

Bastrop, TX City Council Meeting Agenda
Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8800



November 28, 2017 at 6:30 P.M.

City of Bastrop City Council meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

As authorized by Section 551.071 of the Texas Government Code, this meeting may be convened into closed Executive Session for the purposes of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting.

The City of Bastrop reserves the right to reconvene, recess, or realign the Regular Session or called Executive Session or order of business at any time prior to adjournment.

1. CALL TO ORDER

- 2. PLEDGE OF ALLEGIANCE** - Nelle Salinas and Kayden Winston from Bluebonnet Elementary.

TEXAS PLEDGE OF ALLEGIANCE

Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

- 3. INVOCATION** - Pastor Mike Vega, Faith Impact Fellowship

4. PRESENTATIONS

- 4A. Present the Lost Pines Art Center's 2017 Texas Downtown Association's Presidents Award- Best New Construction.
- 4B. Mayor's Report
- 4C. Councilmember's Report
- 4D. City Manager's Report
- 4E. Receive APA-Texas Planning Excellence certificate from Chance Sparks, Texas Chapter President-elect

- 4F. Presentation on the 1st Annual Boards & Commission Banquet.
- 4G. Incoming Associate Judge Blas Coy
- Swearing Oath of Office, The Honorable Chris Duggan, State District Judge, District 423
 - Signature of official documents, Ann Franklin, City Secretary
 - Welcome by Council
 - Comments by Judge Blas Coy

5. WORK SESSION/BRIEFINGS

- 5A. Discuss proposed changes to the sale of alcoholic beverages ordinance.

6. STAFF AND BOARD REPORTS

- 6A. Receive report from Bastrop Economic Development Corporation.
- 6B. Receive report on the 2017 Veteran's Day Car Show.
- 6C. Receive presentation on the unaudited Comprehensive Monthly Financial Report for the period ending October 31, 2017.

7. CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. To address the Council, please submit a fully completed request card to the City Secretary prior to the beginning of the Citizens' Comment portion of the Council meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Staff for research and possible future action.

To address the Council concerning any item on the agenda, please submit a fully completed request card to the City Secretary prior to the consideration of that item.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.

8. CONSENT AGENDA

The following may be acted upon in one motion. A Councilmember or a citizen may request items be removed from the Consent Agenda for individual consideration.

- 8A. Consider action to approve minutes from the November 14, 2017 meeting.
- 8B. Consider action to approve second reading of Ordinance 2017-94 amending the budget for the Fiscal Year 2017 in accordance with existing statutory requirements; appropriating

the various amounts herein; repealing all prior ordinances and actions in conflict herewith; and providing for an effective date.

- 8C. Consider approval of Resolution R-2017-100 of the City Council of the City of Bastrop, Texas cancelling the December 26, 2017 Council Meeting; establishing a repealing clause; and providing an effective date.
- 8D. Consider action to approve Resolution R-2017-101 of the City of Bastrop, Texas ("City") suspending the effective date for ninety days in connection with the rate increase filing made on about on November 16, 2017 by Centerpoint Energy Resources Corporation, d/b/a, Centerpoint Energy Entex and Centerpoint Energy Texas Gas, for its South Texas division; finding that the meeting complies with the open meetings act; making other findings and provisions related to the subject; and declaring an effective date.

9. ITEMS FOR INDIVIDUAL CONSIDERATION

- 9A. Consider action to approve the first reading of Resolution No. R-2017-96 of the City Council of the City of Bastrop, Texas, approving the terms of an economic development performance agreement between the Bastrop Economic Development Corporation and Seton Family of Hospitals; approving the terms of an agreement for construction of stormwater drainage improvements with Seton Family of Hospitals and 71 Retail Partners, LP, in an amount exceeding ten thousand dollars (\$10,000); repealing all resolutions in conflict; providing severability, and establishing an effective date; and move to include on the December 12, 2017 City Council agenda for second reading.
- 9B. Consider action to approve the first reading of Resolution No. R-2017-97 of the City Council of the City of Bastrop, Texas, approving the expenditure of Bastrop Economic Development funds for the extension of the public road known as Agnes Street as an infrastructure improvement project in an amount exceeding ten thousand dollars (\$10,000); repealing all resolutions in conflict; and establishing an effective date; and move to include on the December 12, 2017 City Council agenda for second reading.
- 9C. Consider action to approve Visit Bastrop's 2018 Business Plan and FY17-18 Budget, and receive monthly President's report.
- 9D. Hold public hearing and consider action to approve Resolution R-2017-99 of the City Council of the City of Bastrop, Texas supporting the granting of tax credits to The Preserve at Hunters Crossing, L.P. for the construction of apartments to rent to low income individuals and families; establishing a repealing clause; and providing an effective date.
- 9E. Consider action to approve Resolution No. R-2017-95 regarding the Bastrop CAD election voting for the 2018-2019 Board of Directors; establishing a repealing clause; and providing an effective date.

10. EXECUTIVE SESSION – N/A

11. TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

12. ADJOURNMENT

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place of convenient and readily accessible to the general public, as well as to the City's website, www.cityofbastrop.org and said Notice was posted on the following date and time: Wednesday, November 22, 2017 at 5:00 p.m. and remained posted for at least two hours after said meeting was convened.



Lynda K. Humble, City Manager





STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 4A

TITLE:

Present the Lost Pines Art Center's 2017 Texas Downtown Association's Presidents Award- Best New Construction.

STAFF REPRESENTATIVE:

Sarah E. O'Brien, Hospitality & Downtown Director

BACKGROUND/HISTORY:

Finalists for the 2017 Texas Downtown Association (TDA) President's Awards Program were selected on September 14, 2017 in Austin. The awards program recognizes outstanding projects, places, and people of Texas downtowns and is sponsored by the TDA. TDA was established in 1985 to connect and serve communities that are committed to downtown vitality. The membership organization is an independent, statewide nonprofit that represents cities and towns of all sizes, economic development corporations, chambers of commerce, local organizations, small businesses, and individuals.

One hundred and fifteen entries were submitted in twelve different categories from communities across the state. Judges reviewed entries online and then met in person to make their final selection of award finalists and winners. The panel included: Kent Collins, Centro Development; P.A. Geddie, County Line Magazine; Lois Rodriguez, Texas Highways; and Evan Thompson, Preservation Texas.

Winners were announced on November 8th at the President's Awards Gala held in conjunction with the 2017 Texas Downtown Conference in McKinney. The Lost Pines Art Center was the sole finalist and winner in the Best New Construction Category, population under \$50,000. Shawn Kirkpatrick and Sarah O'Brien received the award on the behalf of the Lost Pines Art Center in McKinney.

Texas Downtown Association Executive Director Catherine Sak will be in attendance to present the award to Art Center representatives.

ATTACHMENTS:

- Photo from Awards Gala in McKinney



TXDA



ent's Awards Gala
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Christi Downtown
agement District



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 4B

TITLE:

Mayor's Report

STAFF REPRESENTATIVE:

Lynda Humble, City Manager

ACTIVITIES OF MAYOR SCHROEDER SINCE THE LAST COUNCIL MEETING

- November 15 – Ribbon Cutting at Exacta Booking and Tax Services
- November 16 and 17 – TML Economic Development Conference
- November 16 – Ribbon Cutting; Sames Bastrop Ford
- November 20
 - Ribbon Cutting Brown Hearing Centers
 - BEDC Monthly Meeting
- November 21 - Ribbon Cutting for Visit Bastrop

Report submitted on November 21, the meetings/events planned between now and Council are:

- November 23 – Happy Thanksgiving!
- November 25 – Wassail Fest
- November 28 – City Council Meeting

Upcoming Events:

- November 29
 - Women Elected Officials Luncheon
 - Free Range Chicken Meeting
- November 30 – Ribbon Cutting; Twisted Kuntry Truck & Trailer Repair
- December 1 – First Friday Art Walk
- December 2 – Snow Day at Fisherman's Park
- December 3 – Doyle Dykes at Bastrop Christian Outreach Center
- December 4-7 – Emergency Management Training
- December 6
 - Joint Work Session Council and BAIPP
 - Joint Work Session Council and Main Street
- December 7 – Farm Street Opry
- December 8
 - TEDC Sales Tax Workshop
 - Rendezvous Ball
- December 9
 - Historic Home Tour
 - Lighted Christmas Parade
- December 11 – Robotics Competition (EDC sponsored)
- December 12 – City Council Meeting



STAFF REPORT

MEETING DATE: November 28, 2017

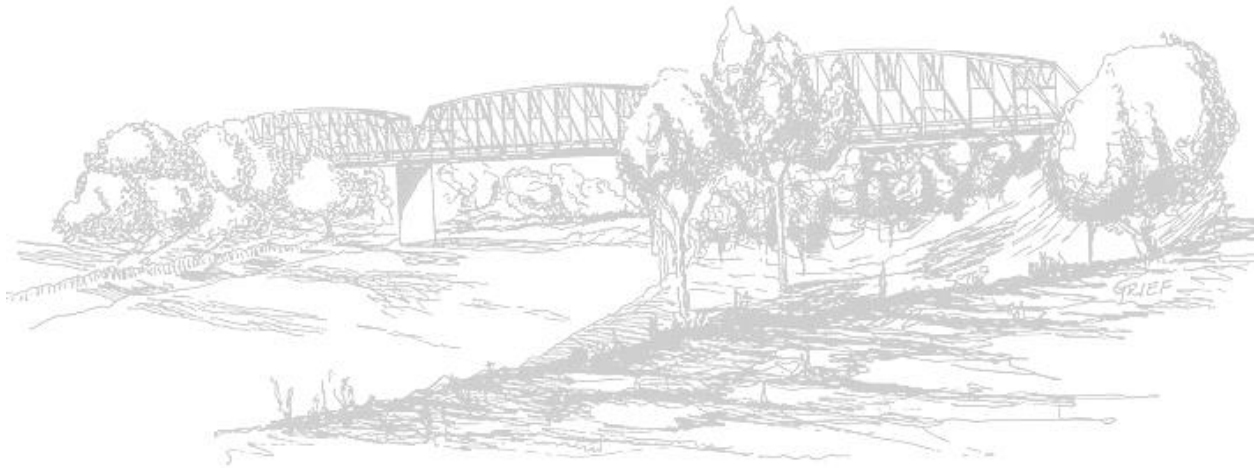
AGENDA ITEM: 4C

TITLE:

Councilmembers' Report

STAFF REPRESENTATIVE:

Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 4D

TITLE:

City Manager's Report

STAFF REPRESENTATIVE:

Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: November 28, 2017

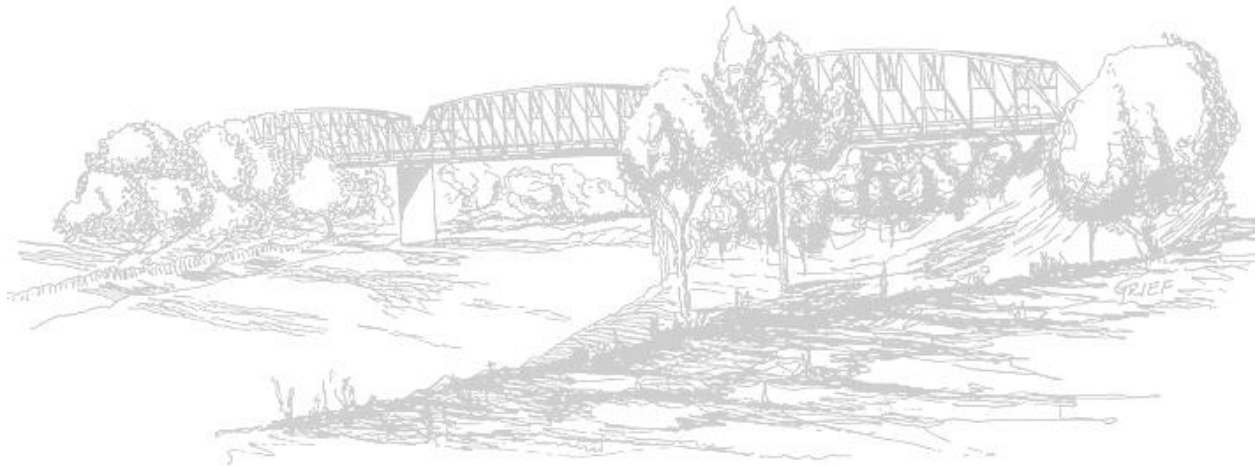
AGENDA ITEM: 4E

TITLE:

Receive APA-Texas Planning Excellence certificate from Chance Sparks, Texas Chapter President-elect.

STAFF REPRESENTATIVE:

David Gattis, Interim Planning & Zoning Director





STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 4F

TITLE:

Presentation on the 1st Annual Boards & Commission Banquet.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager





STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 4G

TITLE:

Incoming Associate Judge Blas Coy

- Swearing Oath of Office, The Honorable Chris Duggan, State District Judge, District 423
- Signature of Official Documents
- Welcome by Council
- Comments by Associate Judge Blas Coy

STAFF REPRESENTATIVE:

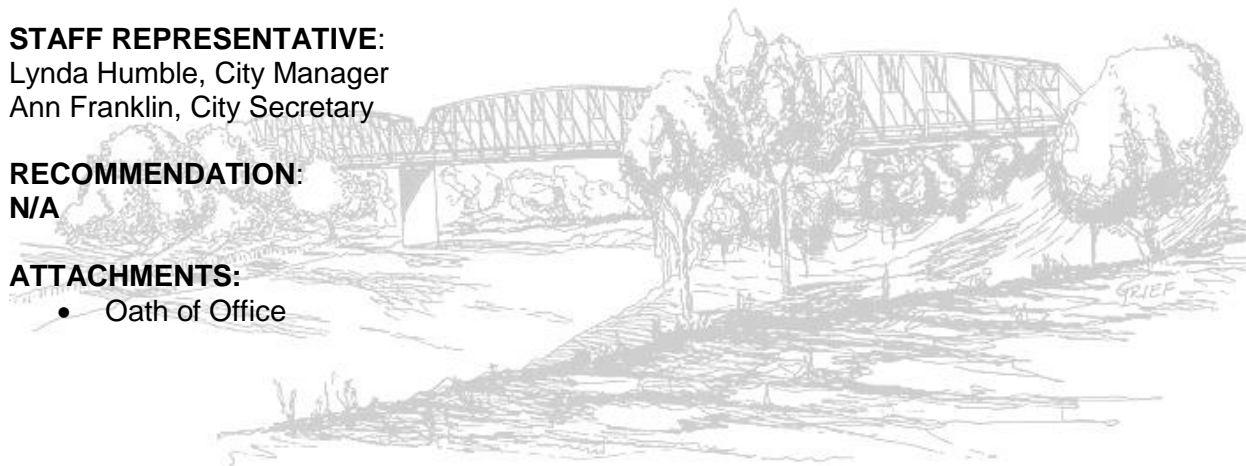
Lynda Humble, City Manager
Ann Franklin, City Secretary

RECOMMENDATION:

N/A

ATTACHMENTS:

- Oath of Office



City of Bastrop

OATH OF OFFICE

I, **Blas Coy**, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of **Associate Judge**, of the City of Bastrop, Texas, and will to the best of my ability preserve, protect, and defend the Constitution, laws and ordinances of the United States, of this State, and of this City, so help me God.

SWORN TO and Subscribed before me by on this 10th day of October, 2017.

Signature of Person Administering Oath

(Seal)

Printed Name

Notary Public, State of Texas



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 5A

TITLE:

Discuss proposed changes to the sale of alcoholic beverages ordinance.

STAFF REPRESENTATIVE:

Dave Gattis, Interim Planning Director
Alison Land, Planner and GIP Coordinator
Ann Franklin, City Secretary

BACKGROUND/HISTORY:

1. Implementation of Laws of the 85th Legislation, Regular Session impacting the Alcoholic Beverage Code.
 - House Bill 2101 made changes that increased the threshold to qualify for a food and beverage certificate from no more than 50% of gross receipts attributed to alcohol to no more than 60%. This change in law required an amendment to the City of Bastrop's Code.
2. The Code allows for a variance request from City Council. Amendments are being proposed for clarification regarding the process.

POLICY EXPLANATION:

The amendments will provide clear direction on required time frame and the responsible department for certain processes.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Discuss proposed changes to the sale of alcoholic beverages ordinance.

ATTACHMENTS:

- Ordinance

CITY OF BASTROP, TX
ORDINANCE NO. 2017-28

SALE OF ALCOHOLIC BEVERAGES

AN ORDINANCE OF THE CITY OF BASTROP, TEXAS AMENDING THE CODE OF ORDINANCES, RELATED TO CHAPTER 4, TITLED “BUSINESS REGULATIONS”, ARTICLE 4.02, TITLED “SALE OF ALCOHOLIC BEVERAGES” AND PROVIDING FOR FINDINGS OF FACT, REPEALER, SEVERABILITY, CODIFICATION, EFFECTIVE DATE, PROPER NOTICE AND MEETING.

WHEREAS, the City Council has developed and approved written policies and procedures that provide for and allow for the sale and consumption of alcoholic beverages in various locations in the City of Bastrop; and

WHEREAS, the City Council has developed and approved written policies and procedures that provide for and allow for the sale and consumption of alcoholic beverages in various locations in the City of Bastrop; and

WHEREAS, the City is authorized by Tex. Loc. Gov’t Code § 51.001 to adopt, appeal or amend any ordinance that is for the good government, peace, or order of the municipality, and for the trade and commerce of the municipality, and is necessary or proper for carrying out a power granted by law to the municipality; and

WHEREAS, the City has the full power of local self-government as recognized by Tex. Loc. Gov’t Code § 51.072; and

WHEREAS, the City has the ability to enact certain rules regarding alcoholic beverages in accordance with Tex. Alc. Bev. Code Chapter 109; and

WHEREAS, the City Council finds the attached amendments reasonable and necessary.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bastrop, TX:

1.

2. FINDINGS OF FACT

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

3. AMENDMENT

Chapter 4, Article 4.02 of the City of Bastrop Code of Ordinances is hereby amended, and after such amendment, shall read in accordance with *Attachment “A”*, which is attached hereto and

incorporated into this Ordinance for all intents and purposes. Any underlined text shall be inserted into the Code and any struck-through text shall be deleted from the Code, as stated on *Attachment A*.

4. REPEALER

To the extent reasonably possible, ordinances are to be read together in harmony. However, all ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated, herein.

5. SEVERABILITY

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

6. 7. CODIFICATION

The City Secretary is hereby directed to record and publish the attached rules, regulations and policies in the City's Code of Ordinances as authorized by Section 52.001 of the Texas Local Government Code.

8. EFFECTIVE DATE

This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, Code of Ordinances, and the laws of the State of Texas.

9. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

READ & ACKNOWLEDGED on First Reading on the 28th day of November 2017.

READ & APPROVED on the Second Reading on the 12th day of December 2017.

APPROVED:

by: _____
Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

Bastrop Code of Ordinances

Chapter 4: Business Regulations

Article 4.02: Sale of Alcoholic Beverages

Section 1: The Code of Ordinances of the City of Bastrop, Texas, is hereby amended by amending Chapter 4 titled "Business Regulations", to read follows:

CHAPTER 4 – BUSINESS REGULATIONS

ARTICLE 4.02 - SALE OF ALCOHOLIC BEVERAGES

Sec. 4.02.001 - Definitions.

The definitions contained in the Texas Alcoholic Beverage Code shall apply to the provisions of this article.

Sec. 4.02.002 - Construction consistent with state law.

This chapter shall be construed in accordance with the Texas Alcoholic Beverage Code, as may be amended, and rules and regulations promulgated under its authority.

Sec. 4.02.002 4.02.003 - Processing of applications for state licenses or permits.

- (a) Any person applying for a permit or license issued by the authority of the Texas Alcoholic Beverage Code, or a renewal of such permit or license, or to change location of the place of business designated in such permit or license, shall present in person to the City Secretary the appropriate application forms prescribed by the alcoholic beverage commission and shall file one copy thereof with the City Secretary;
~~Such applicant shall file an application for a package store permit, a wine and beer retailer's permit and a retail dealer's on-premises license shall also provide, on a form to be furnished by the city, information necessary to show compliance by the applicant with the provisions of this article. Such information shall include, but not limited to, the name, age, height, weight, race and all other city permits or licenses held by the applicant.~~
- (b) The City Secretary ~~shall direct the applicant to deliver the filed application to the state alcoholic beverage commission, which shall cause an investigation to be made as to the applicant's moral character and also as to the applicant's police or criminal record, if any. The applicant may be required and directed to submit a classifiable set of his fingerprints if the Chief of Police deems such to be necessary to accomplish said investigation. On completing this investigation, the Chief of Police shall forward the application and information form, together with his report of the applicant's personal record, to the building official~~ Planning Department, which shall:

- (1) determine the use zoning district in which the proposed business is to be located, determine road frontage as applicable, and determine the location of the nearest church, public or private school, and public hospital;
- ~~(2) and the building official shall indicate such facts and any other pertinent information by appropriate notation in the applicant's file;~~
- ~~(3) (2) The building official shall immediately promptly~~ advise the City Secretary, in writing, of the use zoning district in which the place of business is located and the location of the nearest church, public or private school and public hospital. ~~The building official shall forward the file on all applications, except applications for a brewer's permit, distiller's permit, class A winery permit, rectifier's permit, wine and beer retailer's permit, manufacturer's license, retail dealer's on-premises license and retail dealer's off-premises license, directly to the fire marshal, and on such excepted applications the building official shall transmit the file to the city health officer.~~

Sec. ~~4.02.003~~ 4.02.004 - **Compliance with zoning regulations.**

No person shall sell, store or otherwise handle for the purpose of sale, or engage in the business of selling, storing or otherwise handling, any alcoholic beverage in the city, unless the place of business of such person is located in a use district of the city, as established by the city and present or future zoning regulations of the city, in which the sale, storage or otherwise handling for the purpose of sale of such alcoholic beverage is permitted.

Sec. ~~4.02.004~~ 4.02.005 - **Distance of premises from church, school or hospital. Separation Requirements from Church, Public or Private School, or Public Hospital**

- (a) No person shall sell or engage in the business of selling any alcoholic beverage where the place of business of such person is located within three hundred (300) feet of any church, public or private school, or public hospital: ~~provided, however, that the City Council may provide variances to the three hundred foot limitation if the City Council determines that the enforcement of the regulation in a particular instance is not in the best interest of the public, constitutes waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a license or permit, does not serve its intended purpose, or is not effective or necessary, or for any other reason the Council, after consideration of the health, safety, and welfare of the public and the equities of the situation, determines is in the best interest of the community. For purposes of this section, the measurements of the distance between such businesses and the affected churches, schools, and hospitals shall be done in accordance with state law.~~
- (b) This section does not apply to:
 - (1) a holder of a license or permit who also holds a food and beverage certificate covering premises that are located within three hundred (300) feet of a private school, as the term "private school" is defined by the Texas Alcoholic Beverage Code;
 - (2) ~~Additionally, this section shall not apply to~~ any place of business that is legally selling alcoholic beverages at the same location for a continuous period of one year ~~next~~ preceding the establishment, construction or purchase of property for the

establishment or construction of a church, public or private school, or public hospital; or

- (3) ~~nor shall it apply to~~ businesses that were in operation at the time this section was originally enacted, until such a time as such businesses have a change in ownership.
- (c) For purposes of this section, the measurements of the distance between such businesses and the affected churches, schools, and hospitals shall be done in accordance with state law.
- (b) ~~Whether the grant of a variance from the rule prohibiting a person from selling or engaging in the business of selling any alcoholic beverage within three hundred (300) feet of any church, public or private school or hospital is in the best interest of the community shall be determined by the Council following a public hearing held by the Council to receive public input on the requested variance.~~
- (e) ~~Notice of the required public hearing, set forth in subsection (b) above, shall be provided to all property owners who are located adjacent to the site to which the variance would apply, if granted, including but not limited to notices to all churches, public or private schools, and hospitals in the area that may be potentially affected by the requested variance.~~
- (d) ~~Any variance awarded pursuant to this section shall be by resolution, approved by the City Council for such purpose.~~

Sec.4.02.006 Variance to Separation Requirements

- (a) Pursuant to the State of Texas Alcoholic Beverage Code, City Council of the City of Bastrop has the authority to allow variances to the separation requirement regulations.
- (b) The council may provide variances if, after notice and a public hearing, the council determines that enforcement of the regulation in a particular instance:
- (1) is not in the best interest of the public;
 - (2) constitutes waste or inefficient use of land or other resources;
 - (3) creates an undue hardship on an applicant;
 - (4) does not serve its intended purpose;
 - (5) is not effective or necessary; or
 - (6) for any other reason the council, after consideration of the health, safety, and welfare of the public and the equities of the situation, determines is in the best interest of the community.
- (c) The council may consider the written consent to a variance under this section from each church, public or private school, public hospital within 300 feet from the applicant's proposed place of business filed by the applicant with the Planning Department to be a sufficient justification for a variance.

§ 4.02.007 – Variance to Separation Requirements Process

- (a) To obtain a variance under this section, an applicant must submit an application to the Planning Department, on a form approved by the director, requesting a variance to the separation requirements of 4.02.005, showing justification under section 4.02.006(b) of this section.
- (1) The Planning Department shall distribute notice of public hearing by:

- A. Publication in a newspaper of general circulation in the location in which the variance is requested;
- B. Mail not fewer than 15 days before the date of the council's public hearing to all property owners within 300 feet of the premise; and.
- C. Notify the police department.
- (2) Applicant must comply with the following:
 - A. post a sign that shall include the type of action pending and contact number and be at least one (1) square foot and visible from street;
 - B. verify placement of the signs in writing to the Planning Department;
 - C. respond to complaints regarding the signs to the department within 24 hours; and
 - D. a person may not remove a sign posted by the department under this section before the earliest date city council action may be taken on the application.
- (3) City Council shall hold a public hearing, after which a determination will be made to grant or deny the variance request.
- (4) Any variance granted pursuant to this section shall be by resolution, approved by City Council.
- (5) If the city council denies a variance with prejudice, the director of the Planning Department may not accept an application for the same or a substantially similar variance request earlier than 12 months after the date the previous variance request was denied. provided, however, that the City Council may provide variances to the three hundred foot limitation if the City Council determines that the enforcement of the regulation in a particular instance for a license or permit,

Sec. ~~4.02.005~~ **4.02.008**- **Permit and license fees; issuance of city permit.**

- (a) Unless state law exempts a permittee or licensee from payment of a fee established by this section, a permittee or licensee must pay the City an annual permit or license fee of one-half the amount of the state fee for each permit and license authorizing the sale of alcoholic beverages. There is hereby levied an annual permit fee and an annual license fee in the amount of one-half (1/2) the state fee for each permit or license issued, except as prohibited by Texas Alcoholic Beverage Code.
- (b) Such fee shall be paid in advance for one year to the City Secretary ~~within thirty (30) days from the date payment was due to be paid to the county tax assessor/collector or no later than the 30th day after the date said state permit or license fee is due.~~ alcoholic beverage commission for said state permit fee or state license fee.
- (c) The permit may be cancelled if the permittee has not paid a fee levied under this section. A permittee who sells an alcoholic beverage without first having paid a fee levied under this section commits a misdemeanor punishable by a fine of not less than \$10 nor more than \$200. Upon the payment of the applicable tax or fee prescribed to the city and exhibiting a permit duly issued by the state to the applicant, the City Secretary shall, in the name of the city, issue and deliver to such applicant a permit to engage in business in the city of the character described in and authorized by the permit or license from the state held by such applicant, and the permit so issued in the name of the city shall authorize the conduct of such business upon the premises described in the permit or license from the

~~state and shall remain in force only so long as such permit or license from the state remains in force.~~

- ~~(d) The City Secretary shall issue and deliver a receipt under this section to the permittee or licensee authorizing the sale of alcoholic beverages under this chapter and a state permit or license, if the permittee or licensee:
 - ~~(1) pays the fees established by Subsection (a); and~~
 - ~~(2) exhibits the permit or license issued by the state.~~~~
- ~~(e) The permit issued in the name of the city shall authorize the conduct of such business upon the premises described in the permit or license from the state and shall remain in force only so long as such permit or license from the state remains in force.~~
- ~~(f) The following are exempt from the fee authorized in this section:
 - ~~(1) agent's, airline beverage, passenger train beverage industrial, carrier's, private carrier's, private club registration, local cartage, storage, and temporary wine and beer retailer's permits;~~
 - ~~(2) a wine and beer retailer's permit issued for a dining, buffet, or club car; and~~
 - ~~(3) a mixed beverage permit during the three-year period following the issuance of the permit.~~~~

Sec. ~~4.02.006~~ 4.02.009- Hours of sale and consumption.

- (a) No person shall sell or offer for sale any beer, wine, or mixed beverages during the following periods of time:
 - (1) On Sunday, at any time between the hours of 1:00 a.m. and 12:00 noon, unless it is between the hours of 10:00 a.m. and 12:00 noon and ~~or between the hours of 1:00 a.m. and 10:00 a.m. if~~ the alcoholic beverage is provided during the service of food to the customer.
 - (2) On any other day, at any time between the hours of 12:00 midnight and 7:00 a.m.
- (b) No person shall consume or hold for the purpose of consumption in ~~any public place~~ the Form Based Code, Downtown Mixed Use and Historic Main Street Character zones any alcoholic beverages during the following periods of time:
 - (1) On Sunday at any time between the hours of 1:15 a.m. and 12:00 noon.
 - (2) On any other day at any time between the hours of 12:15 a.m. and 7:00 a.m.
- (c) Any sale, consumption or possession of beer, mixed beverages or alcoholic beverages, as permitted by this section, shall be subject to all applicable laws and ordinances, and nothing in this section shall be construed as permitting or otherwise authorizing any act in contravention of any state or federal statute or any ordinance of the city.

Sec. ~~4.02.007~~ 4.02.010- Inspection of premises.

It shall be the duty of the building official, ~~Chief of Police, and~~ fire marshal ~~and health officer~~ to cause an inspection to be made periodically of all premises of permittees and licensees under this article.

Sec. ~~4.02.008~~ 4.02.011- Permitted locations.

- (a) Establishments for the sale and consumption of beer and/or wine may be located in the following areas and none other (except as noted in section 4.02.005):
- (1) Sale for consumption of beer and wine, on-premises, in food service establishments that derive ~~less than fifty (50)~~ **no more than sixty (60)** percent of their gross revenue from on-premises sale and consumption of alcoholic beverages may be located in areas within the municipal limits ~~with the following zoning designations as authorized by the Use Regulations in the Zoning Ordinance.:~~
 - ~~(A) The central business district;~~
 - ~~(B) The commercial tourism district;~~
 - ~~(C) The commercial-1 district (light);~~
 - ~~(D) The commercial-2 district (heavy).~~
 - (2) Notwithstanding the provisions noted above in subsection (1) of this section, sale for consumption of beer and wine, on-premises, is allowed in the following areas:
 - (A) Property fronting on State Highway 95 from the northern city limits line to the intersection of State Highway 71, which is zoned commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial.
 - (B) Property fronting on State Highway 71 and property fronting on parallel frontage roads to State Highway 71 from the western city limits line to the eastern city limits line, which is zoned commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial.
 - (C) Property fronting on Loop 150 from the western bank of the Colorado River to the intersection of Loop 150 and State Highway 71, which is zoned commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial.
 - (D) Property fronting on Loop 150 from the intersection of Water Street and Loop 150 east to the intersection of Loop 150 and State Highway 71, which is zoned commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial.
 - (E) Property fronting on State Highway 21 from the intersection of Loop 150 and State Highway 21 to the eastern city limits line, which is zoned commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial.
 - (F) ~~Property zoned central business district.~~ As authorized by the Schedule of Permitted Uses in the Downtown Bastrop Form-Based Code.
 - (3) Sale for consumption of beer and wine, off-premises. Any establishment within the city limits that is located in an area that is zoned:
 - (A) Commercial-1, commercial-2, ~~commercial tourist~~, industrial park or light industrial; and
 - (B) ~~Central business district so long as the beer and wine products sold in the central business district are "Texas-made" products and the display of such alcoholic products occupies less than 20% of the retail sales floor space of the establishment.—~~Downtown Bastrop Form-Based Code Downtown Mixed Use, Historic Main Street, Civic/Cultural Arts, Commercial Mixed Use, Live/Work, Neighborhood Tourism, and Neighborhood Services character zones as permitted in the Schedule of Permitted Uses so long as the beer and wine products sold are "Texas-made" products and the display

of such alcoholic products occupies less than 20% of the retail sales floor space of the establishment.

- (b) Pursuant to a special option election held on February 5, 2005, the sale of mixed beverages on-premises is permitted in any establishment that has acquired a valid food and beverage certificate from the state alcoholic beverage commission, or successor agency, and that is located within the city limits in an area appropriately zoned for restaurant use.
- (c) The sale and consumption of alcoholic beverages, whether beer, wine or mixed beverages, shall be allowed at the City of Bastrop's Convention Center and Exhibit Hall, when done in full compliance with the city's approved policies and procedures, and when in compliance with state permitting laws and regulations.

Sec. ~~4.02.009~~ 4.02.012- Authority to close places of sale during riot.

Whenever any riot or mob violence has occurred, or there is reasonable cause to apprehend an outbreak thereof within the city, or in the vicinity thereof, the mayor shall have and is hereby vested with the power to immediately issue a proclamation ordering the closing of all places within the city which sell or in any way deal in beer, until such time as, in his or her judgment, the public peace and safety no longer require such restrictions.



STAFF REPORT

MEETING DATE: November 28, 2017

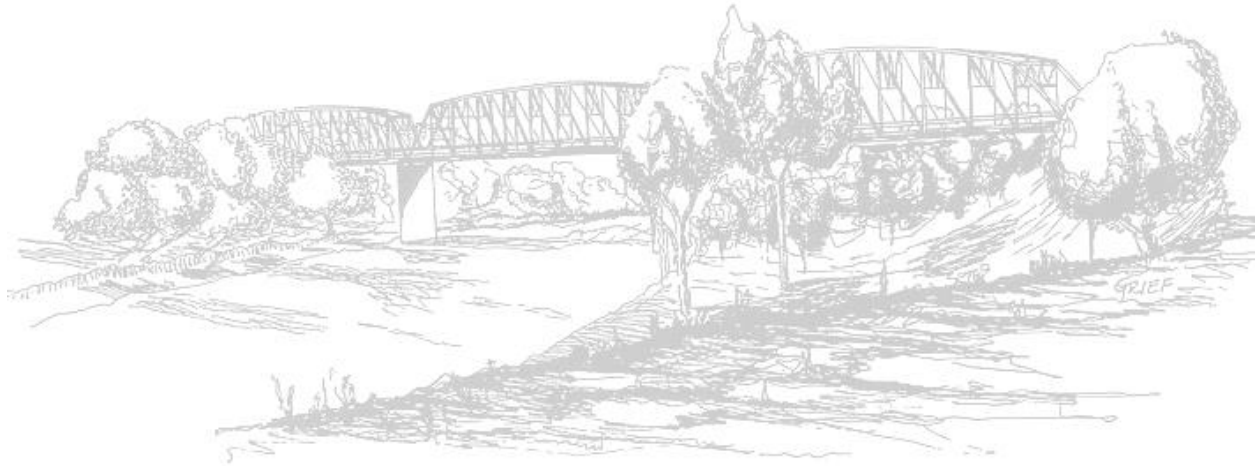
AGENDA ITEM: 6A

TITLE:

Receive report from Bastrop Economic Development Corporation.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Executive Director
Bastrop Economic Development Corporation





STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 6B

TITLE:

Receive report on the 2017 Veteran's Day Car Show.

STAFF REPRESENTATIVE:

Sarah E. O'Brien, Hospitality & Downtown Director

BACKGROUND/HISTORY:

The annual Bastrop Area Cruisers Veteran's Weekend Heroes & Hotrods Car Show was hosted on November 10th and 11th in downtown Bastrop - the largest event to date. The Veteran's Day Weekend Car Show presented by the Bastrop Area Cruisers is one of Bastrop's signature events. Over 425 cars were registered, up from 350 in 2016.

Visit Bastrop's fully operational marketing efforts were used to increase awareness of the event in the Houston and Austin Markets. The Heroes & Hotrods Car Show, known in the Main Street World, as a brand awareness event is designed to increase the Bastrop brand, attract leisure destination visitors, and increase the economic impact the event has on our local community. One should argue that the Heroes & Hotrods Car Show is the most special event held annually in Bastrop because of the community pride that it builds by honoring our Country's veterans. Stores, restaurants, hoteliers, and many other businesses see increased foot traffic and are provided opportunities to put their best foot forward for future repeat visitors from attendees.

In 2016 and 2017, the Bastrop Main Street Program and the City of Bastrop supported the event through special event support and promotional efforts. With Visit Bastrop on board, we hope that the 2018 event can be elevated even more to show off what Bastrop offers to the thousands of visitors that attend the event. Staff will continue to work closely with the Bastrop Area Cruisers to plan for growth, define the visitor's experience during the event, and support our guests needs through additional signage, seating, and dining options.

The City of Bastrop's Hospitality & Downtown Department, whose vision is that ALL our customers, residents, clients, and tourists, enjoy a unique 5-star, four diamond Bastrop experience, brimming with Texas hospitality is committed to continue to work with the Bastrop Area Cruisers, Visit Bastrop, and the City's special event staff to leverage this event for maximum impact for 2018 and beyond.

ATTACHMENTS:

N/A



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 6C

TITLE:

Receive presentation on the unaudited Comprehensive Monthly Financial Report for the period ending October 31, 2017.

STAFF REPRESENTATIVE:

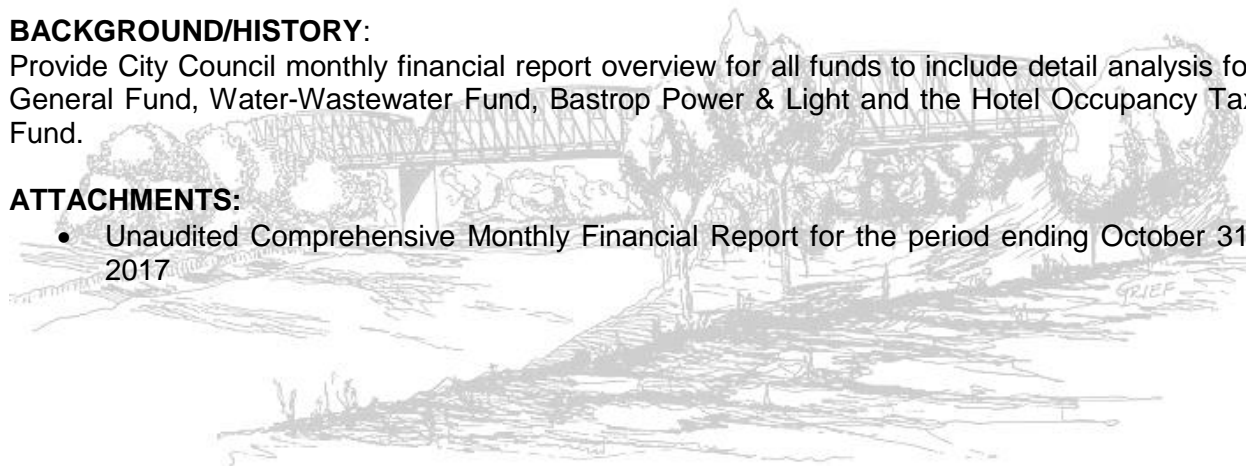
Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

Provide City Council monthly financial report overview for all funds to include detail analysis for General Fund, Water-Wastewater Fund, Bastrop Power & Light and the Hotel Occupancy Tax Fund.

ATTACHMENTS:

- Unaudited Comprehensive Monthly Financial Report for the period ending October 31, 2017



CITY OF BASTROP

Comprehensive Monthly Financial Report
October 2017



Performance at a Glance



	YEAR TO DATE	REFERENCE
ALL FUNDS SUMMARY	POSITIVE	Page 4
GENERAL FUND REV VS EXP	POSITIVE	Page 5
PROPERTY TAXES	POSITIVE	Page 5
SALES TAXES	POSITIVE	Page 6
WATER/WASTEWATER FUND REV VS EXP	POSITIVE	Page 7
WATER/WASTEWATER REVENUES	POSITIVE	Page 7
ELECTRIC FUND REV VS EXP	POSITIVE	Page 8
ELECTRIC REVENUES	WARNING	Page 8
HTOEL OCCUPANCY TAX FUND REV VS EXP	POSITIVE	Page 9
HOTEL OCCUPANCY TAX REVENUES	NEGATIVE	Page 9

PERFORMANCE INDICATORS

POSITIVE






= Positive variance or negative variance < 1% compared to seasonal trends

WARNING

= Negative variance of 1-5% compared to seasonal trends

NEGATIVE

= Negative variance of >5% compared to seasonal trends

ECONOMIC INDICATORS	OCTOBER 31, 2017 – NEWS FOR YOU
ECONOMY	<p>Attached is the Comprehensive Monthly Financial report for October 2017. This is just one month of FY2018, or 8.3% of the fiscal year is complete.</p> <p>Revenues: Overall, the City has earned <u>\$2,151,655</u>. This amount is <u>6.3%</u> of the approved budget of <u>\$33,973,741</u> and is <u>2.8%</u> less than forecast through the month of October.</p> <p>Expense: Overall, the City has spent 21.7% less than forecasted.</p>
<p>National:  Real gross domestic product (GDP) increase at an annual rate of 3% in the 3rd quarter of 2017. The personal income increased by .4% in September 2017 same with disposable personal income. The personal consumption expenditures increased .4 %. All of these reported by the Bureau of Economic Analysis.</p> <p>State Retail Sales:  State wide retail sales as of 1Q2017 is down 1.2% from 1Q2016.</p> <p>Texas Retail Sales:  This index is a single summary statistic that sheds light on the future of the state’s economy. The index is a composition of eight leading indicators. The index is at 126.83 which is up 3.49% from one year ago.</p>	Noteworthy
UNEMPLOYMENT	<p>The General Funds projected available fund balance is approximately 35% of operating expenditures. This allowed for the transfer of \$487,500 to the Innovation fund to support special projects budgeted in FY2018. This leaves a 29% fund balance.</p>
<p>State-wide:  The state unemployment dropped from 4.2% in Aug. to 4.0% in Sept. 2017.</p> <p>Bastrop:  Bastrop County has an unemployment rate of 3.3% in Sept. 2017. This is a net change of -.5 since same time last year.</p>	

BUDGET SUMMARY OF ALL FUNDS

	FY2018 <u>Budget</u>	FY2018 <u>Forecast</u>	FY2018 <u>YTD</u>	<u>Variance</u>
<u>Revenues:</u>				
General	\$ 10,712,030	\$ 523,579	\$ 561,727	7.3%
Designated	47,450	2,038	1,568	-23.1%
Innovation	256,500	21,375	21,375	0.0%
Debt Service	2,565,113	2,792	3,751	34.3%
Water/Wastewater	5,121,640	409,891	419,499	2.3%
Water/Wastewater Debt	2,007,586	167,299	142,861	-14.6%
Impact Fees	896,439	74,703	36,642	-50.9%
Vehicle & Equipment Replacement	561,371	46,781	45,828	-2.0%
Electric	7,323,696	585,682	575,828	-1.7%
Hotel/Motel Tax	2,882,000	280,140	250,340	-10.6%
Hospitality & Downtown	1,034,788	82,992	80,288	-3.3%
Art in Public Places	75,041	6,253	6,328	1.2%
Library Board	20,150	1,679	608	-63.8%
Cemetery	90,700	7,558	4,573	-39.5%
Hunter's Crossing PID	379,237	450	439	-2.4%
TOTAL REVENUES	\$ 33,973,741	\$ 2,213,212	\$ 2,151,655	-2.8%
<u>Expense:</u>				
General	\$ 10,712,030	\$ 834,894	\$ 589,749	-29.4%
Designated	612,000	7,500	7,362	-1.8%
Innovation	664,500	23,042	23,042	0.0%
Debt Service	2,354,274	-	-	0.0%
Water/Wastewater	6,679,564	414,922	345,905	-16.6%
Water/Wastewater Debt	1,440,212	-	-	0.0%
Impact Fees	730,021	22,625	-	-100.0%
Vehicle & Equipment Replacement	82,000	-	-	0.0%
Electric	7,908,734	649,164	575,543	-11.3%
Hotel/Motel Tax	3,369,730	528,294	416,596	-21.1%
Hospitality & Downtown	1,027,522	70,735	46,918	-33.7%
Art in Public Places	94,050	4,125	-	-100.0%
Library Board	22,386	1,866	2,110	13.1%
Cemetery	131,177	16,598	13,543	-18.4%
Hunter's Crossing PID	415,750	7,688	1,331	-82.7%
TOTAL EXPENSES	\$ 36,243,950	\$ 2,581,453	\$ 2,022,099	-21.7%
Surplus/(Shortfall)	\$ (2,270,209)	\$ (368,241)	\$ 129,556	-135.2%

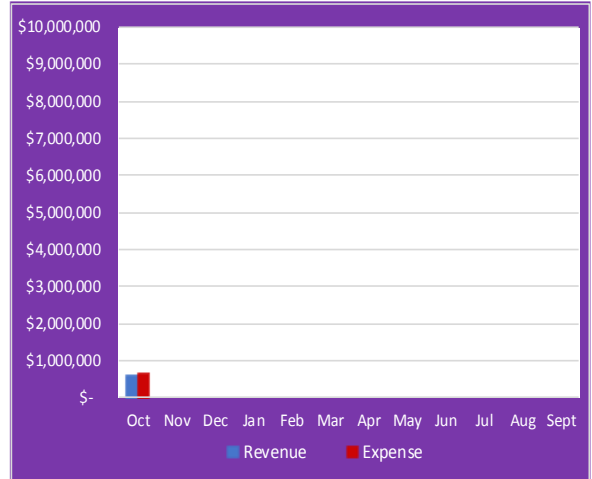
POSITIVE	= Positive variance or negative variance < 1% compared to forecast
WARNING	= Negative variance of 1-5% compared to forecast
NEGATIVE	= Negative variance of >5% compared to forecast

COMPREHENSIVE MONTHLY FINANCIAL REPORT – Oct 2017

OVERALL FUND PERFORMANCE

GENERAL FUND REVENUES VS EXPENSES

Month	FY2018 Revenue	FY2018 Expense	Monthly Variance
Oct	\$ 561,727	\$ 589,749	\$ (28,022)
Nov			\$ -
Dec			\$ -
Jan			\$ -
Feb			\$ -
Mar			\$ -
Apr			\$ -
May			\$ -
Jun			\$ -
Jul			\$ -
Aug			\$ -
Sept			\$ -
Total	\$ 561,727	\$ 589,749	\$ (28,022)
Cumulative Forecast	\$ 523,579	\$ 834,894	\$ (311,315)
Actual to Forecast \$	\$ 38,148	\$ 245,145	\$ 283,293
Actual to Forecast %	7.29%	29.36%	



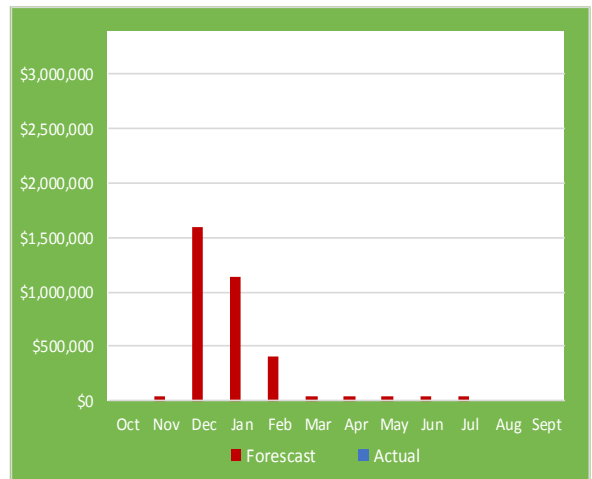
POSITIVE

Cumulatively overall, the General Fund is better than forecasted for this time of year. Revenues are 7% higher than forecasted and expenses are 29% lower than expected. This would be due to vacancies and forecasting assumptions.

REVENUE ANALYSIS

PROPERTY TAX REVENUE

Month	FY2018 Forecast	FY2018 Actual	Monthly Variance
Oct	\$ -	\$ -	\$ -
Nov	33,336		\$ -
Dec	1,600,131		\$ -
Jan	1,133,426		\$ -
Feb	400,033		\$ -
Mar	33,336		\$ -
Apr	33,336		\$ -
May	33,336		\$ -
Jun	33,336		\$ -
Jul	33,336		\$ -
Aug	-		\$ -
Sept	-		\$ -
Total	\$ 3,333,606	\$ -	\$ -
Actual to Forecast %			0.00%



POSITIVE

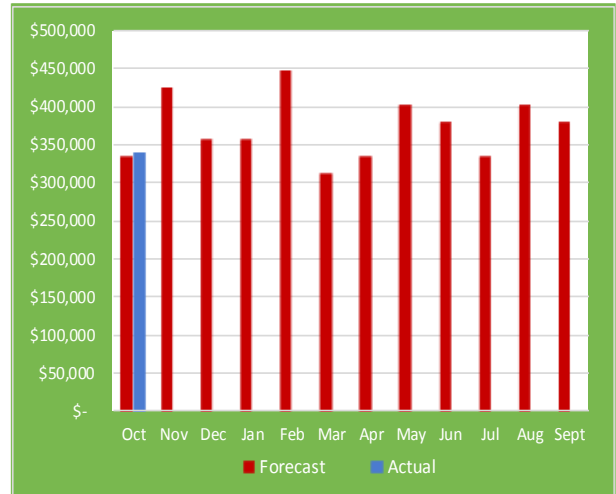
Property tax represents 31% of the total General Fund revenue budget. As you can see from the forecast, they are generally collected from December to February.

COMPREHENSIVE MONTHLY FINANCIAL REPORT – Oct 2017

REVENUE ANALYSIS

SALES TAX REVENUE

Month	FY2018 Forecast	FY2018 Actual	Monthly Variance
Oct	\$ 334,264	\$ 338,454	\$ 4,190
Nov	423,401		\$ -
Dec	356,548		\$ -
Jan	356,548		\$ -
Feb	445,685		\$ -
Mar	311,980		\$ -
Apr	334,264		\$ -
May	401,117		\$ -
Jun	378,832		\$ -
Jul	334,264		\$ -
Aug	401,117		\$ -
Sept	378,832		\$ -
Total	\$ 4,456,852	\$ 338,454	\$ 4,190



% of budget 7.59%

POSITIVE

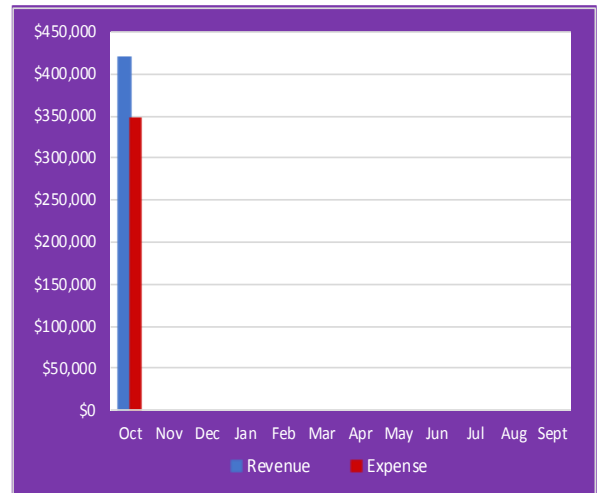
Sales Tax is 42% of the total budgeted revenue for General Fund. The Actual amounts for Oct. and Nov. are estimated due to the State Comptrollers' two month lag in payment of these earned taxes.

COMPREHENSIVE MONTHLY FINANCIAL REPORT – Oct 2017

OVERALL FUND PERFORMANCE

WATER/WASTEWATER FUND REVENUES VS EXPENSES

Month	FY2018 Revenue	FY2018 Expense	Monthly Variance
Oct	\$ 419,499	\$ 345,905	\$ 73,594
Nov			\$ -
Dec			\$ -
Jan			\$ -
Feb			\$ -
Mar			\$ -
Apr			\$ -
May			\$ -
Jun			\$ -
Jul			\$ -
Aug			\$ -
Sept			\$ -
Total	\$ 419,499	\$ 345,905	\$ 73,594
Cumulative Forecast	\$ 409,891	\$ 414,922	\$ (5,031)
Actual to Forecast \$	\$ 9,608	\$ 69,017	\$ 78,625
Actual to Forecast %	2.34%	16.63%	



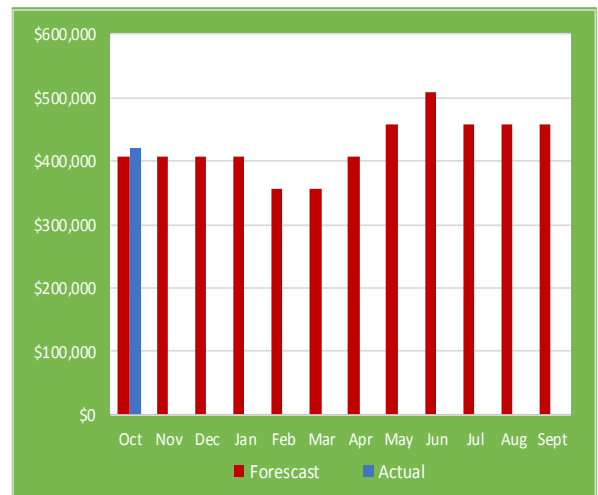
POSITIVE

Water and wastewater revenues are 2.3% higher than forecasted for this time of year. We are continuing to add homes in Pecan Park and commercial in our service area. The expense budget is 16% lower than forecasted due to forecasting assumptions.

REVENUE ANALYSIS

WATER/WASTEWATER REVENUE

Month	FY2018 Forecast	FY2018 Actual	Monthly Variance
Oct	\$ 405,891	\$ 419,499	\$ 13,608
Nov	405,891		\$ -
Dec	405,891		\$ -
Jan	405,891		\$ -
Feb	355,155		\$ -
Mar	355,155		\$ -
Apr	405,891		\$ -
May	456,628		\$ -
Jun	507,364		\$ -
Jul	456,628		\$ -
Aug	456,628		\$ -
Sept	456,628		\$ -
Total	\$ 5,073,641	\$ 419,499	\$ 13,608
% of Budget			8.27%



POSITIVE

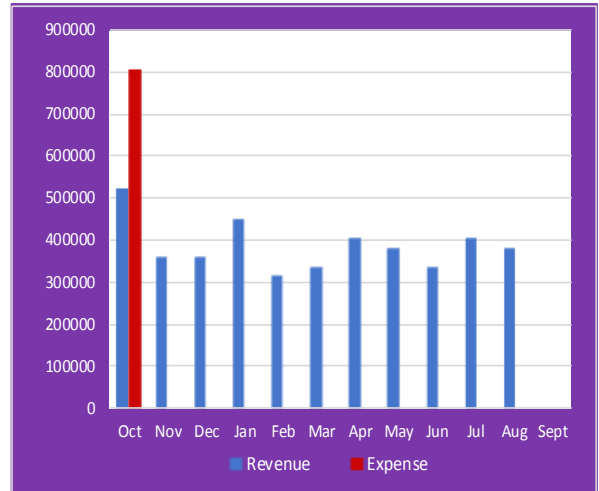
The water and wastewater revenue is on track to be slightly over budgeted revenue. The department set 6 new residential meters this month.

COMPREHENSIVE MONTHLY FINANCIAL REPORT – Oct 2017

OVERALL FUND PERFORMANCE

ELECTRIC FUND REVENUES VS EXPENSES

Month	FY2018 Revenue	FY2018 Expense	Monthly Variance
Oct	\$ 575,828	\$ 575,543	\$ 285
Nov			\$ -
Dec			\$ -
Jan			\$ -
Feb			\$ -
Mar			\$ -
Apr			\$ -
May			\$ -
Jun			\$ -
Jul			\$ -
Aug			\$ -
Sept			\$ -
Total	\$ 575,828	\$ 575,543	\$ 285
Cumulative Forecast	\$ 585,682	\$ 649,164	\$ (63,482)
Actual to Forecast \$	\$ (9,854)	\$ 73,621	\$ 63,767
Actual to Forecast %	-1.68%	11.34%	



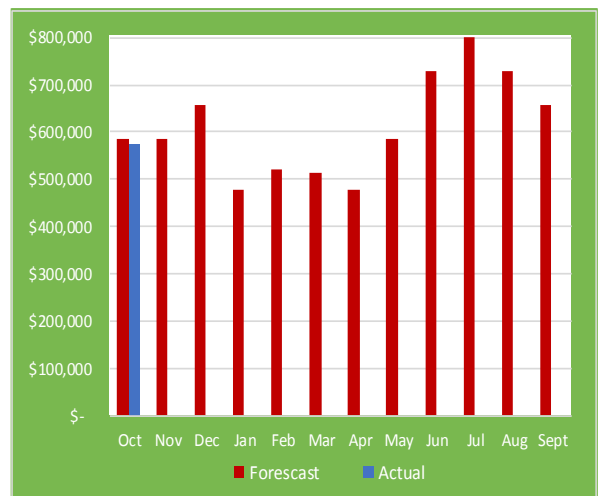
POSITIVE

The Electric utility fund had revenue this month that was 1.7% below forecast, however the actual expenditures were 11.3% under budgeted forecast. We will continue to fine tune the forecasting model.

REVENUE ANALYSIS

ELECTIC FUND REVENUE

Month	FY2018 Forecast	FY2018 Actual	Monthly Variance
Oct	\$ 585,682	\$ 575,828	\$ (9,854)
Nov	585,682		\$ -
Dec	657,559		\$ -
Jan	477,867		\$ -
Feb	521,805		\$ -
Mar	513,805		\$ -
Apr	477,867		\$ -
May	585,682		\$ -
Jun	729,436		\$ -
Jul	801,316		\$ -
Aug	729,436		\$ -
Sept	657,559		\$ -
Total	\$ 7,323,696	\$ 575,828	\$ (9,854)
% of budget			7.86%



WARNING

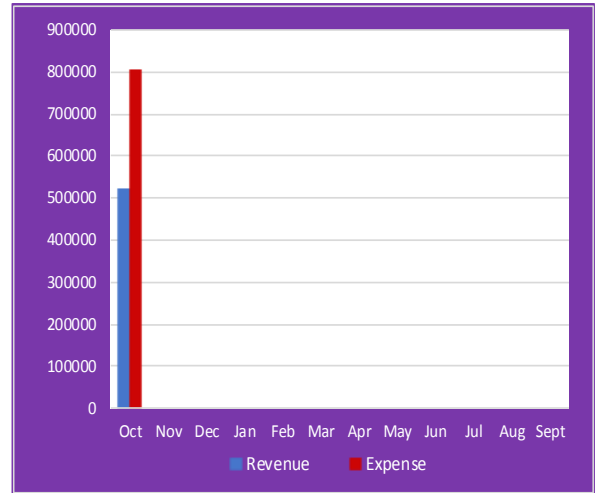
The Electric utility revenue is 1.7% below forecasted revenue. We project that this will be made up in hotter months but will continue to monitor.

COMPREHENSIVE MONTHLY FINANCIAL REPORT – Oct 2017

OVERALL FUND PERFORMANCE

HOTEL OCCUPANCY TAX FUND REVENUES VS EXPENSES

Month	FY2018 Revenue	FY2018 Expense	Monthly Variance
Oct	\$ 250,340	\$ 416,596	\$ (166,256)
Nov			\$ -
Dec			\$ -
Jan			\$ -
Feb			\$ -
Mar			\$ -
Apr			\$ -
May			\$ -
Jun			\$ -
Jul			\$ -
Aug			\$ -
Sept			\$ -
Total	\$ 250,340	\$ 416,596	\$ (166,256)
Cumulative Forecast	\$ 280,140	\$ 528,294	\$ (248,154)
Actual to Forecast \$	\$ (29,800)	\$ 111,698	\$ 81,898
Actual to Forecast %	-10.64%	26.81%	16.17%



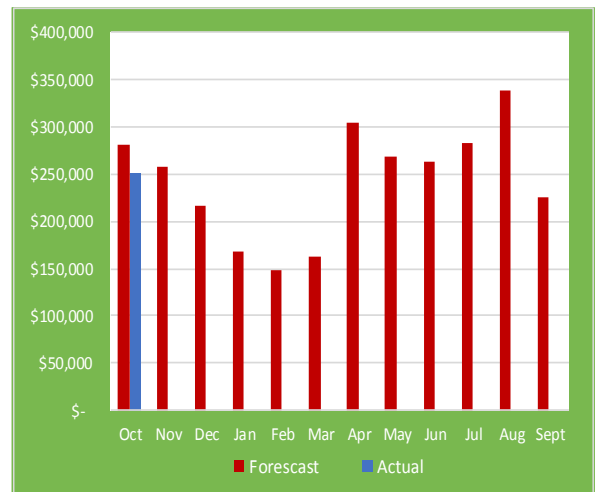
POSITIVE

The Hotel Occupancy Tax fund is overall in a positive position. The revenue is 10.6% lower than forecasted but the expenses are 26.8% lower than forecasted as well. The quarterly payment for Visit Bastrop was paid this month making the expenses higher than normal.

REVENUE ANALYSIS

HOTEL OCCUPANCY TAX REVENUE

Month	FY2018 Forecast	FY2018 Actual	Monthly Variance
Oct	\$ 280,140	\$ 250,340	\$ (29,800)
Nov	257,946		\$ -
Dec	216,127		\$ -
Jan	167,735		\$ -
Feb	147,780		\$ -
Mar	161,720		\$ -
Apr	304,688		\$ -
May	267,891		\$ -
Jun	263,789		\$ -
Jul	282,094		\$ -
Aug	338,853		\$ -
Sept	226,238		\$ -
Total	\$ 2,915,001	\$ 250,340	\$ (29,800)
% of Budget			8.59%



NEGATIVE

The Hotel Occupancy Tax revenue is an estimated amount for this month due to timing of the receipts. The hotels have until the end of the month following the month they are remitting.



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 7

TITLE:

CITIZEN COMMENTS

At this time, three (3) minute comments will be taken from the audience on any topic. To address the Council, please submit a fully completed request card to the City Secretary prior to the beginning of the Citizens' Comment portion of the Council meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, City Council cannot discuss issues raised or make any decision at this time. Instead, City Council is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry. Issues may be referred to City Staff for research and possible future action.

To address the Council concerning any item on the agenda, please submit a fully completed request card to the City Secretary prior to the consideration of that item.

It is not the intention of the City of Bastrop to provide a public forum for the embarrassment or demeaning of any individual or group. Neither is it the intention of the Council to allow a member of the public to slur the performance, honesty and/or integrity of the Council, as a body, or any member or members of the Council individually or collectively, or members of the City's staff. Accordingly, profane, insulting or threatening language directed toward the Council and/or any person in the Council's presence will not be tolerated.



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 8A

TITLE:

Consider action to approve minutes from the November 14, 2017, meeting.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager
Ann Franklin, City Secretary

BACKGROUND/HISTORY:

N/A

POLICY EXPLANATION:

Section 551.021 of the Government Code provides as follows:

- (a) A governmental body shall prepare and keep minutes or make a tape recording of each open meeting of the body.
- (b) The minutes must:
 1. State the subject of each deliberation; and
 2. Indicate the vote, order, decision, or other action taken.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Consider action to approve minutes from the November 14, 2017, meeting.

ATTACHMENTS:

- November 14, 2017, DRAFT Regular Council Meeting Minutes.

**MINUTES OF REGULAR COUNCIL MEETING
BASTROP CITY COUNCIL
November 14, 2017**

The Bastrop City Council met in a Regular Meeting on Tuesday, November 14, 2017 at 6:30 p.m. at the Bastrop City Hall Council Chambers, located at 1311 Chestnut Street, Bastrop, Texas. Members present were Mayor Schroeder and Mayor Pro Tem Schiff and Council Members Jones, Ennis, Nelson and Peterson. Officers present were City Manager Lynda Humble, City Secretary Ann Franklin and City Attorney Alan Bojorquez.

CALL TO ORDER

At 6:30 p.m. Mayor Schroeder called the meeting to order with a quorum being present.

PLEDGE OF ALLEGIANCE

Francesca Ramirez and Joselyn Enriquez, Drum Majors, Bastrop High School, led the Pledge of Allegiance.

INVOCATION

Pastor John Eason, Celebration Church, gave the invocation.

PRESENTATIONS

- 4A. Receive presentation from Bastrop Housing Authority on their 2017 Annual Report. **Presentation was made by Executive Director, Brandy Spencer.**
- 4B. Mayor's Report
A Minute With The Mayor – Residents near and around Farm Street (where the free range chickens reside) will be receiving a post card in the mail to notify them of the public forum to discuss the free-range chickens. The forum will be held on November 29, 2017. The public is invited to submit their comments via email or by writing a letter if unable to attend the forum. The information may be submitted by regular mail to the City Manager or dropped off at City Hall. This information will be made available to all of the Council members.

ACTIVITIES OF MAYOR SCHROEDER SINCE THE LAST COUNCIL MEETING:

- **October 26**
 - **CAC 25th Anniversary Celebration**
- **October 27**
 - **BEST Monthly Breakfast**
 - **Texas Lyceum meeting**
- **October 30**
 - **Ribbon Cutting at Fresenius Kidney Care East**
- **October 31**
 - **Trick or Treat Trail**
- **November 1**
 - **Dedication of Bastrop County ESD #2, Fire Station No. 4**
 - **November Chamber Luncheon**
 - **American Planning Association Conference in Frisco**
- **November 6**
 - **Girl Scout Troop toured City Hall**

- **November 9**
 - **First Annual Board and Commission Appreciation Banquet**
- **November 10**
 - **KVET Radio Show**
 - **A Whittled History of Bastrop County and Beyond**
 - **Cruise In Classic Car Show**
- **November 11**
 - **Veterans Ceremony and Car Show**
 - **Red, White and Blue Veterans Banquet**
- **November 13**
 - **Ribbon cutting Strategic Capital**
- **November 14**
 - **Colorado River Collegiate School**

UPCOMING EVENTS:

- **November 16 and 17**
 - **TML Economic Development Conference**
- **November 20**
 - **Ribbon Cutting Brown Hearing Centers**
- **November 21**
 - **Ribbon Cutting for Visit Bastrop**

4C. **Councilmembers' Report****Council Member Peterson**

- **There were 425 registered for the car show, even more cars showed up for the event.**
- **Thanked the Cruiser members for putting on the car show.**

Council Member Nelson

- **November 2**
 - **Attended the Parks Board meeting**
- **November 9**
 - **Attended the 1st Annual Boards & Commission Banquet – stated that it was very nice.**
- **November 11**
 - **Attended the car show and Veteran's Walk**
 - **Red White and Blue Banquet – stated that he had a wonderful time.**

Mayor Pro Tem Schiff

- **November 9**
 - **Attended the 1st Annual Boards & Commission Banquet – stated that he was impressed with the banquet and thanked the volunteers.**
- **November 11**
 - **Attended the car show – commented on the amount of cars and the quality.**
- **December 3**

- **Bastrop Christian Outreach Center is hosting Doyle Dykes in a Christmas Concert.**

Council Member Ennis

- **Discussed the hard work that has gone into maintaining the Children's Advocacy Center (CAC).**
- **November 9**
 - **Attended the 1st Annual Boards & Commission Banquet. Complemented staff on a wonderful job of putting it together.**
- **November 11**
 - **Attended Arbor Day planting of trees at Delgado Park. Kudos to the staff for putting a wonderful program together.**
 - **Attended the car show. Spent time talking with some of the car owners and they were very complimentary of Bastrop and the event.**

Council Member Jones

- **Attended the Pregnancy and Resource Center Banquet. This organization does a wonderful work, rescued 12 girls out of sex slavery, provide shelter for homeless families as well as being a resource for people to call when they are at the end of their rope and desperate.**
- **November 11**
 - **Very proud of the City for putting on the Red White and Blue Banquet to thank the veterans.**
 - **Attended the car show and made a point to go around and thank every veteran that had a hat on.**

4D. **City Manager's Report**

- **Tracy Waldron passed her final exam and is now a Certified Government Finance Officer.**
- **Sarah O'Brien was elected to the Texas Downtown Association Board of Directors.**

4E. **Incoming Associate Judge Blas Coy**

- Swearing Oath of Office, The Honorable Chris Duggan, State District Judge, District 423
- Signature of official documents, Ann Franklin, City Secretary
- Welcome by Council
- Comments by Judge Blas Coy

This item was withdrawn.

4F. **Incoming Associate Judge Charles Carver**

- Swearing Oath of Office, The Honorable Chris Duggan, State District Judge, District 423
- Signature of official documents, Ann Franklin, City Secretary
- Welcome by Council
- Comments by Judge Charles Carver

WORK SESSION/BRIEFINGS

- 5A. Receive Update on Convention Center Policies and Rates Streamlining Use for Non-Peak Hours.
Presentation was made by Convention Center Director, Kathy Danielson.
- 5B. Discuss proposed changes to the Subdivision Ordinance regarding platting process.
Presentation was made by Interim Planning Director, Dave Gattis.

STAFF AND BOARD REPORTS

- 6A. Hear an update on the status of the Boys & Girls Club property in Bob Bryant Park and seek direction regarding extension of original agreement dated November 29, 2005.
Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.
- Direction was given to staff to extend the agreement to the year 2025 by bringing an item to Council on the November 28th agenda for approval.**

CITIZEN COMMENTS - NONE**CONSENT AGENDA**

A motion was made by Council Member Peterson to approve Item 8A listed on the Consent Agenda after being read into the record by City Secretary Ann Franklin. Seconded by Council Member Nelson, motion was approved on a 5-0 vote.

- 8A. Consider action to approve minutes from the October 24, 2017, meeting.

ITEMS FOR INDIVIDUAL CONSIDERATION

- 9A. Consider action to approve Resolution No. R-2017-86 of the City Council of the City of Bastrop, Texas, awarding a contract for the mowing of various parks and City rights-of-way to WLE Company in the amount of One Hundred Fifty-Five Thousand Nine Hundred Twenty and 64/100 Dollars (\$155,920.64) as attached as Exhibit A; authorizing the City Manager to execute all necessary documents for the contract; providing for a repealing clause; and establishing an effective date.
Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.
- A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-86, seconded by Council Member Ennis, motion was approved on a 5-0 vote.**
- 9B. Consider action to approve Resolution No. R-2017-87 of the City Council of the City of Bastrop, Texas approving a Contract with the Lower Colorado River Authority to perform a Five-Year Engineering System Study at a cost of One Hundred Ten Thousand Dollars (\$110,000.00) as attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.
Presentation was made by Bastrop Power and Light Director, Curtis Ervin.

A motion was made by Council Member Jones to approve Resolution No. R-2017-87, seconded by Council Member Peterson, motion was approved on a 5-0 vote.

- 9C. Consider action to approve Resolution No. R-2017-89 of the City Council of the City of Bastrop, Texas approving a contract for services associated with operating, supporting, staffing and providing free or some discounted cost recreation programs to YMCA of Austin – Bastrop Branch, at a cost of Forty-two Thousand Dollars (\$42,000.00), as attached as Exhibit A; authorizing the City Manager to execute all necessary documents for the contract; providing for a repealing clause; and establishing an effective date.
Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-89, seconded by Council Member Nelson, motion was approved on a 5-0 vote.

- 9D. Consider action to approve Resolution No. R-2017-90 of the City Council of Bastrop, Texas approving a Proposal for Design Services – Fisherman’s Park Improvements with Burditt Land/Place to design of park improvements, including a wheeled sports plaza and other associated improvements at Fisherman’s Park, 1200 Willow Street, Bastrop, Texas, as attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and establishing an effective date.
Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.

A motion was made by Council Member Peterson to approve Resolution No. R-2017-90, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9F. Hold Public Hearing and consider action to approve Resolution No. R-2017-92 of the City Council of the City of Bastrop, Texas, granting a variance to Bastrop Code of Ordinances Article 4.02.004 Sale of Alcoholic Beverages, Distance of premises from a church, school, or hospital, on property located at 1008 Main Street, within the city limits of Bastrop, Texas; providing for a repealing clause; and establishing an effective date.
Presentation was made by Planner and GIS Coordinator, Allison Land.

The public hearing was opened.

The public hearing was closed.

A motion was made by Council Member Ennis to approve Resolution No. R-2017-92, seconded by Council Member Peterson, motion was approved on a 4-1 vote. Council Member Jones voted nay.

- 9E. Consider action to approve Resolution No. R-2017-91 of the City Council of the City of Bastrop, Texas, approving the Preliminary Plat known as Piney Creek Bend, being 90.93 acres of Bastrop Town Tract Abstract 11, located west of Carter Street, between Riverwood Drive and Reids Bend, within the city limits of Bastrop, Texas, repealing all conflicting resolutions and providing an effective date.
Presentation was made by Planning & Zoning Department Assistant Director, Jennifer Bills and City Engineer, Wesley Brandon.

A motion was made by Mayor Pro Tem Schiff to approve Resolution No. R-2017-91, seconded by Council Member Peterson, motion was approved on a 5-0 vote. Council Member Ennis wanted to register that he has concerns about the traffic.

- 9G. Hold Public Hearing and consider action to approve Resolution No. R-2017-93 of the City Council of the City of Bastrop, Texas, Approving the Replat of Bastrop-Chapa, Lot 2 to be known as Bastrop-Chapa, Lot 2a and 2B, located at the northwest corner of Pecan Street and Magnolia Street, within the city limits of Bastrop, Texas, as attached in Exhibit A; providing for a repealing clause; and providing an effective date.
Presentation was made by Planning & Zoning Department Assistant Director, Jennifer Bills

The public hearing was opened.

The public hearing was closed.

A motion was made by Council Member Jones to approve Resolution No. R-2017-93, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

- 9H. Consider action to approve Resolution No. R-2017-82 of the City Council of the City of Bastrop, Texas, approving an Interlocal Agreement for Operation and Maintenance of Bastrop County Reuse and Recycling Center between the City of Bastrop and Bastrop County, as attached as Exhibit A; authorizing the City Manager to execute all necessary documents; providing for a repealing clause; and providing an effective date.
Presentation was made by City Manager, Lynda Humble.

A motion was made by Council Member Nelson to approve Resolution No. R-2017-82, seconded by Council Member Jones, motion was approved on a 5-0 vote.

- 9I. Consider action to approve first reading of Ordinance No. 2017-94 of the City Council of the City of Bastrop, Texas, amending the budget for the Fiscal Year 2017 in accordance with existing statutory requirements; appropriating the various amounts herein; repealing all prior ordinances and actions in conflict herewith; establishing an effective date and move to include on the November 28, 2017, City Council agenda for a second reading.
Presentation was made by Chief Financial Officer, Tracey Waldron.

A motion was made by Mayor Pro Tem Schiff to approve the first reading of Ordinance No. 2017-94, seconded by Council Member Jones, motion was approved on a 5-0 vote.

- 9J. Consider action to approve Resolution No. R-2017-96 of the City Council of the City of Bastrop, Texas, awarding a contract for the installation of holiday lighting to Décor IQ for the unit prices as shown on Exhibit A; not to exceed the amount of One Hundred Twenty-Five Thousand and 00/100 Dollars (\$125,000.00); authorizing the City Manager to execute all necessary documents for the contract; providing for a repealing clause; and establishing an effective date.
Presentation was made by Managing Director of Public Works & Leisure Services, Trey Job.

A motion was made by Council Member Jones to approve Resolution No. R-2017-96, seconded by Council Member Ennis, motion was approved on a 5-0 vote.

EXECUTIVE SESSION

The City Council met at 8:53 p.m. in a closed/executive session pursuant to the Texas Government Code, Chapter 551, et seq, to discuss the following:

- 10A. The City Council shall convene into Executive Session pursuant to Section 551.071 of the Texas Government Code to deliberate and seek advice of its attorneys regarding the operation of Hunters Crossing Public Improvement District and *Whiteaker et. al v. Forestar Group, Inc. et. al*, Cause No. 423-5020, filed in the 423rd Judicial District, Bastrop County, Texas, along with 14 other property owner lawsuits making identical claims against the same 12 named defendants in which the City and the Hunters Crossing Local Government Corporation are listed among the defendants and are currently pending in the Bastrop County district courts.

The Bastrop City Council reconvened at 10:55 p.m. into open (public) session.

TAKE ANY NECESSARY OR APPROPRIATE ACTION ON MATTERS POSTED FOR CONSIDERATION IN CLOSED/EXECUTIVE SESSION

No Action was taken.

ADJOURNMENT

Adjourned at 10:56 p.m. without objection.

APPROVED:

ATTEST:

Mayor Connie B. Schroeder

City Secretary Ann Franklin



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 8B

TITLE:

Consider action to approve second reading of Ordinance 2017-94 amending the budget for the Fiscal Year 2017 in accordance with existing statutory requirements; appropriating the various amounts herein; repealing all prior ordinances and actions in conflict herewith; and providing for an effective date.

STAFF REPRESENTATIVE:

Tracy Waldron, Chief Financial Officer

BACKGROUND/HISTORY:

The budget amendments do, in some funds, increase the budget appropriations for Fiscal Year 2017. Funds included in these amendments are detailed below:

General Fund includes:

- Legislative budget required an increase due to unbudgeted communication expense (iPads, phones, etc.).
- Organizational department short due to 380 reimbursement agreement with Bastrop Retail (Burluson Crossing).
- Savings were obtained from various department budgets, making the amendment net change zero.
- The transfer into the Innovation Fund is to set aside available funds over the 25% fund balance requirement to fund specific projects in the FY18 budget.

Main Street Program Fund includes:

- Increasing revenue from Hotel Occupancy to cover salary increase for the Director.
- Increased expenses related to this salary increase.

Hunter's Crossing Public Improvement District Fund includes:

- Increase legal expense to cover the compliance audit of the Public Improvement District.

POLICY EXPLANATION:

The City Charter requires that when the budget is amended, that the amendment be by Ordinance.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Consider action to approve second reading of Ordinance 2017-94 amending the budget for the Fiscal Year 2017 in accordance with existing statutory requirements; appropriating the various

amounts herein; repealing all prior ordinances and actions in conflict herewith; and providing for an effective date.

ATTACHMENTS:

- Ordinance 2017-94
- Exhibit "A"



ORDINANCE NO. 2017-94

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AMENDING THE BUDGET FOR THE FISCAL YEAR 2017 IN ACCORDANCE WITH EXISTING STATUTORY REQUIREMENTS; APPROPRIATING THE VARIOUS AMOUNTS HEREIN; REPEALING ALL PRIOR ORDINANCES AND ACTIONS IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Manager of the City of Bastrop has submitted to the Mayor and City Council proposed amendment(s) to the budget of the revenues and/or expenditures/expenses of conducting the affairs of said city and providing a complete financial plan for Fiscal Year 2017; and

WHEREAS, the Mayor and City Council have now provided for and conducted a public hearing on the budget as provided by law.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS THAT:

Section 1: That the proposed budget amendments for the Fiscal Year 2017, as submitted to the City Council by the City Manager and which budget amendments are attached hereto as Exhibit "A", are hereby adopted and approved as the amended budget of said city for Fiscal Year 2017.

Section 2: This ordinance shall take effect upon passage and in accordance with the laws of the State of Texas.

Section 3: If any provision of this ordinance or application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions, or application thereof, of this ordinance, which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are hereby declared to be severable.

Section 4: This ordinance shall take effect upon the date of final passage noted below, or when all applicable publication requirements, if any, are satisfied in accordance with the City's Charter, Code of Ordinances, and the laws of the State of Texas.

READ and APPROVED on First Reading on the 14th day of November 2017.

READ and ADOPTED on Second Reading on the 28th day of November 2017.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

Exhibit "A"
FY 2017
BUDGET AMENDMENTS
GENERAL FUND

Audited Fund Balance 9/30/16	3,833,587	
FY 2017 Projected Appropriations	10,508,574	
FY 2017 Projected Appropriations	(10,742,583)	
11/2017 Budget Amendments (net)		
3/2017 Budget Amendments (net)	(5,950)	
8/2017 Budget Amendments (net)	0	
9/2017 Budget Amendments (net)	(487,500)	
Ending Fund Balance	<u>3,106,128</u>	29% (Policy is 25% of Operating Expenses)

DEPARTMENT	BUDGET	AMOUNT	DESCRIPTION	ACCOUNT #
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New Revenue:

Matching Revenues to Expenditures:

Total Revenues	0
	0

Matching Expenditures to Revenues:

New Expenditures:

Legislative	Increase	(2,000)	Communication	101-01-00-5401
Organizational	Increase	(35,000)	380 Agreement Reimb-Sales Tax	101-02-00-5644
Finance	decrease	9,000	Equip/Software Maint	101-05-00-5320
Police	decrease	11,000	Maintenance Agreement	101-09-10-5310
Public Works	decrease	17,000	Engineering	101-18-10-5530
Multiple Depts	Increase	(487,500)	Transfer to - Innovation Fund	101-02-00-8135

Total Expenditures	(487,500)
Net Change	(487,500)

**FY 2017
BUDGET AMENDMENTS
MAIN STREET PROGRAM**

Audited Fund Balance 9/30/16	944
FY 2017 Projected Revenues	196,050
FY 2017 Projected Appropriations	(201,650)
8/2017 Budget Amendments (net)	
11/2017 Budget Amendments (net)	<u>4,656</u>
Ending Fund Balance	<u><u>0</u></u>

DEPARTMENT	BUDGET	AMOUNT	DESCRIPTION	ACCOUNT #
Matching Revenues to Expenditures:				
	Neutral	12,500	Transfer In-Hotel Occupancy Tax	503-00-00-4717
	Total Revenue	<u>12,500</u>		
Matching Expenditures to Revenues:				
	Neutral	(5,000)	Operational Salaries	503-00-00-5101
	Neutral	(2,844)	Retirement	503-00-00-5151
New Expenditures:				
	New Expenditures:	0		
	Total Expense	<u>(7,844)</u>		
	Net Change	4,656		

**FY 2017
BUDGET AMENDMENTS
HUNTER'S CROSSING PUBLIC IMPROVEMENT DISTRICT**

Audited Fund Balance 9/30/16	132,794
FY 2017 Budgeted Revenues	362,930
FY 2017 Budgeted Appropriations	(455,250)
11/2017 Budget Amendments (net)	<u>(21,000)</u>
Ending Fund Balance	<u><u>19,474</u></u>

DEPARTMENT	BUDGET	AMOUNT	DESCRIPTION	ACCOUNT #
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Matching Revenues to Expenditures:

Total Revenue 0

Matching Expenditures to Revenues:

New Expenditures:

Increase	(21,000)	Legal Services	710-00-00-5525
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Total Expense (21,000)

Net Change (21,000)



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 8C

TITLE:

Consider approval of Resolution R-2017-100 of the City Council of the City of Bastrop, Texas cancelling the December 26, 2017 Council Meeting; establishing a repealing clause; and providing an effective date.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager



RESOLUTION NO. R-2017-100

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS
CANCELLING THE DECEMBER 26, 2017 COUNCIL MEETING;
ESTABLISHING A REPEALING CLAUSE; AND ESTABLISHING AN
EFFECTIVE DATE.**

WHEREAS, the City Charter, Section 3.12, Meetings, requires that the Council shall meet regularly and at least once a month; and

WHEREAS, the City Council will hold its regularly scheduled meeting on Tuesday, December 12, 2017, which meets the Charter requirement to meet at least once a month; and

WHEREAS, City offices will be closed on Monday, December 25, 2017 and Tuesday, December 26, 2017 in observance of the Christmas Eve and Christmas holiday.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1: That the City Council cancels the December 26, 2017 Council meeting in observance of the Christmas holiday.

Section 2: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 3: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 28th day of November, 2017.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 8D

TITLE:

Consider action to approve Resolution R-2017-101 of the City of Bastrop, Texas (“City”) suspending the effective date for ninety days in connection with the rate increase filing made on about on November 16, 2017 by Centerpoint Energy Resources Corporation, d/b/a, Centerpoint Energy Entex and Centerpoint Energy Texas Gas, for its South Texas division; finding that the meeting complies with the open meetings act; making other findings and provisions related to the subject; and declaring an effective date.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager

BACKGROUND

On or about November 16, 2017, CenterPoint Energy Resources Corporation, D/B/A, CenterPoint Energy Entex and CenterPoint Energy Texas Gas (“CenterPoint” or “Company”) filed a Statement of Intent to increase rates by a total of approximately \$1.2 million. CenterPoint’s proposed increase in revenue of about \$1.2 million is comprised of an increase in base rates of about \$540 Thousand and a “Hurricane-Harvey” surcharge of about \$665 Thousand. CenterPoint proposes an effective date of December 21, 2017 for its change in rates.

CenterPoint proposes to ***increase base rates for residential customers*** and to ***decrease base rates for commercial customers*** as follows:

Residential:	\$1.8 million
General Service – Small Commercial:	-\$1.2 million
General Service – Large Volume:	- \$42,000

This equates to ***net*** increase in ***base-rate revenue*** of about \$540 Thousand.

CenterPoint’s is also proposing a 12-month surcharge to recover certain expenses it contends it incurred as a result of Hurricane Harvey. That surcharge would be 39¢ per month per customer applied equally to residential customers and commercial customers. CenterPoint’s proposed surcharge equates to an additional increase in revenue of about \$665 Thousand. Combined, CenterPoint’s proposed increase in base rates plus its proposed surcharge would produce an increase of about \$1.2 million.

CURRENT BASE RATES VERSUS PROPOSED BASE RATES:

CenterPoint proposes to increase the fixed customer charge for the Residential class, while charges based on consumption would be reduced. For commercial customers, CenterPoint proposes a decrease in the customer charge and the commodity charge. The table below shows CenterPoint’s current base rates and its proposed base rates:

CURRENT RATES COMPARED TO PROPOSED RATES			
	Current Rates	Proposed Rates	Proposed Change
Residential			
Customer Charge/Month	\$23.24	\$26.00	\$2.76
Commodity Charge/ccf	\$0.21800	\$0.14417	-\$0.07383
General Service-Small Commercial			
Customer Charge/Month	\$38.87	\$30.50	-\$8.37
Commodity Charge/ccf	\$0.10460	\$0.09573	-\$0.00887
General Service-Large Volume Commercial			
Customer Charge/Month	\$213.00	\$101.00	-\$112.00
Commodity Charge/ccf	\$0.04120	\$0.07812	\$0.03692

BILL IMPACT AT CURRENT BASE RATES VERSUS PROPOSED BASE RATES:

At CenterPoint’s proposed change in base rates, the average customer’s monthly bill would be affected as follows:

	Avg Bill at Current Base Rates	Avg Bill at Proposed Base Rates	Proposed Change in Bill for Base Rates	Avg Monthly Consumption (ccf)
Residential				
Customer Charge/Month	\$23.24	\$26.00		
Commodity Charge/ccf	<u>\$4.80</u>	<u>\$3.17</u>		22
	\$28.04	\$29.17	\$1.14	INCREASE OF 4%
General Service-Small Commercial				
Customer Charge/Month	\$38.87	\$30.50		
Commodity Charge/ccf	<u>\$18.83</u>	<u>\$17.23</u>		180
	\$57.70	\$47.73	-\$9.97	DECREASE OF 17%
General Service-Large Volume Commercial				
Customer Charge/Month	\$213.00	\$101.00		
Commodity Charge/ccf	<u>\$111.16</u>	<u>\$210.77</u>		2698
	\$324.16	\$311.77	-\$12.39	DECREASE OF 4%

BILL IMPACT AT CURRENT BASE RATES VERSUS PROPOSED BASE RATES INCLUDING 12-MONTH SURCHARGE:

At CenterPoint's proposed change in base rates, **plus its proposed 12-month surcharge**, the average customer's monthly bill would be affected as follows:

	Avg Bill at Current Base Rates	Avg Bill at Proposed Base Rates Plus Surcharge	Proposed Change in Bill for Base Rates Plus Surcharge	Avg Monthly Consumption (ccf)
Residential				
Customer Charge/Month	\$23.24	\$26.39		
Commodity Charge/ccf	<u>\$4.80</u>	<u>\$3.17</u>		22
	\$28.04	\$29.56	\$1.53	INCREASE OF 5%
General Service-Small Commercial				
Customer Charge/Month	\$38.87	\$30.89		
Commodity Charge/ccf	<u>\$18.83</u>	<u>\$17.23</u>		180
	\$57.70	\$48.12	-\$9.58	DECREASE OF 17%
General Service-Large Volume Commercial				
Customer Charge/Month	\$213.00	\$101.39		
Commodity Charge/ccf	<u>\$111.16</u>	<u>\$210.77</u>		2698
	\$324.16	\$312.16	-\$12.00	DECREASE OF 4%

BILL IMPACT AT CURRENT BASE RATES VERSUS PROPOSED BASE RATES INCLUDING 12-MONTH SURCHARGE PLUS COST OF GAS:

At CenterPoint's proposed change in base rates, **plus its proposed 12-month surcharge, plus the cost of gas**, the average customer's monthly bill would be affected as follows:

	Avg Bill at Current Base Rates	Avg Bill at Proposed Base Rates Plus Surcharge	Proposed Change in Bill for Base Rates Plus Surcharge	Avg Monthly Consumption (ccf)
Residential				
Customer Charge/Month	\$23.24	\$26.39		
Commodity Charge/ccf	<u>\$16.89</u>	<u>\$15.26</u>		22
	\$40.13	\$41.65	\$1.53	INCREASE OF 4%

General Service- Small Commercial				
Customer Charge/Month	\$38.87	\$30.89		
Commodity Charge/ccf	\$117.77	\$116.17		180
	\$156.64	\$147.06	-\$9.58	DECREASE OF 6%
General Service- Large Volume Commercial				
Customer Charge/Month	\$213.00	\$101.39		
Commodity Charge/ccf	\$1,594.11	\$1,693.72		2698
	\$1,807.11	\$1,795.11	-\$12.00	DECREASE OF 1%

Because CenterPoint's proposed increase in Residential customers' rates is focused on the monthly customer charge, customers that use less gas than the average customer, will see a steeper percentage increase in their monthly bill. Also, CenterPoint proposes an increase to the Residential class and decreases to the commercial classes. Each of these factors means that the City should evaluate CenterPoint's proposed allocation of costs to the customer classes.

Lastly, given that CenterPoint's application represents its first general rate case since about 2010 and that since then, CenterPoint has sought and the Railroad Commission has granted CenterPoint, interim increases in rates pursuant to the Gas Utility Regulatory Act § 104.301 (the so-called "GRIP Statute"), it will be necessary to evaluate the prudence of CenterPoint's investments upon which it is earning a return through those interim rates.

ACTION REQUIRED BY DECEMBER 21, 2017

The City must take action on CenterPoint's Statement of Intent before December 21, 2017. Absent such action, CenterPoint's rates are deemed approved by operation of law.

CENTERPOINT TEXAS MUNICIPALITIES

The Alliance of CenterPoint Municipalities-South Texas Division ("ACM") was organized by a number of municipalities, served by CenterPoint. Alfred R. Herrera with the law firm of Herrera Law & Associates, PLLC, has previously represented the City as part of ACM in rate cases involving CenterPoint.

CITY JURISDICTION TO SET CENTERPOINT'S RATES

Unless a city ceded its original jurisdiction to the Railroad Commission of Texas, the Gas Utility Regulatory Act § 103.001 grants a city exclusive original jurisdiction over a gas utility's rates, services, and operations within the city limits. But even if a city has ceded its jurisdiction, to the Railroad Commission, the Gas Utility Regulatory Act § 103.023, grants a city the statutory right to participate in rate proceedings before the Railroad Commission.

INTERVENTION AT THE RAILROAD COMMISSION OF TEXAS

CenterPoint filed its Statement of Intent to raise rates with the City and the Railroad Commission of Texas ("RRC") on the same date. All reasonable efforts will be undertaken to resolve CenterPoint's rate application without the need for proceedings at the Railroad Commission for rates within the cities. But because CenterPoint submitted its application to the Railroad Commission to change rates in the environs (that is, areas outside the city limits) on the same date as it did with the City, it is important to participate in those proceedings because the Commission's decisions could impact rates within the City.

RATE CASE EXPENSES

Cities by statute are entitled to recover their reasonable rate case expenses from the utility. See Gas Utility Regulatory Act § 103.022. Legal counsel and consultants approved by ACM will submit monthly invoices to the coalition-designated city that will be forwarded to CenterPoint for reimbursement. No individual city's budget is negatively affected.

SUSPENSION

CenterPoint's rate-filing package is voluminous containing thousands of pages of data. In order to have time to review the rate-filing package, the Council is requested to suspend CenterPoint's proposed effective date for ninety (90) days as provided by GURA. It is a virtual impossibility for the City to set just and reasonable rates without suspending the rate request for ninety days; suspension of CenterPoint's proposed effective date will permit its special regulatory counsel and experts an opportunity to perform a better review of CenterPoint's application.

RECOMMENDATION

It is recommended that the City continue its participation in the Alliance of CenterPoint Municipalities and retain the law firm of Herrera Law & Associates, PLLC to represent the City's interest in matters related to CenterPoint's rate case and to advise the City with regard to CenterPoint's application, and that the City intervene in the proceeding before the Railroad Commission of Texas, should such proceedings develop, and court appeals, if any.

The recommendation is also to suspend CenterPoint's proposed effective date of December 21, 2017, for its proposed increase in rates as set forth in CenterPoint's Statement of Intent for 90 days. Assuming CenterPoint's notice meets the statutory criteria for sound notice, the suspension period runs until March 21, 2018.

The City must take action no later than December 21, 2017. If the City does not take action by December 21, 2017, CenterPoint's proposed rates will be deemed approved by operation of law, subject to the City's right to hold a hearing to address CenterPoint's rate application.

RESOLUTION NO. R-2017-101

A RESOLUTION OF THE CITY OF BASTROP, TEXAS (“CITY”) SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING MADE ON ABOUT ON NOVEMBER 16, 2017 BY CENTERPOINT ENERGY RESOURCES CORPORATION, D/B/A, CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS, FOR ITS SOUTH TEXAS DIVISION; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, CenterPoint Energy Resources Corporation, D/B/A, CenterPoint Energy Entex and CenterPoint Energy Texas Gas (“CenterPoint” or “Company”) filed a Statement of Intent with the City on or about November 16, 2017, to change its rate schedules within the corporate limits of this municipality, specifically to increase its system-wide, annual revenue requirement by approximately \$1.2 million, which includes CenterPoint’s proposed 12-month surcharge; and

WHEREAS, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §103.001 et seq. of GURA has exclusive original jurisdiction over CenterPoint’s rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating CenterPoint’s rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

WHEREAS, the City, in matters regarding applications by CenterPoint to change rates, has in the past joined with other local regulatory authorities to form the Alliance of CenterPoint Texas Municipalities-South Texas Division (“ACM”), and hereby continues its participation in ACM; and

WHEREAS, CenterPoint’s rate request consists of a voluminous amount of information including CenterPoint’s rate-filing package, pre-filed direct testimony, exhibits, schedules, and workpapers; and

WHEREAS, CenterPoint’s rate application is the Company’s first general rate case since about 2010, and follows five interim rate adjustments CenterPoint filed since its last general rate case, more commonly known as GRIP (“Gas Reliability Infrastructure Program”) increases in rates filed under GURA § 104.301; and

WHEREAS, because this is CenterPoint’s first general rate case following its five GRIP increases in rates, the City will need to evaluate the prudence of investments CenterPoint made under GURA § 104.301; and

WHEREAS, CenterPoint proposed December 21, 2017, as the effective date for its requested increase in rates; and

WHEREAS, it is not possible for the City to complete its review of CenterPoint’s filing by December 21, 2017; and

WHEREAS, the City will need an adequate amount of time to review and evaluate CenterPoint's rate application to enable the City to adopt a final decision as a local regulatory authority with regard to CenterPoint's requested rate increase.

WHEREAS, the City will require the assistance of specialized legal counsel and rate experts to review the merits of CenterPoint's application to increase rates; and

WHEREAS, the decision of the Railroad Commission of Texas will have a direct impact on the City and its citizens who are customers of CenterPoint and in order for the City's participation to be meaningful it is important that the City promptly intervene in proceedings pending at the Railroad Commission of Texas related to CenterPoint's application to increase rates.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS THAT:

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. CenterPoint's proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond December 21, 2017.

Section 3. The statutory suspension period may be further extended if CenterPoint does not provide timely and meaningful, and proper public notice of its request to increase rates, or if its rate-filing package is materially deficient.

Section 4. The City shall participate in a coalition of cities known as the Alliance of CenterPoint Municipalities-South Texas Division ("ACM"), and authorizes intervention in proceedings related to CenterPoint's Statement of Intent before the Railroad Commission of Texas and related proceedings in courts of law; and

Section 5. The City hereby orders CenterPoint to reimburse the City's rate case expenses as provided in the Gas Utility Regulatory Act and that CenterPoint shall do so on a monthly basis and within 30 days after submission of the City's invoices for the City's reasonable costs associated with the City's activities related to this rate review or related to proceedings involving CenterPoint before the City, the Railroad Commission of Texas, or any court of law.

Section 6. Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving CenterPoint before the City, the Railroad Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of CenterPoint's rate application subject to approval by the steering committee of the ACM.

Section 7. The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to CenterPoint for reimbursement.

Section 8. A copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Ave., Suite 950, Austin, Texas 78701, and a courtesy copy to CenterPoint's local representative.

Section 9. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 10. This resolution shall become effective from and after its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 28th day of November, 2017.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

City Secretary



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 9A

TITLE:

Consider action to approve the first reading of Resolution No. R-2017-96 of the City Council of the City of Bastrop, Texas, approving the terms of an economic development performance agreement between the Bastrop Economic Development Corporation and Seton Family of Hospitals; approving the terms of an agreement for construction of stormwater drainage improvements with Seton Family of Hospitals and 71 Retail Partners, LP, in an amount exceeding ten thousand dollars (\$10,000); repealing all resolutions in conflict; providing severability; and establishing an effective date; and move to include on the December 12, 2017 City Council agenda for second reading.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Bastrop EDC Executive Director

BACKGROUND/HISTORY:

The Bastrop EDC Board of Directors approved a Performance Agreement with Seton at their Board meeting on November 20, 2017. Pursuant to Section 505.158(b) of the Local Government Code, prior to the BEDC funding a project involving an expenditure of more than \$10,000, the City Council shall adopt a Resolution authorizing the project, which Resolution shall be read by the City Council on two separate occasions.

Seton Family of Hospitals announced on March 24, 2017 that they plan to construct a facility to provide a limited-service, short-stay hospital with emergency room and medical offices in Bastrop, Texas. Seton has acquired 32 out of 52 acres of the Bastrop Grove subdivision located at the frontage road of SH 71 and SH 304. As part of the initial development, Seton intends to construct an approximate 20,000 square foot micro/neighborhood hospital and 20,000 square feet of medical offices. The balance of Seton's property is intended for future hospital and commercial development. The remaining 20 acres of the Bastrop Grove subdivision is available for additional commercial development.

The City and EDC have worked cooperatively with Seton during this pre-development phase of the project. SH 304 access to the property would be provided through an extension of Agnes Street east off SH 304 to the property line. It is necessary for the EDC to enter into a Performance Agreement to expend funds to construct the extension of Agnes Street. As part of the performance agreement, the EDC will enter into an agreement with Seton and 71 Retail Partners, LP, for the construction of stormwater drainage for the benefited tracts, which includes the Agnes Street extension.

The EDC budgeted in FY 2018 to issue \$1.2 million in debt to construct the northern two lanes of a four-lane divided roadway, multi-modal trail, and stormwater drainage structure. No water or wastewater improvements are included or necessary for the Agnes Street Extension.

This project is number 9 of 34 in the City's recently adopted transportation plan. Through the investment of community resources in the transportation improvements, the EDC is promoting new or expanded business development. The EDC is authorized in the LGC Section 505.158 to undertake projects related to business development in certain small municipalities:

Sec. 505.158. PROJECTS RELATED TO BUSINESS DEVELOPMENT IN CERTAIN SMALL MUNICIPALITIES. (a) For a Type B corporation authorized to be created by a municipality with a population of 20,000 or less, "project" also includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the corporation's board of directors to promote new or expanded business development. (b) A Type B corporation may not undertake a project authorized by this section that requires an expenditure of more than \$10,000 until the governing body of the corporation's authorizing municipality adopts a resolution authorizing the project after giving the resolution at least two separate readings.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

RECOMMENDATION:

Consider action to approve the first reading of Resolution No. R-2017-96 approving the terms of the Economic Development Performance Agreement between the BEDC and Seton Family of Hospitals and including on the December 12, 2017 agenda for second reading.

ATTACHMENTS:

- Draft Resolution
- Draft Economic Development Performance Agreement



RESOLUTION NO. R-2017-96

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING THE TERMS OF AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE BASTROP ECONOMIC DEVELOPMENT CORPORATION AND SETON FAMILY OF HOSPITALS; APPROVING THE TERMS OF AN AGREEMENT FOR CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS WITH SETON FAMILY OF HOSPITALS AND 71 RETAIL PARTNERS, LP, IN AN AMOUNT EXCEEDING TEN THOUSAND DOLLARS (\$10,000); REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, in recognition of the positive economic benefits which will accrue, and pursuant to the terms of Texas Local Government Code Section 501.158, the Board of Directors of the Bastrop Economic Development Corporation (“BEDC”) has authorized an Economic Development Performance Agreement with Seton Family of Hospitals (“Hospital”) to facilitate the construction and equipping of a 20,000 square foot micro-hospital and emergency room on approximately 32.24 acres of land near the intersection of State Highway 71 and State Highway 304, in Bastrop, Bastrop County, Texas, through the BEDC’s funding of the extension of the public road known as Agnes Street; and

WHEREAS, the development of the Hospital, the extension of Agnes Street, and the future development of the 52-acre tract, on which the Hospital tract is located, and the adjoining 90-acre tracts, owned by 71 Retail Partners LP, or an affiliated corporate entity, requires certain improvements to the drainage easement, which serves the tracts; and

WHEREAS, the total costs of the improvements are estimated to be \$1,200,000.00 and the proportionate share of those costs attributable to the Agnes Street extension project is \$250,000.00; and

WHEREAS, the Board of Directors of the BEDC has authorized the approval of an Agreement with the Hospital and 71 Retail Partners LP, to formalize the terms and conditions under which 71 Retail Partners LP, shall cause the necessary improvements to the drainage easement; and

WHEREAS, the BEDC and City Council by separate resolutions shall authorize the extension of Agnes Street as a qualified infrastructure project pursuant to the authority of Texas Local Government Code Section 501.103; and

WHEREAS, pursuant to Texas Local Government Code Section 505.158(b) City Council has been asked by the BEDC to approve the aforementioned Performance Agreement and Drainage Improvement Agreements.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, THAT:

SECTION 1. To the extent required by Texas Local Government Code Section 505.158(b) the following are authorized:

- The Performance Agreement, attached hereto as Appendix “A”; and
- The Agreement for Construction of Stormwater Drainage Improvements, attached as Exhibit A-1 to the Performance Agreement, and the expenditure of \$250,000.00 of BEDC funds as payment of the costs for drainage improvements attributable to the Agnes Street extension project; and
- The execution of documents in substantial form as Appendix A and Exhibit A-1 to Appendix A, on behalf of the BEDC, and such ancillary documents and instruments as may be reasonably necessary to facilitate the purpose of this Resolution.

SECTION 2. Open Meeting. The City Council hereby finds and determines that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

SECTION 3. Any prior resolution of the City Council in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

SECTION 4. Should any part of this Resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

SECTION 5. Two Readings Required. This Resolution shall take effect immediately from and after its passage upon a subsequent second reading and passage, and it is duly resolved.

This resolution shall be in full force and effect from and after its final adoption.

READ and ACKNOWLEDGED on First Reading on the 28th day of November 2017.

READ and APPROVED on the Second Reading on the ____ day of _____ 2017.

[SIGNATURE PAGE FOLLOWS]

CITY OF BASTROP, TEXAS

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

DRAFT

Appendix A

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

This Performance Agreement (“Agreement”) is entered into to be effective as of the Effective Date (as defined in Article III below), by and between the Bastrop Economic Development Corporation, located in Bastrop County, Texas, a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502, and 505 and the Texas Non-Profit Corporation Act (hereinafter called “Corporation”), and Seton Family of Hospitals, a Texas non-profit corporation (hereinafter called “Hospital”), otherwise known as the “Parties” to this Agreement.

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Texas Local Government Code requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Hospital desires to construct a Facility to provide a limited service, short stay hospital with emergency room and medical offices in Bastrop, Texas; and

WHEREAS, the location of the Facility, as proposed, will contribute to the economic development of the City of Bastrop by creating new jobs and increased employment, and promoting increased development for the City of Bastrop, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy; and

WHEREAS, the Corporation desires to offer an incentive to Hospital to enable Hospital to construct and operate the Facility pursuant to this Agreement in substantial conformity with the Act; and

WHEREAS, the Parties are executing and entering into this Agreement to set forth certain terms and obligations of the Parties with respect to such matters; and

WHEREAS, the Parties recognize that all agreements of the Parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Parties agree that all conditions precedent for this Agreement to become a binding agreement have occurred and been complied with, including all requirements pursuant to

the Texas Open Meetings Act and all public notices and hearings, if any, have been conducted in accordance with Texas law; and

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations of the Parties;

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

ARTICLE I RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II AUTHORITY AND TERM

2. Authority. The Corporation's execution of this Agreement is authorized by the Act and constitutes a valid and binding obligation of the Corporation. The Corporation acknowledges that Hospital is acting in reliance upon the Corporation's performance of its obligations under this Agreement in making the decision to commit substantial resources and money to the establishment of the Project, hereinafter established.

3. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, unless terminated sooner or extended by mutual agreement of the Parties in the manner provided for herein.

4. Purpose. The purpose of this Agreement is to formalize the agreements between the Hospital and the Corporation for the granting of funds to cover certain costs associated with the construction of right-of-way improvements and associated drainage improvements that shall benefit the Project and specifically state the covenants and representations of the Parties, and the incentives associated with the Hospital's commitment to abide by the provisions of the Act and to abide by the terms of this Agreement which has been approved by the Corporation and the Hospital as complying with the specific requirements of the Act. It is expressly agreed that this Agreement constitutes a single transaction. A failure to perform any obligation by the Hospital may constitute a breach of the entire Agreement and terminate any further commitments (if any) by the Corporation unless an alternative penalty or remedy is provided for herein.

5. Administration of Agreement. Upon the Effective Date, the Corporation delegates the administration and oversight of this Agreement to the Executive Director of the Corporation. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the Corporation.

ARTICLE III
DEFINITIONS

6. As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

“Annual Payroll” shall mean the total wages paid, exclusive of employee benefits, to Full-time Employees at the Facility.

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

“Certificate of Occupancy” shall mean the signed certificate issued by the City of Bastrop Planning and Engineering Department granting the Hospital the right to occupy the Facility and confirming that the entire work covered by the permit and plans are in place.

“Default” unless otherwise specifically defined or limited by this Agreement shall mean failure by any Party to timely and substantially comply with any performance requirement, duty, or covenant.

“Developer Participation Agreement” means that certain Agreement with Developer and Hospital for Construction of Stormwater Drainage Improvement by and among the Corporation, the Hospital, and 71 Retail Partners LP, a Texas limited partnership, attached hereto as **Exhibit “A-1”** pertaining to the improvement of the Drainage Easement.

“Drainage Easement” means the easement that may be used to provide stormwater drainage conveyance pursuant to that certain Drainage Easement Agreement recorded as Document Number 200803574 (Book 1819, Page 840) of the Public Records of the County Clerk of Bastrop County, Texas, for the benefit of the tracts as described in **Exhibit “A-2”**.

“Effective Date” shall be the date of the last signing by a party to the agreement.

“Expiration Date” shall mean the earlier of:

- (a) April 1, 2021; or
- (b) The date of termination, provided for under Article VII of this Agreement.

“Facility” shall mean the approximate 20,000 square-foot limited service, short stay hospital with emergency room and medical offices facility to be constructed on approximately 32.24 acres of land near the intersection of State Highway 71 and F.M. 304, in Bastrop, Texas, and

shall represent a minimum Twenty-Six Million and 00/100 Dollars (\$26,000,000.00) capital investment in real property improvements and equipment.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party, including, without limitation, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States or of the State of Texas or any civil or military authority, insurrections, riots, epidemics, quarantine restrictions, unusually severe weather, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, slowdowns or work stoppages.

“Full-time Employee” shall mean: (1) an employee with a regular work schedule of at least thirty-six (36) hours per week as reported on the Texas Employers Quarterly Wage Report from the Texas Workforce Commission and are entitled to at least the customary employer-sponsored employee benefits package afforded by the Hospital to its similarly situated employees at other locations; or (2) a combination of employees with a combined regular work schedule of at least thirty-six (36) hours per week as reported on the Texas Employers Quarterly Wage Report from the Texas Workforce Commission.

“Project” shall mean the construction and equipping of the Facility.

“Real Property” shall mean the land, building, and all improvements thereto and as added to the Project subsequent to the execution of this Agreement and is accounted on the tax rolls by the Bastrop Central Appraisal District.

“Recapture Amount” means the amount roughly equal to the costs Hospital would have been required to contribute to the rights-of-way and drainage improvements but for this Agreement, but in no case more than the lesser of (i) the total of amounts previously advanced by Corporation hereunder, or (ii) \$600,000.00.

“Road Construction Completion Deadline” means October 1, 2018.

“State of Texas” shall mean the Office of the Texas Comptroller, or its successor.

“Tangible Personal Property” shall mean tangible personal property, such as equipment, machinery, fixtures, and inventory, located at the Facility owned or leased by Hospital subsequent to the execution of this Agreement and is accounted on the tax rolls by the Central Appraisal District.

“Year” shall mean a twelve (12) month period on which performance and incentive calculations are based. The twelve (12) month period beginning on the date on which the Hospital receives a Certificate of Occupancy for the Facility shall be known as Year Zero, and the successive twelve (12) month periods beginning on each anniversary of the date on which the Hospital received a Certificate of Occupancy for the Facility shall be known as Year One, Year Two, and so forth.

**ARTICLE IV
CORPORATION OBLIGATION**

7. Corporation's Contribution to Rights-of-Way and Drainage Improvements.

(a) Rights-of-Way Improvements. Corporation shall pay the full costs for the extension of the public road known as Agnes Street as specified on **Exhibit "A-3"**; and, extension of Agnes Street shall be completed and dedicated for public use on or before the Road Construction Completion Deadline, subject to the following:

- (i) On or before December ____, 2017, the necessary rights-of-way shall be dedicated to the City by instrument substantially similar in form as **Exhibit "A-4"**;
- (ii) The plat for which Hospital has made application, as shown on **Exhibit "A-5"**, shall be recorded in the Public Records of Bastrop County, Texas, on or before December ____, 2017; and
- (iii) The drainage improvements to the Drainage Easement described on **Exhibit "A-6"**, shall be completed in accordance with the Developer Participation Agreement.

Each day of delay beyond the deadlines set out in subsections (i), (ii), or (iii) shall extend the Road Construction Completion Deadline by one (1) day.

(b) Design and Construction Contracts. Corporation shall, within a reasonable time after the Effective Date, enter into (i) a contract for the design of the improvements described in Section 7(a) above (the "Rights-of-Way Improvements") with a civil engineer licensed to practice in the state, and (ii) a contract for the construction of the Rights-of-Way Improvements (the "Construction Contract"). The Construction Contract shall require the contractor to provide payment and performance bonds for the estimated cost of the Rights-of-Way Improvements and to pay, as liquidated damages and not as a penalty, to Hospital, as an intended third party beneficiary of the Construction Contract, an amount equal to One Thousand and 00/100 Dollars (\$1,000.00) for each day of delay in the completion of the Rights-of-Way Improvements beyond the dates specified in Section 7(a) above.

(c) Contribution to Drainage Improvements. As more specifically described in the Developer Participation Agreement, the Corporation shall provide an amount not to exceed Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) in reimbursements for improvements made to the Drainage Easement. Notwithstanding any provision to the contrary, the Corporation's obligation under this section shall not be effective until Corporation receives written confirmation from the appropriate escrow agent that Hospital has placed into escrow no less than Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$625,000.00) to be applied to the cost of the improvements to the Drainage Easement.

8. Confidentiality. The Corporation agrees to the extent allowed by law to keep all tax information and documentation received, pursuant to this Agreement hereof, confidential. In the

event a request is made for such information, Corporation will not disclose the information unless required to do so by the Attorney General of Texas.

9. Current Revenue. The funds distributed hereunder shall be paid solely from lawfully available funds of the Corporation. Under no circumstances shall the obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. None of the obligations under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

ARTICLE V PERFORMANCE OBLIGATIONS OF HOSPITAL

10. The obligation of the Corporation to pay funds in the form of a capital investment shall be conditioned upon the Hospital's continued compliance with and satisfaction of each of the performance obligations set forth in this Agreement.

11. Commencing Operations. Hospital must obtain a Certificate of Occupancy for its Facility on or before April 1, 2019, and maintain said operations throughout the term of this Agreement. The Facility shall represent a minimum capital investment of Twenty-Six Million and 00/100 Dollars (\$26,000,000.00) in real property improvements and equipment.

12. Job Creation/Retention. Hospital must create and maintain the Full-time Employees and average wage benchmarks according to the following schedule:

(a) A minimum of twenty (20) Full-time Employees for the year ending on the first (1st) anniversary of the date the Hospital received a Certificate of Occupancy ; and

(b) A minimum of thirty-five (35) Full-time Employees for the year ending on the second (2nd) anniversary of the date the Hospital received a Certificate of Occupancy with an average annual income of not less than Forty Thousand and 00/100 Dollars (\$40,000.00), exclusive of burden and benefit.

13. Annual Report. Hospital shall submit an Annual Certification Report (an "Annual Report") for the preceding Year to the Executive Director of the Corporation each year not later than February 15th of the succeeding Year. The Annual Report should substantially conform to the Annual Report Form attached as **Exhibit "A-7"**. The first Annual Report will be due on the 15th day of February following the first anniversary of the date the Hospital received a certificate of occupancy.

14. Contribution to Drainage Improvements. As more specifically described in the Developer Participation Agreement, Hospital shall provide an amount not to exceed Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$625,000.00) in reimbursements for improvements made to the Drainage Easement. So long as Corporation is not in default under this Agreement, the Developer Participation Agreement, or under any related escrow or other agreement beyond any applicable cure period, Hospital's contribution to the costs of the improvements made to the Drainage Easement shall be non-refundable, regardless of whether Hospital completes construction of the Facility.

**ARTICLE VI
COVENANTS AND DUTIES**

15. Hospital's Covenants and Duties. Hospital makes the following covenants and warranties to the Corporation, and agrees to timely and fully perform the obligations and duties contained in Article V of this Agreement. Any false or substantially misleading statements contained herein or failure to timely and fully perform those obligations and duties within this Agreement shall be an act of Default by the Hospital.

(a) Hospital is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during any term of this Agreement.

(b) The execution of this Agreement has been duly authorized by Hospital's authorized agent, and the individual signing this Agreement is empowered to execute such Agreement and bind the entity. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of Hospital's by-laws, or of any agreement or instrument to which Hospital is a party to or by which it may be bound.

(c) Hospital is not a party to any Bankruptcy proceedings currently pending or contemplated, and Hospital has not been informed of any potential involuntary Bankruptcy proceedings.

(d) To its current, actual knowledge, and subject to the Certificate of Occupancy (or other approvals and permits to be obtained under subpart (f) immediately below), Hospital has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in the City of Bastrop and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.

(e) Hospital shall timely and fully comply with all of the terms and conditions of this Agreement, within any cure periods provided herein.

(f) Hospital shall obtain, or cause to be obtained, all necessary permits and approvals from the City of Bastrop and/or all other governmental agencies having jurisdiction over the construction of any improvements to the Facility.

(g) Hospital shall pay, or cause to be paid, to the City of Bastrop and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project.

(h) Hospital agrees to commence and complete the Project in strict accordance with the Agreement.

(i) Hospital shall cooperate with the Corporation in providing all necessary information to assist them in complying with this Agreement.

(j) During the term of this Agreement, Hospital shall not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a(1), Hospital shall be in Default (subject to the remedies in Article

VIII below). Hospital is not liable for an unknown violation of this Section by a subsidiary or assignee affiliate of Hospital or by a person with whom Hospital contracts; provided, however, that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Hospital enters into with any subsidiary, assignee, affiliate, for which funds provided herein will be used.

(k) Hospital shall not be in arrears and shall be current in the payment of all City taxes and fees.

(l) Corporation has the right to periodically (and with reasonable advance notice) verify the terms and conditions of this Agreement including, but not limited to, the number of persons employed by Hospital as a result of the assistance provided hereunder, the unique employee identification number, the number of hours each employee worked during the previous 12 months, the total expenses attributable to training and employing those employees, and the cumulative payroll for the Facility.

(m) Hospital shall, upon written request from Corporation, provide to Corporation a copy of the Texas Workforce Commission Texas Employers Quarterly Wage Report for the specified quarter.

ARTICLE VII TERMINATION

16. Termination. This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

- (a) The written agreement of the Parties;
- (b) The Agreement's Expiration Date; or
- (c) Default by Hospital (at the option of the Corporation), after thirty (30) days' prior written notice to Hospital during which time Corporation shall have no duty to make any advances of Funds hereunder.

ARTICLE VIII DEFAULT

17. Hospital Events of Default. Each of the following occurrences shall constitute a Default of Hospital:

- (a) Failure of Hospital to perform any term, covenant or agreement contained in this Agreement, or in any related document(s); or
- (b) Corporation determines that any representation or warranty contained herein or in any financial statement, certificate, report or opinion submitted to Corporation by Hospital in connection with or pursuant to the requirements of this Agreement was incorrect or misleading in any material respect when made; or

(c) Any judgment is assessed against Hospital or any attachment or other levy against the property of Hospital which remains unpaid, unstayed on appeal, undischarged, not bonded or not dismissed for a period of thirty (30) days, provided that Hospital may engage in any procedure in good faith to object to appeal, or attempt to overturn such judgment, attachment, or buy; or

(d) Hospital makes an assignment for the benefit of creditors; admits in writing its inability to pay its debts generally as they become due; files a petition in Bankruptcy; is adjudicated insolvent or bankrupt; petitions or applies to any tribunal for any receiver or any trustee of Hospital or any substantial part of its property, commences any action relating to Hospital under any reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction whether now or hereafter in effect; or if there is commenced against Hospital any such action and such action remains undismissed or unanswered for a period of sixty (60) days from such filing, or Hospital by any act indicates its consent to or approval of any trustee of Hospital or any substantial part of its property; or suffers any such receivership or trustee to and such appointment remains unvacated for a period of sixty (60) days; or

(e) Hospital substantially changes its present ownership without written notification to Corporation within thirty (30) days of such change; or

(f) Hospital materially changes the general character of business as conducted at the date hereof, or engages in any type of business not reasonably related to its business as presently and normally conducted.

18. Corporation Events of Default. The failure of Corporation to perform any term, covenant or agreement contained in this Agreement, or in any related document shall constitute a Default of Corporation.

19. Remedies for Default.

(a) Corporation Default. In the event of Default by Corporation, the Corporation shall, as its sole and exclusive remedy for Default hereunder Hospital's sole remedy under this Agreement is specific performance of the Corporation's obligations under this Agreement, including payment of amounts owed to Hospital hereunder. In the event that the contractor defaults under the Construction Contract, Corporation shall assign to Hospital all of its rights and claims under the Construction Contract.

(b) Hospital Default. In the event of Default by the Hospital, the Corporation shall, as its sole and exclusive remedy for Default hereunder, have the right to terminate this Agreement and demand payment from Hospital for the Recaptured Amount, provided that the Default occurs prior to the Expiration Date, as reasonably determined by the Corporation's Board of Directors and as decreased by any amounts owing to Hospital pursuant to Section 7(c) above. In the event that such Default relates to the failure of the Hospital to comply with the job creation/retention requirements for any year during the term of this Agreement, the difference between the actual annual payroll for that year and the annual payroll required by this Agreement shall be calculated as a percentage of the annual payroll required by this Agreement, and the penalty the Hospital shall pay for such

Default shall be an amount of equivalent percentage to the Recaptured Amount. The amount owed to the Corporation under this subsection shall be paid by the Hospital within one hundred twenty (120) days after the date Hospital is notified by the Corporation of such Default (the "Payment Date"). In the event the Recaptured Amount is not repaid by the applicable Payment Date, the unpaid portion thereof shall accrue interest at the rate of two percent (2.00%) per annum from the Effective Date until paid in full.

20. Limitation on Use of Funds in the Event of Default. Under no circumstances will the funds received under this Agreement be used, either directly or indirectly, to pay costs or attorney fees incurred in any adversarial proceeding regarding this Agreement against the City of Bastrop or the Corporation.

ARTICLE IX MISCELLANEOUS

21. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. The Executive Director of the Corporation shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the Corporation, on behalf of the Corporation. Notwithstanding any other provision of this Agreement to the contrary, Hospital's performance under this Agreement, including its obligations under Sections 11, 12, and 13, but excluding Hospital's obligations under Section 14 above, is specifically contingent on Hospital obtaining a Certificate of Occupancy from the City of Bastrop at the Facility under the terms of this Agreement.

22. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

23. Representations and Warranties. The Corporation represents and warrants to Hospital that this Agreement is within its authority, and that it is duly authorized and empowered to enter into this Agreement. Hospital represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement.

24. Assignment. Hospital may assign all of its rights, duties, and obligations under this Agreement to a duly qualified third party with prior written approval of the Corporation. Any assignment provided for herein shall not serve to enlarge or diminish the obligations and requirements of this Agreement, nor shall they relieve Hospital of any liability to the Corporation including any required indemnity in the event that any assignee hereof shall at any time be in Default of the terms of this Agreement. The Corporation may demand and receive adequate assurance of performance including the deposit or provision of financial security by any proposed assignee prior to its approval of an assignment.

25. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Hospital at no time will be acting as an agent of the Corporation and that all consultants or contractors engaged by Hospital respectively will be independent

contractors of Hospital; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that the Corporation will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Hospital respectively under this Agreement, unless any such claims are due to the fault of the Corporation.

(b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the Corporation with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of the Corporation, or any board member, or agent of the Corporation, shall be personally responsible for any liability arising under or growing out of this Agreement.

26. Notice. Any notice required or permitted to be delivered hereunder shall be deemed delivered by actual delivery, by registered or certified mail (with postage prepaid and return receipt requested), or on the first business day after depositing the same in the hands of a reputable overnight courier (such as FedEx or UPS) and addressed to the Party at the address set forth below or by sending the same by electronic mail with confirming copy sent by mail.:

If intended for BEDC:

City of Bastrop Economic Development Corporation
Attention: Executive Director
301 Highway 71 W, Suite 214
Bastrop, TX 78602

With a copy to:

Denton, Navarro, Rocha Bernal & Zech, PC
Attention: Charles E. Zech
2517 North Main Avenue
San Antonio, TX 78212

If to the Hospital:

Seton Family of Hospitals
c/o Ascension Health
1300 W. 34th Street
Austin, TX 78705
Attention: Jason Turman, Real Estate
Telephone: 512-324-3174
Email: Jason.turman@ascension.org

With a copy to:

Hall, Render, Killian, Heath & Lyman, P.C.
500 N. Meridian Street, Suite 400
Indianapolis, IN 46204
Attention: Robert A Hicks
Telephone: 317-633-1433
Email: rhicks@hallrender.com

Any Party may designate a different address at any time upon written notice to the other Parties.

27. Governmental Records. All invoices, records, and other documents required for submission to the City pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10.

28. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement (subject to the dispute resolution mechanisms of Article VIII above) shall be in the Courts of Bastrop County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

29. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors of the Corporation.

30. Legal Construction. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

31. Interpretation. Each of the Parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which Party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

32. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly approved amendments to this Agreement, as approved by the Board of Directors of the Corporation.

33. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

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

35. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

36. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

37. Indemnification. **HOSPITAL AGREES TO DEFEND, INDEMNIFY AND HOLD THE CORPORATION AND THE CITY OF BASTROP (“CITY”), AND THEIR RESPECTIVE OFFICERS, AGENTS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL REASONABLE LIABILITIES, DAMAGES, CLAIMS, LAWSUITS, JUDGMENTS, ATTORNEY FEES, COSTS, EXPENSES AND ANY CAUSE OF ACTION THAT DIRECTLY RELATES TO ANY OF THE FOLLOWING: ANY CLAIMS OR DEMANDS BY THE STATE OF TEXAS THAT THE CORPORATION HAS BEEN ERRONEOUSLY OR OVER-PAID SALES AND USE TAX FOR ANY PERIOD DURING THE TERM OF THIS AGREEMENT AS A RESULT OF THE FAILURE OF HOSPITAL TO MAINTAIN A PLACE OF BUSINESS AT THE PROPERTY OR IN THE CITY OF BASTROP, OR AS A RESULT OF ANY ACT OR OMISSION OR BREACH OR NON-PERFORMANCE BY HOSPITAL UNDER THIS AGREEMENT EXCEPT THAT THE INDEMNITY PROVIDED HEREIN SHALL NOT APPLY TO ANY LIABILITY RESULTING FROM THE ACTION OR OMISSIONS OF THE CORPORATION OR CITY. THE PROVISIONS OF THIS SECTION ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY, IT BEING THE INTENTION OF THE PARTIES THAT HOSPITAL SHALL BE RESPONSIBLE FOR THE REPAYMENT OF ANY SMALL BUSINESS GRANT PAID TO HOSPITAL HEREIN THAT INCLUDES CITY SALES TAX RECEIPTS THAT THE STATE OF TEXAS HAS DETERMINED WAS ERRONEOUSLY PAID, DISTRIBUTED OR ALLOCATED TO THE CORPORATION.**

38. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

39. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by the Hospital, the Hospital shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

Signature Pages to Follow:

Executed on this _____ day of _____, 2017.

HOSPITAL:

SETON FAMILY OF HOSPITALS,
a Texas non-profit corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This information was acknowledged before me on this _____ day of _____, 2017,
by _____, _____ for Seton Family of Hospitals, a Texas non-profit corporation, on
behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

Executed on this _____ day of _____, 2017.

CORPORATION:

**BASTROP ECONOMIC
DEVELOPMENT CORPORATION**

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF BASTROP §

This information was acknowledged before me on this _____ day of _____, 2017,
by _____, _____ for the Bastrop Economic Development Corporation, a Texas non-
profit industrial development corporation, on behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

APPROVED AS TO FORM:

By: _____
Charles E. Zech, BEDC Counsel
DNRB&Z P.C.

**EXHIBIT “A-1” TO THE PERFORMANCE AGREEMENT
Agreement for Construction of Stormwater Drainage Improvements**

[SEE ATTACHED]

- An approximately 90-acre tract located in Bastrop, Bastrop County, Texas, more specifically described on **Exhibit “B-2”**.
- 1.03. “City Engineer” shall be the civil engineer appointed to serve as the Engineer for the City of Bastrop, Texas.
 - 1.04. “Contractor” shall mean the person, firm, corporation, partnership, association, or other entity awarded the contract by Developer for the construction and installation of the Improvements.
 - 1.05. “Corporation’s Participation Costs” means costs associated with the construction of that part of the Improvements required to serve the drainage requirement of the right-of-way improvements.
 - 1.06. “Drainage Easement” means the easement granted pursuant to that certain Drainage Easement Agreement (the “Drainage Easement Agreement”) recorded as Document Number 200803574 (Book 1819, Page 840) of the Public Records of the County Clerk of Bastrop County, Texas which authorizes the drainage of stormwater runoff from the Benefitted Tracts across a defined area of the real property described in the Drainage Easement Agreement.
 - 1.07. “Facility” means the limited service, short stay hospital with emergency room and medical offices that Hospital shall construct and operate and that is described in more detail in the Performance Agreement.
 - 1.08. “Hospital’s Participation Costs” means costs associated with the construction of that part of the Improvements required to serve the drainage requirement of the Facility.
 - 1.09. “Improvements” or “Drainage Improvements” shall mean the drainage improvements described on **Exhibit “B-3”**.
 - 1.10. “Performance Agreement” means that certain Economic Development Performance Agreement by and between the Corporation and Hospital dated _____, 2017 made pursuant to Section 501.158 of the Texas Local Government Code.
 - 1.11. “Project Engineer” means the engineer engaged by Developer to design and oversee construction of the Drainage Improvements.

ARTICLE II Construction of Improvements.

2.01. Intentionally omitted.

2.02. Construction of Improvements. Subject to payment of the Corporation’s Participation Cost and Hospital’s Participation Cost, as contemplated below, Developer agrees to construct the Improvements in accordance with the plans and specifications approved by the City Engineer pursuant to Section 2.03 below. A general description of the Drainage Improvements is attached hereto as **Exhibit “B-3”** and incorporated herein. The Drainage Improvements are currently projected to be completed within thirteen (13)

calendar months following the effective date of this Agreement. No change in the Approved Plans (as defined in Section 2.03 below) shall be made by Developer without the prior written consent of the City Engineer.

2.03. Approved Plans; Contracts for Construction. As soon as reasonably practical following the effective date of this Agreement, Developer shall cause the Project Engineer to prepare civil-engineered plans and specifications for the Drainage Improvements (the “Proposed Plans”), and Developer shall submit the Proposed Plans to the Corporation, City Engineer and Hospital for approval, which approval shall not be unreasonably withheld or delayed. If the Corporation, City Engineer or Hospital has any objection to the Proposed Plans, it shall provide such objections to Developer in writing within ten (10) days of Developer’s submittal of the Proposed Plans to such party. Any objections to the Proposed Plans that are not delivered in writing within said 10-day period shall be deemed waived. If Hospital, Corporation or the City Engineer delivers any reasonable objection(s) to the Proposed Plans in writing within said 10-day period, Developer shall cause Project Engineer to address such objection(s), and Developer shall thereafter submit revised Proposed Plans to Hospital, Corporation and City Engineer for further approval, not to be unreasonably withheld or delayed. This process will continue until Developer, Hospital, Corporation and the City Engineer have approved the Proposed Plans, and, upon such mutual approval, the Proposed Plans shall be the “Approved Plans.” Following approval of the Approved Plans, Developer shall (i) obtain construction bids from one or more qualified Contractors on the basis of the Approved Plans, (ii) promptly update the Budget (as defined below) accordingly, and (iii) circulate such updated Budget to Hospital, Corporation and City Engineer for approval. The City Engineer shall review all contract documents and cost estimates, and shall approve the Contractor prior to the award of the contract. Subject to Corporation and Hospital releasing progress payments in accordance with the Escrow Agreement attached as **Exhibit “B-4”** hereto, Developer shall pay for the work as it is completed, and shall make all payments in a timely manner to the Contractor, sub-contractors, and other parties involved in the construction of the Improvements, to the extent of the funds escrowed pursuant to the Escrow Agreement. Any failure of Developer to construct the Improvements as provided herein shall not relieve Developer of any obligation to pay Developer’s Payment of Costs Overruns or any other payment required herein.

2.04. Intentionally deleted.

2.05. Inspection. The City Engineer or designee shall periodically inspect the construction of the Improvements in the same manner, and shall possess the same authority, as is provided during the construction of subdivision improvements pursuant to the City of Bastrop’s Subdivision Ordinance, as amended.

2.06. Insurance. The Contractor awarded the contract to construct the Improvements shall be required to carry worker’s compensation insurance on its employees and public liability and property damage insurance on its equipment and employees. The public liability insurance shall be not less than five hundred thousand dollars (\$500,000.00) per person and one million dollars (\$1,000,000.00) per occurrence, with property damage insurance of not less than five hundred thousand dollars (\$500,000.00). In addition, Corporation and Hospital shall be furnished with certificates of insurance and shall be named as additional

named insureds on such certificates, and the Corporation and Hospital shall be notified within ten (10) calendar days of any cancellation of such insurance.

2.07. Accounting. Developer shall submit to Corporation and Hospital a complete accounting of all costs incurred by Developer in the construction of the Improvements. Corporation will not contribute or pay for any cost incurred by Developer which was not approved by Corporation prior to it being incurred. All costs set forth in the approved budget attached hereto as **Exhibit "B-5"** (the "Budget") have been approved by Corporation and the City Engineer. Developer shall maintain the accounting for the Improvements for a period of two (2) years from the date of completion of the Drainage Improvements, and the City of Bastrop and the Corporation may inspect the Developer's books and records related to the Drainage Improvements at any time with reasonable notice.

ARTICLE III Obligations and Payments.

3.01. Construction Costs. The estimated total construction costs (hard and soft costs) for the Improvements is One Million One Hundred Twenty-Five Thousand and 00/100 Dollars (\$1,125,000.00) (the "Estimated Construction Costs"). As used in this Agreement, the phrase "cost of constructing the Improvements" and similar phrases refer to hard and soft costs of constructing the Improvements, subject to Sections 2.03 and 2.07 above.

3.02. Corporation's Payment of Costs. The Corporation shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (Corporation's "Initial Payment of Costs") toward the cost of constructing the Improvements. In the event that the actual total construction costs exceed the Estimated Construction Costs, the Corporation shall pay, in addition to the Initial Payment of Costs, an amount (Corporation's "Payment of Cost Overruns") equal to twenty-two and twenty-two hundredths percent (22.22%) of the difference between the Estimated Construction Costs and the actual total construction costs.

3.03. Escrow of Corporation's Payment of Costs. The Corporation shall pay into escrow Corporation's Initial Payment of Costs pursuant to the Escrow Agreement attached hereto as **Exhibit "B-4"**. Subject to Sections 2.03 and 2.07 above, the Corporation shall pay into said escrow Corporation's Payment of Cost Overruns prior to the date that Corporation's Initial Payment of Costs has been fully released from the escrow. Progress payments may be withdrawn by Developer pursuant to the terms of the Escrow Agreement.

3.04. Hospital's Payment of Costs. The Hospital shall pay Six Hundred Twenty-Five Thousand and 00/100 Dollars (\$625,000.00) (Hospital's "Initial Payment of Costs") toward the cost of constructing the Improvements. In the event that the actual total construction costs exceed the Estimated Construction Costs, the Hospital shall pay, in addition to its Initial Payment of Costs, an amount (Hospital's "Payment of Cost Overruns") equal to fifty-five and fifty-six hundredths percent (55.56%) of the difference between the Estimated Construction Costs and the actual total construction costs.

3.05. Escrow of Hospital's Payment of Costs. The Hospital shall pay into escrow its Initial Payment of Costs, pursuant to the Escrow Agreement attached hereto as **Exhibit "B-4"**. Hospital shall pay into said escrow Hospital's Payment of Cost Overruns prior to the date that Hospital's Initial Payment of Costs has been fully released from the escrow.

Progress payments may be withdrawn by Developer pursuant to the terms of the Escrow Agreement.

3.06. Developer's Payment of Costs. Developer shall pay Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) (Developer's "Initial Payment of Costs") toward the cost of constructing the Improvements. In the event that the actual total construction costs exceed the Estimated Construction Costs, Developer shall pay, in addition to its Initial Payment of Costs, an amount (Developer's "Payment of Cost Overruns") equal to twenty-two and twenty-two hundredths percent (22.22%) of the difference between the Estimated Construction Costs and the actual total construction costs.

3.07. Escrow of Developer's Payment of Costs. Developer shall pay into escrow its Initial Payment of Costs, pursuant to the Escrow Agreement attached hereto as **Exhibit "B-4"**. Developer shall pay into said escrow Developer's Payment of Cost Overruns prior to the date that Developer's Initial Payment of Costs has been fully released from the escrow. Progress payments may be withdrawn by Developer pursuant to the terms of the Escrow Agreement.

3.08 Maintenance. Following the completion of the Drainage Improvements, Developer and Hospital shall pay their respective pro rata shares of the reasonable and actual cost to maintain and repair the Drainage Improvements in good condition and repair for their intended use. Each party's pro rata share shall be a fraction, the numerator of which is the land area within the portion of the Benefitted Tracts owned by the application party, and the denominator of which is the total land area of the Benefitted Tracts. Such costs shall be payable annually within thirty (30) days' of the performing party's invoice therefor.

ARTICLE IV Assignment, Modification and Waiver.

4.01. Assignment. 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 Parties.

4.02. Amendment or Modification. 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.

4.03. Parties in Interest. This Agreement shall be for the sole and exclusive benefit of the Parties hereto and shall not be construed to confer any rights upon any third party.

4.04. Remedies Not Exclusive. The rights and remedies contained in this Agreement shall not be exclusive, but shall be cumulative of all rights and remedies now or hereinafter existing, by law or in equity.

4.05. Waiver. 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.

4.06. Entire Agreement. This Agreement and the Escrow Agreements constitute the entire agreement between the Parties related to the subject matter of this Agreement and

supersedes any and all prior agreements, whether oral or written, dealing with the subject matter of this Agreement.

4.07. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement shall be in the Courts of Bastrop County. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

4.08. Severability. If any term or provision of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remainder of the terms and provisions of this Agreement shall remain in full force and effect and shall not in any way be invalidated, impaired or affected.

4.09. Notices. 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 electronic mail; 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 Developer: 71 Retail Partners, LP
Attention: Doug MacMahon
8214 Westchester Drive, Suite 550
Dallas, TX 75225

If intended for BEDC: City of Bastrop Economic Development Corporation
Attention: Executive Director
301 Highway 71 W, Suite 214
Bastrop, TX 78602

With a copy to: Denton, Navarro, Rocha, Bernal & Zech PC
Attention: Charles E. Zech
2517 North Main Avenue
San Antonio, TX 78212

If to the Hospital: Seton Family of Hospitals
c/o Ascension Health
1300 W. 34th Street
Austin, TX 78705
Attention: Jason Turman, Real Estate
Telephone: 512-324-3174
Email: Jason.turman@ascension.org

With a copy to:

Hall, Render, Killian, Heath & Lyman, P.C.
500 N. Meridian Street, Suite 400
Indianapolis, IN 46204
Attention: Robert A. Hicks
Telephone: 317-633-1433
Email: rhicks@hallrender.com

4.10. No Joint Venture. Nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent of the other for any purpose whatsoever. Except, as otherwise specifically provided herein, neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

4.11. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which constitute one instrument.

Signature Page to Follow:

Executed to be effective on this _____ day of _____, 2017.

DEVELOPER:

71 RETAIL PARTNERS LP,
a Texas limited partnership

By: MC Bastrop 71 GP, LLC,
a Texas limited liability company,
its general partner

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
 §
COUNTY OF BASTROP §

This information was acknowledged before me on this _____ day of _____, 2017,
by _____, _____ for MC Bastrop 71 GP, LLC, a Texas limited liability company, the
general partner of 71 Retail Partners LP, a Texas limited partnership, on behalf of said limited
liability company and said limited partnership.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

Executed on this _____ day of _____, 2017

HOSPITAL:

SETON FAMILY OF HOSPITALS,
a Texas non-profit corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This information was acknowledged before me on this _____ day of _____, 2017,
by _____, _____ for Seton Family of Hospitals, a Texas non-profit corporation, on
behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

Executed on this _____ day of _____, 2017.

CORPORATION:

**BASTROP ECONOMIC
DEVELOPMENT CORPORATION**

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF BASTROP §

This information was acknowledged before me on this _____ day of _____, 2017,
by _____, _____ for the Bastrop Economic Development Corporation, a Texas non-
profit industrial development corporation, on behalf of said agency.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

APPROVED AS TO FORM:

By: _____
Charles E. Zech, BEDC Counsel
DNRBH&Z P.C.

**EXHIBIT “B-1” TO THE AGREEMENT FOR
CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS**
Description of 52-acre tract

[SEE ATTACHED]

**EXHIBIT “B-2” TO THE AGREEMENT FOR
CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS**
Description of 90-acre tract

[SEE ATTACHED]

**EXHIBIT “B-3” TO THE AGREEMENT FOR
CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS**
Drainage Improvements Specifications

A drainage canal to carry stormwater from properties in the Benefitted Tracts south to the Colorado River.

**EXHIBIT “B-4” TO THE AGREEMENT FOR
CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS**
Escrow Agreement with Corporation

[SEE ATTACHED]

ESCROW AGREEMENT

This Escrow Agreement (herein so called) is made by and between the Bastrop Economic Development Corporation, located in Bastrop County, Texas (“Corporation”), a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 505, 71 Retail Partners LP, a Texas limited partnership (“Developer”), Seton Family of Hospitals, a Texas non-profit corporation (“Hospital”), and Lawyers Title Company (“Escrow Agent”). Corporation and Developer are hereinafter from time to time collectively referred to as the “Parties.”

W I T N E S S E T H:

WHEREAS, Corporation, Hospital and Developer have entered into that certain Agreement with Developer and Hospital for Construction of Stormwater Drainage Improvement dated _____, 2017 (hereinafter, the “Agreement”) wherein it is agreed that Developer shall make Improvements to the Drainage Easement, therein described; and, that such Improvements shall in part serve the stormwater drainage requirements of improvements that will be made by Corporation and Hospital on tracts of land benefited by the Drainage Easement; and

WHEREAS, pursuant to the terms of the Agreement, Corporation is obligated to contribute a portion of the costs of the Improvements to the Drainage Easement; and

WHEREAS, the purpose of this Escrow Agreement is to provide for the deposit of Corporation’s share of the estimated cost of constructing the Improvements with the Escrow Agent, and provide Escrow Agent instructions for the release of the Funds as progress payments to Developer;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Parties and Escrow Agent agree as follows:

1. Incorporation of Recitals; Definitions. The foregoing recitals are incorporated herein for all purposes. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Agreement, unless context clearly requires otherwise.

2. Duties of Escrow Agent. Upon the execution of this Escrow Agreement, (i) Corporation shall deliver to Escrow Agent cash or other immediately available funds in the amount of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) (the “Corporation’s Funds”), (ii) Developer shall deliver to Escrow Agent cash or other immediately available funds in the amount of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) (the “Developer’s Funds”), and (iii) Hospital shall deliver to Escrow Agent cash or other immediately available funds in the amount of Six Hundred Twenty Five Thousand and 00/100 Dollars (\$625,000.00) (the “Hospital’s Funds”). The Corporation’s Funds, Developer’s Funds and Hospital’s Funds are collectively referred to herein as the “Funds.” Each party agrees to deposit additional Funds when and as required by the Agreement, if at all. Escrow Agent shall immediately deposit the Funds in an interest-bearing account at a financial institution reasonably acceptable to the Parties (the “Escrow Account”). All interest accruing on the Escrow Account shall become part of the Funds and shall be disbursed in accordance with the terms of this Escrow Agreement; however, and, for

federal income tax purposes all interest earned on the Funds shall be deemed to be for the account of the parties in their respective Pro Rata Shares. Corporation shall pay Escrow Agent a fee of \$_____ for the performance of Escrow Agent's obligations under this Escrow Agreement. Escrow Agent shall not be liable for any act or thing done or caused to be done by it under or pertaining to this Escrow Agreement or the Funds, except that Escrow Agent shall be liable for losses and damages caused by the fraud, gross negligence, or willful misconduct of Escrow Agent or any of its agents, employees or representatives. It is understood and agreed that in the case of any controversy, Escrow Agent may refrain from acting in any manner until it receives written agreement from all parties hereto, or Escrow Agent may interplead the Funds into any court of competent jurisdiction, and the act of such interpleader shall immediately relieve Escrow Agent of its duties, liabilities, and responsibilities hereunder. If any controversy arises hereunder which results in Escrow Agent's interpleading the Funds into a court of competent jurisdiction, Escrow Agent shall be reasonably compensated therefor and reimbursed for all reasonable costs and expenses occasioned thereby, and the parties hereto agree jointly and severally to pay the same, and to indemnify Escrow Agent against any such expenses and costs. Escrow Agent's obligations hereunder shall not be subject to rescission or modification except upon receipt by Escrow Agent of written instructions of all the parties hereto or their successors in interest, and no such modification shall be effective unless and until consented to in writing by Escrow Agent. Escrow Agent is not liable for the validity or accuracy of, and shall be protected in acting upon, any notice, request, waiver, consent, receipt or other paper or document believed by Escrow Agent to be genuine and to be signed by the proper party or parties, including but not limited to Improvements Construction Progress Payment release form.

3. Utilization of Funds; Conditions to Release of Funds.

- a. The Funds shall solely be used to pay for the costs to be incurred by Developer to construct the Improvements, as set forth in the Budget (the "Construction Costs"). Pursuant to the Agreement, (i) Developer is responsible for 22.22% of the Construction Costs, (ii) Corporation is responsible for 22.22% of the Construction Costs, and (iii) Hospital is responsible for 55.56% of the Construction Costs (such shares being referred to herein, respectively, as the "Pro Rata Shares" or each party's "Pro Rata Share"). Developer may make progress withdrawals in thirty (30) day intervals by furnishing to Escrow Agent, with a copy to Corporation and Hospital, an affidavit showing that the sum requested to be withdrawn is equal to Corporation's Share of total construction costs expended by Developer on prescribed Improvements, indicating the percentage of site improvements completion and estimating the date of site improvements completion. The affidavit shall be submitted by Developer or the Project Engineer substantially in the form of **Exhibit "C-2"** (each a "Pay Application").
- b. Withdrawals from the escrow shall only be made upon a Pay Application and in accordance with this Section 3.b. The Escrow Agent shall be authorized to release Funds to the Developer, in one lump sum, if neither Hospital nor Corporation has delivered a written objection to such draw request within five (5) business days' of

Developer's submittal of a Pay Application (or upon earlier written authorization from Hospital and Corporation's director of economic development to do so). Each party's Funds shall be charged with its respective Pro Rata Share of each disbursement hereunder.

- c. If Developer fails to complete construction of all site improvements on or before the date that is thirteen (13) months following the date of this Escrow Agreement or if, after six (6) months following the date of this Escrow Agreement, the City Engineer finds, in its reasonable judgement, that the construction of all site improvements will not be complete on the date that is thirteen (13) months following the date of this Escrow Agreement (any such failure of Developer shall be referred to hereafter as a "Developer Breach"), Corporation shall have the right, but not the obligation, at any time thereafter, to take over the construction of the Improvements upon thirty (30) days' written notice to Developer, Hospital and Escrow Agent. If Corporation takes over the construction of the Improvements pursuant to this subsection, (i) Developer shall cease to be entitled to any further disbursements of the Funds, and (ii) any Funds remaining in the Escrow Account at such time shall instead be used to make progress withdrawals for Corporation's construction of the Improvements, in thirty (30) day intervals, by furnishing to Escrow Agent, Developer and Hospital a Payment Application in the same manner applicable to Developer in Section 3.b. above.
- d. All interest accrued in the Escrow Account shall added to the Funds; and any remaining Funds, after all payments due to Developer have been made, shall be returned to the parties in their respective Pro Rata Shares, provided that no Developer Breach has occurred. If a Developer Breach has occurred, any remaining Funds shall be returned to Corporation and Hospital according to the proportion in which they contributed Funds to the Escrow Account.

4. Resignation of Escrow Agent. Escrow Agent may resign as Escrow Agent under this Escrow Agreement by giving written notice to the Parties in accordance with the provisions of this Escrow Agreement at least thirty (30) days before the effective date of such resignation. Thereafter, Escrow Agent shall deliver any remaining Funds held pursuant to this Escrow Agreement upon the joint written and signed order of the Parties. If no such order is received by Escrow Agent within thirty (30) days after the giving of such notice, Escrow Agent is authorized and empowered to deposit the Funds into the registry of a court of competent jurisdiction.

5. Removal of Escrow Agent. The Parties may remove Escrow Agent, with or without cause, and appoint a substitute Escrow Agent or otherwise designate the disposition of the Funds without other formality than giving written notice to Escrow Agent at Escrow Agent's address set forth below, in which event Escrow Agent shall deliver the Funds in accordance with the joint written and signed instructions of the Parties and shall thereupon be deemed to be removed as of the date designated in such notice, or if no date is designated, as of the date such delivery is made.

The Parties shall share equally in any costs incurred by them by reason of any removal of Escrow Agent; provided, however, that each of the Parties shall pay their own attorneys' fees.

6. Notices. All notices, requests, approvals, and other communications required or permitted to be delivered under this Escrow Agreement must be in writing and are effective upon receipt if delivered personally or by confirmed electronic mail transmission, so long as notice by electronic mail transmission is also sent simultaneously by another means provided herein; one (1) day after delivery to a nationally recognized, overnight courier service; or two (2) days after being deposited in the United States mail, certified, return receipt requested, postage prepaid, to the addresses for each party set forth below:

Corporation: City of Bastrop Economic Development Corporation
Attention: Executive Director
301 Highway 71 W, Suite 214
Bastrop, TX 78602
Email:

With copy to: Habib H. Erkan Jr.
Denton, Navarro, Rocha, Bernal & Zech
A Professional Corporation
2517 N. Main Avenue
San Antonio, Texas 78212
Email:

Developer: 71 Retail Partners, L.P.
Attention: Doug MacMahon
8214 Westchester Drive, Suite 550
Dallas, Texas 75225
Email: dm@morancap.com

Hospital: _____
Attention: _____

9. Miscellaneous Provisions.

a. Business Day. The term "business day" as used herein shall mean any calendar day that is not a Saturday, Sunday or legal holiday recognized and observed by the City of Bastrop.

b. No Oral Modification. This Escrow Agreement may not be modified, amended or altered except by an agreement in writing signed by the Parties and Escrow Agent.

c. Governing Law. This Escrow Agreement has been prepared, is being executed and delivered, and is intended to be performed in the State of Texas, and the substantive laws of such state shall govern the validity, construction, enforcement and interpretation of this Escrow Agreement. Venue of any case or controversy arising under or pursuant to this Escrow Agreement shall lie exclusively in Bastrop County, Texas.

d. Severability. If any covenant, provision, or agreement of this Escrow Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Escrow Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this Escrow Agreement shall not be affected thereby, and that this Escrow Agreement shall otherwise continue in full force and effect. It is the further intention of the parties that in lieu of each covenant, provision or agreement of this instrument that is held illegal, invalid, or unenforceable, there be added as a part hereof a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

e. Entirety. This Escrow Agreement and the Agreement embody the entire agreement between the parties, and supersede all prior agreements and understandings, if any, relating to the subject matter hereof. To the extent of any conflict between this Escrow Agreement and the Agreement, the parties hereby agree that to the greatest extent possible, any such conflicts shall be resolved to effectuate the intent of the parties, but the Agreement shall in all events govern and control.

f. Binding Effect and Assignment. The terms of this Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives; provided, however, that no party hereto may, without the prior written consent of each of the others (such consent not to be unreasonably withheld, conditioned or delayed), assign any rights, powers, duties, or obligations hereunder, and further provided, however, that this Escrow Agreement shall not inure to the benefit of any party other than the parties to this Escrow Agreement. There are no third-party beneficiaries of this Escrow Agreement or the Agreement.

g. Headings. Section headings are for convenience of reference only and shall in no way affect the interpretation of this Escrow Agreement.

h. Counterparts. This Escrow Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and any of the parties hereto may execute this Escrow Agreement by signing any such counterpart.

i. Time of the Essence. Time is of the essence of this Escrow Agreement.

j. Cooperation. Upon the reasonable request of Escrow Agent, each of the Parties agree to promptly provide written authorization to Escrow Agent to do or perform any

actions required of it hereunder, so long as all necessary conditions precedent to such actions (as set forth) have been satisfied.

[Signatures of the Parties Begin on Next Page]

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed as of the dates set forth beneath the signatures of each party below, to be effective the latter date executed.

DEVELOPER:

71 RETAIL PARTNERS LP,
a Texas limited partnership

By: MC Bastrop 71 GP, LLC,
a Texas limited liability company,
its general partner

By: _____
Name: _____
Title: _____

CORPORATION:

**BASTROP ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Name: _____
Title: _____

HOSPITAL:

SETON FAMILY OF HOSPITALS
a Texas non-profit corporation

By: _____
Printed: _____
Title: _____

ESCROW AGENT:

Lawyers Title Company

By: _____
Name: _____
Title: _____
Date: _____

DRAFT

**EXHIBIT “B-5” TO THE AGREEMENT FOR
CONSTRUCTION OF STORMWATER DRAINAGE IMPROVEMENTS**
Budget

[SEE ATTACHED]

DRAFT

**EXHIBIT “C-1” TO THE ESCROW AGREEMENT
Performance Agreement**

[SEE ATTACHED]

DRAFT

**EXHIBIT "C-2" TO THE ESCROW AGREEMENT
Progress Payment Release Form**

[SEE ATTACHED]

DRAFT

PROGRESS PAYMENT RELEASE FORM

Affidavit

State of Texas §

§

County of Bastrop §

Before me, the undersigned authority in and for the state and county aforesaid, on this day personally appeared _____, in his capacity as _____ of MC Bastrop GP, LLC, a Texas limited liability company, the general partner of 71 Retail Partners, LP, a Texas limited partnership (“Developer”), who, being by me first duly sworn upon his oath deposes and says:

I, _____, on behalf of Developer, certify the following:

- 1) This is the first withdrawal request since (Insert Date)
- 2) This request is for the withdrawal of the sum of \$_____ from the escrow account heretofore deposited.
- 3) As of the date of this withdrawal request the total expenditures made toward completion of the Drainage Improvements described in the Escrow Agreement is \$_____.00 (the “Total Expenditures to Date”) and, including this withdrawal, the total amount of withdrawals from this Escrow Account equals \$_____.00, which is ____% of the Total Expenditures to Date.

Further Affiant sayeth not.

Signature of Affiant

Affiant’s Printed Name

Affiant’s Title

State of Texas §
 §
County of Bastrop §

Sworn to and subscribed before me by _____ on this _____
_____ day of _____, 20____.

(personalized seal)

Notary Public's Signature

DRAFT

**EXHIBIT “A-2” TO THE PERFORMANCE AGREEMENT
Drainage Easement**

[SEE ATTACHED]

DRAFT

**EXHIBIT “A-3” TO THE PERFORMANCE AGREEMENT
Agnes Street Extension Improvements**

[SEE ATTACHED]

DRAFT

**EXHIBIT “A-4” TO THE PERFORMANCE AGREEMENT
Rights of Way Agreement**

[SEE ATTACHED]

DRAFT

NOTICE OF CONFIDENTIALLY RIGHTS; IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS §
 §
COUNTY OF BASTROP §

RIGHT-OF-WAY DEDICATION
INCLUDING PUBLIC UTILITY AND DRAINAGE EASEMENTS

Date: _____, 2017

Grantor: 71 Retail Partners, a Texas limited partnership

Grantor's Mailing Address: [include county]

Grantee: City of Bastrop, Texas, a home rule municipality

Grantee's Mailing Address: 1311 Chesnutt Street
P.O. Box 427
Bastrop, Bastrop County, Texas 78602

Property: That certain _____ acre (_____ square feet, more or less) tract or parcel of land situated in Bastrop County, Texas, being more particularly described by metes and bounds on **Exhibit "D-1"**, attached hereto and made a part hereof for all purposes.

For good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged and for which no lien or encumbrance, either expressed or implied, is retained, Grantor hereby irrevocably dedicates and conveys to Grantee and its successors and assigns, the Property described above for the use and benefit of the public as a perpetual public right-of-way and easement for the passage and accommodation of vehicular and pedestrian traffic, and the construction, operation, use, maintenance, inspection, repair, alteration, and replacement of a paved road within the boundaries of the right-of-way and easement area, and for all other purposes for which a public street and right-of-way is commonly used, including installing, repairing, maintaining, altering, replacing, relocating, and operating utilities and drainage improvements in, into, upon, over, across, and under said right-of-way, and including but not limited to all such uses permitted by the laws of the State of Texas and the ordinances and charter of the City of Bastrop, Texas.

TO HAVE AND TO HOLD said right-of-way and easement unto the City of Bastrop, its successors and assigns, and GRANTOR hereby binds itself, its successors, and assigns to warrant and forever defend, all and singular, said premises unto the City of Bastrop, its successor and

assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

The remainder of this page intentionally blank, signature page to follow.

DRAFT

IN WITNESS WHEREOF, this instrument is executed to be effective as of the date set out above.

GRANTOR:

71 RETAIL PARTNERS LP,
a Texas limited partnership

By: MC Bastrop 71 GP, LLC,
a Texas limited liability company,
its general partner

By: _____

Name: _____

Title: _____

ACCEPTED:

THE CITY OF BASTROP, TEXAS,
a Texas municipality

Lynda Humble, City Manager

State of Texas §

§

County of Bastrop §

This Right-of-Way Dedication was acknowledged before me on this ____ day of _____, 2017, by _____, _____ of MC Bastrop 71 GP, LLC, a Texas limited liability company, the general partner of 71 Retail Partners LP, a Texas limited partnership, on behalf of said limited liability company and said limited partnership.

Notary Public, State of Texas

State of Texas §

§

County of Bastrop §

This Right-of-Way Dedication was acknowledged before me on this ____ day of _____, 2017, by Lynda Humble, City Manager of the City of Bastrop, a Texas Municipality, on behalf of said Municipality.

Notary Public, State of Texas

The preparer of this document has made no investigation of the following matters: the accuracy of the legal description used herein, whether or not the Grantor is the correct owner of the property, whether or not the party signing on behalf of the Grantor is authorized to sign on behalf of the Grantor, or any title matters whatsoever.

PREPARED IN THE LAW OFFICE OF:

DENTON NAVARRO ROCHA BERNAL
AND ZECH P.C.
2517 N. Main Avenue
San Antonio, Texas 78212

**AFTER RECORDING RETURN
TO:**

DIRECTOR OF ECONOMIC DEV.
Bastrop EDC
903 Main Street
Bastrop, Texas 78602-3809

DRAFT

**EXHIBIT “D-1” TO THE RIGHT-OF-WAY DEDICATION
Metes and Bounds Description of the Property**

[SEE ATTACHED]

DRAFT

**EXHIBIT “A-5” TO THE PERFORMANCE AGREEMENT
Hospital Plat Application**

[SEE ATTACHED]

DRAFT

**EXHIBIT “A-6” TO THE PERFORMANCE AGREEMENT
Drainage Easement**

[SEE ATTACHED]

DRAFT

**EXHIBIT “A-7” TO THE PERFORMANCE AGREEMENT
Sample Annual Certification Report Form**

[SEE ATTACHED]

DRAFT

Annual Certification Report

Reporting Period: _____ to _____ 20__

The Annual Certification Report for the Economic Development Performance Agreement between the Bastrop Economic Development Corporation and Seton Family of Hospitals, a Texas non-profit corporation (“Hospital”), is due on _____ **15, 20**__. Please sign and return the Annual Certification Report form with accompanying narrative.

I. PROJECT INFORMATION

Project Information:

Hospital's legal name: Seton Family of Hospitals, a Texas non-profit corporation

Project address subject to incentive: _____

Hospital primary contact: _____ Title: _____

Phone number: _____ E-mail address: _____

II. REPORTING INFORMATION

Employment and Wage Information:

Has the Hospital employed undocumented workers? Yes No

What is the total number of Full-time or Full-Time Equivalent Employees located at the Bastrop facility during the calendar year? _____

What is the total Annual Payroll for the Bastrop facility during the calendar year? _____

Narrative:

Please attach a brief narrative explaining the current year's activities and/or comments relating to any potential defaults.

III. ADDITIONAL INFORMATION (VOLUNTARY)

Employment:

Total full-time employees or full-time equivalents: _____

Total annual payroll: _____

Number of full-time or full-time equivalent jobs added in past year: _____

Number of employees that live in Bastrop, Texas: _____

Interested in being contacted about workforce training opportunities? Yes No

Interested in being contacted for assistance with City permits? Yes No

IV. CERTIFICATION

I certify that, to the best of my knowledge and belief, the information and attachments provided herein are true and accurate and in compliance with the terms of Economic Development Performance Agreement.

I further certify that the representations and warranties contained within the Agreement remain true and correct as of the date of this Certification, and remakes those representations and warranties as of the date hereof.

I further certify that the employment and wage information provided is true and accurate to the best of my knowledge and I can provide documentation from the Texas Workforce Commission to support my claim if so requested.

I understand that this Certificate is being relied upon by the BEDC in connection with the expenditure of public funds.

I have the legal and express authority to sign this Certificate on behalf of Hospital.

Name of Certifying Officer

Certifying Officer's Title

Phone Number

E-Mail Address

Signature of Certifying Officer

Date

STATE OF TEXAS §
COUNTY OF _____ §

This information was acknowledged before me on this _____ day of _____, _____ by _____, _____ for Seton Family of Hospitals, a Texas non-profit corporation, on behalf of said non-profit corporation.

Notary Public, State of Texas

Notary's typed or printed name

My commission expires

The Annual Certification Report is to be completed, signed and returned on or before February 15, 20___. Please send an original to the following address:

**Attention: Executive Director
City of Bastrop Economic Development Corporation**

Bastrop, TX _____



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 9B

TITLE:

Consider action to approve the first reading of Resolution No. R-2017-97 of the City Council of the City of Bastrop, Texas, approving the expenditure of Bastrop Economic Development funds for the extension of the public road known as Agnes Street as an infrastructure improvement project in an amount exceeding ten thousand dollars (\$10,000); repealing all resolutions in conflict; and establishing an effective date; and move to include on the December 12, 2017 City Council agenda for second reading.

STAFF REPRESENTATIVE:

Shawn Kirkpatrick, Bastrop EDC Executive Director

BACKGROUND/HISTORY:

The Bastrop EDC Board of Directors approved funding the Agnes Extension Infrastructure Project at their Board meeting on October 31, 2017. Pursuant to Section 505.158(b) of the Local Government Code, prior to the BEDC funding a project involving an expenditure of more than \$10,000, the City Council shall adopt a Resolution authorizing the project, which Resolution shall be read by the City Council on two separate occasions.

As part of a Performance Agreement with Seton Family of Hospitals, the EDC has agreed to construct an extension of Agnes Street from SH 304 to the eastern property line of the Bastrop Grove subdivision. The attached resolution provides the City Council approval necessary for the EDC to undertake the project.

The EDC budgeted in FY 2018 to issue \$1.2 million in debt to construct the northern two lanes of a four-lane divided roadway, multi-modal trail, and stormwater drainage structure. No water or wastewater improvements are included or necessary for the Agnes Street Extension. This project is being undertaken to promote or develop new or expanded business enterprises.

The EDC is authorized in the LGC Section 501.103 to undertake certain infrastructure improvement projects:

Sec. 501.103. CERTAIN INFRASTRUCTURE IMPROVEMENT PROJECTS. In this subtitle, "project" includes expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to:

- (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements;*
- (2) telecommunications and Internet improvements; or*
- (3) beach remediation along the Gulf of Mexico.*

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

RECOMMENDATION:

Consider action to approve the first reading of Resolution No. R-2017-97 approving the expenditure of BEDC funds for the Agnes Extension Infrastructure Project and including on the December 12, 2017 agenda for second reading.

ATTACHMENTS:

- Draft Resolution
- Opinion of Probable Cost



RESOLUTION NO. R-2017-97

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, APPROVING THE EXPENDITURE OF BASTROP ECONOMIC DEVELOPMENT FUNDS FOR THE EXTENSION OF THE PUBLIC ROAD KNOWN AS AGNES STREET AS AN INFRASTRUCTURE IMPROVEMENT PROJECT IN AN AMOUNT EXCEEDING TEN THOUSAND DOLLARS (\$10,000); REPEALING ALL RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Texas Local Government Code, Section 501.103 authorizes the expenditure of Bastrop Economic Development Corporation (“BEDC”) funds for a project that the BEDC’s Board of Directors determines to be necessary and suitable to promote or develop new or expanded business enterprises, limited to streets and roads, rail spurs, water and sewer utilities, electric and gas utilities, drainage, site improvements, and related improvements; and

WHEREAS, the Texas Local Government Code, Section 505.158(a) authorizes a Corporation created by a municipality of 20,000 or less to fund a project that includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the Corporation’s Board of Directors to promote new or expanded business development; and

WHEREAS, the Board of Directors of the BEDC met on October 31, 2017, and took formal action making required findings, and supporting and authorizing funding for various Type B Corporation projects; and

WHEREAS, regarding one such project, after careful evaluation and consideration by the BEDC, it has determined that a project proposing to design and construct targeted infrastructure and improvements, referred to as the Agnes Street Extension Infrastructure Project (“Project”), is necessary and suitable to promote or develop new or expanded business enterprises within the City of Bastrop, and further, that such infrastructure is limited to permissible infrastructure as an authorized project pursuant to Section 501.103 of the Texas Local Government Code; and

WHEREAS, the Project involves the expenditure of more than \$10,000.00, which pursuant to Section 505.158(b) of the Texas Local Government Code mandates that City Council must first authorize the Project by Resolution presented to City Council on two separate occasions; and

WHEREAS, the City has reviewed the October 31, 2017, actions of the BEDC related to the Project noted herein, has considered and evaluated that Project, and has found it meritorious of the City Council’s authorization and approval.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

SECTION 1. Findings and Determination. The City Council hereby finds and determines that it is in the best interest of the BEDC and the City to authorize funding for the Agnes Street Extension Infrastructure Project, as authorized by the Texas Local Government Code, Sections 501.103 and 505.158.

SECTION 2. Authorization of Expenditure. The City Council of the City of Bastrop, Texas, hereby authorizes the use of BEDC funds for the Agnes Street Extension Infrastructure Project in an amount not to exceed \$1,200,000, as estimated and requested by the BEDC.

SECTION 3. Open Meeting. The City Council hereby finds and determines that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose at which it was read was given in accordance with Chapter 551, Texas Government Code.

SECTION 4. Any prior resolution of the City Council in conflict with the provisions contained in this Resolution are hereby repealed and revoked.

SECTION 5. Should any part of this Resolution be held to be invalid for any reason, the remainder shall not be affected thereby, and such remaining portions are hereby declared to be severable.

SECTION 6. Two Readings Required. This Resolution shall take effect immediately from and after its passage upon a subsequent second reading and passage, and it is duly resolved.

READ and ACKNOWLEDGED on First Reading on the 28th day of November 2017.

READ and APPROVED on the Second Reading on the ____ day of _____ 2017.

[SIGNATURE PAGE FOLLOWS]

CITY OF BASTROP, TEXAS

APPROVED:

Connie B. Schroeder, Mayor

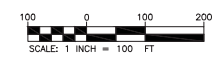
ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney

DRAFT



PRELIMINARY

OPTION 1

WEST SIDE DRAINAGE PLANNING - MINOR ARTERIAL/COLLECTOR - TYPICAL SECTION	
ENGINEER'S OPINION OF PROBABLE COST	
GENERAL CONDITIONS/MASS GRADING	\$ 97,424
STREET IMPROVEMENTS	\$ 422,122
DRAINAGE IMPROVEMENTS	\$ 99,837
EROSION CONTROL & RESTORATION	\$ 41,581
TOTAL HARD CONSTRUCTION COST	\$ 653,964
15% CONTINGENCY	\$ 98,095
ENGINEERING/SURVEYING	\$ 78,476
TOTAL SOFT CONSTRUCTION COST	\$ 176,571
GRAND TOTAL	\$ 830,535

OPTION 2

WEST SIDE DRAINAGE PLANNING - TYPICAL URBAN SECTION	
ENGINEER'S OPINION OF PROBABLE COST	
GENERAL CONDITIONS/MASS GRADING	\$ 152,694
STREET IMPROVEMENTS	\$ 612,440
DRAINAGE IMPROVEMENTS	\$ 136,237
EROSION CONTROL & RESTORATION	\$ 78,703
TOTAL HARD CONSTRUCTION COST	\$ 980,074
15% CONTINGENCY	\$ 147,011
ENGINEERING/SURVEYING	\$ 117,609
TOTAL SOFT CONSTRUCTION COST	\$ 264,620
GRAND TOTAL	\$ 1,244,694

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF REVIEW UNDER AUTHORITY OF EREN ULUSOY, P.E. 122168 ON 7/27/2017. IT IS NOT TO BE USED FOR CONSTRUCTION PURPOSES.

CITY OF BASTROP
WEST SIDE DRAINAGE PLANNING

Bowman CONSULTING

1120 S. Capital of Texas Hwy. • Building 3, Suite 220 • Austin, Texas 78746
Phone: (512) 327-1180 • Fax: (512) 327-4062 • www.bowmanconsulting.com

© Bowman Consulting Group, Ltd.
TBPE Firm Registration No. F-14309



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 9C

TITLE:

Consider action to approve Visit Bastrop's 2018 Business Plan and FY17-18 Budget, and receive monthly President's report.

STAFF REPRESENTATIVE:

Sarah E. O'Brien, Hospitality & Downtown Director

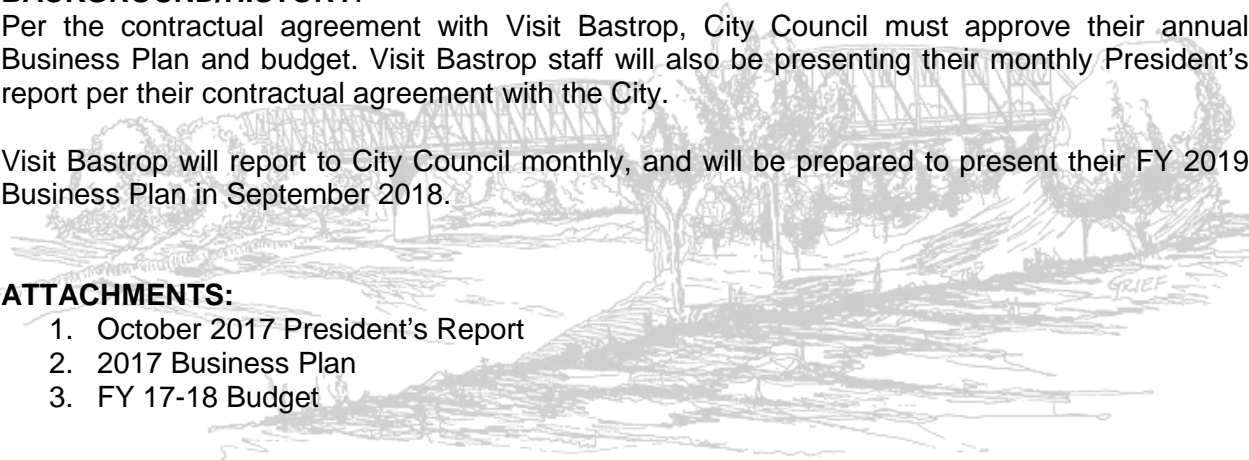
BACKGROUND/HISTORY:

Per the contractual agreement with Visit Bastrop, City Council must approve their annual Business Plan and budget. Visit Bastrop staff will also be presenting their monthly President's report per their contractual agreement with the City.

Visit Bastrop will report to City Council monthly, and will be prepared to present their FY 2019 Business Plan in September 2018.

ATTACHMENTS:

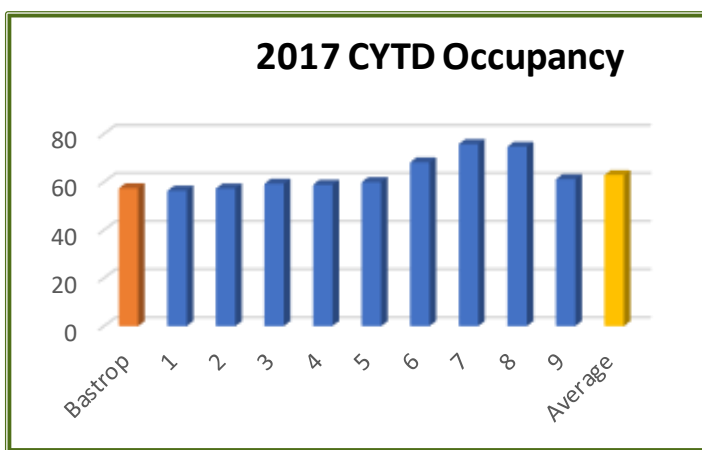
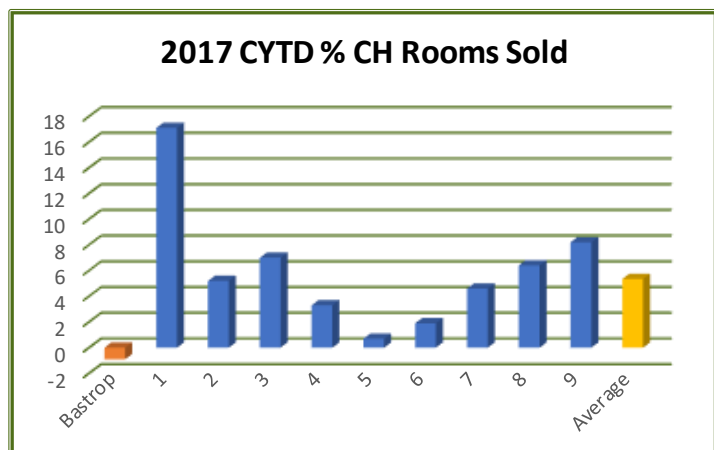
1. October 2017 President's Report
2. 2017 Business Plan
3. FY 17-18 Budget





Visit Bastrop President's Report October 2017

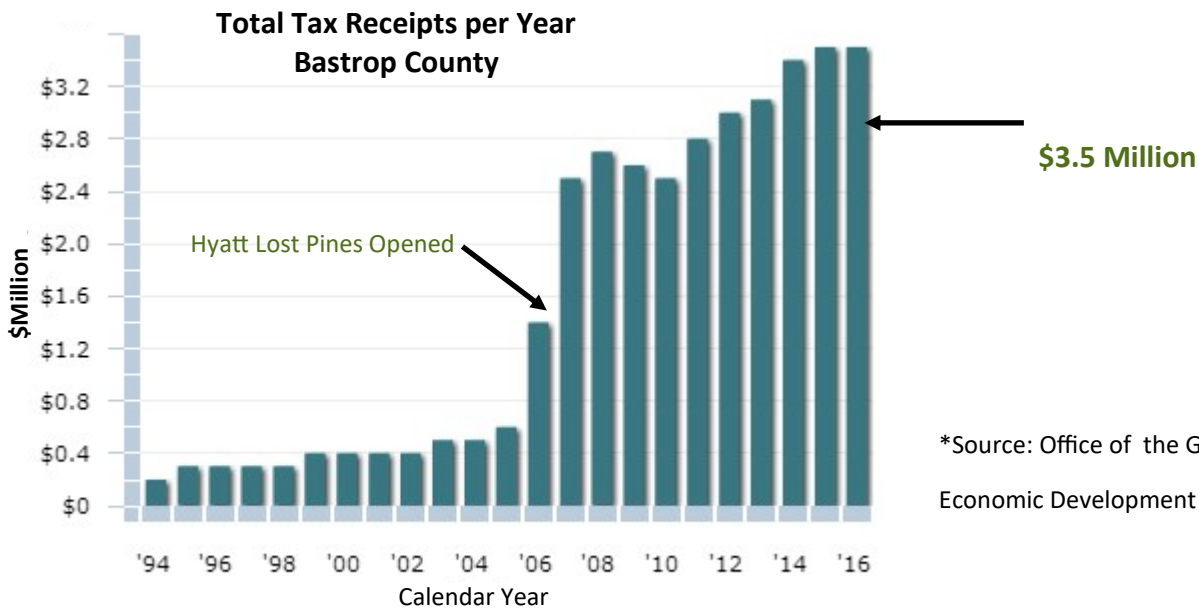
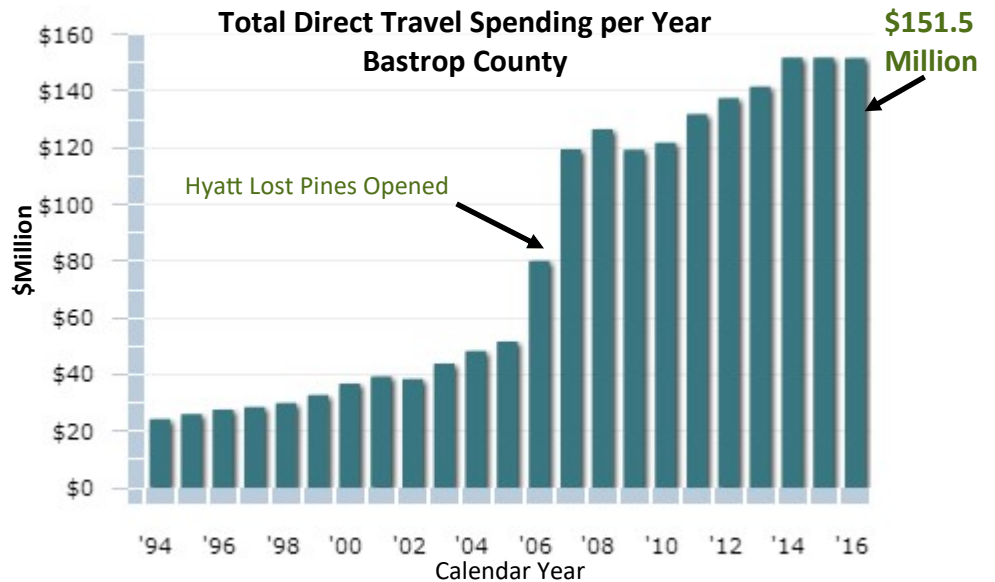
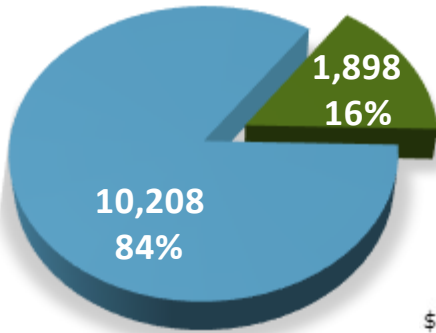
Lodging Industry Report												
	September '17						Calendar Year to Date					
	Occ	%CH Occ	ADR	% Ch ADR	% CH RevPAR	% CH Rooms Sold	Occ	%CH Occ	ADR	% Ch ADR	% CH RevPAR	% CH Rooms Sold
Bastrop	70.9	8.3	\$87.12	-1.6	6.5	8.3	57.3	-0.9	\$86.22	-1.0	-1.9	-0.9
Comp Markets												
1	70.0	24.2	\$95.65	0.1	24.4	38.2	56.3	10.3	\$84.31	0.1	10.4	17.1
2	61.7	32.6	\$84.13	7.00	41.9	32.6	57.2	5.2	\$82.61	2.7	8.0	5.2
3	57.5	7.6	\$108.36	-5.8	1.4	8.1	59.2	7.0	\$113.67	-3.9	2.8	7.0
4	56.4	3.6	\$108.28	-4.3	-0.9	3.6	58.8	3.3	\$111.00	0.3	3.6	3.3
5	52.9	-9.6	\$96.52	-3.2	-12.5	-1.2	59.9	-4.2	\$98.91	0.4	-3.8	0.7
6	61.6	2.5	\$107.24	1.0	3.5	3.5	68.1	0.5	\$114.32	2.9	3.4	1.9
7	77.2	1.9	\$144.45	-5.0	-3.2	6.8	75.7	-0.4	\$148.06	0.3	-0.1	4.6
8	75.9	1.7	\$126.05	-8.3	-6.8	9.2	74.6	0.4	\$132.16	-2.8	-2.3	6.4
9	66.0	18.6	\$111.04	4.6	24.0	32.6	61.1	1.7	\$97.98	-1.2	0.5	8.2
Average	65.01	9.14	\$106.88	-1.55	7.83	14.17	62.82	2.29	\$106.92	-0.22	2.06	5.35



Hospitality Industry Jobs (as of Q2 2017)			
	Bastrop (78602)	Cedar Creek (78612)	Combined
Accommodations, Food Service, Entertainment, & Recreation	1,125	773	1,898
Total Jobs of all Industries	7,897	2,311	10,208

* Source: JobsEQ

Hospitality Industry Jobs



*Source: Office of the Governor
Economic Development & Tourism

Convention Sales

Fiscal Year Room Nights Booked

	Convention Center	Hyatt	Other	Total
October		429		429

Definite Future Room Night Bookings– October

Number of Definite Bookings	Total Room Night Production	Total Attendance	Total Direct Spending*
1	429	350	\$215,000

**Per city contract, Direct Spending is calculated using the DMAI Event Impact Calculator*

Meetings Lead Production

Number of Leads Sent	Total Room Night Potential	Total Attendance
2	659	440

Convention Sales Initiatives

Tradeshow/Industry Meetings:

- October 2-4 Texas Travel Industry Association– Travel Summit in Arlington, TX

Presentations:

- October 25 Meeting with Dr. Schapiro and the MD Anderson Team regarding conference opportunities

Local Industry Events:

- October 24 Bastrop County Tourism Update Quarterly Meeting

Local Meetings:

- October 12 Chamber Business After Hours at First National Bank
- October 13 Downtown Business Alliance
- October 13 Meeting with Zona Sweeney, GM, Hampton Inn & Suites
- October 16 Meeting with Ken Dedlani, GM and Owner, Quality Inn & Suites
- October 20 Meeting with Veena Tewani, GM and Owner, Best Western Bastrop Pines Inn
- October 27 B.E.S.T. Breakfast at Bastrop Convention Center
- November 1 Chamber Luncheon

Upcoming Activities

- November 6-8 Connect Texas– Appointment based reverse tradeshow with state corporate and association

MARKETING

Mission

Specifically market the Bastrop region as a “tourism” destination by establishing and elevating our brand through advertising, media/public relations, website promotion, social media and, in general, getting our unique story exposed to potential visitors.

Advertising/Placement/ PR Outreach

Texas AAA Journey: regional publication; full-page color ad; circulation 1,040,000 (Veteran’s Day)

Texas Highways; regional publication; full-page color ad (Veteran’s Day) 176,762

Texas Music Magazine: two-page full color spread (Bastrop Music Festival)

Media Relations Impact—October

Impressions 16,663,044 (Bastrop Fall/Winter Events)

Bastrop FAM Trip—plans for Q1 and late Q2 FAMs to be discussed

Texas Journey | Day Trip (page 1/2); circulation 1,057,749

Austin 360: First Friday Art Walk, Hero’s & Hotrods Car Show, Lost Pines Christmas

Austin American Statesman: Scream Hollow, Barton Hill Farms, Hero’s & Hotrods Car Show

Other placement: Austin Monthly, The Austin Chronicle, Culture Map & Do512

Website

New Website Analytics Not Yet Available

Social Media

	Followers	% Change	# Posts	Post Engagement
Facebook	44,000	N/A	10	4,173
Instagram	126	N/A	3	N/A

Social Media Highlights

■ Reach: Organic / Paid ▼
■ Post Clicks
 ■ Reactions, Comments & Shares i ▼

Date	Image	Text	Icon	Global	Reach	Post Clicks	Reactions, Comments & Shares
11/11/2017 11:27 am		Bastrop Veteran's Day Car Show Weekend 2017 on Historic Main	📄	🌐	2.3K	133	160
11/11/2017 7:59 am		If you're not here, you need to get here! It's a great day to honor our	📺	🌐	37.5K	197	233
11/10/2017 5:04 pm		Visit Bastrop was live.	📺	🌐	43.8K	707	352
11/09/2017 5:22 pm		The "Night Pour." A truly unique experience hosted by Deep In	📺	🌐	912	27	22
11/07/2017 8:53 am		Weekend sunset from Copper Shot Distillery showing our	📄	🌐	901	17	46
11/06/2017 4:00 pm		A little Pickin' on the Porch on a beautiful November evening in	📺	🌐	9.5K	836	403

Strategic Marketing Initiatives

Promotion of Existing Events

We have recognized a few existing events and will work with those planners to elevate marketing efforts and drive demand. (Veteran's Day Car Show, Lost Pines Christmas and First Friday's)

Developing New Events

We have partnered with Texas Music Magazine to create the "Bastrop Music Festival", held on May 17 – 20, 2018. As we move forward, we will seek other opportunities along these lines to generate buzz and awareness for Bastrop as a destination.

Social Media

We were able to gain ownership of the Visit Lost Pines Facebook page and transition it over to Visit Bastrop. This allowed us to retain an audience of 44K followers. Our social media presence will be crucial – we immediately have access to a following of close to 45k followers – and will want to start generating awareness and creating buzz about our destination.

Website

We have contracted with SimpleView to host our new website, which went live on November 8, at 11am. The power of the SimpleView site allows us to house our CRM & CMS together which gives us the ability to combine meeting sales, industry partner management, forecasting, consumer marketing and reporting all in one place.

Industry Meetings

- October 2-4 Texas Travel Industry Association– Travel Summit in Arlington, TX

Local Industry Events:

- October 24 Bastrop County Tourism Update Quarterly Meeting

Local Meetings:

- October 13 Downtown Business Alliance
- November 1 Chamber Luncheon



VISIT BASTROP
www.visitbastrop.com

**SALES & MARKETING
BUSINESS PLAN
FY 2018**

Presented to: Bastrop City Council
November 28, 2017

Visit Bastrop Overview

Mission

The mission of Visit Bastrop is to stimulate the economic growth of the City by marketing the Bastrop region as a vibrant visitor destination including conventions, meetings, outdoor recreation and special events.

Vision

To be recognized and respected as a leading destination marketing organization and to achieve economic vitality for our destination with success through integrity, enthusiasm and creative involvement for the promotion of Bastrop as a great Texas small town destination.

Visit Bastrop Is:

- A private, not-for-profit organization (501c6).
- Marketing and selling Bastrop as a destination.
- Focused on brand development and promotion to increase leisure travel, conventions, meetings, special events and outdoor recreation use by visitors.
- Funded by Hotel Occupancy Tax through a contract with the City of Bastrop.
- A Board of Directors of approximately 15.
- A full-time staff of currently four with one part-time.
- An equal opportunity employer.

Values

- We are goal-oriented and results-directed.
- We look for opportunities, and we build on them.
- We are responsible and accountable.
- We value quality in our work, service and ourselves.
- We strive for excellence, honesty and integrity.
- We encourage teamwork while expecting high levels of individual performance.
- We treat our customer, partners and staff with courtesy, respect and fairness.
- We honor our promises and commitments.
- We maximize communication to minimize misunderstanding and encourage feedback, so we can continually improve.
- We acknowledge our role to provide significant economic impact to our community and citizens through the value of helping to create a vibrant hospitality industry.

2017-2018 Board of Directors

Board Member	Community Asset Representation	Board Member	Community Asset Representation
Clint Howard, Chair	Arts	David Jacobs	Hyatt Lost Pines
Rick Brackett, Vice-Chair	Nightlife/Entertainment	Robert Jones	Sports
Kevin Lee Plunkett, Treasurer	Restaurants	Naseem Khonsari	Retail
Cindy Wolford Ginsel, Secretary	History	Dale Lockett	Ex-Officio
Brenda Abbott	Venues/Special Events	Sarah O'Brien	Ex-Officio
Shawn Anther-Pletsch	At-Large	Tom Scott	At-Large
Jamie Creacy	Outdoors/Recreation	Becki Womble	Ex-Officio

Chair's Message

As Chair of the 2017-2018 Visit Bastrop Board of Directors, it gives me tremendous pleasure to welcome you to our inaugural Marketing and Sales Plan for promoting Bastrop as a great destination.

As a businessman here for the past 18 years, as well as being an active participant in our Arts industry sector, I can't say enough about the tremendous impact having our first ever destination marketing organization (DMO), Visit Bastrop, come to fruition. As Chair of the Board of Directors, I can also tell you that the entire Board understands the critical importance of Visit Bastrop in regard to elevating our destination as a place to visit, meet, shop, dine and recreate -- and the vital economic impact our organization can and will have on not only individual businesses, but to the community at large.

A tremendous amount of work has been done by what was called the DMO Start-up Board in order for Visit Bastrop to become the official DMO for the City. Anne Smarzik stepped up to the plate early on and dedicated tireless energy and effort in support of Visit Bastrop as Chair of the Start-up Board, but had to step down due to health reasons just as we became official. I was able to support Anne's efforts as Vice-Chair during this period, along with other start-up members including Hiren Patel, Tom Scott and Rick Brackett. I also want to thank Sarah O'Brien who served as our liaison to the City and helped pave the way in so many ways.

In addition to helping the City determine the value of creating a DMO, we were able to work with DMOproZ Bill Geist who facilitated our Board and the City resulting in the creation of a 501c6 independent organization, representing Bastrop's hospitality industry to ensure representation by specific industry sectors. We also were successful in attracting an experienced DMO leader, Dale Lockett, to come to Bastrop to help us establish the DMO.

Fast forward to today, and we have come to an agreement with Dale to lead Visit Bastrop for at least one year, expediting the ability of the organization to quickly become effective in elevating our brand and bringing in much needed economic impact to Bastrop from the hospitality industry. One of Dale's first efforts was to almost immediately attract and add top-rated talent to the team, including a Director of Sales for conventions/meetings/sports, a Marketing Manager for our advertising/social media/public relations efforts and a Senior Administrative Assistant with excellent Board support background. All of the team members have hit the ground running and played a key role in the development of this document.

As it is our very first plan developed without baselines and without relevant history to guide us, it needs to be viewed as a roadmap and a guide to help us stay focused on our objectives. But due to its very nature, it is only a guide and with Board leadership, staff will at times need flexibility to modify the plan to adjust to shifting environments as we encounter them.

Please do not hesitate to contact me at any time to let me know how we are doing, what your thoughts are about marketing and selling our destination and any suggestions on how to improve our efforts to put Bastrop on the map and in the minds of potential visitors.

In Hospitality,



Clint Howard

Chair, Visit Bastrop 2017-2018

Visit Bastrop Staff

Dale Lockett	President & CEO
Ashton LaFuente	Marketing Manager
Shane Sorenson, TDM, CTE	Director of Sales
Christy Hunn	Sr. Administrative Assistant
Becca Pentland	Administrative Assistant

President's Message

Welcome to the first-ever Visit Bastrop Marketing and Sales Plan for FY 2017-2018!

With the formation of Bastrop's first official destination marketing organization in October of 2017, Visit Bastrop is ramping up quickly to provide marketing and sales leadership for Bastrop's hospitality industry, working in partnership with the City of Bastrop, the Bastrop Economic Development Corporation, the Bastrop Chamber of Commerce as well as many other organizations focused on the positive growth of our destination. A simpler way of presenting this is that we are coming together as an industry, recognizing the crucial impact our hospitality industry has on our quality of life.

With a Board of Directors elected to specifically represent our major hospitality industry sectors, as well as key at-large positions, Visit Bastrop is structured to provide a balanced and focused approach in elevating Bastrop as one of Texas' premier small-town destinations. Leveraging our natural and developed attractions, culture and history, as well as recognizing the significant impact of having a world-class resort destination and brand (Hyatt Regency Lost Pines Resort) driving the majority of our HOT fund growth, Visit Bastrop's top priority is to positively impact growth of our City's sales tax, HOT collections and help improve the overall quality of life for our community. We will accomplish this through an unrelenting focus on elevating Bastrop's brand and desirability as a destination.

Marketing efforts were initiated immediately upon formal establishment of the organization, as well as acquisition of a major event to help drive awareness and demand to our destination. In addition to those initial efforts, this marketing and sales plan will outline the basic efforts of Visit Bastrop over the next fiscal year, providing a road-map of the direction our efforts will strive to take us. Supported by the Board approved budget, our efforts will be focused on attracting significant demand from the Houston, Austin, San Antonio and, to some degree the DFW Metroplex markets. However, we also recognize the tremendous opportunity that the proximity of the Austin-Bergstrom International Airport represents for domestic and international opportunities for Bastrop and will strive to leverage that asset.

As this is our inaugural effort, there will naturally be some flexibility required in regard to this plan, as there is little to no history to work from to guide our efforts. Understanding of this by our partners and the City is deeply appreciated.

Cordially,



Dale Lockett
President & CEO, Visit Bastrop

Trends & Issues

Bastrop is uniquely different, in a positive way, from most small Texas communities regarding our hospitality industry.

First, we have the Hyatt Lost Pines Resort located in our extra territorial jurisdiction; which means that Bastrop not only receives the hotel occupancy tax generated, but we can claim the resort as one of our major attractions. The ability to partner with their professional sales and marketing team and to collaborate in joint sales and marketing efforts, is a huge benefit to Bastrop and something most other competing small destinations simply do not have.

Second, we have an exceptionally strong tie to history, including a well-preserved historic Main Street located on the banks of the Colorado River. This historically preserved setting, which offers restaurants, entertainment, shopping and art, also affords visitors the opportunity to canoe, kayak or stand up paddle board right from our downtown. When you add in all of our other outdoor recreation opportunities, our expansive (for our size) art facilities including our Lost Pines Art Center, Deep in the Heart Art Foundry and galleries, you have a destination that pretty much offers something for everybody.

Being this special type of destination matches up perfectly with a trend in what visitors of all generations are seeking – an authentic and unique destination where the story of the “place” is being told and can be experienced. Bastrop is not “plastic” or contrived. Our historic roots are so deep that we can’t fake what we are or who we are. Although time does not stop here, it certainly has a different beat. It’s a strength as well as a potential weakness for Bastrop in that a misconception could occur that would convey us as being too laid-back, sleepy, or a nothing-happening kind of place.

Another nation- and state-wide trend is that leisure travel is continuing to increase, only dropping off in sectors devastated by fires and hurricanes. Group travel (conventions and meetings) are also on the rebound.

The biggest issue with our group market segment (conventions and meetings) is that our convention center desperately needs a convention hotel and some significant improvements to become competitive. And, we are located in the heart of competing meeting destinations (Austin, Houston, San Antonio) that make competing exceptionally difficult.

Perhaps the biggest issue regarding our leisure product is destination consistency. Many of our restaurants, shops and attractions provide excellent customer service, while many do not. Some are open longer and on weekends, many more are not. A few conduct their own marketing (helping increase the “voice” and reach of Bastrop), most do not or cannot. We also have some improvements required regarding signage and wayfinding, as well as “gussying up” the place a bit.

Another issue to address is that, unfortunately, the only significant destination awareness of Bastrop is from our disasters. This awareness is not one that we desire and can be difficult to overcome (think of Sonoma California as they try to recover). But, with a proper marketing campaign, we can start to replace those outdated perceptions with a newer and more vibrant message.

Overall, the trends and issues that we face in increasing visitors to our destination are either positive and/or fixable. The following marketing and sales plan is Visit Bastrop’s first effort to start addressing the trends and issues as we strive to elevate our brand to drive increased hotel occupancy tax collections and sales tax collections from visitor spending.

Marketing

Mission

Specifically market the Bastrop region as a “tourism” destination by establishing and elevating our brand through advertising, media/public relations, website promotion, social media and, in general, getting our unique story exposed to potential visitors.

Advertising Plan of Action

Due to more time being required for Visit Bastrop to partner with Proof Advertising in development of a comprehensive advertising plan, we have established a short-term focus of marketing what is happening in Bastrop. There are a number of excellent events and activities in Bastrop that have the potential to attract out-of-area visitors but none of them, in our opinion, have been marketed effectively (due either to lack of funding or lack of focus). Using our marketing resources, we are focusing on attracting attention to our destination by “elevating” select events and activities through advertising and marketing efforts. We are striving to combine a “hometown-small town” culture with a vibe that conveys a “happening and eclectic” destination that is a must visit place.

Although we have not identified all of the media we will be partnering with, we will be using publications such as Texas Monthly, Texas Highways, AAA Journey, Texas Music and others to get our message out. We will also strongly consider using newspaper exposure in the Houston and Austin markets, as well as select radio platforms such as Pandora. We have created a strong Facebook presence and will be using boosted postings and live streaming to elevate Bastrop as a viable destination. And we anticipate keeping a billboard presence on Hwy 71, in both directions.

We will also be promoting our convention and meeting capabilities, focused on industry trade groups such as the Texas chapter of the American Society of Association Executives (ASAE). We will be partnering with the Hyatt Lost Pines Resort in our messaging regarding them and elevating the capabilities of our Convention Center and local hotels with meeting space.

Strategic Marketing Initiatives

Promotion of Existing Events

We have recognized a few existing events and will work with those planners to elevate marketing efforts and drive demand. (Veteran’s Day Car Show, Lost Pines Christmas and First Fridays)

Developing New Events

We have partnered with Texas Music Magazine to create the “Bastrop Music Festival”, held on May 17 – 20, 2018. As we move forward, we will seek other opportunities along these lines to generate buzz and awareness for Bastrop as a destination.

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Website

We have contracted with SimpleView to host our new website, which went live on November 8, at 11am. The power of the SimpleView site allows us to house our CRM & CMS together which gives us the ability to combine meeting sales, industry partner management, forecasting, consumer marketing and reporting all in one place.

Brand Development

We will be conducting an RFP for brand development companies with the goal of launching a new brand by summer 2018.

Situational Analysis

Due to the fact that there are no marketing baselines established, as this is our first effort, we will be using this year to establish those baselines in regard to web, social media and advertising metrics. Each of our individual marketing efforts will have metric tracking required to establish those baselines. In future Visit Bastrop plans, specific goals will be established in regard to increasing the exposure of our brand and the return on investment (ROI) of those efforts.

Advertising

We will continue to partner with Proof Advertising to assist us with all marketing initiatives including: strategic direction, account and project management, media planning/buying/optimization/analysis, creative development, creative production and meetings and reporting.

Public Relations

We will continue to partner with Hiebing on a month-to-month basis and continue to boost awareness about the events and attractions in Bastrop, and drive traffic to them by the way of PR push that engages local and regional media across Texas. Our 2018 PR program will focus on spotlighting Bastrop's seasonal events as well as relevant travel-centric opportunities that arise. We will garner placement by pitching editors, submitting listings to online and print calendars, and deploying distribution through iReach and PR Newswire. Proactive media relations will be crucial for Bastrop to maintain a presence in top-tier consumer publications locally across Texas.

Targeted Existing Events

Veteran's Day Car Show:

- Objective: work with Bastrop Area Cruisers to promote travel to the Veteran's Day weekend celebration.
- Target Audience: Texas travelers and car enthusiasts thru print/audio/digital/OOH/social.
- Print Ad Placement: full page color ads in AAA Texas Journey & Texas Highways; regional publications that inspire Texans to travel.
- Pandora Commercial: Streaming audio provides guaranteed ad exposure to audience segment. Pandora commercial targeted audience ages: 23-64 in ATX & HOUSTON (travelers and/or auto enthusiasts)
- Billboard (OOH): placement east and west of town increases awareness of event
- How are we reaching them? Print, Audio, Digital, OOH (out of home) & Social Media

BASTROP AREA CRUISERS PRESENTS
"HEROES & HOTRODS" BASTROP'S 12th ANNUAL
VETERANS
Weekend
CAR SHOW
2017
Bastrop, Texas
SPONSORED BY
Kragh's
JEWELRY
FRIDAY, NOV. 10TH - CRUISE IN 4:00PM
SATURDAY, NOV. 11TH - CAR SHOW 7:00AM - 3:00PM
For online registration go to BASTROPAREACRUISERS.COM
See back for more information
Contact: Tony at 512 956-8507, Bill at 512 540-0013 or Bruce at 214 801-3047

BASTROP, TX
★ ★ ★
12th ANNUAL HEROES AND HOT RODS
CAR SHOW
FRI. NOV. 10 **SAT. NOV. 11**
VISITBASTROP.COM
★ ★ ★ ★ ★

Targeted Existing Events...(cont'd)

OOH | Billboard Placement (HWY 71)

- West Bound: open left hand read, large sized unit , 12.6 miles from Bastrop
- East Bound: right hand read, large sized unit, 4.4 miles from Bastrop



Print Ad Placement:

- Full Page Four Color (FP4C) Ads in regional publications that inspire Texans to travel.
- AAA Texas Journey: 85% of readers are inspired to visit destinations featured in the magazine.
- Texas Highways: 73% of readers visited Texas destinations as a result of reading the magazine.



	October					November			
	25	2	9	16	23	30	6	13	20
AAA Texas Journey									
Texas Highways									
Pandora									

PRE-EVENT WEB CLICK ADS—DRIVE TRAFFIC TO WEBSITE

Post Details

Visit Bastrop
 October 26 at 3:47pm · 🌐

Come to Bastrop, TX for the "Heroes & Hot Rods" Car Show, Veterans Day weekend Nov 10-11.

Visit Bastrop
 Travel Company [Learn More](#)

45,705 people reached

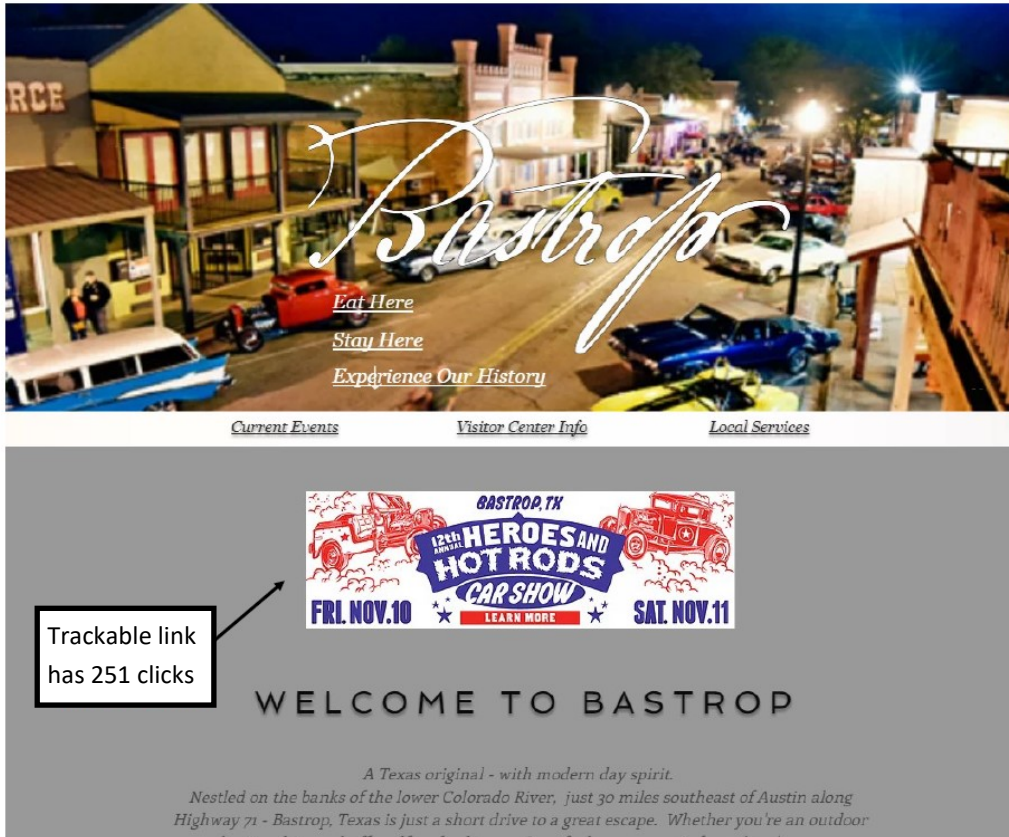
👍❤️😮 1.7K 50 Comments 373 Shares

45,705 People Reached		
2,358 Reactions, Comments & Shares ⓘ		
1,854 👍 Like	1,747 On Post	107 On Shares
39 ❤️ Love	37 On Post	2 On Shares
3 😮 Wow	3 On Post	0 On Shares
89 Comments	66 On Post	23 On Shares
373 Shares	373 On Post	0 On Shares
727 Post Clicks		
264 Photo Views	0 Link Clicks	463 Other Clicks ⓘ

- Deena Higgins Thomas** If you haven't been to this car show before, it is outstanding. They anticipate about 400 entries this year.
 Love · Reply · Message · 👍❤️😮 3 · November 1 at 4:19pm
- Rocio Herrera Kimberly Champion Allen Je Allen** just a suggestion, there are a few things to do in Bastrop, 😊
 Like · Reply · Message · 😊 1 · November 8 at 10:53pm
- Kaitlyn Louise Brian Dunnam** you already know about this?
 Like · Reply · Message · 👍 1 · October 29 at 7:52pm · Edited
- Brian Dunnam** No ma'am. But thank you for the info. 🙌
 Like · Reply · Message · 👍 1 · October 29 at 8:02pm
- Sandy Spakes Humphreys Maria Juarez, Doss** would probably love this.
 Like · Reply · Message · 👍 2 · October 27 at 7:26am
- Maria Juarez** Thanks!! We will be there 😊
 Like · Reply · Message · 👍 1 · October 27 at 12:58pm
- Visit Bastrop** Definitely a good time to be had by all - we'll see you guys there!
 Like · Reply · Commented on by Ashton LaFuente [?] · November 7 at 1:53pm

Targeted Existing Events...(cont'd)

[www.visitbastrop.com / previous website](http://www.visitbastrop.com/previous-website)



During Event Live Coverage

Facebook live streaming of event gets 10X more comments, watched 3X longer than traditional videos.

Visit Bastrop was live.
Published by Ashton LaFuente (?) - November 11 at 7:59am

If you're not here, you need to get here! It's a great day to honor our heros for the Veteran's Day Car Show in historic downtown Bastrop! Happening now until 3pm! <http://bit.ly/2hxxjgi>

Learn More

37,491 people reached

Boost Post

14K Views

Like Comment Share

Joel Garcia, Holly Horn Mabry and 189 others

17 Shares

7 Comments

Visit Bastrop was live.
Published by Ashton LaFuente (?) - November 10 at 5:04pm

Learn More

841 people reached

Boost Post

Views

Like Comment Share

Mary Sass, Debbie Carr Philippi and 156 others

Top Comments

Targeted Existing Events (cont'd)

Day-of Social Media Presence

 **Visit Bastrop**
Published by Ashton LaFuente [?] · November 11 at 11:27am · Bastrop · 🌐

Bastrop Veteran's Day Car Show Weekend 2017 on Historic Main Street!
#visitbastroptx



2,264 people reached Boost Post

👍 Like 💬 Comment ➦ Share

👤 Debbie Carr Philippi, Melissa Wiland and 51 others Top Comments ▾

11 Shares 4 Comments

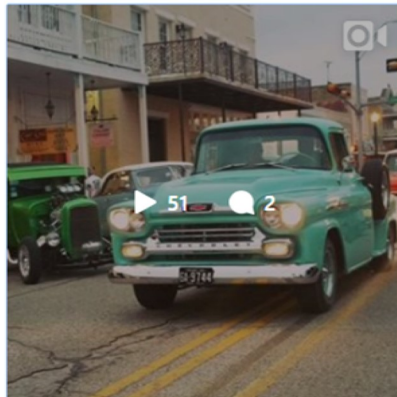


visitbastroptx

Following

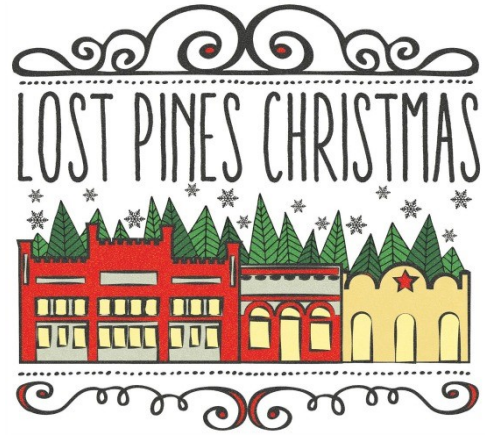
3 posts 126 followers 51 following

Visit Bastrop www.visitbastrop.com



Lost Pines Christmas

- Partnering with The Main Street Program to promote travel to the Lost Pines Christmas celebration throughout the month of December.
- We will promote the overall event, calling special attention to the individual events.
- Efforts will include OOH, digital & social media.



New/Potential Events

Bastrop Music Festival | May 17—20, 2018

Featuring more than 30 bands and 40 shows, the Bastrop Music Festival takes center stage May 17—20, 2018, in historic Bastrop. The inaugural music festival includes performances by bands of numerous genres across the city, with a mixture of wristband only nighttime shows and free daytime events. This festival is produced by the Texas Music, a quarterly magazine owned by Open Sky Media. The festival will showcase music in a variety of intimate venues, such as Neighbor’s Kitchen and Yard, the Kleinart Building at Viejo’s Tacos y Tequila and Old Town Restaurant and Bar. Free daytime concerts, including shows for kids, will take place at additional Bastrop businesses and public spaced during the four day festival.

Austin Monthly

- Full Page Ads: April & May | 50K ROS Ads: April & May | Facebook Post: May

San Antonio Magazine

- Full Page Ads: March, April & May | 75K ROS Ads: April | From our partner exclusive: April | Facebook Post: May

Texas Music Magazine

- Two-page spread (one for city, one for festival); Fall, Winter & Spring | Digital Advertising (website/social/e-blasts) | Editorial Content (4 pages)



Group Sales

(Conventions, Meetings, Sports, Motorcoach)

Mission

Our Group Sales efforts will primarily focus around two goals; 1) partner with the Hyatt to provide quality convention and meeting leads for them as well as providing off-site group event opportunities for Bastrop. 2) To provide a strong sales effort on behalf of the Bastrop Convention Center to attract groups utilizing room nights in our hotels. Another major effort will be to evaluate our potential for sports groups (youth and adult events). We will also represent all of Bastrop’s other meeting venues and locations.

Situational Analysis

In regard to our two major priorities, since neither effort has previously been conducted, we will need some time to develop strategies and tactics to effectively sell and market to the convention and meeting segment. For the Hyatt, we will be a supplemental sales force to provide lead generation as well as support to help successfully close business on a case-by-case basis. Our goal is to encourage any group that we are involved with to include at least one event in Bastrop proper to elevate the economic impact potential of the Hyatt groups for our destination. In regard to the Convention Center, we will establish whether there is a market for our product and if that market warrants significant marketing and sales efforts. In essence, a major “discovery” process will be engaged.

Tradeshows & Industry Meetings

Date	Conference/Tradeshow	Market Segment
Nov 6-8	Connect Texas	Association
Jan 7-10	Professional Convention Management Association	Corporate/Association
Jan 23-25	Southwest Showcase	Corporate/Association
Jan 30- Feb 1	Religious Conference Management Association	Religious
Mar 6-8	Christian Meetings and Conventions Association	Religious
Apr 12-13	Global Meetings Industry Day	Corporate
Apr 22-25	National Association of Sports Commissions	Sports
May 4-7	Military Reunion Network- Central States Roundtable	Military
May TBD	Plan Your Meetings Austin	Corporate/Association
Aug 18-21	American Society of Association Executives	Association
Aug 23-25	Connect Marketplace	Association/Specialty
Sep 16-18	Texas Society of Association Executives	Association
Oct/TBD/18	Plan Your Meetings Houston	Corporate/Association

Sales Marketing

Selling Bastrop as a meeting and event destination requires a multi-faceted approach that must be intentionally developed with a broad range of community involvement and a narrow focus on providing an unparalleled visitor experience unique to Bastrop, reflecting its’ culture, heritage, and opportunity.

The first objective in selling Bastrop as a destination is creating the awareness that Bastrop exists and is ready and available for group business. By attending industry tradeshows and conferences, we will be meeting face to face with meeting and event planners across various market segments to inform them about Bastrop’s various meeting and event facilities including the Convention & Exhibit Center, Hyatt Regency Lost Pines Resort, and the various limited service hotels and alternative meeting facilities throughout Bastrop and the surrounding area.

Sales Marketing (cont'd)

Despite previous marketing efforts for the area, without these face to face interactions a vital part of the conversation with meeting and event planners was missing. The previously listed industry tradeshow and conferences attract many of the top meeting professionals in their respective markets and represent millions of dollars a year in meeting business.

The Visit Bastrop sales staff will be active and visible at various community events and networking opportunities. This will increase local awareness of visitor impact to the community and allow us to connect with local professionals involved in various organizations and associations. We will seek to leverage these local contacts to prospect hosting their respective organization's events in Bastrop. Local support and representation is a key factor of meeting planners and decision makers when seeking a destination for their event.

In partnership with the Hospitality and Downtown Department, we will create a hospitality training program specific to the Bastrop area for front-line employees at hotels, restaurants, and local merchants. In partnership with local merchants and restaurants, we will seek to establish a "visitor rewards" program or "show your badge" program that will incentivize conference and event attendees to support the local community.

Buyer Education Tours (FAM Tours)

As interest in the destination grows from the marketing and sales efforts, Visit Bastrop will plan Buyer Education Tours or Familiarization (Fam) Tours. These will serve as opportunities for strategically invited meeting and event planners to experience a broad sampling of what Bastrop offers regarding lodging, meeting facilities, dining, entertainment, and recreation that attendees may experience when visiting Bastrop. For many destinations, these tours produce highly lucrative event bookings as well as provide us with new Brand Ambassadors in the meetings and events industry.

Convention & Exhibit Center

The Convention Center Staff, in cooperation with the Hospitality & Downtown Department and Visit Bastrop, has made many revisions to booking policies to make it easier for meetings and events to book. Any event seeking to book space beyond 18 months out must be approved by Visit Bastrop, so that preference is given to events that also use hotel room nights. Traditionally, convention and meeting planners book 2-4 years out, so this would ensure that the space is available when they are undergoing site selections. Further analysis is being conducted as to what type of groups can and will utilize the space so that potential business can be strategically targeted for the Center.

Special Events

Mission

Bastrop has several established special events that have been somewhat successful in the past with limited marketing support. Those include: Veteran's Day Car Show, Lost Pines Christmas Celebration, First Friday Art Walks, the Chamber's Fourth of July Celebration and some others. Our goal is to provide additional marketing support to see if attendance and direct spend can be increased.

Situational Analysis

In addition to elevating existing events to drive economic impact through increased attendance, Visit Bastrop will be looking to encourage additional special events, especially for periods that the destination needs additional impact regarding hotel occupancy and sales tax generation. Of particular interest will be events that can provide positive media exposure of our destination and/or economic development opportunities.

Visit Bastrop Finalized FY1718 Budget

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total Budget
Income:													
Total Income	490,083	120,083	120,083	120,083	120,083	120,083	120,083	120,083	120,083	120,083	120,083	120,083	1,811,000
Expenses:													
Total Client Development	7,467	7,467	8,967	10,967	7,467	7,467	8,467	7,467	7,467	7,467	8,467	7,467	96,600
Total Tradeshow/Conferences	-	4,000	-	12,490	1,200	6,000	5,000	10,000	1,307	14,000	25,600	7,500	87,097
Total Sponsorships	-	-	-	-	-	-	-	15,000	-	-	-	-	15,000
Total Local Meetings/Transportation	350	350	700	350	350	350	350	350	700	350	350	350	4,900
Total Information Technology	4,114	3,864	3,864	4,114	3,864	3,864	4,114	3,864	3,864	4,114	3,864	3,864	47,368
Total Dues, Memberships, Subscriptions	1,810	-	3,052	795	-	-	-	730	-	-	17,820	-	24,207
Total Sales/Marketing	38,748	38,748	38,748	38,748	38,748	38,748	38,748	53,748	38,748	38,748	38,748	38,748	479,980
Total Rent and Utilities	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	15,840
Total Personnel Costs	47,058	45,558	45,558	44,976	44,476	63,341	44,976	44,476	44,476	44,976	44,476	60,988	575,335
Total Office Expenses	806	806	806	806	806	806	806	806	806	806	806	806	9,672
Total New Office Setup	10,500	-	-	-	-	-	-	-	-	-	-	-	10,500
Total Operational/Miscellaneous Costs	11,617	7,867	11,867	11,617	7,867	7,867	11,617	7,867	7,867	11,617	7,867	7,867	113,400
Total Expenses	123,790	109,980	114,882	126,182	106,097	129,763	115,397	145,627	106,554	123,397	149,317	128,910	1,479,900
Reserve	49,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	181,100
	49,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	12,008	181,100

Visit Bastrop Finalized FY1718 Budget

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total Budget
Operating Reserve	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
Net Change in Assets	366,293	10,103	5,201	(6,099)	13,986	(9,680)	4,686	(25,544)	13,529	(3,314)	(29,234)	(8,826)	-



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 9D

TITLE:

Hold public hearing and consider action to approve Resolution R-2017-99 of the City Council of the City of Bastrop, Texas supporting the granting of tax credits to The Preserve at Hunters Crossing, L.P. for the construction of apartments to rent to low income individuals and families; establishing a repealing clause; and providing an effective date.

STAFF REPRESENTATIVE:

Lynda K. Humble, City Manager
Jennifer Bills, Assistant Planning Director

BACKGROUND/HISTORY:

“Housing is where jobs go to sleep at night”
– Allan Kingston (former President and CEO of Los Angeles based Century Housing)

The Preserve at Hunter’s Crossing Housing Tax Credit Project

MacDonald Companies provided notice that they intend to apply for Housing Tax Credit (HTC) and Tax Exempt Bond funds through the TDHCA programs. This funding is also referred to as [Non-Competitive 4% Housing Tax Credits](#) and [Multifamily Bonds](#) on the TDHCA website. On November 9, 2017, MacDonald Companies were notified that they were awarded these tax credits pending the City of Bastrop’s approval of the Resolution of No Objection after holding a public hearing.

The Non-Competitive 4% HTCs can be applied for at any time of the year. The application must be submitted to TDHCA at least 75 days before the TDHCA Board meeting at which the decision approval would be made. The application must include a number of required items showing they meet the minimum criteria for approval. This differs from the Competitive 9% Housing Tax Credit Program, which is scored competitively by region, and requires applications be submitted by March 1 for approval in July.

The Low-Income Housing Tax Credit Program

The Low-Income Housing Tax Credit Program was established with the Tax Reform Act of 1986 as a way to incentivize private investment into affordable housing. Banks and corporations are able to receive a dollar-for-dollar tax credit to reduce their tax liability by investing in affordable housing developments. The Internal Revenue Service allocates the tax credits to each state on an annual basis. The Texas Department of Housing and Community Affairs (TDHCA) is the state agency responsible for awarding the tax credits to projects throughout the state.

Affordability

Developments under the Non-Competitive Program require all units funded by HTCs to have rental rate affordability to households that make 50% and 60% of Area Median Family Income (AMFI). The Median Income used for Bastrop is the from the Austin Metropolitan Statistical Area. For 2017, the Area Median Income for a four-person household is \$81,400. The table below gives the maximum gross income a household can make to qualify for the program.

AMFI %	Number of Household Members*							
	1	2	3	4	5	6	7	8
50	\$ 28,500	\$ 32,600	\$ 36,650	\$ 40,700	\$ 44,000	\$ 47,250	\$ 50,500	\$ 53,750
60	\$ 34,200	\$ 39,120	\$ 43,980	\$ 48,840	\$ 52,800	\$ 56,700	\$ 60,600	\$ 64,500

At the threshold of \$48,840, 58% of the City of Bastrop's employees make less than this amount. The types of jobs that are included in this total include supervisors and personnel from the Library, Planning, Utility Billing, Water/Wastewater, Parks, Police, Convention Center, Municipal Court, and Public Works.

After reviewing addresses of all City employees, 51% of employees live outside of Bastrop. There are City employees that drive as far as Bryan and College Station, both 68 miles one way, New Braunfels, 56 miles one way, Columbus, 54 miles one way, and Pflugerville, 42 miles one way. Several cannot move to Bastrop because they cannot afford existing housing.

The standard Department of Housing and Urban Development definition for affordable rents is paying no more than 30% of gross income in rent and utility payments. For 2017, the incomes above would translate into the following rent limits.

Income Restricted Rents*			
Affordability Level	1 Bedroom	2 Bedroom	3 Bedroom
50% AMFI	\$763	\$916	\$1,058
60% AMFI	\$916	\$1,099	\$1,270

*[TDHCA Income and Rent Limits](#)

Existing Housing Tax Credit Developments in the City of Bastrop

There are currently two Housing Tax Credit developments within the city limits. Both of them are 55 and over communities.

Apartment Name	Address	Units	Year Funded
Settlement Estates Senior Housing	149 Settlement Drive	70	1998
Riverwood Commons	440 Old Austin Hwy	36	2011

As a part of Staff's research of the MacDonald Companies, we submitted a series of questions to Justin MacDonald, and his written responses are provided below in blue:

Will the management of these apartments be in-house or a separate entity?:

Management will be in-house by MacDonald Property Management, L.L.C. We have found that outside "third-party" management companies simply do not have the attention to detail that we expect at our properties, so a few years ago we formed our own management division. I am also President of that organization and have direct oversight of its activities.

Have there been any changes in company names or re-organizations?:

No, we have not changed names or reorganized. The MacDonald Companies are a group of family-owned entities which are all under the direct control of myself and my father, Granger MacDonald. Granger founded G. G. MacDonald Inc. in 1991, and MacDonald and Associates was split off from that business in 2007 for estate planning and tax purposes. Other than that, we have consistently operated under the same structure.

How many tax credit projects have you developed in Texas? Please provide a history of similar projects developed and managed:

Since 1998, we have been involved in developing more than 3,600 units of affordable apartments around Texas under the Housing Tax Credit and related programs. We currently operate more than 3,100 of those units. I have attached a company profile which includes a list of our prior developments for your review. You can also look at our website (www.macdonald-companies.com) for more information about us and photos of prior developments.

Please provide two (2) letters of support from existing developments similar to this proposal:

Per your request, I have attached support letters/resolutions from two similar prior developments. See attachments.

Will the site have any property tax exemptions after development?:

Our development partner, On Track Ministries, is a qualified Community Housing Development Organization (CHDO). As such, the development would likely be subject to a 50% exemption from ad valorem taxes. This would not, however, affect any assessments owed as part of the PID that the property is located in.

What is the affordability period requirement for this project?:

The property will be subject to a 30-year affordability period, which will be enforced by a Land Use Restrictive Agreement filed of record and monitored by the Texas Department of Housing and Community Affairs.

Please provide the breakdown of unit types and rental rates by income level:

All of our units will be at the 60% AMI income level. The breakdown is as follows:

- 36 – 1 bed/1 bath (\$785/month)
- 56 – 2 bed/2 bath (\$938/month)
- 48 – 3 bed/2 bath (\$1,078/month)

Specific Information regarding this development:

In addition to answering these questions in writing, Staff met with Justin MacDonald regarding this development. The Preserve at Hunters Crossing will be 140 units with one (1), two (2), and three (3) bedroom options. There will be an onsite clubhouse with a fitness center, coin laundry, a business computer center, playground, and swimming pool. Each unit will have washer/dryer connections.

There will be on-sight management, who report directly to Justin MacDonald:

- A full background and credit check is conducted on each tenant.
- Each tenant must prove ability to pay rent. No direct government assistance is included in the tenant's ability to pay rent.
- There is zero tolerance for criminal activities. If a tenant is arrested, they will have three (3) days to move, which is required by law.
- At annual renewal of their lease, each tenant has a full background and credit check conducted.
- There are quarterly property inspections conducted when air conditioning filters are changed.
- Tenant responsibilities include no loud parties, no drugs and no fights.
- This development is required to take Section 8 Vouchers. However, they do not solicit them. Tenants, with Section 8 Vouchers, must meet all eligibility requirements.

As a part of the lending criteria and the Texas Department of Housing and Community Affairs (TDHC), \$200 per unit per month is set aside for capital repair and investment back into the property. TDHC conducts a physical inspection of the property every two (2) to three (3) years.

To qualify to live in this complex, a family of four (4) cannot make more than \$48,000. The general demographics of tenants include first – second year teachers, city/county employees, service industry workers, and nurses' aides. There are a lot of single parent households.

POLICY EXPLANATION:

MacDonald Companies provided notice that they intend to apply for Housing Tax Credit (HTC) and Tax Exempt Bond funds through the TDHCA programs. This funding is also referred to as [Non-Competitive 4% Housing Tax Credits](#) and [Multifamily Bonds](#) on the TDHCA website. On November 9, 2017, MacDonald Companies were notified that they were awarded these tax credits pending the City of Bastrop's approval of the Resolution of No Objection after holding a public hearing.

The City of Bastrop has identified that there is a significant need for workforce housing. This project would provide 140 units of housing, with established rents for workers, who want to live and work in Bastrop.

FUNDING SOURCE:

N/A

RECOMMENDATION:

Hold public hearing and consider action to approve Resolution R-2017-99 of the City Council of the City of Bastrop, Texas supporting the granting of tax credits to The Preserve at Hunters Crossing, L.P. for the construction of apartments to rent to low income individuals and families; establishing a repealing clause; and providing an effective date.

ATTACHMENTS:

- Resolution
- Letters of Support – Representative Tom Craddick & City of Fredericksburg, TX
- Company Profile

RESOLUTION R-2017-99

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS SUPPORTING THE GRANTING OF TAX CREDITS TO THE PRESERVE AT HUNTERS CROSSING, L.P. FOR THE CONSTRUCTION OF APARTMENTS TO RENT TO LOW INCOME INDIVIDUALS AND FAMILIES; ESTABLISHING A REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The Preserve at Hunters Crossing, L.P. has proposed a development for affordable rental housing of 140 units that will be located at 200 block of Hunters Crossing Blvd. in the City of Bastrop, Texas, County of Bastrop and

WHEREAS, The Preserve at Hunters Crossing, L.P. has submitted an application to the Texas Department of Housing and Community Affairs for 2017 4% Housing Tax Credits and Private Activity Bonds for The Preserve at Hunters Crossing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS that in accordance with the requirements of Tex. Gov't Code §2306.67071 and Texas Administrative Code §10.204(4), it is hereby found that:

Section 1: Notice has been provided to the Governing Body in accordance with Tex. Gov't Code, §2306.67071(a); and

Section 2: The Governing Body has had sufficient opportunity to obtain a response from the Applicant regarding any questions or concerns about the proposed Development; and

Section 3: The Governing Body has held a hearing at which public comment may be made on the proposed Development in accordance with Tex. Gov't Code, §2306.67071(b); and

Section 4: After due consideration of the information provided by the Applicant and public comment, the Governing Body does not object to the proposed Application; and

Section 5: That for and on behalf of the Governing Body, Mayor Connie Schroeder is hereby authorized, empowered, and directed to certify this Resolution to the Texas Department of Housing and Community Affairs; and

Section 6: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 7: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 28th day of November, 2017.

CITY OF BASTROP, TEXAS

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney



TEXAS HOUSE OF REPRESENTATIVES
TOM CRADDICK

DISTRICT 82

CRANE DAWSON MARTIN MIDLAND UPTON

February 7, 2013

Mr. Cameron Dorsey
Director of Multifamily Programs
Texas Dept. of Housing & Community Affairs
P.O. Box 13941
Austin, Texas 78711-3941

RE: Westridge
TDHCA Application #13016

Dear Mr. Dorsey,

It has come to my attention that MacDonald Companies (Application #13016) has applied to your department for Housing Tax Credits to assist them in the developing and constructing of a 96-unit apartment community for seniors, named Westridge. After reviewing the application material and consulting with citizens in the community, I am prepared to offer this letter of support for this proposed development.

Due to the oil and gas boom in Texas, the Midland area is experiencing growth in all aspects of its population. The issue of affordable housing for senior citizens is particularly important in the district as the "Baby Boom" generation reaches retirement age. As a result, this type of senior housing development can be extremely beneficial to my district and I would like to voice my support for these efforts. It is my sincere hope that this development will provide the necessary affordable housing that will significantly benefit the citizens and the community.

Thank you for giving due consideration to this application for the tax credit program. If you have any questions, please do not hesitate to contact my office at 512/463-0500.

Sincerely,

A handwritten signature in cursive script that reads "Tom Craddick".

TOM CRADDICK
Texas State Representative
House District 82

RESOLUTION NO. 2013-038

**RESOLUTION SUPPORTING THE MIDLAND
WESTRIDGE APARTMENTS, L.P. FOR A PROPOSED
DEVELOPMENT FOR AFFORDABLE SENIOR
CITIZENS' RENTAL HOUSING AT BEAL PARKWAY**

WHEREAS, the City Council of the City of Midland supports the proposed development for affordable senior citizens' rental housing at Beal Parkway; and

WHEREAS, this property will be located between Leisure Drive and Graceland Drive and named Westridge in the City of Midland, Midland County, Texas; and

WHEREAS, the Developer intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2013 Housing Tax Credits for Westridge; and

WHEREAS, the City of Midland has no funds allocated to lend to affordable rental housing for 2013 due to budgetary constraints, and to its knowledge no outside funds are available; and

WHEREAS, the Midland City Council finds that this proposed development serves a beneficial public purpose;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIDLAND, TEXAS:

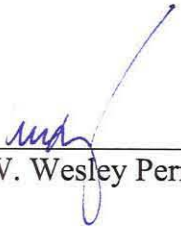
SECTION ONE. That the City Council of the City of Midland, Midland County, Texas hereby expresses its support for the development of Westridge.

SECTION TWO. That the Mayor or designee is hereby empowered to send a letter of support for this development, along with a copy of this resolution to the TDHCA.

On motion of Council member Sparks, seconded by Council member Morales, the above and foregoing resolution was adopted by the City Council of the City of Midland at a regular meeting on the 12th day of February, A.D., 2013, by the following vote:

Council members voting "AYE": Love, Morales, Trost, Perry, James, Sparks

Council members voting "NAY": None



W. Wesley Perry, Mayor

ATTEST:



Amy M. Turner, City Secretary

RECOMMENDED AND APPROVED:



Courtney Sharp, City Manager

APPROVED AS TO FORM:



Keith Stretcher, City Attorney



**Mr. T. Justin McDonald
MacDonald Companies
2951 Fall Creek Road
Kerrville, Texas 78028**

RE: Rolling Hills Apartments

Dear. Mr. McDonald:

I have attached a copy of the resolution of support for the Rolling Hills Apartments recently adopted by our City Council. We are looking forward to the constructions of these apartments in the very near future. This development should have a very positive impact on our need for additional workforce housing in the City of Fredericksburg.

I have also attached a copy of an ordinance recently adopted by our City Council that grants certain fee waivers for affordable housing projects as defined by 42 U.S. Code Section 12745 (a) that receive federal tax credits from the State. With regard to the Rolling Hills Apartments, the total estimated impact of these fee waivers is \$69,685 which includes parks dedication fees (\$36,000), building permit fees (\$5,390), plan review fees (\$2,695) and utility impact fees (\$25,600).

We are pleased to provide both the fee waivers and the resolution of support for your project. Please let me know if there is any further assistance that we can provide to help get this project underway.

Sincerely,

**Kent Myers
City Manager**

The City of Fredericksburg

126 W. Main St. • Fredericksburg, Texas 78624-3708 • (830) 997-7521 • Fax (830) 997-1861

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG SUPPORTING THE GRANTING OF TAX CREDITS TO FBG ROLLING HILLS APARTMENTS L.P. FOR THE CONSTRUCTION OF APARTMENTS TO RENT TO LOW INCOME INDIVIDUALS AND FAMILIES

WHEREAS, FBG Rolling Hills Apartments, L.P. has proposed a development for affordable rental housing at 1700 block of N. Adams Street named Rolling Hills in the City of Fredericksburg; and

WHEREAS, FBG Rolling Hills Apartments, L.P. has communicated that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2015 Housing Tax Credits or Private Activity Bonds for the construction of said Rolling Hills apartments, 72 of which will be dedicated to rental to low income persons or families; and

WHEREAS, the City Council of the City of Fredericksburg, in consideration of the need for affordable workforce housing, supports the construction of said apartments and to evidence its support,


BE IT RESOLVED, that as provided for in 10 Texas Administrative Code §11.3(b), it is expressly acknowledged and confirmed that the City of Fredericksburg has more than twice the state average of units per capita supported by Housing Tax Credits or Private Activity Bonds and

BE IT FURTHER RESOLVED, that the City of Fredericksburg hereby supports the construction of the proposed Rolling Hills apartments, and confirms that its governing body has voted specifically to support the construction of the apartments, subject to compliance with the development codes of the City of Fredericksburg, and supports an allocation of Housing Tax Credits for the Development of said affordable low income apartments pursuant to Texas Government Code §2306.6703(A)(4), and


BE IT FURTHER RESOLVED, that the City, acting through its governing body, hereby confirms that it supports the location of the proposed Rolling Hills in the 1700 block of N. Adams Street/Application number 15002 and that this resolution is adopted to evidence its approval of record;

FURTHER RESOLVED that for and on behalf of the Governing Body, the City Secretary of the City of Fredericksburg is hereby authorized, empowered, and directed to certify this resolution to the Texas Department of Housing and Community Affairs.

RESOLUTION adopted this the 2nd day of February, 2015.


Linda Langerhans, Mayor, City of
Fredericksburg

ATTEST:


Shelley Britton, City Secretary, City of
Fredericksburg

ORDINANCE NO. 25-002

AN ORDINANCE AMENDING CHAPTER 5, BUILDING AND BUILDING REGULATIONS ARTICLES III SECTION 5-48 PERMITS AND FEES FOR CONSTRUCTION AND ARTICLE X IMPACT FEES, ADDING SECTION 5-290 PAYMENT OF FEES FOR AFFORDABLE HOUSING, AND CHAPTER 38 SUBDIVISION ORDINANCE, SECTION 6 SUBDIVISION DESIGN STANDARDS SECTION 6.15 PARK LAND DEDICATION OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG

WHEREAS, the City Council of the City of Fredericksburg is aware of the lack of affordable rental housing for its workforce and for persons and families with lower income which deficit has not been filled by the ordinary forces of the local economy , and

WHEREAS, the City Council has determined that certain fee payment by the city or waivers would reduce the cost of construction for such housing and would encourage the construction of rental housing which will meet the need for workforce and affordable housing,

WHEREAS, the City Council of the City of Fredericksburg hereby adopts the following amendments to the following sections of its Code of Ordinances to incorporate such payment of fees or waiver thereof;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT THE FOLLOWING ORDINANCE BE AND IS HEREBY ENACTED AND THAT CHAPTER 5, BUILDING AND BUILDING REGULATIONS ARTICLES III SECTION 5-48 PERMITS AND FEES FOR CONSTRUCTION AND X IMPACT FEES, ADDING SECTION 5-290 PAYMENT OF FEES FOR AFFORDABLE HOUSING, AND CHAPTER 38 SUBDIVISION ORDINANCE, SECTION 6 SUBDIVISION DESIGN STANDARDS SECTION 6.15 PARK LAND DEDICATION OF THE CODE OF ORDINANCES CITY OF FREDERICKSBURG BE AMENDED OR ADDED AS FOLLOWS:

Chapter 5 - BUILDINGS AND BUILDING REGULATIONS

ARTICLE III. - PERMITS AND FEES FOR CONSTRUCTION

Sec. 5-48. - Fees for building permits.

(a) Fee required. No building shall be in any manner constructed, altered, repaired, remodeled, or moved within the city limits unless a building permit is obtained. Fees shall be paid for building permits as set forth in the fee schedule found in appendix A to this Code.

(b) Waiver of fee for affordable housing. Building permit fees are waived, or will be reimbursed, for any unit of rental housing within an apartment development which qualifies as Affordable Housing under 42 U.S. CODE Section 12745 (a), and for which Federal Tax Credits have been granted, under the following conditions:

1. An application for such waiver shall be filed with the City Development Department on forms promulgated by the Director of Development.

2. Proof that the housing units qualify for rental under 42 U.S. CODE Section 12745 (a), and that the Federal Tax credits for the same have been granted for the specific number of qualifying units must be submitted along with the application.

3. The units must continue to qualify for rental under said U.S. Code section for thirty years, and the City shall file a statement to such affect in the Deed Records of Gillespie County, Texas. In the event the units are not so maintained for the thirty year period, the City will be paid for the fees waived, and the then owner of the property shall be responsible therefor, and the same shall constitute a lien against the property for which the waivers were granted.

4. With regard to an apartment development containing both qualifying and non-qualifying units, the waiver of fees will be determined on a percentage basis which the fee for the number of qualifying units bears to the total fee which would be payable if there were no qualifying units.

ARTICLE X. - IMPACT FEES

Sec. 5-290- Payment of fees for affordable housing.

Impact fees will be paid by the City, for any unit of rental housing within an apartment development which qualifies as Affordable Housing under 42 U.S. CODE Section 12745 (a), and for which Federal Tax Credits have been granted, under the following conditions:

1. An application for such payment shall be filed with the City Development Department on forms promulgated by the Director of Development.

2. Proof that the housing units qualify for rental under 42 U.S. CODE Section 12745 (a), and that the Federal Tax credits for the same have been granted for the specific number of qualifying units must be submitted along with the application.

3. The units must continue to qualify for rental under said U.S. Code section for thirty years, and the City shall file a statement to such affect in the Deed Records of Gillespie County, Texas. In the event the units are not so maintained for the thirty year period, the City will be paid for the fees paid, and the then owner of the property shall be responsible therefor, and the same shall constitute a lien against the property for which the waivers were granted.

4. With regard to an apartment development containing both qualifying and non-qualifying units, the payment of fees will be determined on a percentage basis which the fee for the number of qualifying units bears to the total fee which would be payable if there were no qualifying units.

Chapter 38 – SUBDIVISIONS

Section 6. - Subdivision Design Standards

6.15. - Park Land Dedication

E. Waiver of dedication requirements for affordable housing. Park land dedication requirements, both dedication of land and payment of the development fee, are waived for any unit of rental housing within an apartment development which qualifies as Affordable Housing under 42 U.S. CODE Section 12745 (a), and for which Federal Tax Credits have been granted, under the following conditions:

1. An application for such waiver shall be filed with the City Development Department on forms promulgated by the Director of Development.

2. Proof that the housing units qualify for rental under 42 U.S. CODE Section 12745 (a), and that the Federal Tax credits for the same have been granted for the specific number of qualifying units must be submitted along with the application.

3. The units must continue to qualify for rental under said U.S. Code section for thirty years, and the City shall file a statement to such affect in the Deed Records of Gillespie County, Texas. In the event the units are not so maintained for the thirty year period, the City will be paid for the fees waived, and the then owner of the property shall be responsible therefor, and the same shall constitute a lien against the property for which the waivers were granted. The Director will apply the cash in lieu of dedication of land criteria and the park development fee in effect at the time of the application to determine the amount of fees waived for each qualifying unit for which a fee is waived.

4. With regard to an apartment development containing both qualifying and non-qualifying units, the waiver of dedication and fees will be determined on a percentage basis which the fee for the number of qualifying units bears to the total fee which would be payable if there were no qualifying units. The Director will fairly determine this percentage in the event park land is dedicated for the non-qualifying units.

-----End of Code Text-----

Severability / Invalidity.

If any provision of this ordinance or the application hereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without defeating the purpose or objective of the provisions, and to this end, the provisions of this ordinance are declared to be severable.

Repealer

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Penalties

Penalties provided for in the Code Ordinances of the city of Fredericksburg shall apply to violations hereof.

This ordinance shall take effect from and after the date of its passage and publication in accordance with the law.

PASSED AND APPROVED this the 2nd day of February, 2015.




Linda Langerhans, Mayor
City of Fredericksburg

ATTEST:



Shelley Britton, City Secretary

APPROVED AS TO FORM:



Pat McGowan, City Attorney

DEVELOPMENT COMPANY PROFILE

The MacDonald Companies are a family-owned group of companies specializing in developing, building, and managing multifamily neighborhoods across Texas. Our focus in rural and small metro areas allows us to provide affordable housing for communities in need. Because we own and operate our apartment communities, we build them with sustainability, quality, and comfort in mind.

The MacDonald Family's involvement started back in the 1950's, when a young Jean MacDonald took a look at the homes her real estate agent husband, George, was selling for other builders, and realized they could build a better home. George and Jean MacDonald started building custom homes soon after that, with Jean leading the design and planning of the homes and George building and marketing them.

Through the 1970's and 1980's, the Jean MacDonald Company was dominant in the home building industry in Austin, Texas, with Jean herself blazing the trail of an independent woman building homes in a male-dominated industry. She went on to become the first woman to serve as president of a local Home Builders' Association when she took the reins of the Austin Association of Builders in 1982. During her career, Jean also served as a board member and chair of the Federal Home Loan Bank of Dallas, having been appointed under the Reagan, Bush, and Clinton administrations.

As soon as he was old enough to pick up a hammer, George and Jean's son, G. Granger MacDonald, began working with his family's home building business. While he was in college at the University of Texas, Granger also served as a construction superintendent, starting his crews to work early in the morning, going to class, and then closing out the day with the crews at his construction sites. After graduating from UT, Granger continued to build the family business, eventually assuming responsibility for most operational aspects of Jean MacDonald Company.

In 1990, Granger began conducting research on the unmet development needs in Texas' small- and medium-sized communities and how the MacDonald Companies were best qualified to address those needs.

Granger's research revealed that a large number of small or rural towns have a distinct shortage of affordable housing and commercial development, but most builders and developers are not interested in these smaller markets. However, Jean and Granger's experience in working in smaller towns, as well as larger metropolitan areas, allowed them to adapt their operations to work successfully in the smaller communities that most need housing.

Granger MacDonald has had years of experience working with and serving on governmental commissions and boards. He has served on the Kerrville/Kerr County Airport Board, City of Austin Planning Commission, Chairman of the City of Austin Environmental Board, and President of the Upper Guadalupe River Authority.

PROFILE (CONT.)

For 30 years, he has been actively involved in development of subdivisions, including the installation of streets and utilities, as well as the construction of single family, multifamily, and commercial units. This, combined with his banking experience, puts him in the position of being able to develop projects that meet the needs of many small Texas communities.

His involvement in numerous National Association of Home Builders (NAHB) committees such as the Rural Housing Council and Multifamily Council, along with State and Local Government Affairs committees has given Mr. MacDonald the opportunity to address a number of problems inherent to working outside of major metropolitan areas. He has served as a consultant on several distressed properties as well as assisting other for-profit and nonprofit companies in multifamily and renovation/rehabilitation projects. As the current Second Vice Chairman of NAHB and 2010 President of Texas Association of Builders, he is also uniquely in tune with the housing needs of the state of Texas and the nation.

As a third-generation developer and builder, Justin MacDonald, the companies' current President and Chief Operating Officer, also brings a unique perspective to the companies as he focuses on managing day-to-day operations. He is also active in numerous industry organizations, currently serving as First Vice President of the Texas Association of Builders; and having past service as chairman of NAHB's Multifamily Council, Housing Credit Group, and president of the Hill Country Home Builders Association and the Texas Affiliation of Affordable Housing Providers.

Justin also has past service on the City Council of Kerrville, Texas and the Kerr Central Appraisal District Board of Directors, and has also served on the board of Hill Country Home Opportunity Council, a 501(c)(3) nonprofit organization committed to facilitating home ownership among low- and moderate-income citizens of Kerrville. He has served as a member of the City of Kerrville Planning & Zoning Commission, Zoning Ordinance Input Committee, and the 2007-2008 Comprehensive Plan Update Committee. Justin also serves on the board of Habitat for Humanity – Kerr County affiliate.

Additionally, while the MacDonald staff is much smaller than those of companies with comparable output are, the highly motivated staff is able to accomplish projects in a more efficient manner than many companies with a more sizable staff. The MacDonald Companies believe that their small, but talented staff "armed" with technology resources and extensive knowledge and experience can provide an outstanding product even in times of fluctuating costs and increasing regulatory burdens.

EXPERIENCE IN MULTIFAMILY PROJECTS (1994-2017)

- Encinito Apartments, Hondo, Texas — *108 Market Rate Units*
- Oak Hill Apartments, Beeville, Texas — *148 Market Rate Units*
- Highland Oaks Apartments, Fredericksburg, Texas — *132 Market Rate Units*
- Encino Park Apartments, San Angelo, Texas — *180 Market Rate Units*
- Bent Tree Apartments, San Angelo, Texas — *112 HTC Units (later converted to Market Rate)*
- Meadows Apartments, Kerrville, Texas — *72 HTC Units for Seniors*
- Creekside Apartments, Boerne, Texas — *71 HTC Units*
- The Springs Apartments, Dripping Springs, Texas — *76 HTC Units*
- Heritage Oaks Apartments, Kerrville, Texas — *76 HTC Units*
- Creekside Phase II Apartments, Boerne, Texas — *36 Market Rate Units*
- Brenham Oaks Apartments, Brenham, Texas — *76 HTC Units*
- Park Meadows Apartments, Boerne, Texas — *100 HTC Units for Seniors*
- Portside Villas, Ingleside, Texas — *144 HTC/Market Units*
- Highland Oaks Apartments, Marble Falls, Texas — *76 HTC Units for Seniors*
- Union Pines Apartments, San Antonio, Texas — *152 Acq./Rehab. HTC Units*
- Union Park Apartments, San Antonio, Texas — *100 Acq./Rehab. HTC Units*
- The Vistas Apartments, Marble Falls, Texas — *124 HTC Units*
- The Masters Road Apartments, Dallas, Texas — *144 HTC/Bond Units*
- Post Oak East Apartments, Euless, Texas — *246 HTC/Bond Units*
- Oaks of Bandera Apartments, Bandera, Texas — *76 HTC Units*
- Bluffview Villas Apartments, Brenham, Texas — *76 HTC Units for Seniors*
- Aventine at Tarrant Parkway Apartments, Keller, Texas — *240 HTC/Bond Units*
- Friendship Place Apartments, Fredericksburg, Texas — *76 HTC Units*
- St. Augustine Estates, Dallas, Texas — *150 HTC/Bond Units for Seniors*
- Landa Place Apartments, New Braunfels, Texas — *100 HTC Units for Seniors*
- Villas at Henderson Place, Cleburne, Texas — *140 HTC Intergenerational Units*
- White Rock Hills, Dallas, Texas — *302 Acq./Rehab. HTC Units*
- Terraces at Cibolo, Boerne, Texas — *150 HTC/Bond Units for Seniors*
- Paseo De Paz, Kerrville, Texas — *76 HTC Units*
- 377 Villas I & II, Brownwood, Texas — *76 HTC Units & 36 HOME/Market Rate Units*
- Riverside Villas, Fort Worth, Texas — *192 Market Rate Units*
- Terraces on Creek Street, Fredericksburg, Texas — *80 Market Rate Units*
- River Place, San Angelo, Texas — *120 HTC Units for Seniors*
- Gardens at Clearwater, Kerrville, Texas — *80 HTC Units for Seniors*
- Guadalupe Crossing Apartments, Comfort, Texas — *68 HTC Units*
- Point Royale Apartments, Victoria, Texas — *120 Market Rate Units*
- Meadow Vista, Weatherford, Texas — *80 HTC Units for Seniors*
- Mustang Heights Apartments, Sweetwater, Texas — *80 HTC Units*
- Brookview Village Apartments, Copperas Cove, Texas — *120 HTC Units for Seniors*
- North Angelo Estates, San Angelo, Texas — *36 Single Family HTC Units*
- Mesquite Terraces I & II, Midland Texas — *288 Market Rate Units*
- Oakland Hills Apartments, Floresville, Texas — *120 Market Rate Units*
- Comfort Place Apartments, Comfort, Texas — *48 HTC Units for Seniors*
- The Reserve at Lone Oak, San Antonio, Texas — *200 Market Rate Units*
- Westridge Senior Apartments, Midland, Texas — *96 HTC Units for Seniors*
- The Vistas at Red Creek, San Angelo, Texas — *176 Market Rate Units*
- Sunrise Townhomes, Fredericksburg, Texas — *36 HOME/Market Rate Units*
- Seaside Landing, Ingleside, Texas — *120 Market Rate Units*
- Walnut Grove, Seguin, Texas — *116 Market Rate Units*
- Orchard Grove, Fredericksburg, Texas — *96 Market Rate Units*

Total Units: 5,943



STAFF REPORT

MEETING DATE: November 28, 2017

AGENDA ITEM: 9E

TITLE:

Consider action to approve Resolution No. R-2017-95 regarding the Bastrop CAD election voting for the 2018-2019 Board of Directors; establishing a repealing clause; and establishing an effective date.

STAFF REPRESENTATIVE:

Lynda Humble, City Manager

BACKGROUND:

There are five (5) board of directors on the ballot for re-election. Each will be elected if they receive at least one vote. The City of Bastrop receives 214 votes based on the proportion of the 2016 levy.

RECOMMENDATION:

Consider action to approve Resolution No. R-2017-95 regarding the Bastrop CAD election voting for the 2018-2019 Board of Directors; establishing a repealing clause; and establishing an effective date.

ATTACHMENT:

- Resolution

RESOLUTION NO. R-2017-95

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS
REGARDING THE BASTROP CENTRAL APPRAISAL DISTRICT ELECTION
VOTING FOR THE 2018-2019 BOARD OF DIRECTORS; ESTABLISHING A
REPEALING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, the City of Bastrop participates in the Bastrop Central Appraisal District; and

WHEREAS, Chapter 6 of the Property Tax Code allows each tax unit to cast votes for the Board of Directors of the Bastrop Central Appraisal District in proportion to their tax levy; and

WHEREAS, the City of Bastrop is allocated 214 votes based on their 2016 levy; and

WHEREAS, the City of Bastrop met in open session to consider the casting of the votes to which they are entitled.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1: That the City of Bastrop does hereby cast votes for the following person or persons to the Board of Directors of the Bastrop Central Appraisal District for a two-year term to begin January 1, 2018:

<u>Nominee</u>	<u>Votes Cast For:</u>
Bracewell, Bryan	43
Emanuel, Roderick	43
Hector, Bill	43
Redd, David	43
Snyder, David	42

Section 2: All orders, ordinances, and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 3: That this Resolution shall take effect immediately upon its passage, and it is so resolved.

DULY RESOLVED AND ADOPTED by the City Council of the City of Bastrop this 28th day of November, 2017.

APPROVED:

Connie B. Schroeder, Mayor

ATTEST:

Ann Franklin, City Secretary

APPROVED AS TO FORM:

Alan Bojorquez, City Attorney