

Development Location

SITE DATA
 TOTAL SITE AREA - 3.57 ACRES
 55 UNITS
 15.4 UNITS PER ACRE

UNIT TABULATION

| TYPE | # UNITS | UNIT S.F. | TOTAL SQ. FT. |
|----------------------------|-----------|-----------|---------------|
| A1 - ONE BEDROOM, ONE BATH | 17 (31%) | 700 | 11,900 |
| B1 - TWO BEDROOM, TWO BATH | 38 (69%) | 909 | 34,542 |
| TOTAL | 55 (100%) | | 46,442 |

BUILDING TABULATION

| TYPE | # BLDGS. | UNITS/BLDG. | UNIT TYPES | BLDG. S.F. | TOTAL SQ. FT. |
|-------|----------|-------------|------------|------------|---------------|
| A | 1 | 55 | A-1, B-1 | 46,442 | 46,442 |
| CLUB | | | | 2,909 | 2,909 |
| TOTAL | 1 | 55 | | | 49,351 |

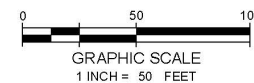
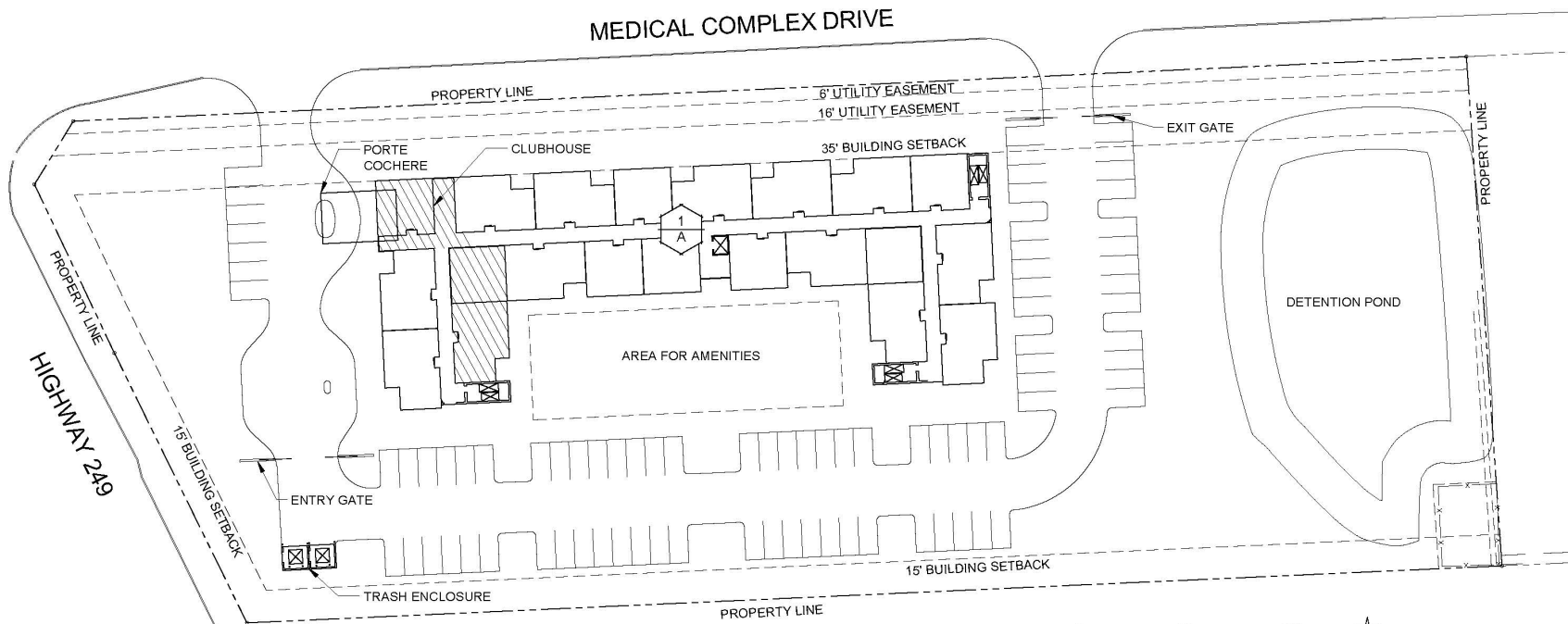
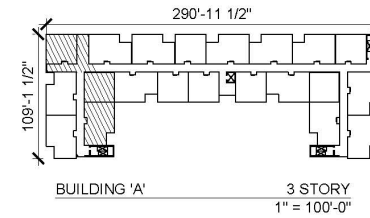
PARKING TABULATION

| PARKING REQUIRED | |
|------------------|------|
| 1.5 PER UNIT | |
| UNITS | 55 |
| TOTAL | 82.5 |

| PARKING PROVIDED | |
|------------------|----|
| TOTAL | 85 |

PARKING RATIO: 1.545

BUILDING KEY



SITE PLAN
 SCALE 1" = 50' - 0"



TOMBALL SENIOR VILLAGE
 TOMBALL, TEXAS

DATE: 01.19.21

Tomball Senior Village

An Upscale Affordable Senior Living Development

Development Overview

- Development Name: TBD
- Proposed Land Use: Senior Housing - Active Adult
- Development Size: 3.61 Acres
50 to 60 Units
- Exterior Finish: Brick, Siding and Stucco
- Construction Type: Wood Framed
Surface Parking

- Total Development Cost: \$11M to \$12M



Tomball Senior Village

An Upscale Affordable Senior Living Development

Development Program

PROPERTY AMENITIES

- Gated Community
- Fitness Center
- Business Center
- Pool and Amenities
- Resident Gardens
- Covered Porch/Patio
- Controlled Building Access
- On-site Maintenance

UNIT FEATURES

- 1 and 2 Bedrooms
- 9 ft Ceilings
- Premium Counter Tops
- Wood Plank Flooring (Vinyl)
- Black Appliances
- Energy Efficient Appliances
- Energy Efficient Lighting Pantries
- Walk-in Closets
- Washer & Dryer Connections



all images are for illustration purposes only

Tomball Senior Village

An Upscale Affordable Senior Living Development

Sample Design Language
And Exterior Finish



all images are for illustration purposes only

INNOVATIVE and EXCEPTIONAL

Building Design & Amenities:

“Scaled” Community-Friendly Buildings

High Quality Building Materials

Masonry: Brick, Stucco & Siding

Metal Roofing & Timber Accents

Common Area Porches & Patio

Energy Efficient Lighting

Energy Efficient Appliances

Enhanced Landscape Plans

Tomball Senior Village

An Upscale Affordable Senior Living Development

Common Area
Amenities

Community Rooms



Business Centers



Resort Style Pools



Fitness Centers



Libraries



Covered Porches



all images are for illustration purposes only

Tomball Senior Village

An Upscale Affordable Senior Living Development

Unit Layouts
1 Bedroom



all images are for illustration purposes only

Tomball Senior Village

An Upscale Affordable Senior Living Development

Unit Layouts
2 Bedroom Units



all images are for illustration purposes only



**Texas Department of Housing and Community Affairs
Multifamily Finance Division
Notification of Submission of Affordable Housing Applications**

January 21, 2021

The Honorable Getchen Fagan
Mayor of Tomball
401 Market St.
Tomball, TX 77375-4697

Re: Notification of Affordable Rental Housing Application(s) Proposed in Your City

Dear Mayor Fagan:

The Texas Department of Housing and Community Affairs (the "Department") is in receipt of a preliminary application(s) for possible funding through the Competitive Housing Tax Credit Program to develop or acquire affordable multifamily rental housing in your community.

This notification is made in accordance with Tex. Gov't Code §2306.1114 to ensure that you are fully informed of the housing activity in your city and so that you can provide input on the proposed application(s) if you so choose. The Department greatly values your views concerning the need for affordable rental housing within your community and how the proposed development(s) may address that need. Additionally, state law provides an opportunity for the applicable local jurisdiction (the city and/or county) to affect the scoring of an application by issuing a local resolution of support or neutrality in accordance with Tex. Gov't Code §2306.6710(b)(1)(B). In order to affect the scoring of an application within its jurisdiction, the local government resolution must be submitted on or before March 1, 2021, identify the specific development, and clearly state support or no objection. Once submitted, the resolution cannot be withdrawn or amended. More information can be found at 10 TAC §11.9(d)(1) of the 2021 Qualified Allocation Plan found at <https://www.tdhca.state.tx.us/multifamily/nofas-rules.htm> and suggested language for the resolution can be found at <https://www.tdhca.state.tx.us/multifamily/apply-for-funds.htm>. You may also impact scoring through a Commitment of Development Funding by Local Political Subdivision. The criteria for the Commitment is found at 10 TAC §11.9(d)(2) of the 2021 QAP.

Should the applicant(s) submit a full application to the Department on or before March 1, 2021, the Department will notify you again with more detailed information about the proposed development and provide information related to general public comment including statewide hearings. The Department's mission is to administer its assigned programs efficiently, transparently, and lawfully and to invest its resources strategically while developing high quality affordable housing which allows Texas communities to thrive. Through our multifamily programs, the Department encourages the new construction or rehabilitation of affordable multifamily housing, primarily through private developers. These developments benefit Texans in your community by providing potential employment, local tax revenue, and affordable, safe, and high quality housing for eligible households.

If you have any questions or need additional information, please contact Michael Lyttle, Director of External Affairs, at 512.475.4542 or michael.lyttle@tdhca.state.tx.us.

Sincerely,

Marni Holloway

Marni Holloway
Director, Multifamily Finance



TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

221 East 11th Street, Austin, TX 78701
PO Box 13941, Austin, TX 78711

Main Number: 512-475-3800
Toll Free: 1-800-525-0657

Email: info@tdhca.state.tx.us
Web: www.tdhca.state.tx.us

Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.
Relay Texas: 800-735-2989 (TTY) and 711 (Voice).

Relevant Development Information as Presented by the Applicant:

Project Number: 21003
Development Name: Tomball Senior Village
Development Address: SEC of Medical Complex Dr. and SH 249
Development City: Tomball Development Zip: 77377 Region: 6
Regional Allocation: Rural Target Population: Elderly
Set Aside: Nonprofit USDA At-Risk
Construction Type: New Construction
Credit/ Funding Request: \$600,000
Total Low Income Units: 72 Total Market Rate Units: 8 Total Units: 80

Applicant Information:

Owner Contact: Jervon Harris
Owner Address: 5416 Palmer Street
Owner City: Houston Owner State: TX Owner Zip: 77004
Owner Phone: 713-503-4477
Owner Email: jervonharris@yahoo.com



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INTER-FAITHGROUP



Communities

&

Purpose



Community

Development

Resident Services

Management

Relationship

The Inter-Faith Group (IFG) develops high quality housing and provides life-changing resident services to the families, individuals and elders in its communities. Our 501(c)3 non-profit mission is to create purposeful affordable housing for the seniors, veterans, workforce and children of the world.



INTER-FAITHGROUP

Our Mission



"Home is more than a floor plan ... it's an environment that's shaped by people regardless of economics; and by promoting the idea of 'community', we initiate transformation on a broad scale."

- JOT Couch / Founder



Purpose

Commitment

Responsibility

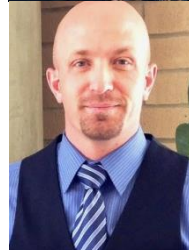
Integrity

Respect

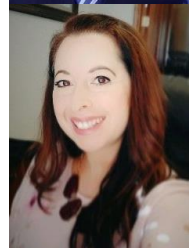
Kindness



Eleanor Fanning / Executive Director
Portfolio Resident Services, Inc.
Resident Services / Development



Russ Michaels / Executive Director
Texas Inter-Faith Housing Corporation
Community Outreach / Development



Marie Compton / Executive Director
Texas Inter-Faith Management
Management / Acquisitions



Jervon Harris / Development Consultant
SuperUrban Realty Ventures, LLC
Housing Development / Engineering



Matt Higgins / Compliance Consultant
MSH IC, LLC
Construction / Financing





2,300+ units

owned & operated

50,000+

served with resident services

2,800+ units

under management

20+

developments

INTER-FAITH**GROUP**

Our Experience

\$millions +

spent on furthering IFG mission





The IFG consultants and developers have over forty years of multifamily development experience. The following list represents past consultant or developer participation, collaborating with some of the best in the multifamily industry.

INTER-FAITHGROUP

Our Consultants & Developers

Artistry at Craig Ranch (McKinney, TX) – new constructions, 163 units
Artistry at Edgestone (Frisco, TX) – new constructions, 188 units
Gala at Oak Crest Estates (Euless, TX) – new constructions, 120 units
Gala at Four Corners (Houston, TX) – new constructions, 90 units
Gala at Melissa (Melissa, TX) – new constructions, 93 units
Gala at Texas Parkway (Missouri City, TX) – new constructions, 86 units
Jubilee at Texas Parkway (Missouri City, TX) – new constructions, 82 units
Ashford Parkside (Dunwoody, GA) - redevelopment, 151 units
Ashford Landing (Dunwoody, GA) - redevelopment, 117 units
Norman Berry (East Point, GA) - new construction, 119 units
Princeton Court (College Park, GA) - new construction, 116 units
HearthSide Towne Lake (Woodstock, GA) - redevelopment, 100 units
HearthSide Johns Creek (Johns Creek, GA) - new construction, 90 units
HearthSide Brookleigh (Brookhaven, GA) - redevelopment, 121 units
HearthSide Peachtree City (Peachtree City, GA) - new construction, 96 units
HearthSide Sugarloaf (Lawrenceville, GA) – new construction, 110 units
MainStreet Winder (Winder, GA) - new construction, 64 units
MainStreet Braselton (Braselton, GA) – new construction, 80 units
Provision at Four Corners (Houston, TX) – new construction, 132 units
Provision at West Bellfort (Houston, TX) – new construction, 116 units
Provision at Melissa (Houston, TX) – new construction, 120 units
Provision at North Valentine (Hurst, TX) – new construction, 96 units
River View (Corpus Christi, TX) – new construction, 96 units
Bella Vista (Alton, TX) - new construction, 120 units
Riverstone (Corpus Christi, TX) - new construction, 60 units
Wyndham Pointe (Columbia, SC) - new construction, 180 units
Westchase Park (Fulton County, GA) - new construction, 224 units
Vineyards Browns Mill (Atlanta, GA) - new construction, 210 units
Brookside Park (Atlanta, GA) - new construction, 200 units
Orchard Walk (Decatur, GA) - acquisition rehab, 204 units
Lancaster Senior Village (Houston, TX) - new construction, 144 units
Las Palomas (McAllen, TX) – new construction, 122 units
Jackson Apartments (McAllen, TX) - new construction, 120 units
San Juan Mission Villas (San Antonio, TX) – new construction, 102 units
South Rice Apartments (Houston, TX) - new construction, 115 units
Willow Creek (Alvin, TX) – acquisition rehab, 128 units
Taylor Senior Village (Mission, TX) – new construction, 112 units
Patriot Park (Plano, TX) – new construction, 139 units
Coastal Bend Crossing (Aransas Pass, TX) – new construction, 80 units
Residences at Lake Waco (Waco, TX) – new construction, 90 units
Avenue at Sycamore Park (Fort Worth, TX) – new construction, 108 units
Dian Street Villas (Houston, TX) – new construction, 108 units
Taylor Farms (Dallas, TX) – new construction, 160 units
Hillside West (Dallas, TX) – new construction, 130 units
Millennium (McKinney, TX) – new construction, 164 units
Post Oak (McKinney, TX) – new construction, 182 units

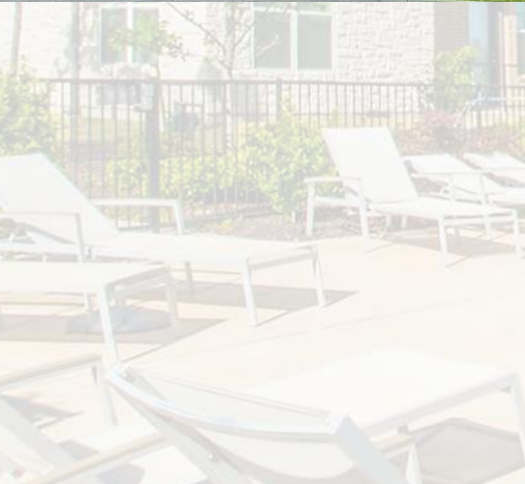
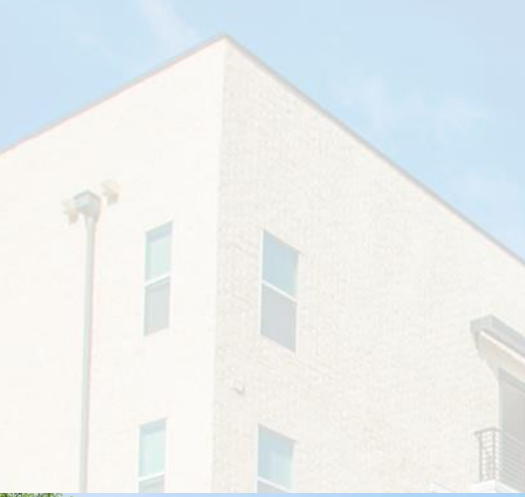
45+
developments



5,500+
units



Our Exteriors



INTER-FAITH**GROUP**

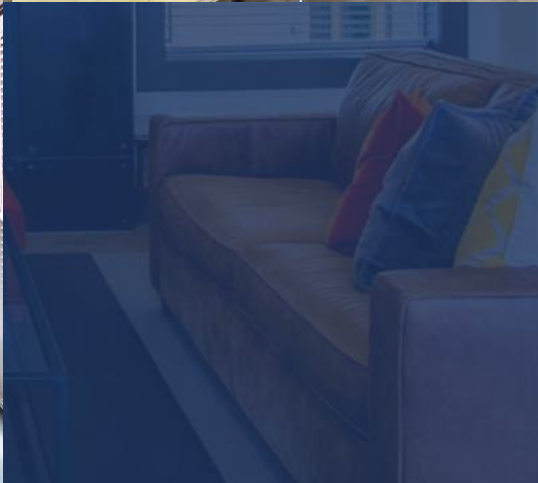


Our Exteriors



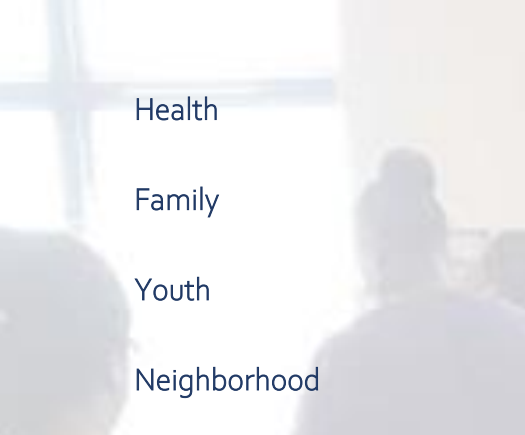
INTER-FAITHGROUP

Our Interiors



INTER-FAITHGROUP

Our Resident Services

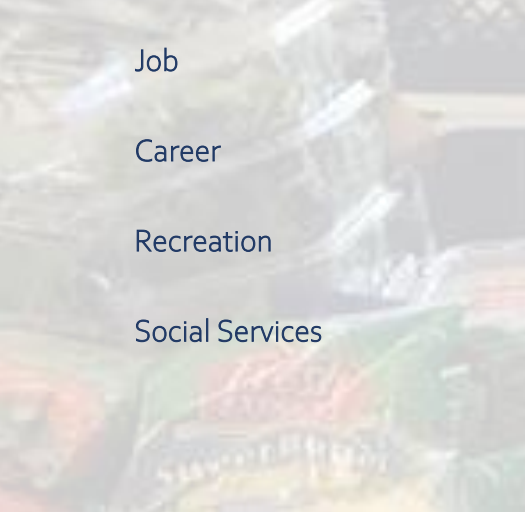


Health

Family

Youth

Neighborhood



Job

Career

Recreation

Social Services



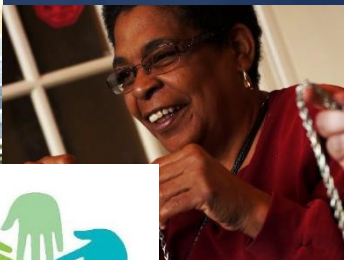
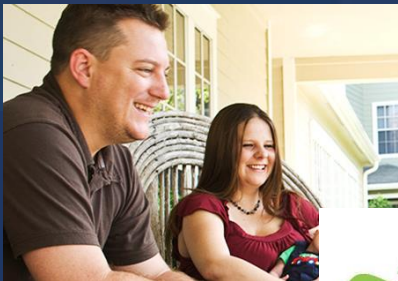
At IFG, our people come first. Portfolio Resident Services, Inc. is a 501(c)3 non-profit organization whose mission is to provide quality living assistance to residents through select coaching and mentoring programs.



INTER-FAITHGROUP



Our Relationships



Providing quality multifamily housing and resident services requires a vast network of third-party experts and professionals who deliver the highest standards in architecture, law, construction, finance and charity. That is why the Inter-Faith Group prides itself on teamwork and engaging companies and organizations that are committed to positively impacting people, neighborhoods, and communities.



INTER-FAITHGROUP

Contact



Texas Inter-Faith Housing Corporation
Russ Michaels, Executive Director
3701 Kirby Drive, Suite 860
Houston, Texas 70798
212-960-3913
rmichaels@interfaithgroup.org

www.interfaithgroup.org



SuperUrban Realty Ventures, LLC
Jervon Harris, Manager
Houston, Texas
713-503-4477
jervonharris@yahoo.com

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: 2/15/2021

Topic:

Accept donation of a grant from the Tomball Health Foundation in the amount of \$490,000, for the proposed improvements to Jerry Matheson Park.

Background:

The Tomball Regional Health Foundation (TRHF) has awarded the City a \$490,000 grant toward our efforts to improve Jerry Matheson Park. The funding agreement is provided for Council consideration and acceptance of the grant.

While this grant was requested as part of our \$1.5 million dollar (50/50) grant submission to the Texas Parks and Wildlife Department (TPWD), this TRHF award is not contingent upon being awarded the TPWD grant, considering the need to update playground and recreation amenities at the park, but is proof of the Foundations recognition of the public health benefits associated with maintaining great parks.

Previously, the Foundation had committed to assisting us with nearly \$300,000 in grant funding for Broussard Park improvement. However, because of our TPWD grant funds, coupled with Harris County Precinct 4 building our walking trail at no cost, we never utilized these Foundation funds. We maintain a wonderful partnership with the Foundation, and due to the City's exceptional stewardship as we partnered with state, county, and local government to build Broussard Park, the Foundation now wishes to provide support for our Jerry Matheson Park improvement efforts.

Origination: Public Works Department

Recommendation:

Staff recommends acceptance of the grant from the Tomball Regional Health Foundation and authorizing the City Manager to execute the funding agreement.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Coordinator

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: x No: _____ If yes, specify Account Number: #100-153-6409

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo Approved by _____
Staff Member Date City Manager Date



29201 Quinn Road, Suite A
Tomball, TX 77375
(832) 559-5511

February 10, 2021

Mr. Robert Hauck, City Manger
The City of Tomball, Texas
401 Market Street
Tomball, TX 77375

RE: FUNDING AGREEMENT LETTER – The City of Tomball, Texas

Dear Mr. Hauck:

I am pleased to inform you that the Board of Directors of the Tomball Regional Health Foundation has approved funding in the amount of up to FOUR HUNDRED NINETY THOUSAND and 00/100 Dollars (\$490,000.00) to the City of Tomball, Texas (the “City”) for:

- (1) Removal of play equipment and installation of new play equipment as well as the addition of new pickleball courts at Jerry Matheson Park to be funded as described in Exhibit “A” attached hereto.

As the City knows, Tomball Regional Health Foundation previously approved funding to the City in the amount of \$235,000.00 for Broussard Park, however that funding was never accessed by the City and has been subsequently withdrawn by Tomball Regional Health Foundation. **By signing this Funding Agreement Letter, the City expressly acknowledges such withdrawal of the prior funding for Broussard Park and that such funding is no longer available.**

The goal of Tomball Regional Health Foundation is to improve public health, prevent disease, promote wellness, or enhance the general welfare of the citizens served by the Tomball Regional Health Foundation. We find this project at Jerry Matheson Park meets this goal and the funding being requested is necessary for improving medical care, health, and wellness of the community. This is a one-time funding only and in no way, implies a commitment on behalf of Tomball Regional Health Foundation for any future funding beyond the terms listed in this Funding Agreement Letter. Further, these funds are for the sole use of City and cannot be assigned to any other individual or entity.

This funding is subject to the City’s agreement to replace the play equipment as well as the addition of new pickleball courts at Jerry Matheson Park. This funding is further subject to the City’s agreement to: (i) use the funds only as specified in this letter; (ii) maintain records to show and account for the uses of the funds in accordance with the City’s document retention schedule; (iii) allow the Tomball Regional Health Foundation reasonable access to records to verify expenditures and activities; (iv) repay any portion of the funds not used for the specified purposes identified

above within one (1) year to the Tomball Regional Health Foundation; (v) reasonably cooperate with any efforts of the Tomball Regional Health Foundation to publicize the award; (vi) comply with all reasonable requests for information about program activities from the Tomball Regional Health Foundation; and (vii)) not use any of the funding for any religious purpose whatsoever, including, but not limited to, religious education, or counseling.

The City, by its signature below, accepts the funding specified herein and agrees to the conditions set forth in this letter.

Further, the City agrees to submit to the Tomball Regional Health Foundation such reports or evaluations as Tomball Regional Health Foundation may request from time to time to allow the Tomball Regional Health Foundation to evaluate the effectiveness of the funding in meeting its intended goals.

Please note that there is no commitment by the Tomball Regional Health Foundation to award any additional funds for this project. If you have any other questions about this matter, do not hesitate to contact me at (832) 559-5511 or mkinyo@trhfoundation.org. We appreciate being able to assist the City with its efforts. Our best wishes in carrying out this important work.

Sincerely,



Marilyn Kinyo
Chief Administrative Officer
Tomball Hospital Authority
d/b/a Tomball Regional Health Foundation

AGREED:

RECIPIENT

THE CITY OF TOMBALL, TEXAS

By: _____

Printed Name

Title

EXHIBIT "A"

To be eligible for the funding of up to \$490,000.00 for the removal of play equipment and instillation of new play equipment, as well as the addition of new pickleball courts, at Jerry Matheson Park, the City shall submit a monthly invoice and documentation evidencing the amounts incurred for the equipment and pickleball courts. Provided that Tomball Regional Health Foundation has received acceptable documentation, then it shall remit payment within seven (7) days of receipt of the monthly invoice and documentation.

TOMBALL

ECONOMIC DEVELOPMENT CORP.

TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: February 15, 2021

SUBJECT: Kinsley Armelle

ITEM TYPE: Action

Kinsley Armelle is a family-owned e-commerce custom jewelry manufacturer that was founded in 2016. Kinsley Armelle's corporate headquarters is currently located at 20008 Champion Forest Dr., Ste 602 in Spring, Texas.

Per the attached request letter, Steven Habel, Founder and Managing Member of Kinsley Armelle, the company proposes to relocate its corporate headquarters to an approximately 25,200 square foot office/warehouse facility located at 21255 Spell Circle in the Tomball Busines & Technology Park. The company proposes to lease the building and plans to expend approximately \$400,000.00 in capital improvements.

In conjunction with the relocation, Kinsley Armelle will relocate 16 employees to Tomball and anticipates adding an additional 14 new jobs over the next 2 years.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. The proposed incentive is \$45,000.00, based upon \$1,500.00 per job relocated/created.

KINSLEY ARMELLE



20008 Champion Forest Dr. Ste 602
Spring, TX 77379
(303) 961-4660
steven@kinsleyarmelle.com

January 05, 2021

Dear TEDC Board of Directors,

Our company, Kinsley Armelle, is relocating its Headquarters from Spring, TX to 21255 Spell Cir, Tomball, TX. We will be bringing 16 full time employees and intend to hire an additional 14 employees within the next two years. We will be investing \$400,000 in capital to streamline our operations in the new facility. Please accept this letter as our formal request for grant support.

So, let me tell you about us:

Kinsley Armelle is a family-owned and operated Jewelry Brand that was founded in 2016 by husband and wife team Crystal and Steven Habel. What started as a small Etsy shop with Crystal designing and hand-making each piece, Kinsley Armelle has grown in 5 years to a global brand with over 200,000 customers. We originally started the business in the spare bedroom of our home in Tomball, TX; so, in many ways Kinsley Armelle is coming back home!

Our success lies in our continual desire to source high quality materials and sell them at an affordable price point. Semi-precious stones, Stainless steel, and 18k Gold Ion Plated jewelry lends itself to notorious markups and an inconsistent marketplace. We have filled a niche that allows our customers to have faith purchasing “everyday” jewelry that will last, and they don’t have to wait for special occasions to make a purchase. Kinsley Armelle jewelry designs won’t tarnish, fade, or discolor with time. Many of our collectors rave their pieces are the same quality as they were years ago when they first purchased.

KINSLEY ARMELLE



Our amazing team consists of Content Marketing Specialists, Customer Service Representatives, Javascript Developers, Graphic Designers, Specialty Account Managers, Order Fulfillment Specialists, and more. We all wear a variety of hats being a “start up” company and we’re constantly adopting new technologies to stay ahead of the curve.

We have recently moved into bulk mail marketing, which consists of sending over 1 Million Catalogs per year to our active customers. We’re utilizing QR Codes and other incredible technology to pair customers with new products they’re actually interested in, using statistics. Many exciting changes are happening in the world with technology, and we want to continue to forge ahead and use those changes to capitalize on and grow Kinsley Armelle.

When we discovered Tomball, TX in 2014, shortly after graduating from Texas A&M University, Crystal and I truly felt it was where we belonged; it was home. Small-town hospitality, farmers markets, and the “Shop Small” vibes provide something special. As the big city Houston moves further out and closer to these hidden gems like Tomball, it’s important to not lose these special traits. This is how we like to think of Kinsley Armelle too. Even though we continue to grow bigger, we will not forget about our roots.

Thank you for your consideration,

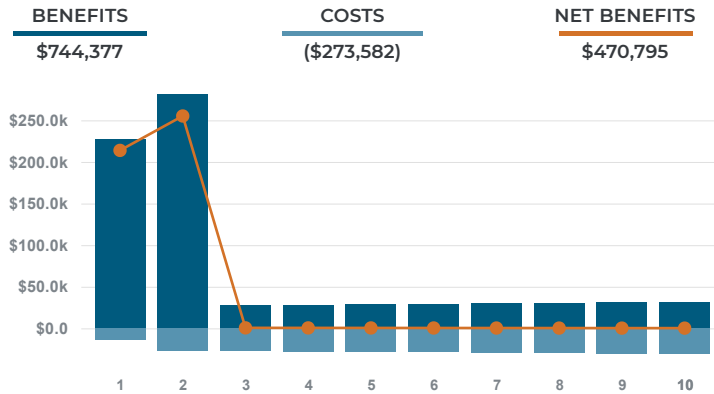
A handwritten signature in black ink, appearing to read 'S. Habel', with a stylized, cursive script.

Steven Habel

Founder, Managing Member

Recruitment

City of Tomball



JOB



47.7 Total
30.0 Direct
17.7 Spin-off

SALARIES



\$37,371 Avg
\$45,000 Direct
\$24,404 Spin-off

CAPITAL INVEST.



\$400,000
Buildings + FF&E

RESIDENTIAL DEV.



0.2 Homes
1.4 Relocations

NET BENEFITS \$470,795

Present Value \$436,445

BENEFITS

| | |
|-----------------------------------|-----------|
| Sales Taxes | \$464,143 |
| Real Property Taxes | \$9,143 |
| FF&E Property Taxes | \$2,834 |
| Inventory Property Taxes | \$3,449 |
| New Residential Property Taxes | \$1,638 |
| Hotel Occupancy Taxes | \$177 |
| Building Permits and Fees | \$0 |
| Utility Revenue | \$189,427 |
| Utility Franchise Fees | \$17,942 |
| Miscellaneous Taxes and User Fees | \$55,624 |

Benefits Subtotal \$744,377

COSTS

| | |
|-----------------------------|-------------|
| Cost of Government Services | (\$73,237) |
| Cost of Utility Services | (\$200,345) |

Costs Subtotal (\$273,582)

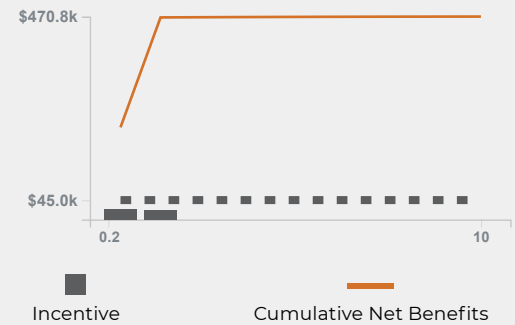
INCENTIVE ANALYSIS

\$45,000
Total Incentive

\$1,500
Per Job

104.6%
Rate of Return

0.2 Yrs
Payback Period



NET BENEFITS OVER 10 YEARS

| | |
|------------------------|------------------|
| CITY | \$470,795 |
| COUNTY | \$5,356 |
| SCHOOL DISTRICT | \$16,723 |
| OTHER | \$32,746 |

TEDC Impact Analysis

Project Type: Recruitment
Prepared By: Tomball EDC

Purpose & Limitations

This report presents the results of an economic and fiscal analysis undertaken by Tomball EDC using Impact Dashboard, a customized web application developed by Impact DataSource, LLC.

Impact Dashboard utilizes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in a custom user guide prepared for Tomball EDC.

This report, generated by the Impact Dashboard application, has been prepared by Tomball EDC to assist economic development stakeholders in making an evaluation of the economic and fiscal impact of business activity in the community. This report does not purport to contain all of the information that may be needed to conclude such an evaluation. This report is based on a variety of assumptions and contains forward-looking statements concerning the results of operations of the subject firm. Tomball EDC made reasonable efforts to ensure that the project-specific data entered into Impact Dashboard reflects realistic estimates of future activity. Estimates of future activity involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those expressed or implied in this report.

Tomball EDC and Impact DataSource make no representation or warranty as to the accuracy or completeness of the information contained herein, and expressly disclaim any and all liability based on or relating to any information contained in, or errors or omissions from, this information or based on or relating to the use of this information.

Introduction

This report presents the results of an economic impact analysis performed using Impact Dashboard, a model developed by Impact DataSource. The report estimates the impact that a potential project will have on the local economy and estimates the costs and benefits for local taxing districts over a 10-year period.

Economic Impact Overview

The table below summarizes the economic impact of the project over the first 10 years in terms of job creation, salaries paid to workers, and taxable sales.

| SUMMARY OF ECONOMIC IMPACT OVER 10 YEARS IN CITY OF TOMBALL | | | |
|---|--------------|-----------|---------------------|
| IMPACT | DIRECT | SPIN-OFF | TOTAL |
| Jobs | 30.0 | 17.7 | 47.7 |
| Annual Salaries/Wages at Full Ops (Yr 2) | \$1,377,000 | \$439,353 | \$1,816,353 |
| Salaries/Wages over 10 Years | \$2,097,000 | \$669,080 | \$2,766,080 |
| Taxable Sales/Purchases in City of Tomball | \$23,197,795 | \$8,363 | \$23,206,159 |

Totals may not sum due to rounding

The Project may result in new residents moving to the community and potentially new residential properties being constructed as summarized below.

| SUMMARY OF POPULATION IMPACT OVER 10 YEARS IN CITY OF TOMBALL | | | |
|---|--------|----------|------------|
| IMPACT | DIRECT | SPIN-OFF | TOTAL |
| Workers who will move to City of Tomball | 0.9 | 0.5 | 1.4 |
| New residents in City of Tomball | 2.3 | 1.4 | 3.7 |
| New residential properties constructed in City of Tomball | 0.1 | 0.1 | 0.2 |
| New students to attend local school district | 0.5 | 0.3 | 0.7 |

Totals may not sum due to rounding

The new taxable property to be supported by the Project over the next 10 years is summarized in the following table.

| SUMMARY OF TAXABLE PROPERTY OVER THE FIRST 10 YEARS IN CITY OF TOMBALL | | | | | | | |
|--|--------------------------|------|--------------|-----------|-------------|--------------------------|------------------|
| YR. | NEW RESIDENTIAL PROPERTY | LAND | BUILDINGS... | FF&E | INVENTORIES | NON-RESIDENTIAL PROPERTY | TOTAL PROPERTY |
| 1 | \$24,405 | \$0 | \$200,000 | \$100,000 | \$500,000 | \$800,000 | \$824,405 |
| 2 | \$46,674 | \$0 | \$254,000 | \$140,000 | \$510,000 | \$904,000 | \$950,674 |
| 3 | \$47,607 | \$0 | \$259,080 | \$125,000 | \$0 | \$384,080 | \$431,687 |
| 4 | \$48,559 | \$0 | \$264,262 | \$110,000 | \$0 | \$374,262 | \$422,821 |
| 5 | \$49,531 | \$0 | \$269,547 | \$95,000 | \$0 | \$364,547 | \$414,077 |
| 6 | \$50,521 | \$0 | \$274,938 | \$80,000 | \$0 | \$354,938 | \$405,459 |
| 7 | \$51,532 | \$0 | \$280,437 | \$65,000 | \$0 | \$345,437 | \$396,968 |
| 8 | \$52,562 | \$0 | \$286,045 | \$50,000 | \$0 | \$336,045 | \$388,608 |
| 9 | \$53,614 | \$0 | \$291,766 | \$35,000 | \$0 | \$326,766 | \$380,380 |
| 10 | \$54,686 | \$0 | \$297,601 | \$30,000 | \$0 | \$327,601 | \$382,287 |

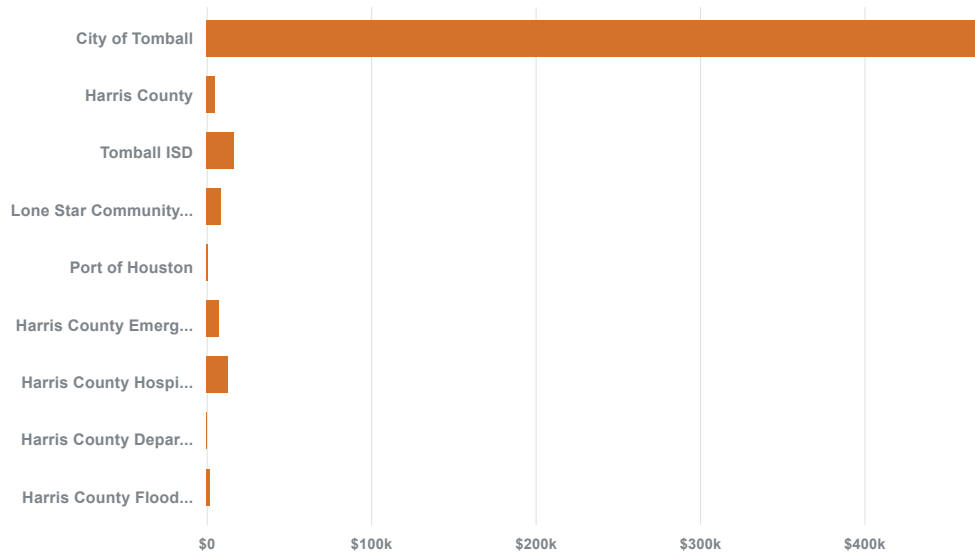
Fiscal Impact Overview

The Project will generate additional benefits and costs, a summary of which is provided below. The source of specific benefits and costs are provided in greater detail for each taxing district on subsequent pages.

| FISCAL NET BENEFITS OVER THE NEXT 10 YEARS | | | | |
|---|------------------|--------------------|------------------|------------------|
| | BENEFITS | COSTS | NET BENEFITS | PRESENT VALUE* |
| City of Tomball | \$744,377 | (\$273,582) | \$470,795 | \$436,445 |
| Harris County | \$65,636 | (\$60,280) | \$5,356 | \$5,018 |
| Tomball ISD | \$98,293 | (\$81,569) | \$16,723 | \$13,257 |
| Lone Star Community College | \$8,525 | \$0 | \$8,525 | \$6,712 |
| Port of Houston | \$849 | \$0 | \$849 | \$669 |
| Harris County Emergency Services District 8 | \$7,647 | \$0 | \$7,647 | \$6,021 |
| Harris County Hospital District | \$13,121 | \$0 | \$13,121 | \$10,330 |
| Harris County Department of Education | \$395 | \$0 | \$395 | \$311 |
| Harris County Flood Control | \$2,208 | \$0 | \$2,208 | \$1,738 |
| Total | \$941,051 | (\$415,431) | \$525,620 | \$480,499 |

*The Present Value of Net Benefits expresses the future stream of net benefits received over several years as a single value in today's dollars. Today's dollar and a dollar to be received at differing times in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of 5.0% to make the dollars comparable.

Net Benefits Over the Next 10 Years



Public Support Overview

A summary of the total Public Support modeled in this analysis is shown below.

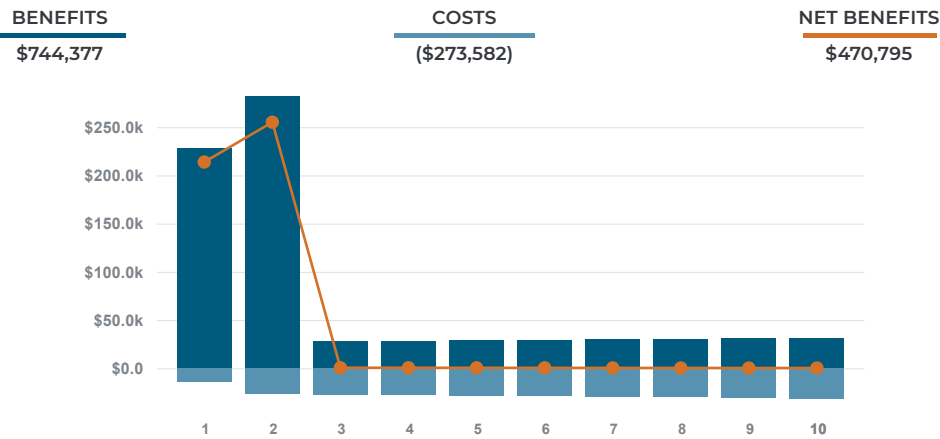
| VALUE OF PUBLIC SUPPORT UNDER CONSIDERATION | | |
|---|-------------------|-----------------|
| | NON-TAX INCENTIVE | TOTAL |
| City of Tomball | \$45,000 | \$45,000 |
| Harris County | \$0 | \$0 |
| Tomball ISD | \$0 | \$0 |
| Lone Star Community College | \$0 | \$0 |
| Port of Houston | \$0 | \$0 |
| Harris County Emergency Services District 8 | \$0 | \$0 |
| Harris County Hospital District | \$0 | \$0 |
| Harris County Department of Education | \$0 | \$0 |
| Harris County Flood Control | \$0 | \$0 |
| Total | \$45,000 | \$45,000 |

City of Tomball Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by City of Tomball over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: CITY OF TOMBALL | | | |
|---|--------------------|-------------------|--------------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Sales Taxes | \$463,451 | \$692 | \$464,143 |
| Real Property Taxes | \$9,143 | \$0 | \$9,143 |
| FF&E Property Taxes | \$2,834 | \$0 | \$2,834 |
| Inventory Property Taxes | \$3,449 | \$0 | \$3,449 |
| New Residential Property Taxes | \$0 | \$1,638 | \$1,638 |
| Hotel Occupancy Taxes | \$177 | \$0 | \$177 |
| Building Permits and Fees | \$0 | \$0 | \$0 |
| Utility Revenue | \$169,196 | \$20,231 | \$189,427 |
| Utility Franchise Fees | \$16,039 | \$1,903 | \$17,942 |
| Miscellaneous Taxes and User Fees | \$49,690 | \$5,934 | \$55,624 |
| Benefits Subtotal | \$713,979 | \$30,398 | \$744,377 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| Cost of Government Services | (\$65,414) | (\$7,823) | (\$73,237) |
| Cost of Utility Services | (\$178,946) | (\$21,399) | (\$200,345) |
| Costs Subtotal | (\$244,360) | (\$29,222) | (\$273,582) |
| Net Benefits | \$469,619 | \$1,176 | \$470,795 |

Annual Fiscal Net Benefits for City of Tomball

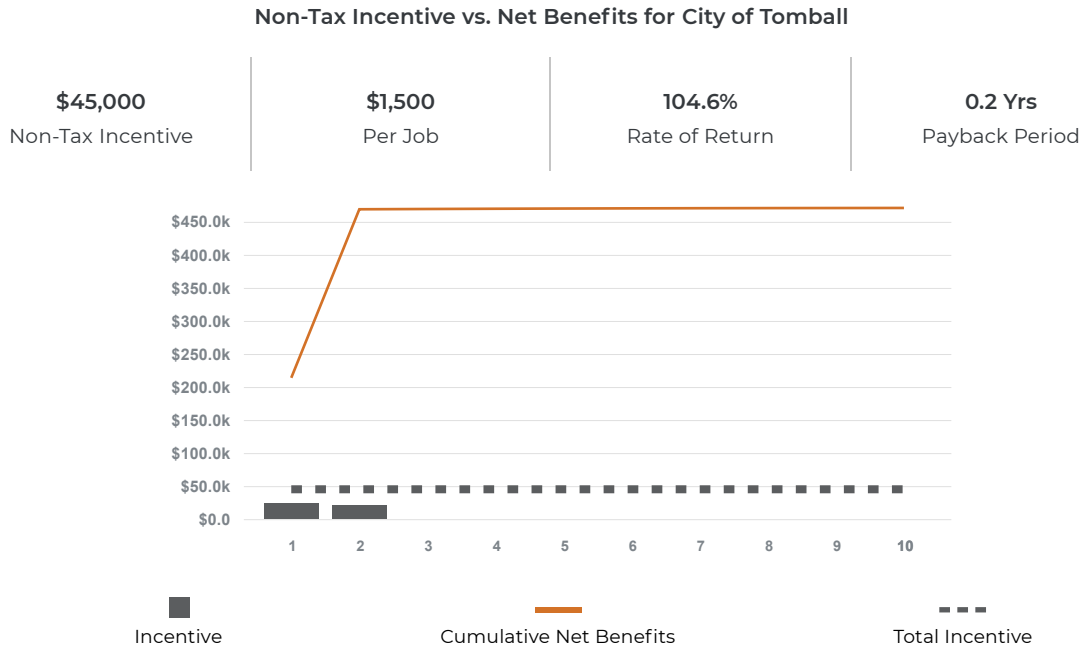


Non-Tax Incentives

City of Tomball is considering the following non-tax incentives for the Project.

| NON-TAX INCENTIVES UNDER CONSIDERATION | |
|--|-------------------|
| YEAR | NON-TAX INCENTIVE |
| 1 | \$24,000 |
| 2 | \$21,000 |
| Total | \$45,000 |

The graph below depicts the non-tax incentives modeled in this analysis versus the cumulative net benefits to City of Tomball. The intersection indicates the length of time until the incentives are paid back.

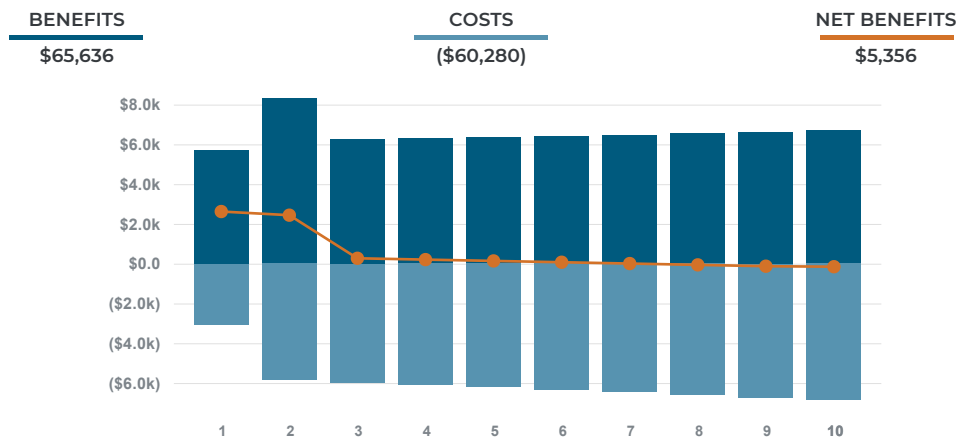


Harris County Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: HARRIS COUNTY | | | |
|---|-------------------|-------------------|-------------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$10,902 | \$0 | \$10,902 |
| FF&E Property Taxes | \$3,379 | \$0 | \$3,379 |
| Inventory Property Taxes | \$4,112 | \$0 | \$4,112 |
| New Residential Property Taxes | \$0 | \$13,804 | \$13,804 |
| Hotel Occupancy Taxes | \$51 | \$0 | \$51 |
| Miscellaneous Taxes and User Fees | \$14,467 | \$18,922 | \$33,389 |
| Benefits Subtotal | \$32,910 | \$32,726 | \$65,636 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| Cost of Government Services | (\$26,103) | (\$34,177) | (\$60,280) |
| Costs Subtotal | (\$26,103) | (\$34,177) | (\$60,280) |
| Net Benefits | \$6,807 | (\$1,451) | \$5,356 |

Annual Fiscal Net Benefits for Harris County

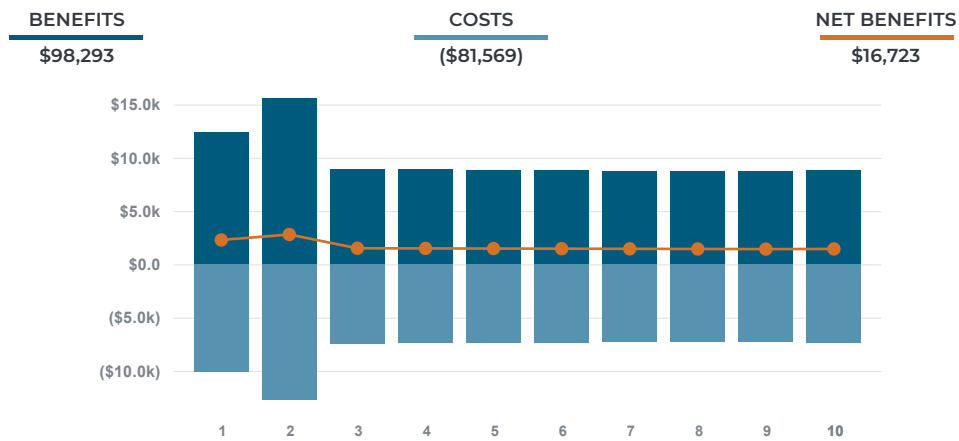


Tomball ISD Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Tomball ISD over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: TOMBALL ISD | | | |
|---|-------------------|-------------------|-------------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$34,542 | \$0 | \$34,542 |
| FF&E Property Taxes | \$10,707 | \$0 | \$10,707 |
| Inventory Property Taxes | \$13,029 | \$0 | \$13,029 |
| New Residential Property Taxes | \$0 | \$16,098 | \$16,098 |
| Addtl. State & Federal School Funding | \$0 | \$23,917 | \$23,917 |
| Benefits Subtotal | \$58,278 | \$40,015 | \$98,293 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| Cost to Educate New Students | \$0 | (\$21,622) | (\$21,622) |
| Reduction in State School Funding | (\$46,972) | (\$12,975) | (\$59,947) |
| Costs Subtotal | (\$46,972) | (\$34,597) | (\$81,569) |
| Net Benefits | \$11,306 | \$5,418 | \$16,723 |

Annual Fiscal Net Benefits for Tomball ISD



Lone Star Community College Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Lone Star Community College over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: LONE STAR COMMUNITY COLLEGE | | | |
|---|----------------|----------------|----------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$2,887 | \$0 | \$2,887 |
| FF&E Property Taxes | \$895 | \$0 | \$895 |
| Inventory Property Taxes | \$1,089 | \$0 | \$1,089 |
| New Residential Property Taxes | \$0 | \$3,655 | \$3,655 |
| Benefits Subtotal | \$4,870 | \$3,655 | \$8,525 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$4,870 | \$3,655 | \$8,525 |

Annual Fiscal Net Benefits for Lone Star Community College



Port of Houston Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Port of Houston over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: PORT OF HOUSTON | | | |
|---|--------------|--------------|--------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$288 | \$0 | \$288 |
| FF&E Property Taxes | \$89 | \$0 | \$89 |
| Inventory Property Taxes | \$108 | \$0 | \$108 |
| New Residential Property Taxes | \$0 | \$364 | \$364 |
| Benefits Subtotal | \$485 | \$364 | \$849 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$485 | \$364 | \$849 |

Annual Fiscal Net Benefits for Port of Houston

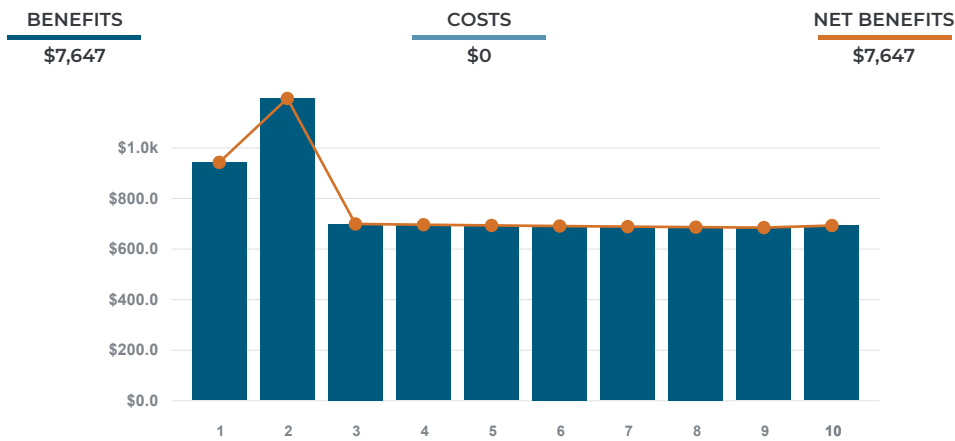


Harris County Emergency Services District 8 Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Emergency Services District 8 over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: HARRIS COUNTY EMERGENCY SERVICES DISTRICT 8 | | | |
|---|----------------|----------------|----------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$2,589 | \$0 | \$2,589 |
| FF&E Property Taxes | \$803 | \$0 | \$803 |
| Inventory Property Taxes | \$977 | \$0 | \$977 |
| New Residential Property Taxes | \$0 | \$3,279 | \$3,279 |
| Benefits Subtotal | \$4,369 | \$3,279 | \$7,647 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$4,369 | \$3,279 | \$7,647 |

Annual Fiscal Net Benefits for Harris County Emergency Services District 8



Harris County Hospital District Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Hospital District over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: HARRIS COUNTY HOSPITAL DISTRICT | | | |
|---|----------------|----------------|-----------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$4,443 | \$0 | \$4,443 |
| FF&E Property Taxes | \$1,377 | \$0 | \$1,377 |
| Inventory Property Taxes | \$1,676 | \$0 | \$1,676 |
| New Residential Property Taxes | \$0 | \$5,625 | \$5,625 |
| Benefits Subtotal | \$7,495 | \$5,625 | \$13,121 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$7,495 | \$5,625 | \$13,121 |

Annual Fiscal Net Benefits for Harris County Hospital District



Harris County Department of Education Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Department of Education over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: HARRIS COUNTY DEPARTMENT OF EDUCATION | | | |
|---|--------------|--------------|--------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$134 | \$0 | \$134 |
| FF&E Property Taxes | \$42 | \$0 | \$42 |
| Inventory Property Taxes | \$51 | \$0 | \$51 |
| New Residential Property Taxes | \$0 | \$170 | \$170 |
| Benefits Subtotal | \$226 | \$170 | \$395 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$226 | \$170 | \$395 |

Annual Fiscal Net Benefits for Harris County Department of Education



Harris County Flood Control Fiscal Impact

The table below displays the estimated additional benefits, costs, and net benefits to be received by Harris County Flood Control over the next 10 years of the Project.

| NET BENEFITS OVER 10 YEARS: HARRIS COUNTY FLOOD CONTROL | | | |
|---|----------------|--------------|----------------|
| BENEFITS | PROJECT | HOUSEHOLDS | TOTAL |
| Real Property Taxes | \$748 | \$0 | \$748 |
| FF&E Property Taxes | \$232 | \$0 | \$232 |
| Inventory Property Taxes | \$282 | \$0 | \$282 |
| New Residential Property Taxes | \$0 | \$947 | \$947 |
| Benefits Subtotal | \$1,261 | \$947 | \$2,208 |
| COSTS | PROJECT | HOUSEHOLDS | TOTAL |
| None Estimated | \$0 | \$0 | \$0 |
| Costs Subtotal | \$0 | \$0 | \$0 |
| Net Benefits | \$1,261 | \$947 | \$2,208 |

Annual Fiscal Net Benefits for Harris County Flood Control



Overview of Methodology

The Impact DashBoard model combines project-specific attributes with community data, tax rates, and assumptions to estimate the economic impact of the Project and the fiscal impact for local taxing districts over a 10-year period.

The economic impact as calculated in this report can be categorized into two main types of impacts. First, the direct economic impacts are the jobs and payroll directly created by the Project. Second, this economic impact analysis calculates the spin-off or indirect and induced impacts that result from the Project. Indirect jobs and salaries are created in new or existing area firms, such as maintenance companies and service firms, that may supply goods and services for the Project. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to new workers and their families.

The economic impact estimates in this report are based on the Regional Input-Output Modeling System (RIMS II), a widely used regional input-output model developed by the U. S. Department of Commerce, Bureau of Economic Analysis. The RIMS II model is a standard tool used to estimate regional economic impacts. The economic impacts estimated using the RIMS II model are generally recognized as reasonable and plausible assuming the data input into the model is accurate or based on reasonable assumptions. Impact DataSource utilizes adjusted county-level multipliers to estimate the impact occurring at the sub-county level.

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier. An employment multiplier was used to estimate the number of indirect and induced jobs created or supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The employment multiplier shows the estimated number of total jobs created for each direct job. The earnings multiplier shows the estimated amount of total salaries paid to these workers for every dollar paid to a direct worker. The multipliers used in this analysis are listed below:

| 55114 CORPORATE, SUBSIDIARY, AND REGIONAL MANAGING OFFICES | | CITY OF TOMBALL |
|--|-------------------------|-----------------|
| Employment Multiplier | (Type II Direct Effect) | 1.5883 |
| Earnings Multiplier | (Type II Direct Effect) | 1.3191 |

Most of the revenues estimated in this study result from calculations relying on (1) attributes of the Project, (2) assumptions to derive the value of associated taxable property or sales, and (3) local tax rates. In some cases, revenues are estimated on a per new household, per new worker, or per new school student basis.

The company or Project developer was not asked, nor could reasonably provide data for calculating some other revenues. For example, while the city will likely receive revenues from fines paid on speeding tickets given to new workers, the company does not know the propensity of its workers to speed. Therefore, some revenues are calculated using an average revenue approach.

This approach uses relies on two assumptions:

1. The taxing entity has two general revenue sources: revenues from residents and revenues from businesses.
2. The taxing entity will collect (a) about the same amount of miscellaneous taxes and user fees from each new household that results from the Project as it currently collects from existing households on average, and (b) the same amount of miscellaneous taxes and user fees from the new business (on a per worker basis) will be collected as it collects from existing businesses.

In the case of the school district, some additional state and federal revenues are estimated on a per new school student basis consistent with historical funding levels.

Additionally, this analysis sought to estimate the additional expenditures faced by local jurisdictions to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs.

This approach relies on two assumptions:

1. The taxing entity spends money on services for two general groups: revenues from residents and revenues from businesses.
2. The taxing entity will spend slightly less than its current average cost to provide local government services (police, fire, EMS, etc.) to (a) new residents and (b) businesses on a per worker basis.

In the case of the school district, the marginal cost to educate new students was estimated based on a portion of the school's current expenditures per student and applied to the headcount of new school students resulting from the Project.

Additionally, this analysis seeks to calculate the impact on the school district's finances from the Project by generally, and at a summary level, mimicking the district's school funding formula.

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Established in 1993, Impact DataSource is an Austin, Texas-based economic consulting firm. Impact DataSource provides high-quality economic research, specializing in economic and fiscal impact analyses. The company is highly focused on supporting economic development professionals and organizations through its consulting services and software. Impact DataSource has conducted thousands of economic impact analyses of new businesses, retention and expansion projects, developments, and activities in all industry groups throughout the U.S.

For more information on Impact DataSource, LLC and our product Impact DashBoard, please visit our website www.impactdatasource.com

AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

This Agreement (the “Agreement”) is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to the Development Corporation Act, now Chapter 501 et seq of the Texas Local Government Code, located in Harris County, Texas (the “TEDC”), and **Kinsley Armelle** (the “Company”), 20008 Champion Forest Dr., Ste 602, Spring, Texas 77379.

WITNESSETH:

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and

WHEREAS, the Company proposes to lease 25,200 square-feet of existing office and warehouse space located at 21255 Spell Circle, Tomball, Texas 77375 (the “Property”), and more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, the Company, currently located at 20008 Champion Forest Dr., Ste 602, Spring, Texas 77379, proposes to relocate its corporate headquarters to the Property, and as part of the process, plans to make capital investments including building improvements, fixed machinery and equipment and tangible personal property (the “Improvements”) in an amount equal to at least Four Hundred Thousand Dollars (\$400,000.00) as are necessary to occupy the Property and grow the business; and

WHEREAS, the Company also proposes to relocate sixteen (16) full-time employees to the Property and to create fourteen (14) new jobs in Tomball within its first two years of operations at the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Forty-Five Thousand Dollars (\$45,000.00) to assist in the construction of the Improvements, the relocation of the sixteen (16) employees, and the creation of fourteen (14) new full-time jobs at the Property; and

WHEREAS, the Company has agreed, in exchange and as consideration for the funding, to satisfy and comply with certain terms and conditions; and

WHEREAS, this expenditure is found by the Board of Directors of the TEDC to be suitable for the relocation of the corporate headquarters to the property, to promote and develop new business enterprises on the Property, and in furtherance of the creation and retention of primary jobs;

NOW, THEREFORE, in consideration of the premises and the mutual benefits and obligations set forth herein, including the recitals set forth above, the TEDC and the Company agree as follows:

1.

Except as provided by paragraph 4, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least five (5) years and will maintain thirty (30) full-time employees on the Property.

2.

The construction of the Improvements, relocation of the sixteen (16) employees, and creation of fourteen (14) new full-time jobs and the obtaining of all necessary occupancy permits from the City must occur within twenty-four (24) months from the Effective Date of this

Agreement. Extensions of these deadlines may be granted by the Board of Directors of the TEDC due to any extenuating circumstance or uncontrollable delay.

3.

The Company further covenants and agrees that it does not and will not knowingly employ an undocumented worker. An “undocumented worker” shall mean an individual who, at the time of employment, is not (a) lawfully admitted for permanent residence to the United States; or (b) authorized by law to be employed in that manner in the United States.

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company Forty-Five Thousand Dollars (\$45,000.00) to fund a portion of the cost of the Improvements, the relocation of the sixteen (16) employees, and the creation of fourteen (14) new employees to the Tomball operation. The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City’s occupancy permit for the Improvements to the Property, if applicable; (b) proof that the company has added the number of employees indicated above to the Tomball operation as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service form 941; (c) a letter from the City acknowledging that all necessary plats, plans, and specifications have been received, reviewed, and approved; (d) certification that the Improvements have been constructed in accordance with the approved plans and specifications; (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (f) Proof of payment to all contractors and subcontractors providing work and/or materials in the construction of the Improvements, proof of

payment must include copies of canceled checks and/or credit card receipts and copies of paid invoices from all contractors and subcontractors.

In the event the number of jobs originally projected is not met or maintained, the amount of the funding provided to the Company by TEDC will be reduced on a pro-rata basis to reflect the actual number of jobs at the time of the request for disbursement of funds.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus ½% per annum, within 120 days after the TEDC notifies the Company of the violation.

The Company shall also reimburse the TEDC for any and all reasonable attorney's fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of such funds. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default accompanied by copies of all applicable invoices.

It is understood and agreed by the parties that, in the event of a default by the TEDC on any of its obligations under this Agreement, the Company's sole and exclusive remedy shall be limited to either a) the termination of this Agreement or b) a suit for specific performance.

6.

Personal Liability of Public Officials: To the extent permitted by law, no director, officer, employee or agent of the TEDC, and no officer, employee or agent of the City of Tomball, shall be personally responsible for any liability arising under or growing out of this Agreement.

7.

This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors and assigns, affiliates, and subsidiaries, and shall remain in force whether the Company sells, assigns, or in any other manner disposes of, either voluntarily or by operation of law, all or any part of the Property and the agreements herein contained shall be held to be covenants running with the Property for so long as this Agreement, or any extension thereof, remains in effect.

8.

Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United States mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) by delivering the same in person to such party; or (iii) by overnight or messenger delivery service that retains regular records of delivery and receipt; or (iv) by facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the parties for the purpose of notice under this Agreement shall be as follows:

| | |
|-------------|---|
| If to City: | Tomball Economic Development Corporation 401 W. Market Street Tomball, Texas 77375 Attn: President, Board of Directors |
|-------------|---|

If to Company: Kinsley Armelle
20008 Champion Forest Dr., Ste 602
Spring, Texas 77379
Attn: Steven Habel, Founder, Managing Member

9.

This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.

10.

Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment or modification only in writing, and by the signatures and mutual consent of the parties hereto.

11.

The failure of any party to insist in any one or more instances on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, or condition, or right with respect to further performance.

12.

This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party.

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases,

clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2021 (the “Effective Date”).

Kinsley Armelle

By: _____

Name: Steven Habel

Title: Founder, Managing Member

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Gretchen Fagan

Title: President, Board of Directors

ATTEST:

By: _____

Name: _____

Title: Secretary, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2021, by Steven Habel, Founder, Managing Member, Kinsley Armelle, for and on behalf of said
company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2021, Gretchen Fagan, President of the Board of Directors of the Tomball Economic Development
Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

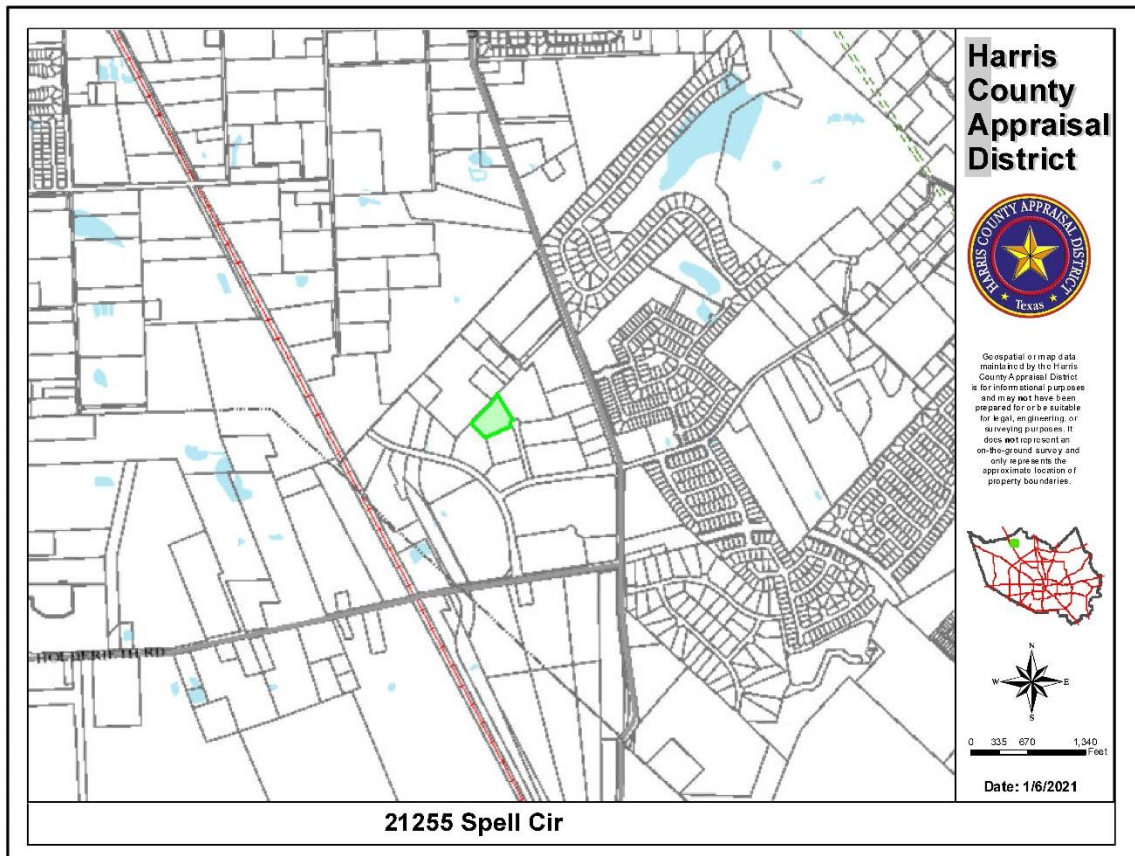
My Commission Expires: _____

(SEAL)

Exhibit A
Description of Property

Legal Description: LT 13 BLK 1, TOMBALL BUSINESS & TECHNOLOGY PARK R/P

Property Address: 21255 SPELL CIR, TOMBALL, TEXAS 77375





TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: February 15, 2021

SUBJECT: The Hutson Group

The Hutson Group is a family-owned commercial property development and management firm. Since the 1970's, the Hutson family has acquired, developed, and managed properties within the Old Town Tomball area. The Hutson Group has been instrumental in the growth and redevelopment of Tomball's Old Town, while preserving its history and character.

As per the attached request letter, The Hutson Group is requesting funding assistance from the TEDC to assist with sidewalk, parking and street improvements along Houston and North Elm Streets. The project will be constructed in three phases and the anticipated cost for all phases is \$97,600.00. These improvements will provide pedestrian connectivity, increase parking, and improve access to adjacent businesses.

Targeted infrastructure and related improvements that will promote the development and expansion of business enterprises is a permissible project as outlined in Texas Economic Development Legislation. If this project is approved, it will go to the Tomball City Council for final approval by resolution at two separate readings.

The proposed incentive is based on 50% of the project costs, not to exceed \$48,800.00.



108 S Pine
Tomball, Texas 77381

713.678.0152
hutsongroup.com

January 4, 2021

Kelly Violette
Executive Director
Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, Texas 77375

RE: Grant Request Letter, Houston Street project

Dear Ms Violette,

The Hutson Group is submitting this request to the Tomball Economic Development Corporation (TEDC) for grant funding assistance to support real estate redevelopment efforts on Houston Street in Old Town Tomball.

The Hutson Group is a small, family-owned real estate development business focused on commercial properties in Old Town Tomball. We acquire, develop, and manage our own properties in an intentional and meaningful manner to support Old Town and the greater Tomball area. Our family established roots in Tomball in the early 1970's and has developed a deeper commitment to the city over the last 50 years.

Project Impact on the City of Tomball

Prior to 2014, Houston Street consisted of residential houses that were primarily rental properties declining in nature and form. Since that time, our family has acquired all properties on both the north and south sides of Houston Street. There are currently seven different commercial properties that we converted from the original residential houses. Two of these properties support food service businesses while the remaining five are retail. Each of these businesses is unique to the Tomball area and employ local residents. With the proposed development per this grant, we expect to draw favorable attention to Houston Street in support of these businesses and Old Town Tomball.

Project Scope

Our project is focused on the 100 block of Houston Street and will be completed in three phases. For purposes of this request, we seek grant funding assistance for sidewalk, parking and street improvements.

Phase One: *208 North Elm Street - Sidewalk, Parking and Street Improvements*

This phase has been approved by the City of Tomball (COT). Improvements will impact 150 feet along the south side of Houston Street and 100 feet on the 200 block of North Elm Street. COT approved site plans are provided for your reference. No sidewalk, parking or street improvement construction has been initiated to date. Timing of this work is expected in 2021 Q1 pending approval from TEDC.

Phase Two: *South side of Houston Street - Sidewalk, Parking and Street Improvements*

This phase is currently in planning and has not been submitted to the COT. Improvements will impact the remaining 150 feet along the south side of Houston Street. Proposed site plans are in draft form and

provided for your reference. Timing of this project is expected to be in 2021 and will be influenced by TEDC grant support.

Phase Three: *North side of Houston Street - Sidewalk, Parking and Street Improvements*

This phase is in early design and has not been submitted to the COT. Improvements will impact 300 feet along the north side of Houston Street and 100 feet on the 300 block of North Elm Street. No site plans are available at this time. Timing of this project is expected to be in 2021.

Estimated Cost

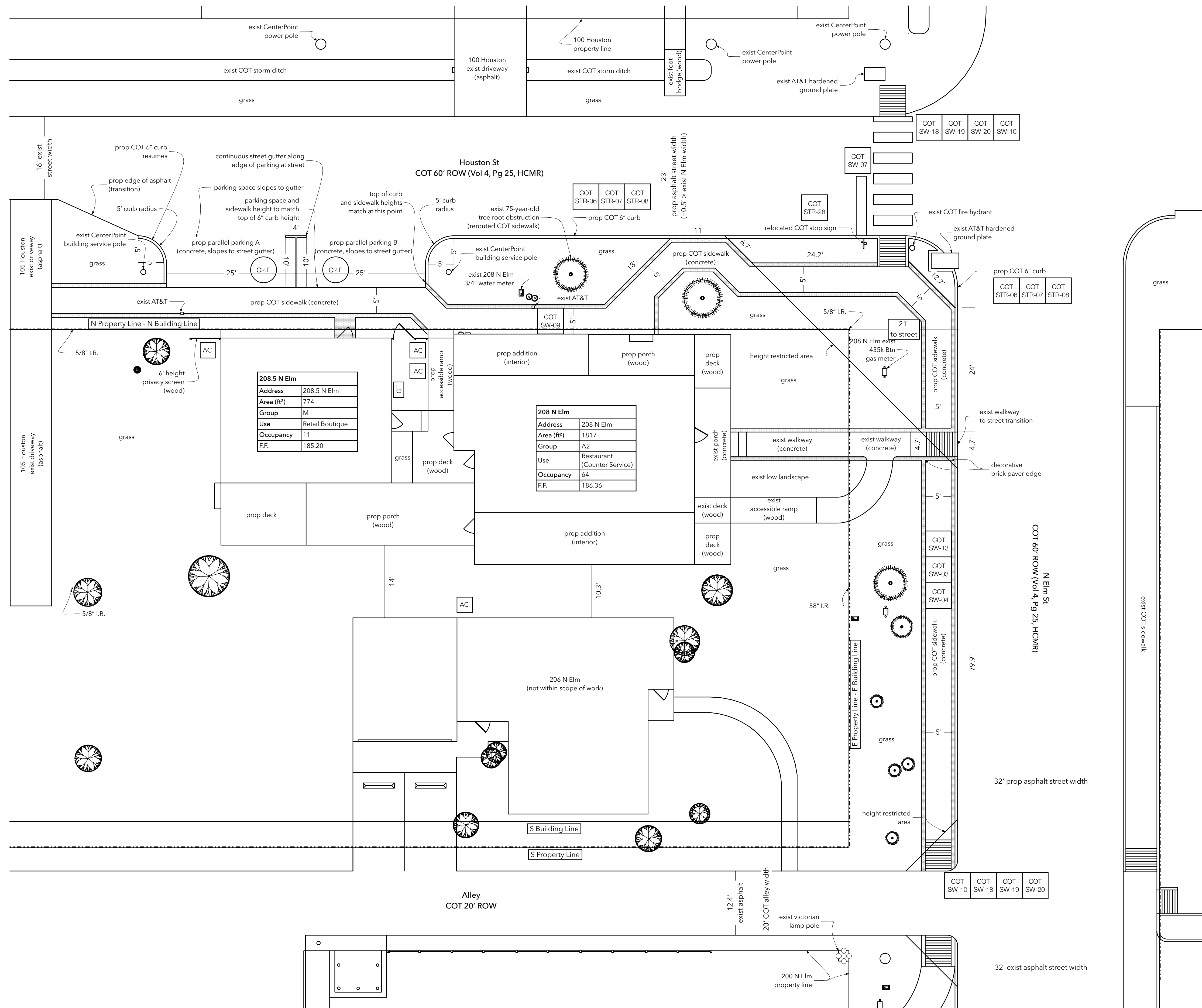
The total cost for purposes of this grant funding request is estimated at \$97,600. This estimate is based on recent bids for Phase One and prior material invoices for similar Old Town Tomball projects completed in the last five years.

| | |
|---------------------|-----------------|
| Phase One: | \$31,250 |
| Phase Two: | \$18,750 |
| <u>Phase Three:</u> | <u>\$47,600</u> |
| Total Cost: | \$97,600 |

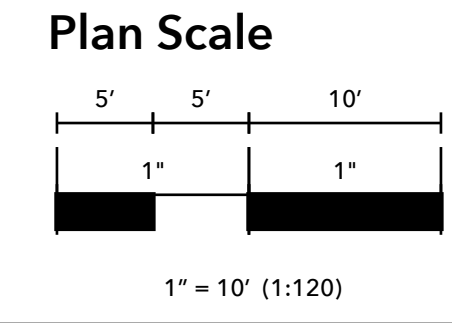
We appreciate your consideration for grants or other incentives you may have available to help absorb costs associated with these sidewalk, parking, and street improvements on Houston Street in Old Town Tomball.

As always, if you have any questions or comments, please feel free to contact me directly.
Thanks so much,

Teresa Latsis
The Hutson Group
503.348.0718 (m)
t.latsis@hutsongroup.com



North



Legend

- 185.11 exist elevation
- 185.00' prop elevation
- 3'-0" / 6'-8" door width/height
- 1 public customer parking
- 1 private tenant parking
- COT SW-01 City of Tomball construction standard reference
- 5-light Victorian lamp (8' height)
- proposed live oak tree (4" caliper, 7' height)
- existing site tree
- existing COT ROW tree
- A1A site plan page/detail
- 2'-0" / 5'-0" window width/height

| 208.5 N Elm | |
|-------------|-----------------|
| Address | 208.5 N Elm |
| Area (ft²) | 774 |
| Group | M |
| Use | Retail Boutique |
| Occupancy | 11 |
| F.F. | 185.20 |

| 208 N Elm | |
|------------|------------------------------|
| Address | 208 N Elm |
| Area (ft²) | 1817 |
| Group | A2 |
| Use | Restaurant (Counter Service) |
| Occupancy | 64 |
| F.F. | 186.36 |

CITY OF TOMBALL
Engineering
APPROVED
With Conditions/Corrections as Noted
Date: 02/21/2020
Signature: *[Signature]*
This approval shall expire two years from the date stamped

| | | | | | | |
|--|---|--|--|--|--|--|
| <p>Owner</p> <p>Rodney Hutson 9431 Rosie Ln Magnolia, Texas 77354 (281) 356-4305 rkhutson@sbcglobal.net</p> | <p>Project Controllers</p> <p>Bryan Hutson (713) 304-0595 Teresa Latsis (503) 348-0718 b.hutson@hutsongroup.com t.latsis@hutsongroup.com</p> | <p>Location</p> <p>Hutson Block 1 North Tomball, Texas</p> <p>Updated</p> <p>February 20, 2020</p> | | <p>Zone</p> <p>Old Town / Mixed Use</p> <p>Project Number</p> <p>20190123</p> <p>Plan Scale</p> <p>1" = 10'</p> | <p><input type="checkbox"/> Preliminary</p> <p><input type="checkbox"/> Permit</p> <p><input checked="" type="checkbox"/> Construction</p> | <p>Title</p> <p>C2 - Proposed Site</p> <p>Page</p> <p>C2</p> |
|--|---|--|--|--|--|--|

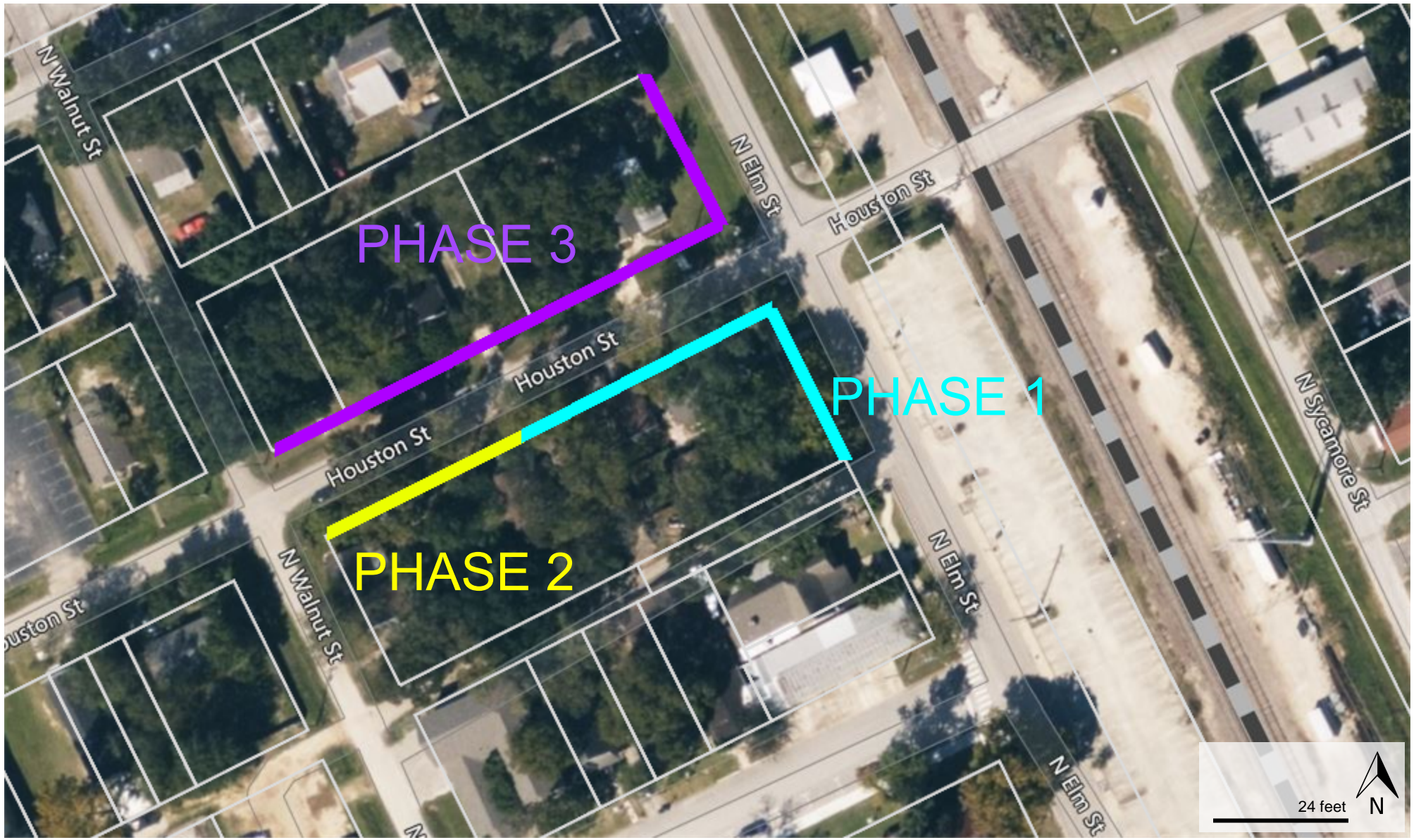
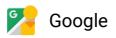




Image capture: Dec 2018 © 2021 Google

Tomball, Texas



Street View

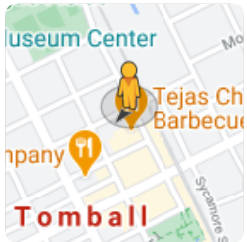




Image capture: Dec 2018 © 2021 Google

Tomball, Texas



Street View

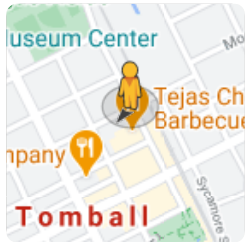
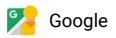


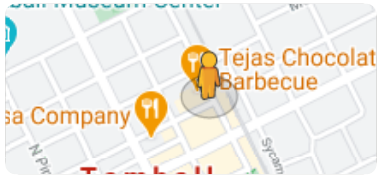


Image capture: Jun 2018 © 2021 Google

Tomball, Texas



Street View



PERFORMANCE GRANT AGREEMENT

This Performance Grant Agreement (the “Agreement”) is made and entered into by and between the Tomball Economic Development Corporation, a State of Texas Type B Economic Development Corporation (the “TEDC”), and The Hutson Group (the “Company”) (with each being a “Party”, and together the “Parties”), is entered into by the Parties’ authorized representatives, and is effective as of the date of execution by the Parties (the “Effective Date”).

RECITALS

WHEREAS, it is the established policy of the TEDC to adopt such reasonable measures from time-to-time as are permitted by law to endeavor to attract industry, create and retain primary jobs, expand the growth of the City of Tomball (the “City”), and thereby enhance the economic stability and growth of the City; and,

WHEREAS, the Company proposes to construct pedestrian and parking improvements along Houston Street and North Elm Street in Old Town Tomball (the “Project”), with a description of the Project being attached to this Agreement as “Exhibit A”; and

WHEREAS, the Board of Directors of the TEDC (the “Board”) has determined that the improvements provided by the Company through the Project will enhance the use of Old Town Tomball, and as a Project of the TEDC, the Board wishes to reimburse the Company for a portion of the cost of the Project according to Texas Local Government Code 505.152; and,

WHEREAS, according to the terms and requirements provided herein, the Board desires to provide to the Company the sum of up to Forty-Eight Thousand Eight Hundred Dollars (\$48,800.00) (the “Performance Grant”) if the Company satisfies this Agreement herein, with the amount of the Performance Grant being described in the attached “Exhibit B”; and,

NOW, THEREFORE, in consideration of the mutual benefits and obligations set forth herein, including the Recitals set forth above, the TEDC and the Company agree as follows:

AGREEMENT

SECTION 1. TERM.

This Agreement shall become enforceable upon the Effective Date and shall remain in effect for a term of at least five (5) years, unless terminated or cancelled earlier according to the provisions of this Agreement (the “Term”). The Term may be extended through a written amendment to this Agreement executed by the Parties.

SECTION 2. COMPANY OBLIGATIONS.

- (a) *Continued Operation.* The Company hereby covenants and agrees that it will continue to operate and maintain its business throughout the Term.
- (b) *Reporting.* Throughout the Term, the Company will provide updates to the TEDC showing that it is in compliance with this Agreement and will provide progress reports on the status of the Project (the “Report”). Upon the written request of the TEDC or the City, the Company will promptly provide any additional information related to this Agreement.

SECTION 3. CAPITAL IMPROVEMENTS.

- (a) The Company hereby covenants and agrees that as a part of the Project, it will construct the following Capital Improvements: Phase 1: Sidewalk, Parking and Street Improvements along 150

feet of the south side of Houston Street and 100 feet of the west side of North Elm Street (200 Block); Phase 2: Sidewalk, Parking and Street Improvements along 150 feet of the south side of Houston Street; and Phase 3: Sidewalk, Parking and Street Improvements along 300 feet of the north side of Houston Street and 100 feet of the west side of North Elm Street (300 Block) (the “Capital Improvements”).

- (b) The Company agrees that it will construct the Capital Improvements in accordance with all the requirements of the Code of Ordinances of the City and the plans and specifications of the Capital Improvements as approved by the City and the TEDC.
- (c) The Company agrees that it will certify the costs of the Capital Improvements, and all related infrastructure costs, to the TEDC prior to the initiation of the construction of the Capital Improvements.
- (d) The construction of the Capital Improvements, including the construction of all infrastructure and the obtaining of all necessary permits from the City, shall be completed within twenty-four (24) months of the Effective Date of this Agreement (the “Completion Date”). The Board or the City Council of the City (the “Council”) may adjust the Completion Date at its sole discretion.

SECTION 4. PERFORMANCE GRANT.

- (a) In consideration of the Company’s construction of the Capital Improvements according to this Agreement, the TEDC agrees to provide a Performance Grant to the Company for a portion of the actual costs of the Capital Improvements, including the costs of land acquisition, construction, and infrastructure, in an amount not to exceed Forty-Eight Thousand Eight Hundred Dollars (\$48,800.00) with such Performance Grant being distributed according to the schedule included in the attached “Exhibit B”.
- (b) The TEDC’s distribution of the Performance Grant payment to the Company shall be conditioned upon the Company’s providing the TEDC with: (i) certification of the total costs of construction of the Capital Improvements; (ii) a copy of any and all permits required by the City for the Capital Improvements; (iii) certification that the Capital Improvements have been constructed in accordance with the approved plans and specifications and with the City’s Code of Ordinances; (iv) an affidavit stating that all vendors, contractors, and subcontractors providing work or materials in the construction of the Capital Improvements have been paid and any and all liens and claims regarding such work have been released; and, (v) proof of payment to all vendors, contractors, and subcontractors providing work or materials in the construction of the Capital Improvements, including copies of canceled checks or credit card receipts and copies of paid invoices from all vendors, contractors, and subcontractors.
- (c) To the extent allowed by law, the Board may amend this Agreement to allow for an additional provision of land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements to the Company that would promote new or expanded business development.
- (d) The Parties understand and acknowledge that the funding of this Agreement is contained in the TEDC’s annual budget and is subject to the approval of the Board in each fiscal year. The Parties further agree that should the Board fail to approve a budget which includes sufficient funds for the continuance of this Agreement, or should the Board fail to certify funds for any reason, then and upon the occurrence of such event, this Agreement shall terminate as to the TEDC and the TEDC shall then have no further obligation to the other Party. When the funds budgeted or certified during any fiscal year by the TEDC to discharge its obligations under this Agreement are expended, the Company’s sole and exclusive remedy shall be to terminate this Agreement.

SECTION 5. TERMINATION.

- (a) This Agreement shall terminate upon the expiration of the Term, unless terminated earlier as the result

of a default by the Company under one of the following provisions:

- (1) *General Default.* Either Party may terminate this Agreement during the Term as provided in this paragraph if the other Party is in default by failing to comply with the obligations of this Agreement. The Party alleging the default will give the other Party notice of the default in writing. If the Party in default fails to cure the default within sixty (60) days of the date of the notice, then the Party giving the notice may terminate this Agreement by written notice to the other Party, specifying the date of termination. However, neither Party may be deemed to be in default of this Agreement if performance of this Agreement is delayed, disrupted, or becomes impossible because of any act of God, war, earthquake, fire, strike, accident, civil commotion, epidemic, act of government, its agencies or offices, or any other cause beyond the control of the Parties (the “force majeure”) during the Term, but only for so long as the event of force majeure reasonable prevents performance.
 - (2) *Undocumented Worker Employment Default.* According to Chapter 2264 of the Texas Government Code (the “Code”), the Company will not knowingly employ an individual who, at the time of employment: (i) is an undocumented workers as that term is defined in the Code; and, (ii) is not lawfully admitted for permanent residence to the United States or, is not authorized under the law to be employed in that manner in the United States. Additionally, if the Company is convicted of a violation under 8 U.S.C. Section 1324a (f), then the conviction is a breach of this Agreement and the TEDC will send the Company written notice that the Company has violated this paragraph and that the Agreement terminates thirty (30) days from the date of the notice.
- (b) It is understood and agreed by the parties that, in the event of a default by the TEDC on any of its obligations under this Agreement, the Company’s sole and exclusive remedy shall be limited to either the termination of this Agreement, or a suit for specific performance.

SECTION 6. REIMBURSEMENT OF PERFORMANCE GRANT.

- (a) It is understood and agreed by the Parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the ninety (90) day Treasury Bill plus one-half percent (½ %) per annum, within one hundred twenty (120) days after the TEDC notifies the Company of the default.
- (b) It is further understood and agreed by the parties that if the Company, or any owner or lessee of the Improvements, is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the ninety (90) day Treasury Bill plus one-half percent (½ %) per annum, within one hundred twenty (120) days after the TEDC notifies the Company of the violation.
- (c) The Company shall also reimburse the TEDC for any and all reasonable attorney’s fees and costs incurred by the TEDC as a result of any action required to obtain reimbursement of the funds contemplated in this Section. Such reimbursement shall be due and payable thirty (30) days after the Company receives written notice of default.
- (d) If the Company breaches this Agreement, then the Company’s obligation to reimburse the Performance Grant, or any other expenditure of the TEDC related to the Project, survives termination of this Agreement.

SECTION 7. MISCELLANEOUS PROVISIONS.

- (a) This Agreement shall inure to the benefit of and be binding upon the TEDC and the Company, and upon the Company's successors, assigns, lessees, affiliates, and subsidiaries, and shall remain in force whether the Company sells, leases, assigns, or in any other manner disposes of, either voluntarily or by

operation of law, all or any part of the Capital Improvements, and this Agreement shall be held to be a covenant running with the Property throughout the Term.

- (b) This Agreement shall be performable and enforceable in Harris County, Texas, and shall be construed in accordance with the laws of the State of Texas.
- (c) The failure of either Party to insist in any one or more instances on the performance of any of the terms, covenants, or conditions of this Agreement, or to exercise any of its rights, shall not be construed as a waiver or relinquishment of such term, covenant, condition, or right with respect to further performance. However, the TEDC hereby reserves and retains any and all governmental immunities that it might now have or be granted in the future.
- (d) Except as otherwise provided in this Agreement, this Agreement shall be subject to change, amendment, or modification only in writing, and by the signatures and mutual consent of the Parties.
- (e) In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity, or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.
- (f) Any notice provided or permitted to be given under this Agreement must be in writing and may be served by: (i) depositing the same in the United States mail, addressed to the Party to be notified, postage prepaid, registered, or certified mail, return receipt requested; (ii) delivering the same in person to such Party; (iii) overnight or messenger delivery service that retains regular records of delivery and receipt; or, (iv) facsimile; provided a copy of such notice is sent within one (1) day thereafter by another method provided above. The initial addresses of the Parties for the purpose of notice under this Agreement shall be as follows:

If to the TEDC:

**Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, Texas 77375
Attn: President, Board of Directors**

If to the Company:

**The Hutson Group
9431 Rosie Lane
Magnolia, TX 77354
Attn: Teresa Latsis**

- (g) This Agreement shall bind and benefit the respective Parties and their legal successors and shall not be assignable, in whole or in part, by any Party without first obtaining written consent of the other Party.

SIGNATURES

THIS AGREEMENT IS HEREBY ENTERED INTO BY THE PARTIES ON _____ 2021.

FOR THE TEDC:

FOR THE COMPANY:

GRETCHEN FAGAN, PRESIDENT

Name [Signature]

Date

Name [Printed]

Title/Position

Date

DRAFT

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on _____, 2021, by
Month, Day
_____, _____, of _____ for and on behalf of
Name Title/Position Company
said company.

(SEAL)

Notary Public in and for the State of Texas
My Commission Expires: _____

ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF LIBERTY §

This instrument was acknowledged before me on _____, 2021, by
Month, Day
_____, _____, of _____ for and on behalf of
Name Title/Position Company
said company.

(SEAL)

Notary Public in and for the State of Texas
My Commission Expires: _____

Exhibit A: Description of the Project

- Phase 1:** Sidewalk, Parking and Street Improvements along 150 feet of the south side of Houston Street and 100 feet of the west side of North Elm Street (200 Block).
Estimated Cost: \$31,250
- Phase 2:** Sidewalk, Parking and Street Improvements along 150 feet of the south side of Houston Street. **Estimated Cost: \$18,750**
- Phase 3:** Sidewalk, Parking and Street Improvements along 300 feet of the north side of Houston Street and 100 feet of the west side of North Elm Street (300 Block).
Estimated Cost: \$47,600

DRAFT

Exhibit B: Performance Grant Description and Payment Schedule

TEDC agrees to reimburse the Company 50% of the cost of the Capital Improvements up to a total amount of \$48,800.00. Upon completion of each Phase of the Project, the Company may request funding in accordance with Section 4 of this Agreement.

The Payment Schedule shall be set as follows:

- Phase 1:** **Estimated Cost: \$31,250**
 TEDC Reimbursement: Up to \$15,625

- Phase 2:** **Estimated Cost: \$18,750**
 TEDC Reimbursement: Up to \$9,375

- Phase 3:** **Estimated Cost: \$47,600**
 TEDC Reimbursement: Up to \$23,800

DRAFT

RESOLUTION NO. 2021-07-TEDC

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, AUTHORIZING AND APPROVING THE TOMBALL ECONOMIC DEVELOPMENT CORPORATION'S PROJECT TO EXPEND FUNDS IN ACCORDANCE WITH AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CORPORATION AND THE HUTSON GROUP TO MAKE DIRECT INCENTIVES TO, OR EXPENDITURES FOR, PEDESTRIAN AND PARKING IMPROVEMENTS ALONG HOUSTON STREET AND NORTH ELM STREET IN OLD TOWN TOMBALL; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; AND PROVIDING FOR SERVABILITY.

* * * * *

WHEREAS, the Tomball Economic Development Corporation (the "TEDC"), created pursuant to the Development Corporation Act, now Chapter 501 of the Texas Local Government Code, as amended (the "Act"), desires to adopt projects and provide incentives for economic development within the City; and

WHEREAS, the Board of Directors of the TEDC had adopted as a specific project the expenditure of the estimated amount of Forty-Eight Thousand Eight Hundred Dollars (\$48,800.00) found by the Board to be required or suitable to construct pedestrian and parking improvements along Houston Street and North Elm Street in Old Town Tomball; and

WHEREAS, pursuant to the Act, the TEDC may not undertake such project without the approval of Tomball City Council; and

WHEREAS, City Council finds and determines that such project is authorized by Section 505.152 and 505.154 of the Act; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1. The facts and matters set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. The City Council hereby authorizes and approves the adoption, by the Board of Directors of the Tomball Economic Development Corporation, as a specific project for the economic development of the City, an expenditure of the estimated amount of Forty-Eight Thousand Eight Hundred Dollars (\$48,800.00) to The Hutson Group, in accordance with an economic development agreement by and between the TEDC and The Hutson Group, to make direct incentives to, or expenditures for, pedestrian and parking improvements along Houston Street and North Elm Street in Old Town Tomball.

Section 3. In the event any clause, phrase, provision, sentence, or part of this Resolution or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this ____ day of _____, 2021.

PASSED, APPROVED, AND RESOLVED on second and final reading this ____ day of _____, 2021.

GRETCHEN FAGAN, President

ATTEST:

DORIS SPEER, City Secretary

City Council Meeting Agenda Item Data Sheet

Meeting Date: March 1, 2021

Topic:

Appoint/Reappoint Members to Regular and Alternate Position Vacancies on the Board of Adjustments (BOA), for Terms Expiring March 2, 2023.

Background:

The BOA consists of five regular members and four alternate members with staggered two-year terms.

On March 2nd, Regular Board Member Jarmon Wolfe (Position 1), Regular Board Member Billy Hemby (Position 3), Regular Board Member Susan Harris (Position 5) and Alternate Board Member Rocky Pilgrim (Alternate 1) terms expire. All Members have expressed their desire to be reappointed with new terms expiring on March 2, 2023.

Origination: Community Development Department

Recommendation:

Party(ies) responsible for placing this item on agenda: Craig T. Meyers, P.E., Community Development Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

City Council Meeting Agenda Item Data Sheet

Meeting Date: February 15, 2021

Topic:

Approve Resolution No. 2021-09, a Resolution of the City Council of the City of Tomball, Texas approving a Reimbursement Agreement relating to the Wood Leaf Reserve Public Improvement District.

Background:

Origination: Chesmar Homes, LLC

Recommendation:

Approval

Party(ies) responsible for placing this item on agenda: Craig T. Meyers, P.E., Community Development Director

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account: # _____ To Account: # _____

Signed: _____ **Approved by:** _____
Staff Member Date City Manager Date

RESOLUTION NO. 2021-09

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TOMBALL,
TEXAS APPROVING A REIMBURSEMENT AGREEMENT RELATING
TO THE WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT.**

WHEREAS, on January 18, 2021 the City Council of the City of Tomball, Texas (the “City”) passed and approved a resolution amending and restating the resolution creating the Wood Leaf Reserve Public Improvement District (the “District”) covering approximately 90.4 acres of land described by metes and bounds in said Resolution (the “District Property”); and

WHEREAS, the purpose of the District is to finance public improvements (the “Authorized Improvements”) as provided by Chapter 372, Texas Local Government Code, as amended (the “PID Act”) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain “Wood Leaf Reserve Development Agreement,” executed by and between the Developer, and the City effective January 18, 2021, (the “Development Agreement”); and

WHEREAS, the District Property is being developed in improvement areas or phases, and special assessments for each improvement area or phase will be levied against the Assessed Property within such improvement area or phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such improvement area or phase; and

WHEREAS, Chesmar Homes, LLC, a Texas limited liability company (the “Developer”) is the developer of the District Property; and

WHEREAS, the City Council intends to pass and approve one or more ordinances (collectively, the “Assessment Ordinance”) which, among other things, will approve one or more service and assessment plans (collective, the “SAP”) that will levy Assessments on assessable property in each improvement area or phase, and establish the dates upon which interest on such Assessments will begin to accrue and collection of such assessments will begin; and

WHEREAS, from revenues received from the Assessments levied on property within each improvement area or phase of the District Property and pursuant to applicable SAP, the City intends to reimburse the Developer for all or a portion of the costs of the Authorized Improvements in each improvement area or phase pursuant to and in the manner set forth in a Reimbursement Agreement by and between the Developer and the City (the “Reimbursement Agreement”); and

WHEREAS, the City and the Developer wish to enter into the Reimbursement Agreement to evidence the City’s intention to reimburse the Developer for all or a portion of the

costs of the Authorized Improvements from Assessments levied on assessable property within the District; Now Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS:

Section 1: The capitalized terms defined in the recitals to this Resolution are hereby approved and adopted as a part of this Resolution. Capitalized terms not herein defined are defined in the Reimbursement Agreement or in the Service and Assessment Plan.

Section 2: The City Council hereby approves the Reimbursement Agreement in substantially the form attached hereto as **Exhibit A**, with such changes as may be approved by the City Manager, and authorizes the Mayor to execute and the City Secretary to attest such Agreement.

Section 3: This resolution shall take effect immediately from and after its passage by the City Council of the City.

PASSED, APPROVED AND EFFECTIVE on the _____ day of March 2021.

City Secretary
City of Tomball, Texas

Mayor
City of Tomball, Texas

[SEAL]

EXHIBIT A
REIMBURSEMENT AGREEMENT

**WOOD LEAF RESERVE PUBLIC IMPROVEMENT DISTRICT
REIMBURSEMENT AGREEMENT**

This Wood Leaf Reserve Public Improvement District Reimbursement Agreement (this “Reimbursement Agreement”) is executed by and between the City of Tomball, Texas (the “City”) and Chesmar Homes, LLC a Texas limited liability company, (the “Developer”) (individually referred to as a “Party” and collectively as the “Parties”) to be effective as of February __, 2021 (the “Effective Date”).

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the Wood Leaf Development Agreement, dated January 18, 2021; and

WHEREAS, on January 18, 2021, the City Council passed and approved a resolution creating the Wood Leaf Reserve Public Improvement District (the “District”) covering approximately 90.4 acres of land described by metes and bounds in said Resolution (the “District Property”); and

WHEREAS, the purpose of the District is to finance public improvements (the “Authorized Improvements”) as provided by Chapter 372, Texas Local Government Code, as amended (the “PID Act”) that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in accordance with that certain “Wood Leaf Development Agreement,” executed by and between the Developer, and the City effective January 18, 2021, (the “Development Agreement”); and

WHEREAS, the District Property is being developed in three phases (each a “Phase”), and the City intends to levy special assessments for each Phase against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

WHEREAS, the Developer desires to begin construction of the Authorized Improvements prior to the City’s levy of Assessments and the City desires to memorialize its intent to levy assessments and to reimburse the Developer for the costs of such Authorized Improvements from Assessments and/or PID Bonds; and

WHEREAS, the Authorized Improvements as defined in the Development Agreement or as shall be defined in one or more Service and Assessment Plans, as amended, updated or supplemented to include all phases of development, (the “SAP”) are to be constructed to serve the District Property, as described and depicted in the SAP and

WHEREAS, the City Council intends to pass and approve an Ordinance (the “Assessment Ordinance”), which, among other things, will approve an SAP (including Assessment Rolls for each phase of development), levies assessments on property within the District (the

“Assessments”), and establishes the dates upon which interest on assessments will begin to accrue and collection of Assessments will begin; and

WHEREAS, the SAP will set forth the costs of the Authorized Improvements in each Phase of Development (plus financing costs to be set forth in the SAP) to be assessed against each Phase of the District Property (the “Authorized Improvements Costs”); and

WHEREAS, the SAP will allocate the Authorized Improvements Costs for each Phase to property within each Phase of the District Property, and the Assessments will be reflected on one or more Assessment Rolls as approved by the City Council; and

WHEREAS, the SAP and the Assessment Ordinance will provide, in part, that an Assessment or Assessments may be paid in full at any time, and if an Assessment is not paid in full, it shall be due and payable in Annual Installments plus interest for a period of no more than 30 years or until the Assessment is paid in full; and

WHEREAS, all revenue received and collected by the City from the collection of the Assessments and Annual Installments (excluding Delinquent Collection Costs and Administrative Expenses) (the “Assessment Revenue”) shall be deposited first for the payment of debt service on PID Bonds (if such bonds have been issued) issued by the City for the applicable Phase and second, into an assessment fund and accounts therein for each Phase, that is segregated from all other funds of the City (the “Reimbursement Fund”); and

WHEREAS, the Assessment Revenue deposited into the Reimbursement Fund shall be used to reimburse Developer and its assigns for the Authorized Improvements Costs advanced in a principal amount to be set forth in the SAP, plus interest as set forth herein; and

WHEREAS, the obligations of the City to use the Assessments hereunder is authorized by the PID Act; and

WHEREAS, at the discretion of the City and in accordance with the Development Agreement, prior to or contemporaneously with the issuance of any PID Bonds (as defined herein), the Developer and City may amend this Agreement and the Development Agreement as determined necessary by City’s bond counsel for issuance of any such bonds, for compliance with applicable law and for compliance with the obligations of the parties under this Agreement.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS OF THE PARTIES SET FORTH IN THIS REIMBURSEMENT AGREEMENT AND FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the “WHEREAS” clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. The City intends to levy Assessments to finance the cost of the Authorized Improvements and to reimburse the Developer for the costs of the Authorized Improvements incurred by Developer prior to the levy and/or to pay directly the costs of the Authorized Improvements.
3. Strictly subject to the terms, conditions, and requirements and solely from the revenues as herein provided and in accordance with the Development Agreement, the City agrees to pay the Developer and the Developer shall be entitled to receive from the City, the amount equal to the actual costs of the Authorized Improvements paid by the Developer as to be set forth in the SAP, in accordance with the terms of this Reimbursement Agreement, in a principal amount not to exceed the amount to be set forth in the SAP (the “Reimbursement Amount”), plus interest accrued, as provided in Section 2(a) below. The City hereby covenants to create, concurrently with the execution of this Reimbursement Agreement, a separate fund to be designated the “Reimbursement Fund” containing accounts therein for each Phase of development. The Reimbursement Amount is payable from Assessment Revenue to be deposited in the Reimbursement Fund as described below and in accordance with the Development Agreement:
 - a. The Reimbursement Amount is payable solely from: (i) Assessment Revenue received and collected by the City from Assessments levied in each Phase of development and deposited into the applicable account of the Reimbursement Fund after the payment of debt service on any PID Bonds issued for such Phase (ii) the net proceeds (after funding reserve funds, payment of costs of issuance, including the costs paid or incurred by the City and City Administrative Expenses) of one or more series of PID Bonds issued by the City to fund all or a portion of the Reimbursement Amount in accordance with the terms of the Development Agreement and the SAP and secured by the Assessment Revenue from the applicable Phase; or (iii) a combination of items (i) and (ii) immediately above. The Assessment Revenue from each Phase shall be received, collected and deposited into the applicable account of the Reimbursement Fund subject to the following limitations:
 - i. Calculation of the Assessments for each Phase and the first Annual Installment for a Lot or Parcel in each phase shall begin as shall be provided in the SAP.
 - ii. After the levy thereof by the City, if PID Bonds are not issued concurrently therewith, Assessments collected in each Phase for the Reimbursement Amount allocated to such Phase shall accrue simple interest annually at the rates to be set forth in the SAP, such rates to be in compliance with Subsections 372.023(e)(1) and (e)(2) of the PID Act. Such interest shall accrue upon Assessment levy only if PID Bonds are not issued for such

Phase. If accrued, interest shall begin and continue on the unpaid principal amount of the Assessments as shall be set forth in the SAP until the earlier of (i) the expiration of the term to be set forth in the SAP, or (ii) the issuance of PID Bonds to fund a portion of the Reimbursement Amount, as reduced by annual payments made pursuant to (iv) below.

- iii. Assessment Revenue dedicated to the payment of all or a portion of the Reimbursement Amount and interest thereon, shall be deposited into the applicable account of the Reimbursement Fund after the payment of debt service on the outstanding PID Bonds.
 - iv. The Developer shall receive the Unpaid Balance in annual installments as shall be set forth in the SAP and in Section 3 below from the applicable accounts of the Reimbursement Fund, for the time period to be set forth in the SAP or until PID Bonds are issued, and as allowed under Section 2(a) above.
4. The Reimbursement Amount, once determined in the SAP, plus the interest as described above, if accruing, are collectively, the “Unpaid Balance.” The Unpaid Balance is secured by and payable solely from Assessment Revenue received and collected by the City in each Phase for such purpose and deposited into the applicable account of the Reimbursement Fund subject to Section 3(a)(iii), and Section 5 herein. No other City funds, revenue, taxes, or income of any kind shall be used to pay the Unpaid Balance, even if the Unpaid Balance is not paid in full by the term of this Agreement, as set forth herein. Payment of Assessment Revenue for each Phase from the applicable account of the Reimbursement Fund after the payment of debt service on outstanding PID Bonds, shall be made annually to the Developer subject to the term of this Reimbursement Agreement as set forth in Section 21. The outstanding Unpaid Balance and the Reimbursement Amount shall be reduced by the amount of each annual payment to the Developer from the applicable account of the Reimbursement Fund.
 5. This Reimbursement Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than Assessment Revenue received, collected and deposited into the Reimbursement Fund. The City covenants that it will comply with the provisions of this Reimbursement Agreement, the Development Agreement, and the PID Act, including provisions relating to the administration of the District and the enforcement and collection of assessments, and all other covenants provided therein. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Assessment Revenue in any Phase or does not receive an amount in excess of the annual debt service due on the outstanding PID Bonds, and, as a result, is unable to make transfers from the Assessment Revenue Fund for payments to the Developer as required under this

Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement.

6. PID Bonds may be issued to fund the Authorized Improvement Costs upon levy of the Assessments. If Assessments are levied concurrently with the issuance of PID Bonds, such PID Bond Proceeds shall reimburse or pay directly the Authorized Improvement Costs. The City may also levy Assessments in one or more Phases prior to the issuance of PID Bonds. If PID Bonds are issued to fund all or a portion of the Reimbursement Amount after the levy of Assessments, the net proceeds of such PID Bonds shall be used to pay the outstanding Reimbursement Amount, as reduced by payments made pursuant to Section 3 herein, due to the Developer under this Reimbursement Agreement for the costs of Authorized Improvements in the applicable Phase as shall be set forth in the SAP. However, no PID Bonds shall be issued unless the funds necessary to complete the Authorized Improvements in the Phase for which the PID Bonds are being issued, are deposited with the net proceeds of the applicable series of PID Bonds on the closing date of such PID Bonds, or alternately, the Developer has expended funds (verified by the City) for construction of the Authorized Improvements to be financed with the PID Bonds in an amount that is greater than the deposit that would have otherwise been required at the time such PID Bonds are issued. The Reimbursement Agreement shall terminate on the earlier of PID Bonds to fund the Reimbursement Amount as reduced by payments made pursuant to Section 3 herein, (iii) the expiration of the Assessments as to be set forth in the SAP, or (iv) termination of this Agreement pursuant to an Event of Default or termination event herein or under the Development Agreement. Notwithstanding the foregoing, the Developer shall only be entitled to repayment of the costs of the Authorized Improvements is less than the amounts set forth in the SAP, the Developer shall not be entitled to such excess amounts. The Developer represents and warrants that it will not request payment with respect to any Authorized Improvement that is not part of the Authorized Improvements identified in the SAP and it will follow all procedures set forth in the Development Agreement with respect to certification for payments, including for payments of the Unpaid Balance from the Reimbursement Fund. It is the City's current intent to issue PID Bonds either at the time of the Assessment levy or at a later date to fund the Reimbursement Amount. Notwithstanding, the issuance of such PID Bonds is solely within the discretion of the City.
7. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest in the revenue streams identified in this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five (5) days after Developer's

written notice of the Transfer is received by the City, including for each Transferee the information required by Section 9 below. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. No conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made by the Developer or any successor or assignee of the Developer that results in the City being an “obligated person” within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice. The City shall not be required to make payments pursuant to this Reimbursement Agreement to more than two parties, nor shall it be required to execute any consent or make any representations or covenants relating to such assignment.

8. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from the Reimbursement Fund and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.
9. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against the Developer, any Transferee, or any other person or entity involved in the design, construction or installation of the Authorized Improvements. The obligations of Developer hereunder shall be those as a Party hereto and not solely as an owner of property in the District. Nothing herein shall be constructed, nor is intended, to affect the City’s or Developer’s rights and duties to perform their respective obligations under other agreements, regulations and ordinances.
10. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, exclusive venue for such dispute shall lie in any court of competent jurisdiction in Harris County, Texas.
11. Any notice required or contemplated by this Reimbursement Agreement shall be signed by or on behalf of the Party giving the Notice, and shall be deemed effective as follows: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States

Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section. All Notices given pursuant to this Section shall be addressed as follows:

To the City: City Manager
401 Market Street
Tomball, TX 77375

With a copy to: Attn: City Attorney
Olson & Olson, LLP
2727 Allen Parkway, Suite 600
Houston, TX 77019

To the Developer: Attn: Tom Markiewicz
Chesmar Homes, LLC
480 Wildwood Forest Dr., Suite 800
The Woodlands, Texas 77380

With a copy to: Don Klein
480 Wildwood Forest Dr., Suite 800
The Woodlands, Texas 77380

12. Notwithstanding anything herein to the contrary, nothing herein shall otherwise authorize or permit the use by the City of the Assessments contrary to the provisions of the PID Act.

13. Remedies:

- a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute an "Event of Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party cures such default within 90 days. Any Transferee shall have the same rights as the Developer to enforce the obligations of the City under this Reimbursement Agreement and shall also have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time

periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer.

- b. Notwithstanding the foregoing, the following are Events of Default under this Agreement:
- i. The Developer shall fail to pay to the City any monetary sum hereby required of it as and when the same shall become due and payable and shall not cure such default within thirty (30) days after the later of the date on which written notice thereof is given by the City to the Developer, as provided in this Agreement.
 - ii. The Developer shall fail to comply in any material respect with any term, provision or covenant of this Agreement (other than the payment of money to the City), and shall not cure such failure within ninety (90) days after written notice thereof is given by the City to the Developer;
 - iii. The filing by Developer of a voluntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtors, rights;
 - iv. The consent by Developer to an involuntary proceeding under present or future bankruptcy, insolvency, or other laws respecting debtor's rights;
 - v. The entering of an order for relief against Developer or the appointment of a receiver, trustee, or custodian for all or a substantial part of the property or assets of Developer in any involuntary proceeding, and the continuation of such order, judgment or degree unstayed for any period of ninety (90) consecutive days; OR
 - vi. The failure by Developer or any Affiliate to pay Impositions, and Assessments on property owned by the Developer and/or any Affiliates within the PID, if such failure is not cured within thirty (30) days.
 - vii. A Developer event of default under the Development Agreement.
 - viii. The Developer shall breach any material covenant or default in the performance of any material obligation hereunder.
- c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement
- d. If the Developer is in Default, the City may pursue any legal or equitable remedy or remedies, including, without limitation, actual damages, and termination of this Agreement. The City shall not terminate this Agreement unless it delivers to the Developer a second notice expressly providing that the City will terminate within

thirty (30) additional days. Termination or non-termination of this Agreement upon a Developer Event of Default shall not prevent the City from suing the Developer for specific performance, actual damages, excluding punitive, special and consequential damages, injunctive relief or other available remedies with respect to obligations that expressly survive termination. In the event the Developer fails to pay any of the expenses or amounts or perform any obligation specified in this Agreement, then to the extent such failure constitutes an Event of Default hereunder, the City may, but shall not be obligated to do so, pay any such amount or perform any such obligations and the amount so paid and the reasonable out of pocket costs incurred by the City in said performance shall be due and payable by the Developer to the City within thirty (30) days after the Developer's receipt of an itemized list of such costs.

- e. No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity.
 - f. The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.
14. The Developer shall assume the defense of, and indemnify and hold harmless the City's inspector, the City employees, officials, officers, representative and agents of the City and each of them (each an "Indemnified Party") from and against, all actions, damages, claims, losses or expense of every type and description to which they may be subject or put, by reason of, or resulting from the breach of any provisions of this Reimbursement Agreement by the Developer, the Developer's nonpayment under contracts between the Developer and its consultants, engineers, advisors, contractors, subcontractors and suppliers in the provision of the Improvement Area #1 Improvements constructed by Developer, or any claims by persons employed by the Developer relating to the construction of such projects. Notwithstanding the foregoing, no indemnification is given hereunder for any action, damage, claim, loss or expense directly attributable to the willful misconduct or gross negligence of any Indemnified Party. The City does not waive its defenses and immunities, whether governmental, sovereign, official or otherwise and nothing in this Reimbursement Agreement is intended to or shall confer any right or interest in any person not a party hereto.
15. To the extent there is a conflict between this Reimbursement Agreement and an indenture securing the PID Bonds issued to fund the Reimbursement Amount or the SAP, the indenture securing such PID Bonds or the SAP shall control as the provisions relate to the Assessments.

16. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.
17. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.
18. Nothing in this Reimbursement Agreement, express or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer and its assigns any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.
19. The City represents and warrants that this Reimbursement Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Reimbursement Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Reimbursement Agreement has been approved by appropriate action of the Developer, and that the individual executing this Reimbursement Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Reimbursement Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.
20. This Reimbursement Agreement represents the entire agreement of the Parties and no other agreement, statement or promise made by any Party or any employee, officer or agent of any Party with respect to any matters covered hereby that is not in writing and signed by all the Parties to this Agreement shall be binding. This Reimbursement Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Reimbursement Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Reimbursement Agreement; and (b) the remainder of this Reimbursement Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
21. This Reimbursement Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

22. The term of this Reimbursement Agreement is the earlier of (i) the expiration of the Assessments as set forth in the SAP, (ii) until the Unpaid Balance is paid in full in accordance herewith, (iii) the issuance of Future Improvement Area #1 Bonds to fund the Reimbursement Amount, as reduced by payments made pursuant to Section 3 herein, or (iv) termination pursuant to an Event of Default under this Agreement or under the Development Agreement, whichever occurs first. If the Developer defaults under this Reimbursement Agreement or the Development Agreement, the Development Agreement shall not terminate with respect to the costs of the Improvement Area #1 Improvements that have been previously been approved by the City pursuant to a Certification for Payment (as defined in the Development Agreement) prior to the date of default.
23. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Reimbursement Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to Force Majeure, to perform its obligations under this Reimbursement Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within fifteen (15) business days after the occurrence of a Force Majeure, the Party claiming the right to temporarily suspend its performance, shall give Notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time. For purposes of this Reimbursement Agreement, "Force Majeure" means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Reimbursement Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) epidemics or pandemics that result in a governmental action that stops or delays construction or halts, impedes or delays the operations of the City; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not caused by, voluntarily induced or promoted by the affected Party (including the submission of incomplete or erroneous information to the City), or brought about by the breach of its obligations under this Reimbursement Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) changes in market condition; (v) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or

nationwide strikes or labor disputes; or (w) the occurrence of any manpower, material or equipment shortages.

24. Any amounts or remedies due pursuant to this Reimbursement Agreement are not subject to acceleration.
25. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.
26. The Developer hereby represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.
27. The Developer agrees to either (i) file a Texas Ethics Commission Disclosure of Interested Parties form to the City or (ii) represent in writing that it is exempt from filing of such form, no later than the date upon which the City Council approves this Reimbursement Agreement

[SIGNATURE PAGES TO FOLLOW]

Executed by Developer and City to be effective on the Effective Date.

ATTEST:

CITY OF TOMBALL

City Secretary

Mayor

Signature page to Wood Leaf Reserve Reimbursement Agreement

CHESMAR HOMES, LLC

By: 

Name: Donald P. Klein

Title: CEO

Signature page to Wood Leaf Reserve Reimbursement Agreement

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: 2/15/2020

Topic:

Approve City Manager to execute a Professional Services Agreement with Freese & Nichols for the development of the Risk and Resilience Assessment and Emergency Response Plan required by the American Water Infrastructure Act of 2018.

Background:

The American Water Infrastructure Act (AWIA) of 2018 contains requirements for risk and resiliency planning and documentation for public water systems in order assess and address the risks from natural and man-made hazards. Public providers of populations servicing 50,000 residents or less, must have a plan submitted to the EPA by June 30, 2021.

Within six months of the assessment deadline of June 30, water systems must complete Phase 2 of the AWIA by developing an Emergency Response Plan that incorporates the findings of the Risk and Resiliency Assessment. The Emergency Response Plan must be submitted to the EPA by December 30, 2021. Once both plans are completed, the City will be responsible for reviewing and updating the assessment once every five years.

Staff has worked with Freese & Nichols to develop a Professional Service Agreement to perform the Risk and Resilience Assessment and develop the Emergency Response Plan in collaboration with staff for a total lump sum of \$65,900.00.

Origination: Public Works Department

Recommendation:

Staff recommends approving the City Manager to execute a Professional Services Agreement with Freese & Nichols for a total amount of \$65,900.00.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Coordinator

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: x No: _____ If yes, specify Account Number: #600-613-6361

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo
Staff Member _____ Date _____

Approved by _____
City Manager _____ Date _____

PROFESSIONAL SERVICES AGREEMENT

STATE OF TEXAS §

COUNTY OF TARRANT §

This Agreement is entered into by City of Tomball, tX, hereinafter called "Client" and Freese and Nichols, Inc., hereinafter called "FNI." In consideration of the Agreements herein, the parties agree as follows:

- I. EMPLOYMENT OF FNI: In accordance with the terms of this Agreement, Client agrees to employ and compensate FNI to perform professional services in connection with the Project. The Project is described as AWIA Compliance Support.
II. SCOPE OF SERVICES: FNI shall render professional services in connection with Project as set forth in Attachment SC - Scope of Services and Responsibilities of Client which is attached to and made a part of this Agreement.
III. COMPENSATION: Client agrees to pay FNI for all professional services rendered under this Agreement. FNI shall perform professional services as outlined in the "Scope of Services" for a lump sum fee of Sixty-Five Thousand Nine Hundred Dollars, \$65,900.00.

If FNI's services are delayed or suspended by Client, or if FNI's services are extended for more than 60 days through no fault of FNI, FNI shall be entitled to equitable adjustment of rates and amounts of compensation to reflect reasonable costs incurred by FNI in connection with such delay or suspension and reactivation and the fact that the time for performance under this Agreement has been revised.

- IV. TERMS AND CONDITIONS OF AGREEMENT: The Terms and Conditions of Agreement as set forth as Attachment TC - Terms and Conditions of Agreement shall govern the relationship between the Client and FNI.

Nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than Client and FNI, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Client and FNI and not for the benefit of any other party.

This Agreement constitutes the entire Agreement between Client and FNI and supersedes all prior written or oral understandings.

This contract is executed in two counterparts. IN TESTIMONY HEREOF, Agreement executed:

Freese and Nichols, Inc.

City of Tomball, TX

By: [Signature of Alan C. Hutson]

By: _____

ALAN C. HUTSON VICE PRESIDENT
Print Name and Title

Print Name and Title

Date: 2/10/2021

Date: _____

ATTEST: [Signature]

ATTEST: _____

ATTACHMENT SC

City of Tomball

American Water Infrastructure Act of 2018 (AWIA) Risk and Resilience Assessment (RRA) and Emergency Response Plan (ERP)

SCOPE OF SERVICES

Project Understanding:

America's Water Infrastructure Act (AWIA) of 2018, Section 2013, requires that all community water systems serving populations greater than 3,300 persons will assess the risks to and resilience of its system and then prepare or revise the utility's emergency response plan. Following is a scope of services to conduct a Risk and Resilience Assessment and develop or update an Emergency Response Plan for the City of Tomball water utility system for compliance with the requirements of AWIA Section 2013.

The detailed ERP will be conducted following the protocols detailed in the M19 (Emergency Planning for Water and Wastewater Utilities) guidance developed by the AWWA. The ERP will be finalized and then certified by the City of Tomball to the Administrator of the Environmental Protection Agency (EPA) by December 30, 2021 to comply with the deadline requirements for systems serving a population of 3,300 or more but less than 50,000.

Assumptions:

- Data is received in a timely manner.
- Analysis for water system only.

ARTICLE I

BASIC SERVICES: FNI shall render the following services in connection with the development of the Project:

TASK A: RISK AND RESILIENCE ASSESSMENT (RRA): FNI shall provide professional services in this phase as follows:

The RRA includes up to three workshops with the RRA team. An optional Council briefing is available as an Additional Service. An RRA report will be developed and provided. Due to the sensitive nature of the content, the RRA report is recommended to be protected from public access within applicable law.

Electronic document transfer for this project will be provided to the Client through a secure file-sharing platform. Confidential documents will not be emailed. Hard copies of the RRA report will be hand-delivered.

A1. Project Kickoff, Data Collection and Review (included in Workshop No. 1)

FNI will conduct a kickoff meeting (as part of Workshop No. 1) with City of Tomball to introduce the FNI project team, review the scope of services and project schedule, and identify communication approaches. The kickoff meeting will also include a discussion of the background/history related to vulnerability and resilience for City of Tomball.

During the kickoff meeting, FNI will meet with the Client to determine the RRA team participants, needs and schedule. The following items will be discussed during the meeting:

- Project goals
- Project schedule
- Data, both provided and outstanding, for review by FNI
- Communication and information flow for the project
- Additional entities to coordinate with in the development of the project

The Client will provide the following documents, if available, to FNI for review ahead of the kickoff-meeting/Workshop No. 1:

- Previous vulnerability and risk assessments
- System diagrams
- Existing security plans and procedures
- Existing security countermeasures
- Business continuity plans / Continuity of operations plans
- SCADA system information
- Source water protection plans
- Interlocal agreements with neighboring utilities
- Local natural hazard mitigation plan(s)
- Emergency response plans
- Other documents that may be related to the vulnerability and resilience of the water system.

A2. Identification of Critical Assets and Threats (and Workshop 1)

FNI will review the data collected for City of Tomball's water system to identify a preliminary list of assets. A database of the assets will be created for future evaluation through the project. FNI will conduct a preliminary evaluation of identified threats based on available published information from the U.S. EPA, FEMA, USGS, DHS and other relevant agencies. Threats to be evaluated include direct hazards to the water system from malevolent man-made sources and natural events, as well as tangential hazards from impacts to system dependencies or unaffiliated but near-proximity infrastructure.

FNI will conduct one workshop (Kick-off Meeting and Asset-Threat Workshop) with the City of Tomball RRA team to develop a prioritized list of asset-threat pairs to conduct a further risk and resilience evaluation. In the workshop, FNI will lead the RRA team through a review of the assets and an initial screening of consequences of failure to develop a list of critical assets.

FNI will then lead the RRA team through an evaluation of malevolent, natural, and dependency hazards to identify those of most relevance to the water system. Finally, FNI will facilitate the RRA team through a review of asset-threat pairs to prioritize the pairs to focus the risk and resilience evaluation.

The RRA will include a limited review of the operation and maintenance of the water system. FNI will discuss the status of an asset management program and approaches that could be undertaken to improve City of Tomball's resilience. The results of the assessment will be included in the RRA Report.

Up to 5 asset-threat pairs to be evaluated for the water system. Additional asset-threat pairs will be conducted upon request of the Client as an Additional Service.

Deliverable

1. FNI will provide meeting minutes within seven (7) days to summarize major discussion items, decisions, and action items.

A3. Cybersecurity Evaluation

Utilizing a cybersecurity framework guide following AWWA’s cybersecurity protocols, FNI will provide a cyber security questionnaire that is generally based upon the AWWA and NIST guidelines. The City of Tomball will utilize the cybersecurity questionnaire to identify key weaknesses and mitigative strategies for the areas where Cybersecurity Practice Guides should be developed. FNI will explain the intent of the questionnaire as part of Workshop 1 or 2 as time permits.

A4. Risk and Resilience Analysis (and Workshop 2)

For each of the prioritized asset-threat pairs, FNI will conduct an initial evaluation to estimate the probability of occurrence of the threat (T), the vulnerability (V) of the assets to failure from the threat, and the consequence (C) of asset failure. FNI will initially input existing measures in place that serve to increase the resilience of the critical assets by mitigation of one or more of the risk factors. The risk to each asset is calculated as:

$$\text{Risk} = \text{Consequence} * \text{Vulnerability} * \text{Threat}$$

FNI will facilitate a final Workshop with the RRA team to present, evaluate and adjust the calculated risk for each asset-threat pair assessed based on team feedback. Through the workshop, a risk value for each asset-threat pair will be developed to allow for prioritization of assets for improvements. During the workshop, an initial identification of additional mitigation measures to further reduce risk and improve resilience will be identified. Mitigation measures may include policy and procedure improvements, physical security upgrades, structural improvements, staffing adjustments, and other actions.

Deliverable

1. FNI will provide meeting minutes from the Risk and Resilience Analysis Workshop within seven (7) days of the meeting to summarize major discussion items, decisions, and action items.
2. FNI will provide the list of critical assets ranked by risk to City of Tomball for review and approval.

A5. Risk and Resilience Management (and Workshop No. 3)

FNI will evaluate the additional mitigation measures identified in the Risk and Resilience Analysis Workshop, and as appropriate, identify supplemental mitigation measures for consideration. The mitigation measures will be analyzed for risk reduction and resilience improvement, and rough approximation conceptual cost to City of Tomball. FNI will develop a prioritized list of mitigation measures based on benefit-cost ratio.

FNI will document the RRA and the prioritized mitigation measures for implementation in a draft RRA report. FNI will submit the draft RRA report to City of Tomball for review and incorporate any comments received into the final report.

Deliverable:

1. FNI will provide meeting minutes within seven (7) days of the meeting to summarize major discussion items, decisions, and action items.
2. FNI will deliver the draft RRA report to City of Tomball in electronic PDF format for review and comment. Upon request, five (5) hard copies of the draft report will be provided.

A6. Final RRA Report and Certification of Compliance

Upon receipt of final comments on the draft RRA report, FNI will finalize the RRA report. FNI will assist City of Tomball to complete and submit the certification of the Risk and Resilience Assessment through the online EPA portal. A copy of the certification will be maintained in the final RRA report.

Deliverable:

1. FNI will deliver one electronic PDF copy of the final RRA report. Upon request, FNI will provide up to five (5) hard copies of the final RRA report.

TASK B: EMERGENCY RESPONSE PLAN (ERP): FNI shall provide professional services in this phase as follows:

The ERP includes three workshops with City of Tomball's designated ERP team. An optional Council briefing is available as an Additional Service. An ERP compliant with the requirements of AWIA of 2018 will be provided. Due to the sensitive nature of the content, the ERP report is recommended to be protected from public access within applicable law. The ERP will include documentation applicable to the water utility.

Electronic document transfer for this project will be provided to the Client through a secure file-sharing platform. Confidential documents will not be emailed. Hard copies of the ERP will be hand-delivered.

B1. Project Coordination Meeting, Data Collection and Review (included in Initial Workshop)

FNI will conduct a meeting with City of Tomball to review the scope of services and project schedule. The meeting will also include a discussion of the background/history related to emergency response planning for City of Tomball. This meeting will be combined with the Workshop 1 discussed in item B2.

During the meeting, FNI will meet with City of Tomball to determine the ERP team participants, needs and project schedule. The team members should be experts in one or more of the following areas or have a role in the execution of the ERP:

- Utility management
- Emergency management
- Water treatment and operations
- SCADA operations
- Human resources management
- Procurement
- Other representatives include members of local police, fire and the local emergency planning committee

The following items will be discussed during the meeting:

- Additional entities to coordinate with in the preparation of the ERP
- Results of the Risk and Resilience Assessment

The Client will provide the following documents, if available, to FNI for review ahead of the meeting:

- System recovery plans
- System diagrams
- Crisis communications plan
- Other documents that may be related to the preparedness of the water system.

B2. Review of Existing Plans and Preparation of Initial ERP Outline (and Workshop 1)

FNI will review the data collected for the City of Tomball's water system to identify gaps and necessary information for an up-to-date ERP. FNI will prepare an initial inventory of available information to review/update and gaps in information where development by the ERP team will be required. The ERP will be developed in general accordance with the outline identified in the AWWA M19 guidance document.

FNI will conduct an initial workshop (ERP Preparation Workshop) with the ERP team. In this workshop, FNI will provide an overview of the proposed ERP contents and approach and the current status of information to fulfill these needs. A schedule of future ERP workshops will be established. Additional personnel necessary for the proper preparation of the ERP will be identified for inclusion in one or more of the future workshops.

Deliverable

1. ERP data gap analysis
2. FNI will provide meeting minutes within seven days of the meeting to summarize major discussion items, decisions, and action items.

B3. Emergency Response Plan Preparation (Workshop 2 and Workshop 3)

Through one (1) workshop, FNI will facilitate the ERP team to identify the components of the ERP. The critical components of an ERP include the following:

1. Utility overview (Workshop 2)
2. Emergency Operations Plan (Workshop 2)
 - a. Emergency Response/Incident Command System (ICS) roles
3. Communication with Internal Staff, External Entities, Customers, and Media (Workshop 2)
4. Emergency Plan and Procedures (Workshop 3)
 - a. Core Response Procedures to Specific Utility Wide Emergencies
5. Preparedness and Prevention Measures (Workshop 3)
 - a. Alternate Source Water Options
 - b. Mutual Aid Agreements
 - c. RRA Countermeasures
 - d. Detection Strategies

Hazard-specific plans addressing relevant threats identified in the Risk and Resilience Assessment will be developed through Workshop 3. FNI will provide initial content for the hazard-specific plans based on City of Tomball's existing ERP and/or industry-standard guidance.

Deliverable

1. FNI will provide meeting minutes within seven (7) days to summarize major discussion items, decisions, and action items.

B4. Draft Emergency Response Plan

FNI will compile the information collected and developed in the series of workshops to prepare a draft ERP. FNI will submit the draft ERP to City of Tomball for review and incorporate any comments received into the final report.

Deliverable:

1. FNI will deliver the draft ERP to City of Tomball in electronic PDF format for review and comment. Upon request, five (5) hard copies of the draft ERP will be provided.

B5. Final ERP and Certification of Compliance

Upon receipt of final comments on the draft ERP, FNI will finalize the ERP. FNI will assist City of Tomball to complete and submit the certification of the Emergency Response Plan through the online EPA portal. A copy of the certification will be maintained in the City of Tomball ERP.

Deliverable:

1. FNI will deliver one electronic PDF copy of the final ERP. Upon request, FNI will provide up to five (5) hard copies of the final ERP.

Summary of Schedule

FNI is authorized to commence work on the Project upon execution of this Agreement and agrees to complete the services as follows:

- RRA to be finalized by June 30, 2021
- ERP to be finalized by December 30, 2021

If FNI’s services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in City or regulatory reviews, Texas Water Development Board process delays, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation.

Summary of Fee

FNI shall perform the proposed scope of services based on rates set in the Master Agreement. FNI proposes to assist with the AWIA Risk and Resilience Assessment for a lump sum fee of \$29,900 and to assist with the AWIA Emergency Response Plan for a lump sum fee of \$36,000. A breakdown of the fee by task is the following:

| City of Tomball AWIA Assistance Summary of Fee by Task | |
|--|-----------------|
| Task A: AWIA Risk and Resilience Assessment | \$29,900 |
| Task B: AWIA Emergency Response Plan | \$36,000 |
| Project Total | \$65,900 |

ARTICLE II

SPECIAL SERVICES: FNI shall render the following services, which are not included in the Basic Services described above, in connection with the development of the Project:

RRA Phase – Council Briefing

FNI will develop and provide to the Council a summary overview of the AWIA of 2018, Section 2013 Risk and Resilience Assessment requirements and general approach taken for utility compliance. If provided in a secure setting, such as an Executive Session, FNI will be prepared to provide detailed results and prioritized recommendations of the RRA, if requested.

ERP Phase – Council Briefing

FNI will develop and provide to the Council a summary overview of the AWIA of 2018, Section 2013 Risk and Resilience Assessment requirements and general approach taken for utility compliance. If provided in a secure setting, such as an Executive Session, FNI will be prepared to provide detailed results and prioritized recommendations of the RRA, if requested.

ERP – Training Exercises

FNI will develop and provide overview training to personnel with identified roles and responsibilities in the ERP. The training will include a walk-through of the ERP, briefing on each role and responsibility, and available resources for implementation of the ERP. During the training, tabletop exercises will be conducted for a selection of relevant hazards to practice implementation of the ERP.

ARTICLE III

ADDITIONAL SERVICES: Any services performed by FNI that are not included in the Basic Services or Special Services described above are Additional Services.

- A. Visits to on-site locations in excess of the number of trips included in Article I for periodic site visits, coordination meetings, or contract completion activities.
- B. Providing basic or additional services on an accelerated time schedule. The scope of this service would include cost for overtime wages of employees and consultants, inefficiencies in work sequence and plotting or reproduction costs directly attributable to an accelerated time schedule directed by the Client.
- C. On-site meetings in addition to those outlined in Article 1.
- D. Preparation of wastewater system RRA or ERP.
- E. Preparation and assistance with emergency response plan training exercise.

TERMS AND CONDITIONS OF AGREEMENT

1. **DEFINITIONS:** The term Client as used herein refers to the City of Tomball, TX. The term FNI as used herein refers to Freese and Nichols, Inc., its employees and agents, and its subcontractors and their employees and agents. As used herein, Services refers to the professional services performed by FNI pursuant to the Agreement.
2. **CHANGES:** Client, without invalidating the Agreement, may order changes within the general scope of the work required by the Agreement by altering, adding to and/or deducting from the work to be performed. If any change under this clause causes an increase or decrease in FNI's cost of, or the time required for, the performance of any part of the Services, an equitable adjustment will be made by mutual agreement and the Agreement modified in writing accordingly.
3. **TERMINATION:** The obligation to provide Services under this Agreement may be terminated by either party upon 10 days' written notice. In the event of termination, FNI will be paid for all Services rendered and reimbursable expenses incurred to the date of termination and, in addition, all reimbursable expenses directly attributable to termination.
4. **CONSEQUENTIAL DAMAGES:** In no event shall FNI or its subcontractors be liable in contract, tort, strict liability, warranty, or otherwise for any special, indirect, incidental or consequential damages, such as loss of product, loss of use of the equipment or system, loss of anticipated profits or revenue, non-operation or increased expense of operation or other equipment or systems.
5. **INFORMATION FURNISHED BY CLIENT:** Client will assist FNI by placing at FNI's disposal all available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. FNI shall have no liability for defects or negligence in the Services attributable to FNI's reliance upon or use of data, design criteria, drawings, specifications or other information furnished by Client and Client agrees to indemnify and hold FNI harmless from any and all claims and judgments, and all losses, costs and expenses arising therefrom. FNI shall disclose to Client, prior to use thereof, defects or omissions in the data, design criteria, drawings, specifications or other information furnished by Client to FNI that FNI may reasonably discover in its review and inspection thereof.
6. **INSURANCE:** FNI shall provide Client with certificates of insurance with the following minimum coverage:

| | | |
|--|-------------|-------------------------------|
| Commercial General Liability | | Workers' Compensation |
| General Aggregate | \$2,000,000 | As required by Statute |
| Automobile Liability (Any Auto) | | Professional Liability |
| CSL | \$1,000,000 | \$3,000,000 Annual Aggregate |
7. **SUBCONTRACTS:** If, for any reason and at any time during the progress of providing Services, Client determines that any subcontractor for FNI is incompetent or undesirable, Client will notify FNI accordingly and FNI shall take immediate steps for cancellation of such subcontract. Subletting by subcontractors shall be subject to the same regulations. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and Client.
8. **OWNERSHIP OF DOCUMENTS:** All drawings, reports, data and other project information developed in the execution of the Services provided under this Agreement shall be the property of Client upon payment of FNI's fees for Services. FNI may retain copies for record purposes. Client agrees such documents are not intended or represented to be suitable for reuse by Client or others. Any reuse by Client or by those who obtained said documents from Client without written verification or adaptation by FNI, will be at Client's sole risk and without liability or legal exposure to FNI, or to FNI's independent associates or consultants, and Client shall indemnify and hold harmless FNI and FNI's independent associates and consultants from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom. Any such verification or adaptation will entitle FNI to further reasonable compensation. FNI may reuse all drawings, report data and other project information in the execution of the Services provided under this Agreement in FNI's other activities. Any reuse by FNI will be at FNI's sole risk and without liability or legal exposure to Client, and FNI shall indemnify and hold harmless Client from all claims, damages, losses and expenses including attorneys' fees arising out of or resulting therefrom.
9. **POLLUTANTS AND HAZARDOUS WASTES:** It is understood and agreed that FNI has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at the site, if any, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposures to such substances or conditions. The parties agree that in performing the Services required by this Agreement, FNI does not take possession or control of the subject site, but acts as an invitee in performing the Services, and is not therefore responsible for the existence of any pollutant present on or migrating from

the site. Further, FNI shall have no responsibility for any pollutant during clean-up, transportation, storage or disposal activities.

10. **OPINION OF PROBABLE COSTS:** FNI will furnish an opinion of probable project development cost based on present day cost, but does not guarantee the accuracy of such estimates. Opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions and utilitarian considerations of operations and maintenance costs prepared by FNI hereunder will be made on the basis of FNI's experience and qualifications and represent FNI's judgment as an experienced and qualified design professional. It is recognized, however, that FNI does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractors' methods of determining their prices.
11. **CONSTRUCTION REPRESENTATION:** If required by the Agreement, FNI will furnish construction representation according to the defined scope for these services. FNI will observe the progress and the quality of work to determine in general if the work is proceeding in accordance with the Contract Documents. In performing these services, FNI will report any observed deficiencies to Client, however, it is understood that FNI does not guarantee the Contractor's performance, nor is FNI responsible for the supervision of the Contractor's operation and employees. FNI shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the work of the Contractor. FNI shall not be responsible for the acts or omissions of any person (except its own employees or agents) at the Project site or otherwise performing any of the work of the Project. If Client designates a Resident Project Representative that is not an employee or agent of FNI, the duties, responsibilities and limitations of authority of such Resident Project Representative will be set forth in writing and made a part of this Agreement before the Construction Phase of the Project begins.
12. **GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT:** Client agrees to include provisions in the General Conditions of the Construction Contract that require Contractor to include FNI: (1) as an additional insured and in any waiver of subrogation rights with respect to such liability insurance purchased and maintained by Contractor for the Project (except workers' compensation and professional liability policies); and (2) as an indemnified party in the Contractor's indemnification provisions where the Owner is named as an indemnified party.
13. **PAYMENT:** Progress payments may be requested by FNI based on the amount of Services completed. Payment for the Services of FNI shall be due and payable upon submission of a statement for Services to CLIENT and in acceptance of the Services as satisfactory by the Client. Statements for Services shall not be submitted more frequently than monthly. Any applicable new taxes imposed upon Services, expenses and charges by any governmental body after the execution of this Agreement will be added to FNI's compensation.

If Client fails to make any payment due FNI for services and expenses within 30 days after receipt of FNI's statement for services therefore, the amounts due FNI will be increased at the rate of 1 percent per month from said 30th day, and, in addition, FNI may, after giving 7 days' written notice to Client, suspend services under this Agreement until FNI has been paid in full, all amounts due for services, expenses and charges.

14. **ARBITRATION:** No arbitration, arising out of or relating to this Agreement, involving one party to this Agreement may include the other party to this Agreement without their approval.
15. **SUCCESSORS AND ASSIGNMENTS:** Client and FNI each are hereby bound and the partners, successors, executors, administrators and legal representatives of Client and FNI are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements and obligations of this Agreement.

Neither Client nor FNI shall assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent FNI from employing such independent associates and consultants as FNI may deem appropriate to assist in the performance of Services hereunder.

16. **PURCHASE ORDERS:** If a Purchase Order is used to authorize FNI's Services, only the terms, conditions/instructions typed on the face of the Purchase Order shall apply to this Agreement. Should there be any conflict between the Purchase Order and the terms of this Agreement, then this Agreement shall prevail and shall be determinative of the conflict.

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: March 15, 2021

Topic:

Approve Resolution No. 2021-11, a Resolution of the City of Tomball, Texas, Canceling the Regular City Officer's Election Scheduled to be Held on the 1st Day of May, 2021, in Accordance with Section 2.053(A) of the Texas Election Code; Directing the Giving of Notice of Such Cancellation of Election; and Providing Details Relating to the Cancellation of Such Election

Aprobar la Resolución Nro. 2021-11 Cancelando la Elección Regular de Funcionarios Municipales programada para celebrarse el día 1 de mayo de 2021 de acuerdo con la Sección 2.053(a) del Código Electoral de Texas; instruyendo que se de aviso de tal cancelación de elección; y provyendo detalles relativos a la cancelación de tal elección.

Chấp thuận Nghị Quyết số 2020-11, Hủy Bỏ Cuộc Bầu Cử Viên Chức Thành Phố Thường Kỳ Dự Kiến sẽ được tổ chức vào ngày 1 tháng Năm, 2021, Chiếu theo Mục 2.053(a) của Bộ Luật Tuyển Cử Texas; Chỉ thị việc đưa ra Thông Báo về Hủy Bỏ Cuộc Bầu Cử đó; và Cung Cấp Thông Tin Chi Tiết Liên quan đến việc Hủy Bỏ Cuộc Bầu Cử đó.

通過決議案2021-11，取消一般市府官員應於2021年5月1日的選舉計畫，其是根據德克薩斯州選舉法 2.053(a)節；茲此通知該選舉取消；以及提供關於取消該選舉的詳情。

Background:

All filing deadlines have passed; we have unopposed candidates for Position 2, Mark A. Stoll, and for Position 4, Derek S. Townsend, Sr. for the May 1, 2021 Regular City Officer's Election.

Section 2.052, Election Code, requires the City Secretary to deliver the Certification of Unopposed Candidates to City Council and request Council to accept the Certification and declare the election canceled.

Resolution No. 2021-11 cancels the election scheduled to be held on May 1, 2021 and includes the Order of Cancellation. A copy of the Order of Cancellation will be posted on Election Day at City Hall, the polling location for all City elections.

The oaths of office and election of Mayor Pro Tem will take place at a May 10, 2021 Special Council meeting, at 5:30 p.m., in order to meet the legal deadlines for canvassing our election.

Candidates elected through cancellation shall be declared elected "in the same manner and at the same time as provided for a candidate elected at the election" (Election Code, Sec. 2.053(c)] and shall take the oaths of office the same as candidates elected at an election.

Origination: City Secretary

Recommendation:

Party(ies) responsible for placing this item on agenda: Doris Speer, City Secretary

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

Signed Doris Speer 2-23-2021 Approved by _____
Staff Member Date City Manager Date

CERTIFICATION OF UNOPPOSED CANDIDATES
(CERTIFICACIÓN DE CANDIDATOS ÚNICOS)

To: Presiding Officer of Governing Body
Al: Presidente de la entidad gobernante

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidates are unopposed for election to office for the election scheduled to be held on May 1, 2021.

(Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidatos son condidatos únicos para elección para un cargo en la elección que se llevará a cabo el 1 de mayo de 2021.)

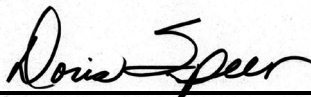
List offices and names of candidates:
(Lista de cargos y nombres de los candidatos:)

Offices (Cargos)

Council Position 2 (Concejal Posición 2)
Council Position 4 (Concejal Posición 4)

Candidates (Candidatos)

Mark A. Stoll
Derek S. Townsend, Sr.



Signature (Firma)

Doris Speer

Printed Name (Nombre en letra de molde)

City Secretary

Title (Puesto)

March 1, 2021

Date of Signing (Fecha de firma)

(seal) (sello)

City Council Meeting Agenda Item Data Sheet

Meeting Date: February 15, 2021

Topic:

Executive Session: The City Council will meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

Sec. 551. 074 – Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee

Background:

Origination: Robert Hauck, City Manager

Recommendation:

Party(ies) responsible for placing this item on agenda: Robert Hauck, City Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: # _____

If no, funds will be transferred from account # _____ To account # _____

| | | | | |
|--------|--------------------|------------------|-------------|--------------|
| Signed | <u>Doris Speer</u> | <u>2-10-2021</u> | Approved by | _____ |
| | Staff Member | Date | | City Manager |
| | | | | Date |