1. 05/13/21 Agenda (PDF)

   Documents:

      05-13-21 AGENDA.PDF

2. 05/13/21 Agenda Packet (PDF)

   Documents:

      5-13-21 AGENDA PACKET.PDF

CITY OF MARSHALL, TEXAS
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS, CITY HALL, 401 SOUTH ALAMO
THURSDAY, MAY 13, 2021, 6:00 P.M.

This meeting will be conducted utilizing a video and audio conferencing tool, as well as, a standard conference call. Instructions and direct links to view the meeting or speak during Citizen Comment can be found at www.marshalltexas.net.

****
AGENDA INFORMATION PACKET IS AVAILABLE FOR THE PUBLIC TO REVIEW ON THE CITY'S WEB SITE AFTER 8:00 A.M. ON WEDNESDAY BEFORE THE MEETING AT www.marshalltexas.net
****

1. **CALL TO ORDER AND ROLL CALL**

2. **INVOCATION AND PLEDGES**

3. **MINUTES**

   A. Consider approval of the minutes from the April 22, 2021 Regular meeting.

4. **PRESENTATION**

   A. Presentation of plaques to outgoing City Council members. (City Manager)

5. **OATH OF OFFICE AND BOND APPROVAL**

   A. Issue Oath of Office for Council members representing Districts 1, 2, 3, and 4. (City Attorney)

   B. Consider approval of bonds for Council members representing Districts 1, 2, 3, and 4. (City Secretary)

6. **EXECUTIVE SESSION**

   A. Pursuant to the Open Meetings Act, Texas Government Code, Section 551.074 (Personnel) – Discussion of Chairman, or Mayor, and Acting Chairman, or Mayor Pro-Tem, for the City Council.

7. **ELECTION OF CHAIRMAN AND ACTING CHAIRMAN**

A. Consider election of the Chairman, or Mayor, for the City Council. (City Manager)

B. Consider election of the Acting Chairman, or Mayor Pro-Tem, for the City Council. (City Manager)

8. **CITIZEN COMMENTS**

Texas Government Code, Sec. 551.007 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on an agenda the opportunity to do so before or during the body's consideration of the item. The "Citizens Comments" portion of the meeting meets the requirements of this law and is the public's opportunity to speak on any item on, or not on, the agenda. Those who wish to speak will have three minutes to do so unless additional time has been requested.

9. **ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA**

10. **CONSENT AGENDA**

The items on the Consent Agenda require little or no deliberation by the Council. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations, a copy of which is filed with the minutes of the meeting. A Councilmember may remove items from the Consent Agenda by making such request prior to a motion and vote on the Consent Agenda.

A. Street Sweeping Activity Report. (Public Works Director)

B. Municipal Court Activity Report. (Finance Director)

C. Monthly Financial Report. (Finance Director)

D. Consider approval of a Resolution to update the authorized City of Marshall Representatives at TEXPOOL. (Finance Director)

E. Consider approval of appointments to the Civil Service Board. (City Manager)

11. **PUBLIC HEARING**

A. Public Hearing of the Project Plan and Financing Plan and creation of the Tax Increment Reinvestment Zone (TIRZ) Number One and approval of same. (Community & Economic Development Director)

12. **PRESENTATION & PROCLAMATION**

A. Presentation of the Keep Marshall Beautiful Beautification Award winner for the month of May 2021. (Tourism & Cultural Arts Director)

B. Presentation of a proclamation designating the week of May 9-15, 2021 as "Police Week" and May 15, 2021 as "Peace Officers Memorial Day" in Marshall, Texas. (Police Chief)

C. Presentation of a proclamation designating May 16th – 23rd, 2021 as "National Public Works Week" in the City of Marshall. (Public Works Director)

13. **ORDINANCE**

A. Consider approval of an ordinance designating a geographic area within the City as Tax Increment Reinvestment Zone Number One; describing the boundaries of the zone; creating a board of directors for the zone; establishing a tax increment fund for the zone; containing findings related to the creation of the zone; providing a termination date for the zone; providing for immediate effectiveness of the zone. (Community & Economic Development Director)

14. **CITY MANAGER REPORTS AND REQUESTS FOR CITY COUNCIL CONSIDERATION**

A. Presentation of and consideration of Quality of Life Plan. (City Manager)

B. Discussion of and action regarding terminating, modifying or continuing Chapter 380 Economic Development Agreement with Marshall Mall Investors. (Acting City Attorney)

C. Consider approval of Small Business Grant Fund Applications. (Community & Economic Development Director)

D. Consider approval of amendment to approved Oak Lawn Municipal Golf Course rates. (Tourism & Cultural Arts Director)

15. **CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA**

16. **ADJOURNMENT**

Posted: May 10, 2021
5:00 p.m.
N. Smith

This meeting will be conducted in accordance with the Americans with Disabilities Act. Requests for sign interpretive services will be available with at least 72-hour notice prior to the meeting. To make arrangements for these services, please call the City Secretary's Office at 903-935-4446.

CITY OF MARSHALL, TEXAS
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Page 36

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Page 120

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Page 137

D. Consider approval of amendment to approved Oak Lawn Municipal Golf Course rates. (Tourism & Cultural Arts Director)
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ITEM 1

CALL TO ORDER AND ROLL CALL

ITEM 2

INVOCATION AND PLEDGES

ITEM 3A

MINUTES

CONSIDER APPROVAL OF THE MINUTES FROM THE APRIL 22, 2021 REGULAR MEETING

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF MARSHALL
THURSDAY, APRIL 22, 2021
6:00 PM

Mayor Terri Brown called the Regular meeting to order in the Council Chambers, City Hall at 6:00 p.m.

PRESENT:

MAYOR: Terri Brown, District 3

COUNCIL MEMBERS:

Marvin Bonner, District 1	Leo Morris, District 2
Amy Ware, District 4	Vernia Calhoun, District 5
Amanda Abraham, District 6	Micah Fenton, District 7

ADMINISTRATIVE STAFF PRESENT:

Mark Rohr, City Manager	Reggie Cooper, Fire Chief
Scott Rectenwald, Acting City Attorney	Cliff Carruth, Police Chief

Randy Pritchard, Support Services Superintendent
Debbie Manuel, Interim Finance Director
Eric Powell, Public Works Director
Mallori James, Tourism & Cultural Arts Director
Jasmine Rios, Communications Coordinator
Fabio Angell, Community & Economic Development Director
Nikki Smith, City Secretary/Payroll Accountant
Len Ames, Lieutenant Police Department
Christol Hall, HR Manager

INVOCATION & PLEDGE:

83. **CITIZEN COMMENTS**

Eric Williams, Out the Box Productions, 100 N. McArthur Street, Irving, Texas, provided a presentation regarding the history of Chattel Slavery in Marshall, Texas.

Narcie Crosby, 211 N Bolivar, spoke in support of the resolution regarding an apology for Chattel Slavery.

84. **ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA**

Items B and F were withdrawn from the Consent Agenda.

85. **CONSENT AGENDA**

Councilmember Morris made a motion to approve the Consent Agenda. Councilmember Fenton seconded the motion, which passed with a vote of 7:0.

A. Consider approval of the minutes from the April 8, 2021 Regular meeting.

C. Fire Department Activity Report.

D. Police Department Activity Report.

E. Community & Economic Development Activity Report.

G. Settlement regarding the Southwestern Electric Power Company (SWEPCO) Fuel Reconciliation Case.

PUBLIC HEARING AND ORDINANCE

86. CONDUCT A PUBLIC HEARING AND CONSIDER AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FROM C-3 (GENERAL BUSINESS), AND A&E (AGRICULTURE AND ESTATE) TO MF (MULTI-FAMILY) LOCATED IN THE 2500 BLOCK OF EAST END BOULEVARD SOUTH.

This item was withdrawn.

87. CONDUCT A PUBLIC HEARING AND CONSIDER AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FROM PD (PLANNED DEVELOPMENT) TO R-4 (SINGLE FAMILY DETACHED) LOCATED IN THE 1300 BLOCK OF SOUTH GARRETT STREET.

Fabio Angell, Community & Economic Development Director, asked for the approval of an ordinance amending the official zoning map from PD (Planned Development) to R-4 (Single Family Detached). He stated 20 notices were sent out regarding the zoning amendment with three (3) responses; one for and two against. The Planning and Zoning Commission approved the change by a vote of 5:0.

Mayor Brown opened the public hearing.

No one came forward to speak.

Mayor Brown closed the public hearing.

Councilmember Abraham made a motion to approve an ordinance amending the official zoning map from PD (Planned Development) to R-4 (Single Family Detached). Mayor Brown seconded the motion, which passed with a vote of 7:0.

PRESENTATION

88. PRESENTATION AND APPROVAL OF CRADLE OF ENTREPRENEURSHIP PROGRAM.

Fabio Angell presented guidelines for a formal entrepreneurship program to assist start-ups in the City of Marshall, Texas. He asked for approval of this program, stating it would provide technical and financial assistance to start-ups by placing them in either the “On-Site” Incubator Track (I) or the “Off-Site” Incubator Track (II) and gradually move them along the three phase continuum process; Incubation to Acceleration to Full Production. The cost of this program will be $50,000 – five (5) finalists will receive $10,000 each in cash and $40,000 in nonmonetary services.

Mark Rohr, City Manager, stated this program, which is part of the Mobilize Marshall Strategic Plan, will enable Marshall to become the go to place for start-up businesses and will increase the tax base.

Council members asked questions and discussed.

Mayor Brown made a motion to approve the Cradle of Entrepreneurship Program. Councilmember Calhoun seconded the motion, which passed with a vote of 7:0.

89. WATER/WASTEWATER RATE STUDY PRESENTATION.

Eric Powell, Public Works Director, highlighted information regarding the Water/Wastewater Utility Rate Study by NewGen Strategies & Solutions. He stated the current rate structure does not provide adequate revenues to meet the required ninety (90) days cash and fund balance.

Eric Powell introduced Chris Ekrut, NewGen Strategies & Solutions CFO & Director, who provided the Water/Wastewater Utility Rate Study by NewGen Strategies & Solutions. He stated the initial rate adjustment would be effective June 1, 2021 and annual rate adjustments in January of each year beginning in 2022 through 2025.

ORDINANCE

90. CONSIDER AND ACT ON AN ORDINANCE REGULATING THE SPEED OF MOTOR VEHICLES UPON A CERTAIN SECTION OF IH 20 WITHIN THE CORPORATE LIMITS OF THE CITY OF MARSHALL, AUTHORIZING THE TEXAS DEPARTMENT OF TRANSPORTATION TO ERECT SIGNS, PRESCRIBING PENALTIES, REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING A SAVINGS CLAUSE; AND DECLARING AN EMERGENCY PASSAGE.

Cliff Carruth, Police Chief, asked for approval of an ordinance requested by TxDOT regulating the speed of motor vehicles on Interstate 20 within the corporate limits of the City of Marshall, Texas. He stated the ordinance will reduce the speed limit from 75 miles per hour to 70 miles per hour.

Council members asked questions and discussed.

Councilmember Calhoun made a motion to approve an ordinance regulating the speed of motor vehicles upon a certain section of IH 20 within the corporate limits of the City of Marshall, authorizing the Texas Department of Transportation to erect signs, prescribing penalties, repealing all ordinances in conflict herewith and providing a savings clause; and declaring an emergency passage. Councilmember Bonner seconded the motion, which passed with a vote of 7:0.

91. CONSIDER APPROVAL OF AN ORDINANCE TO ADOPT THE WATER/SEWER RATE STRUCTURE, AS OUTLINED IN THE WATER/WASTEWATER RATE STUDY PRESENTATION.

Eric Powell asked for approval of an ordinance adopting the water/sewer rate structure, as outlined in the Water/Wastewater Rate Study presentation.

Council members asked questions and discussed.

Councilmember Fenton made a motion to approve an ordinance adopting the water/sewer rate structure, as outlined in the Water/Wastewater Rate Study presentation. Councilmember Bonner seconded the motion, which passed with a vote of 7:0.

92. <u>CONSIDER PREVIOUSLY TABLED ITEM AND CONSIDER APPROVAL OF AN ORDINANCE AMENDING CHAPTER 4 OF THE CODE OF ORDINANCES ENTITLED "ANIMALS AND FOWL" SECTIONS 4-19 THROUGH 4-25.</u>

Cliff Carruth explained the changes to the ordinance amending Chapter 4 of the Code of Ordinance entitled "Animals and Fowl" Sections 4-19 through 4-25 and asked for approval.

Council members asked questions and discussed.

Councilmember Abraham made a motion to amend the numbering for Sections 4-22.1 for Rabies Vaccination, Section 4-22.2 Microchip required and 4-22.3 Spay/Neuter as well as Section 4-22.3 Paragraph A the entire section as provided. Mayor Brown seconded the motion, which passed with a vote of 7:0.

Mayor Brown made a motion to approve the ordinance as amended. Councilmember Calhoun seconded the motion, which passed with a vote of 7:0.

93. <u>CONSIDER PREVIOUSLY TABLED ITEM AND CONSIDER APPROVAL OF AN ORDINANCE AMENDING THE 2021 ANNUAL BUDGET.</u>

Mark Rohr provided an overview of the General Fund and detailed the animal adoption center expenses and timeline.

Council members asked questions and discussed.

Councilmember Calhoun made a motion to vote line by line for the request to amend the 2021 budget. Councilmember Abraham seconded the motion, which passed with the following vote:

Ayes: Council members Calhoun, Abraham, Fenton, Bonner and Morris
Nays: Mayor Brown and Councilmember Ware

Approval of CDBG Budget $102,994
Vote: 7:0

Approval of Animal Shelter/Fund 68 $67,341
Vote: Ayes: 3, Mayor Brown, Council members Bonner and Ware
Nays: 4, Council members Abraham, Calhoun, Morris and Fenton

Approval of Animal Shelter-Furniture & Fixtures/Fund 68 $40,000
Vote: Ayes: 3, Mayor Brown, Council members Bonner and Ware
Nays: 4, Council members Abraham, Calhoun, Morris and Fenton

Approval of Cradle Entrepreneurship $50,000
Vote: 7:0

Approval of Recreational Study $20,000
Vote: 7:0

Approval of Severe Weather $5,000
Vote: 7:0

Approval of Firemen Relief & Retirement $29,000
Vote: 7:0

Approval of Street Improvements $250,000
Vote: 7:0

Approval of Streetscaping $126,000
Vote: Ayes: 5, Mayor Brown, Council members Calhoun, Ware, Bonner and Morris
Nays: 2, Council members Fenton and Abraham

Approval of Sidewalk near Golf Course $8,000
Vote: 7:0

Approval of Façade Downtown $25,000
Vote: 7:0

Approval of Arena Gates $12,500
Vote: 7:0

Approval of Interfund Transfer/General Fund to pay off debt $153,915
Vote: 7:0

RESOLUTION

94. CONSIDER APPROVAL OF A RESOLUTION TO SUSPEND THE EFFECTIVE DATE PROPOSED BY CENTERPOINT ENERGY TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM FOR FORTY-FIVE (45) DAYS, AND AUTHORIZE THE CITY'S CONTINUED PARTICIPATION IN A COALITION OF CITIES KNOWN AS THE "ALLIANCE OF CENTERPOINT MUNICIPALITIES".

Eric Powell asked for approval of a resolution suspending the effective date proposed by CenterPoint Energy to increase rates under the Gas Reliability Infrastructure Program for forty-five (45) days, and authorizing the City's continued participation in a coalition of cities known as the "Alliance of CenterPoint Municipalities".

Council members asked questions and discussed.

Councilmember Fenton made a motion to approve of a resolution suspending the effective date proposed by CenterPoint Energy to increase rates under the Gas Reliability Infrastructure Program for forty-five (45) days, and authorizing the City's continued participation in a coalition of cities known as the "Alliance of CenterPoint Municipalities". Mayor Brown seconded the motion, which passed with a vote of 7:0.

95. PRESENTATION OF A TAX INCREMENT REINVESTMENT ZONE AND CONSIDERATION AND ACTION ON A RESOLUTION APPROVING A PRELIMINARY PROJECT PLAN AND FINANCING PLAN FOR CITY OF MARSHALL REINVESTMENT ZONE NUMBER ONE, AND ESTABLISHING THE BOUNDARIES OF SUCH ZONE; CALLING A PUBLIC HEARING WITH REGARD TO THE CREATION OF SUCH ZONE; PROVIDING AN EFFECTIVE DATE; AND RESOLVING OTHER MATTERS RELATED THERETO.

Mark Rohr provided an overview of the Tax Increment Reinvestment Zone, which is part of the Downtown Redevelopment Plan.

Fabio Angell presented a timeline for a Tax Increment Reinvestment Zone and asked for approval of a resolution approving a preliminary Project Plan and Financing Plan for City of Marshall Reinvestment Zone Number One.

Council members asked questions and discussed.

Councilmember Fenton made a motion to approve of a resolution approving a preliminary Project Plan and Financing Plan for City of Marshall Reinvestment Zone Number One. Mayor Brown seconded the motion, which passed with a vote of 7:0.

96. CONSIDER PREVIOUSLY TABLED ITEM AND CONSIDER APPROVAL OF A RESOLUTION REGARDING CHATTEL SLAVE REPARATIONS & APOLOGY FOR CHATTEL SLAVERY IN MARSHALL, TEXAS.

Councilmember Bonner stated this resolution allows for closure of the issue.

Councilmember Morris made a motion to approve amendments to a resolution regarding Chattel Slave reparations & apology for Chattel Slavery in Marshall, Texas as presented. Councilmember Calhoun seconded the motion, which failed with the following vote:

Ayes: 3, Council members Morris, Calhoun and Bonner
Nays: 4, Mayor Brown, Council members Abraham, Fenton and Ware

The resolution died from lack of motion.

97. CONSIDER PREVIOUSLY TABLED ITEM AND CONSIDER APPROVAL OF A RESOLUTION FOR CHAPTER 380 ECONOMIC DEVELOPMENT GRANT PROMOTING THE CITY OF MARSHALL, TEXAS BY OUT THE BOX PRODUCTIONS, ERIC WILLIAMS.

This item was tabled.

CITY MANAGER REPORTS AND REQUESTS FOR CITY COUNCIL CONSIDERATION

98. CONSIDER APPROVAL OF THE ALLOCATION OF 2021 HOTEL/MOTEL OCCUPANCY TAX FUNDS.

Mallori James, Tourism & Cultural Arts Director, explained the process and asked for approval of Hotel/Motel Occupancy Tax allocations that were recommended by the Convention & Visitors Bureau (CVB) Advisory Committee.

Councilmember Fenton made a motion to approve the allocation of 2021 Hotel/Motel Occupancy Tax funds as recommended by the CVB Advisory Committee. Councilmember Bonner seconded the motion, which passed with a vote of 7:0.

99. **CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA**

B. Public Works Activity Report.

Councilmember Abraham explained her reasons for withdrawing this item.

Council members asked questions and discussed.

Councilmember Calhoun made a motion to approve Item B from the Consent Agenda. Mayor Brown seconded the motion, which passed with a vote of 7:0.

F. Consider approval of an agreement with Dr. Jeffrey McWilliams for Physician Director Services for the Emergency Medical Services System.

Councilmember Bonner explained his reasons for withdrawing this item.

Council members asked questions and discussed.

Councilmember Abraham made a motion to approve Item F from the Consent Agenda. Councilmember Fenton seconded the motion, which passed with a vote of 7:0.

100. **ADJOURNMENT**

Councilmember Calhoun made a motion for adjournment. Councilmember Abraham seconded the motion, which passed with a vote of 7:0.

APPROVED:

____
Mayor of the City Council
of the City of Marshall, Texas

ATTEST:

____
City Secretary

Ordinances: **O-21-04**
O-21-05
O-21-06
O-21-07
O-21-08
O-21-09
Resolutions: **R-21-10**
R-21-11
R-21-12
R-21-13

ITEM 4A

PRESENTATION

PRESENTATION OF PLAQUES TO OUTGOING CITY COUNCIL MEMBERS

ITEM 5A

OATH OF OFFICE

ISSUE OATH OF OFFICE FOR COUNCIL MEMBERS REPRESENTING DISTRICTS 1, 2, 3, AND 4

Memorandum

To: Mark Rohr, City Manager

From: Nikki Smith, City Secretary

Date: May 6, 2021

Re: Oath of Office

Attached is a copy of the Oath of Office that will be administered to the newly elected City Council members at the City Council Meeting on May 13, 2021.

Form 2204 - Oath of Office
(General Information)

The attached form is designed to meet minimal constitutional filing requirements pursuant to the relevant provisions. *This form and the information provided are not substitutes for the advice and services of an attorney.*

Execution and Delivery Instructions

An Oath of Office that is required to be filed with the Office of the Secretary of State is considered filed once it has been received by this office. The Oath of Office may be administered to you by a person authorized under the provisions of Chapter 602 of the Texas Government Code. Authorized persons commonly used to administer oaths include notaries public and judges.

Mail**:** P.O. Box 12887, Austin, Texas 78711-2887.
Overnight mail or hand deliveries**:** James Earl Rudder Officer Building, 1019 Brazos, Austin, Texas 78701.
Fax**:** (512) 463-5569. If faxed, the original Oath should also be mailed to the appropriate address above.
Email**:** Scanned copies of the executed Oath may be sent to register@sos.texas.gov. If sent by email, the original Oath should also be mailed to the appropriate address above.

NOTE*: Do not have the Oath of Office administered to you before executing and filing the Statement of Officer (Form 2201 – commonly referred to as the "Anti-Bribery Statement") with the Office of the Secretary of State***.**

Commentary

Pursuant to art. XVI, Section 1 of the Texas Constitution, the Oath of Office *may not* be taken until a Statement of Officer (see Form 2201) has been subscribed to and, as required, filed with the Office of the Secretary of State. Additionally, gubernatorial appointees who are appointed during a legislative session *may not* execute their Oath until after confirmation by the Senate. Tex. Const. art. IV, Section 12.

Officers Required to File Oath of Office with the Secretary of State**:**

Gubernatorial appointees
District attorneys
Appellate and district court judges
Officers appointed by the supreme court, the court of criminal appeals, or the State Bar of Texas
Associate judges appointed under subchapter B or C, chapter 201 of the Texas Family Code
Directors of districts operating pursuant to chapter 36 or 49 of the Texas Water Code file a duplicate original of their Oath of Office within 10 days of its execution. Texas Water Code, Sections 36.055(d) and 49.055(d)

Officers Not Required to File Oath of Office with the Secretary of State**:**

Members of the Legislature elected to a *regular* term of office will have their Oath of Office administered in chambers on the opening day of the session and recorded in the appropriate Journal. Members elected to an *unexpired* term of office should file their Oath of Office with either the Chief Clerk of the House or the Secretary of the Senate, as appropriate.

All other persons should file their Oaths locally. Please check with the county clerk, city secretary or board/commission secretary for the proper filing location.

As a general rule, city and county officials do not file their oath of office with the Secretary of State– these officials file at the local level. The Legislature amended the Texas Constitution, Article 16, Section 1, in November 2001 to no longer require local level elected officials to file with our office. **The Office of the Secretary of State does NOT file Statements or Oaths from the following persons**: Assistant District Attorneys; City Officials, including City Clerks, City Council Members, Municipal Judges, Justices of the Peace, and Police/Peace Officers; Zoning/Planning Commission Members; County Officials, including County Clerks, County Commissioners, County Judges (*except County Court of Law Judges who file with the Elections Division),* County Tax Assessors, and District Clerks; and Officials of Regional Entities, such as, Appraisal Review Districts, Emergency Service Districts, and School Districts (ISD's). Questions about whether a particular officer is a state-level officer may be resolved by consulting relevant statutes, constitutional provisions, judicial decisions, and attorney general opinions.

All state or county officers, other than the governor, lieutenant governor, and members of the legislature, who qualify for office, are commissioned by the governor. Tex. Gov't Code, Section 601.005. The Secretary of State performs ministerial duties to administer the commissions issued by the governor, including confirming that officers are qualified prior to being commissioned. Submission of this oath of office to the Office of the Secretary of State confirms an officer's qualification so that the commission may be issued.

Questions about this form should be directed to the Government Filings Section at (512) 463-6334 or register@sos.texas.gov.

Revised 9/2017

Form #2204 Rev 9/2017

Submit to:
SECRETARY OF STATE
Government Filings Section
P O Box 12887
Austin, TX 78711-2887
512-463-6334
FAX 512-463-5569
Filing Fee: None

This space reserved for office use

OATH OF OFFICE

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS,
I, ____ , do solemnly swear (or affirm), that I will faithfully execute the duties of the office of ____ of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, so help me God.

____
Signature of Officer

Certification of Person Authorized to Administer Oath

State of ______________________________

County of ______________________________

Sworn to and subscribed before me on this ______________ day of ____________________, 20____.

(Affix Notary Seal,
only if oath
administered by a
notary.)

____
Signature of Notary Public or
Signature of Other Person Authorized to Administer An Oath

____
Printed or Typed Name

ITEM 5B

BOND APPROVAL

CONSIDER APPROVAL OF BONDS FOR COUNCIL MEMBERS REPRESENTING DISTRICTS 1, 2, 3, 4

Memorandum

To: Mark Rohr, City Manager

From: Nikki Smith, City Secretary

Date: May 6, 2021

Re: Bonds for City Council members

We have taken the necessary actions to obtain or renew the $5,000 bonds, required by the City Charter, for City Council members in Districts 1, 2, 3 and 4. I ask the Council to approve these bonds.

ITEM 6A

EXECUTIVE SESSION

PURSUANT TO THE OPEN MEETINGS ACT, TEXAS GOVERNMENT CODE, SECTION 551.074 (PERSONNEL) – DISCUSSION OF CHAIRMAN, OR MAYOR, AND ACTING CHAIRMAN, OR MAYOR PRO-TEM, FOR THE CITY COUNCIL

ITEM 7A

ELECTION OF CHAIRMAN

ELECTION OF THE CHAIRMAN, OR MAYOR, FOR THE CITY COUNCIL

MEMORANDUM

To: Members of the City Council

From: Mark Rohr, City Manager

Date: May 5, 2021

Subject: Election of the Mayor for the City Council

Section 3.09(a) of the City Charter provides for the election of a Mayor from among the members of the City Council.

ITEM 7B

ELECTION OF ACTING CHAIRMAN

ELECTION OF THE ACTING CHAIRMAN, OR MAYOR PRO-TEM, FOR THE CITY COUNCIL

MEMORANDUM

To: Members of the City Council

From: Mark Rohr, City Manager

Date: May 5, 2021

Subject: Election of the Mayor Pro-Tem for the City Council

Section 3.09(b) of the City Charter provides for the election of a Mayor Pro-Tem to act in the place of the Mayor in his or her absence.

ITEM 8

CITIZEN COMMENTS

ITEM 9

ITEMS TO BE WITHDRAWN FROM CONSENT AGENDA

ITEM 10A

CONSENT AGENDA

STREET SWEEPING ACTIVITY REPORT

City of
MARSHALL
TEXAS

TO: Members of the City Council

FROM: Eric Powell, PE EGP
Director of Public Works/City Engineer

DATE: May 3, 2021

SUBJECT: Street Sweeping Activity Report for April 2021

The Street Sweeping Activity Report for the month of April 2021 is attached for your review.

STREET SWEEPING ACTIVITY REPORT
APRIL 2020

STREET NAME	NUMBER OF TIMES SWEPT
Alamo Blvd.	1
Ambassador Blvd.	1
Austin St. (Downtown)	7
Bolivar St. (Downtown)	7
Burleson St. (Downtown)	7
Carters Ferry Rd.	1
Courthouse Square	7
Decker St.	1
Emory St.	1
S. Garrett St.	1
Indian Springs Dr.	1
Idylwild Terrace	1
Johnson St.	1
Pine Burr Circle	1
Nehls St.	1
Pine Burr Terrace	1
Rosborough Springs Rd.	1
Rusk St. (Downtown)	7
E. Travis St.	1
University Ave.	1
Warren Dr.	1
N. Washington Ave. (Downtown)	7
200 block N. Washington Ave. (construction area)	1
Wellington St. (Downtown)	7

NUMBER OF STREETS/AREAS SWEPT IN APRIL: 24

May 3, 2021

ITEM 10B

CONSENT AGENDA

MUNICIPAL COURT ACTIVITY REPORT

CITY OF MARSHALL

Monthly Report For Apr 2021

Cases Filed

STEP Site	Traffic	Penal	City Ordinance	Parking	Other	Total
0	101	20	3	5	6	135

Financial

State Costs	City Costs	Fines	Tech Fund	Bld Security	Total
$14,070.74	$15,512.94	$8,634.60	$4,010.00	$13,194.17	$55,422.45

Trials/Hearings

Jury	Bench	Appealed	Total
0	0	0	0

Warrants

Issued	Recalled	Served	Fees Collected	Amount Collected	Outstanding
41	78	50	$4,658.50	$13,504.87	$2,683,681

Dispositions

Paid	Time Served	Dismissed	Appealed	Total
155	27	22	0	209

Office of Court Administration – Austin, TX

- OCA monthly report data compiled from the **October 2019** report (submitted **11/19/2019**) revealed the following data:

  Active cases: 1,338
  Inactive cases: 4,962

- OCA monthly report data compiled from the **November 2019** report (**12/19/2019**) revealed the following data:

  Active cases: 1,187
  Inactive cases: 5,147

- OCA monthly report data compiled from the **December2019** report (submitted **01/21/2020**) revealed the following data:

  Active cases: 1,071
  Inactive cases: 5,193

- OCA monthly report data compiled from the **January 2020** report (submitted **02/20/2020**) revealed the following data:

  Active cases: 947
  Inactive cases: 5,259

- OCA monthly report data compiled from the **February 2020** report (submitted **03/17/2020**) revealed the following data:

  Active cases: 847
  Inactive cases: 5,292

- OCA monthly report data compiled from the **March 2020** report (submitted **04/21/2020**) revealed the following data:

  Active cases: 812
  Inactive cases: 5,254

- OCA monthly report data compiled from the **April 2020** report (submitted **05/20/2020**) revealed the following data:

  Active cases: 619
  Inactive cases: 5,291

- OCA monthly report data compiled from the **May2020** report (submitted **06/17/2020**) revealed the following data:

  Active cases: 628
  Inactive cases: 5,347

- OCA monthly report data compiled from the **June 2020** report (submitted **07/15/2020**) revealed the following data:

  Active cases: 740
  Inactive cases: 5,297

- OCA monthly report data compiled from the **July 2020** report (submitted **08/20/2020**) revealed the following data:

  Active cases: 794
  Inactive cases: 5,248

- OCA monthly report data compiled from the **August 2020** report (submitted **09/16/2020**) revealed the following data:

  Active cases: 1,001
  Inactive cases: 5,221

- OCA monthly report data compiled from the **September 2020** report (submitted **10/19/2020**) revealed the following data:

  Active cases: 1,014
  Inactive cases: 5,272

- OCA monthly report data compiled from the **October 2020** report (submitted **11/12/2020**) revealed the following data:

  Active cases: 1,004
  Inactive cases: 5,230

- OCA monthly report data compiled from the **November 2020** report (submitted **12/15/2020**) revealed the following data:

  Active cases: 883
  Inactive cases: 5,346

- OCA monthly report data compiled from the **December 2020** report (submitted **01/20/2021**) revealed the following data:

  Active cases: 891
  Inactive cases: 5,310

- OCA monthly report data compiled from the **January 2021** report (submitted **02/23/2021**) revealed the following data:

  Active cases: 769
  Inactive cases: 5386

- OCA monthly report data compiled from the **February 2021** report (submitted **03/15/2021**) revealed the following data:

  Active cases: 746
  Inactive cases: 5414

- OCA monthly report data compiled from the **March 2021** report (submitted **04/13/2021**) revealed the following data:

  Active cases: 717
  Inactive cases: 5380

Community Service Applications

As of this report date (05.03.21) municipal court has 13 applications that were distributed to defendants at previous court proceedings. These were forwarded to Lt. Huffman at the Police Department for review and assignment to various entities for completion of hours.

It should be noted that the Marshall Municipal Court has granted a temporary extension for completion of community service hours for Covid-19 concerns. Judicial staff approved this measure as state and national guidelines recommend limited personal contact with others and because of expressed concerns from parents of minors.

Update on Municipal Court recent plan to reduce inactive cases **April 2021 Report**

***No Changes from previous report*.**

Since the last commission report an interview board convened and an officer from the Marshall Police Department was selected to be assigned to Court Services. Officer Jose Burciaga was selected from five applicants. We look forward to working with Officer Burciaga with regards to the warrant service and community service program. (***Previously reported***)

The Amnesty program and warrant round up will be implemented upon the arrival of Officer Burciaga to the courts in addition to the court restrictions being lifted by the Texas Supreme Court and Office of Court Administration. ***(Previously reported***)

Leland J Benoit

Municipal Court Administrator

ITEM 10C

CONSENT AGENDA

MONTHLY FINANCIAL REPORT

Memo

To: Mark Rohr, City Manager

From: Dawn I. Jones, Finance Director

cc: Nikki Smith

Date: 4/30/2021

Re: March Revenue and Expense Report Summaries – General Fund and Water and Sewer Enterprise Fund

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Attached you should find the Revenue and Expense Report Summaries for March. This report provides current month, year-to-date, and budgeted amounts for major revenue categories and expenditures by department. The report also provides a percent of current budget.

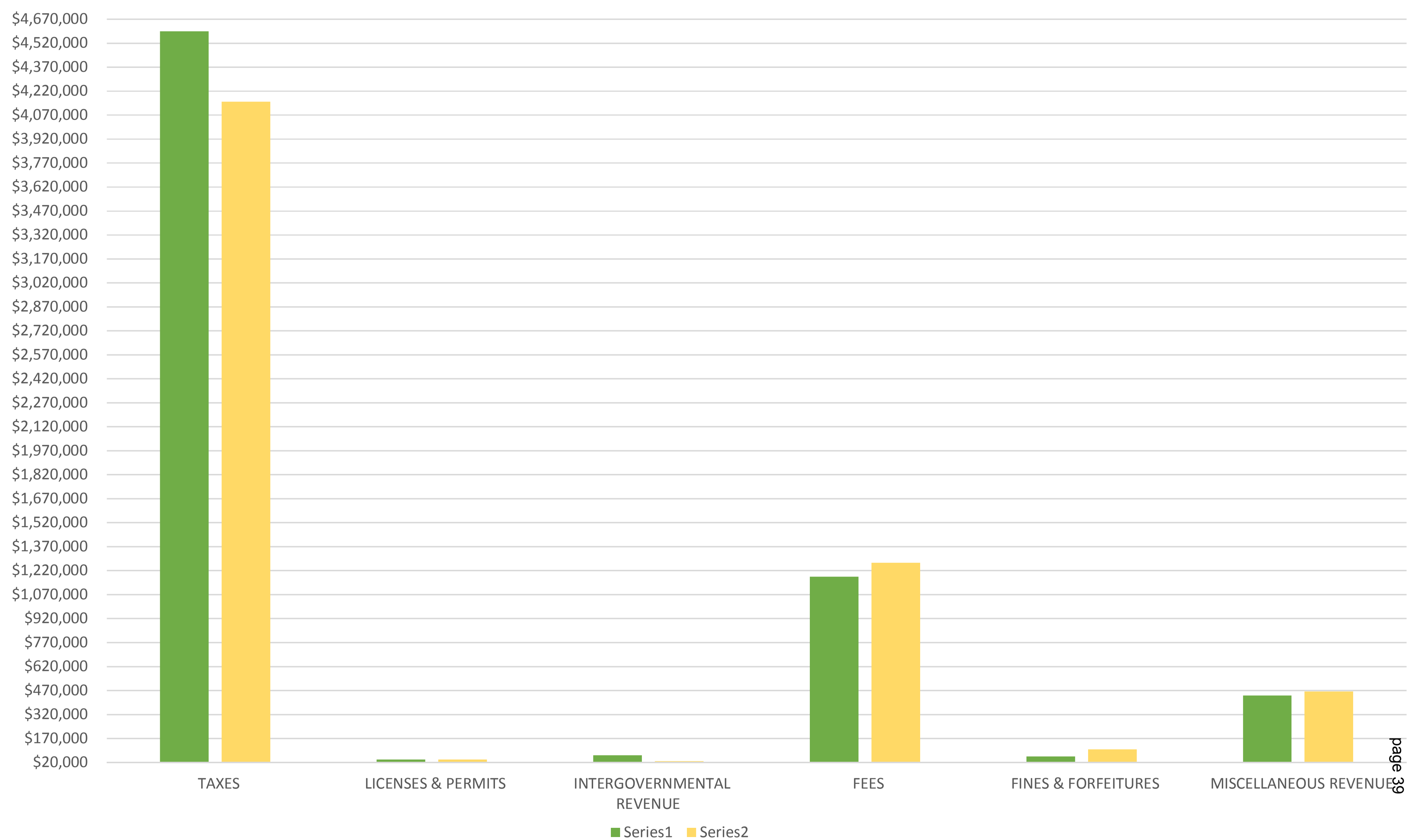
FINANCIAL REPORT - GENERAL FUND

Revenues and Expenditures - Unaudited

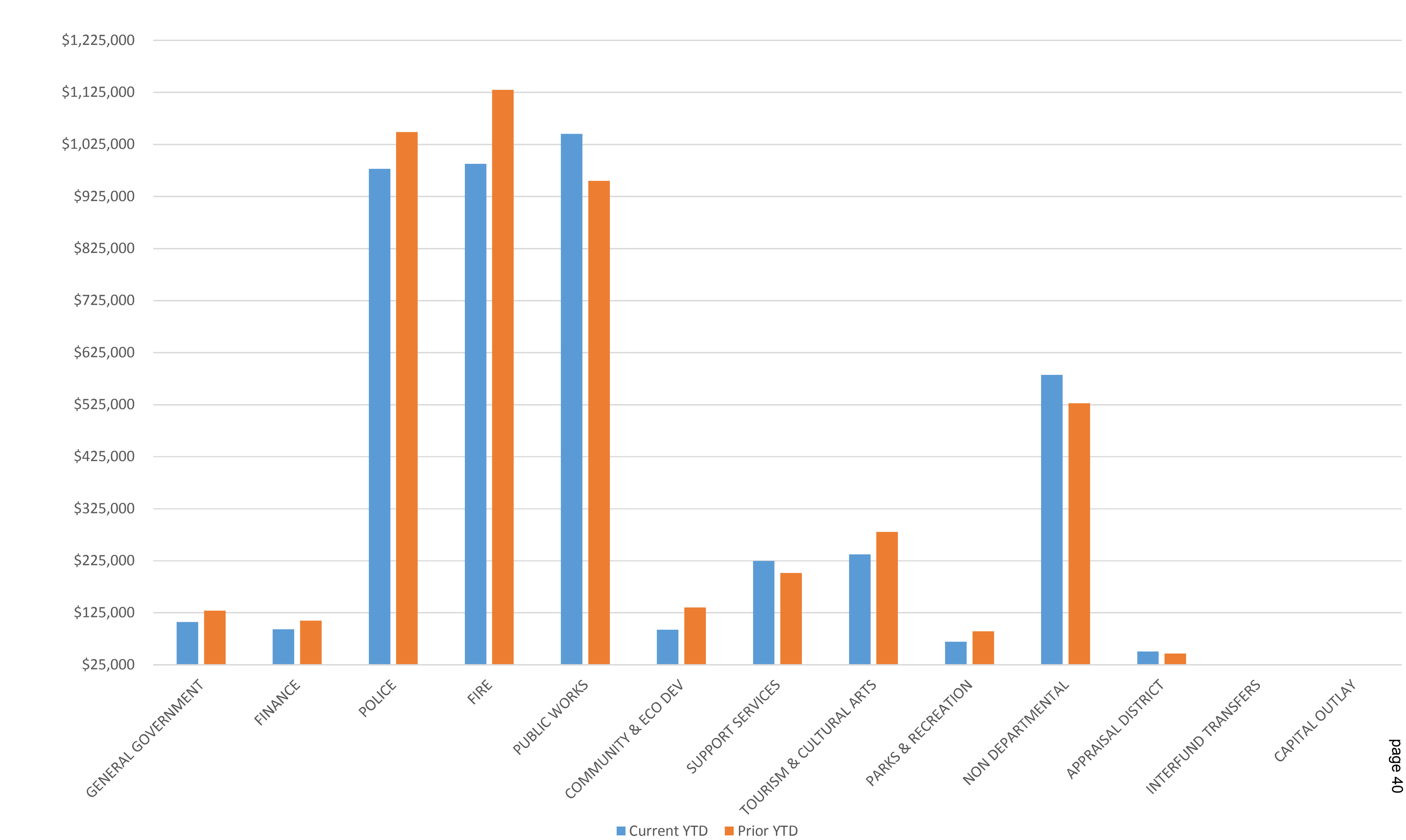
Period Ending: March 2021

GENERAL FUND	CURRENT MONTH	CURRENT YTD	PRIOR YTD	REVISED ADOPTED BUDGET	ADOPTED BUDGET	3/12 OF ADOPTED BUDGET	PERCENT OF ADOPTED BUDGET	REMAINING BUDGET
REVENUES:								
TAXES	$ 664,719	$ 4,595,531	$ 4,155,425	$ 12,701,087	$ 12,701,087	$ 3,175,272	36.18%	$ 8,105,556
LICENSES & PERMITS	18,784	38,669	39,160	195,000	195,000	48,750	19.83%	156,331
INTERGOVERNMENTAL REVENUE	12,444	64,574	29,059	166,235	166,235	41,559	38.84%	101,661
FEES	474,066	1,181,501	1,269,780	5,393,687	5,393,687	1,348,422	21.91%	4,212,186
FINES & FORFEITURES	36,026	58,127	101,569	500,000	500,000	125,000	11.63%	441,873
MISCELLANEOUS REVENUE	1,743	439,495	463,666	2,318,163	2,318,163	579,541	18.96%	1,878,668
TOTAL GENERAL FUND REVENUE	**$ 1,207,781**	**$ 6,377,897**	**$ 6,058,659**	**$ 21,274,172**	**$ 21,274,172**	**$ 5,318,543**	**29.98%**	**$ 14,896,275**
EXPENSES:								
GENERAL GOVERNMENT	$ 39,765.86	$ 107,249	$ 128,904	$ 549,766.00	$ 549,766.00	$ 137,441.50	19.51%	$ 442,517
FINANCE	31,041	93,271	110,078	531,062	531,062	132,766	17.56%	437,791
POLICE	295,749	978,191	1,049,088	5,160,503	5,160,503	1,290,126	18.96%	4,182,312
FIRE	245,400	987,731	1,129,814	4,251,100	4,251,100	1,062,775	23.23%	3,263,369
PUBLIC WORKS	349,972	1,045,588	955,021	5,080,400	5,080,400	1,270,100	20.58%	4,034,812
COMMUNITY & ECO DEV	16,825	92,503	135,375	667,049	667,049	166,762	13.87%	574,546
SUPPORT SERVICES	77,833	224,681	201,360	858,934	858,934	214,734	26.16%	634,253
TOURISM & CULTURAL ARTS	92,585	237,085	280,235	1,211,093	1,211,093	302,773	19.58%	974,008
PARKS & RECREATION	19,892	69,352	89,320	425,832	425,832	106,458	16.29%	356,480
NON DEPARTMENTAL	227,663	582,478	528,141	2,282,121	2,282,121	570,530	25.52%	1,699,643
APPRAISAL DISTRICT	50,757	50,757	46,654	101,513	101,513	25,378	50.00%	50,757
INTERFUND TRANSFERS				154,799	154,799	38,700	0.00%	154,799
CAPITAL OUTLAY								
TOTAL GENERAL FUND EXPENSES	**$ 1,447,482**	**$ 4,468,886**	**$ 4,653,989**	**$ 21,274,172**	**$ 21,274,172**	**$ 5,318,543**	**21.01%**	**16,805,286**
TOTAL GENERAL FUND	**$ (239,701)**	**$ 1,909,012**	**$ 1,404,669**					**(1,909,012)**

FINANCIAL REPORT - GENERAL FUND
ACTUAL REVENUES
FY 21 vs FY 20 YTD
Period Ending: March 2021



FINANCIAL REPORT - GENERAL FUND
ACTUAL EXPENDITURES
FY 21 vs FY 20 YTD
Period Ending: March 2021



City of MARSHALL TEXAS

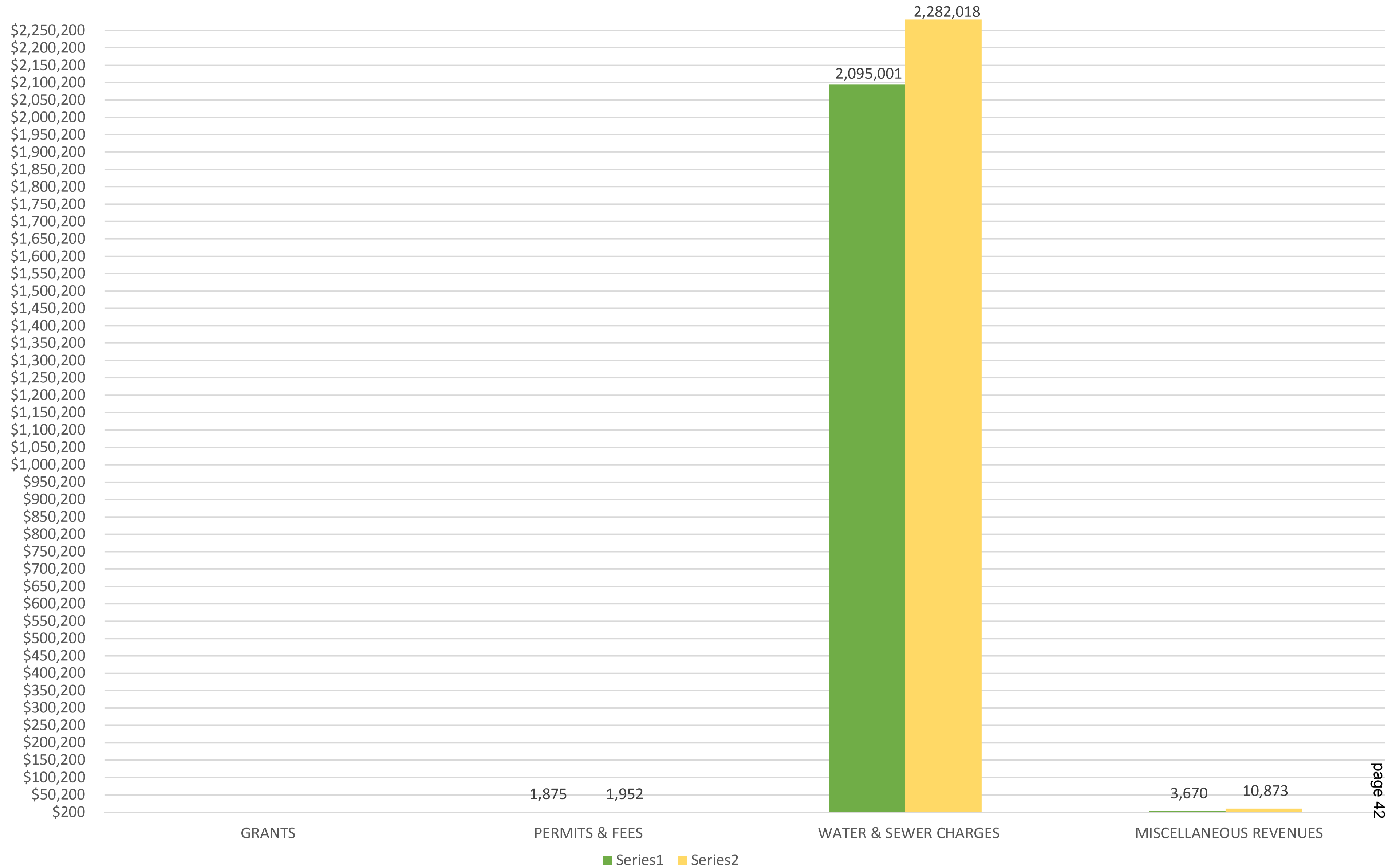
FINANCIAL REPORT - WATER & SEWER ENTERPRISE FUND

Revenues and Expenditures - Unaudited

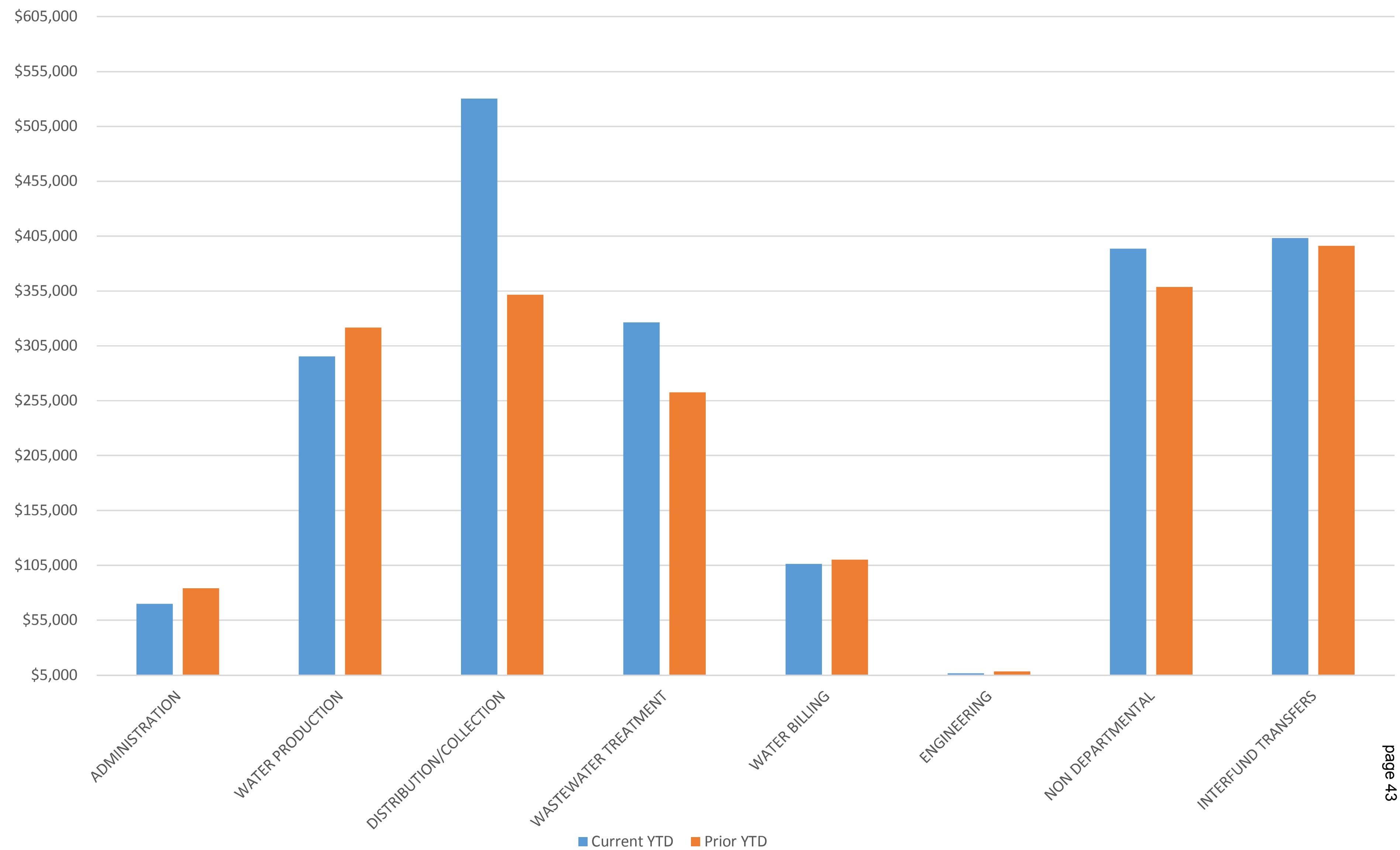
Period Ending: March 2021

	CURRENT MONTH	CURRENT YTD	PRIOR YTD	REVISED ADOPTED BUDGET	ADOPTED BUDGET	3/12 OF ADOPTED BUDGET	PERCENT OF ADOPTED BUDGET	REMAINING BUDGET
WATER & SEWER ENTERPRISE FUND								
REVENUES:								
GRANTS	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -
PERMITS & FEES	1,086	1,875	1,952	11,400	11,400	2,850	16.45%	9,525
WATER & SEWER CHARGES	894,491	2,095,001	2,282,018	9,487,993	9,487,993	2,371,998	22.08%	7,392,992
MISCELLANEOUS REVENUES	473	3,670	10,873	42,000	42,000	10,500	8.74%	38,330
TOTAL WATER & SEWER REVENUE	**$ 896,050**	**$ 2,100,546**	**$ 2,294,842**	**$ 9,541,393**	**$ 9,541,393**	**$ 2,385,348**	**22.02%**	**$ 7,440,847**
EXPENSES:								
ADMINISTRATION	$ 18,308	$ 70,012	$ 84,171	$ 322,998	$ 322,998	$ 80,750	$ 0	$ 252,986
WATER PRODUCTION	128,527	295,372	321,710	1,242,498	1,242,498	310,625	23.77%	947,126
DISTRIBUTION/COLLECTION	330,586	530,303	351,767	2,723,210	2,723,210	680,803	19.47%	2,192,907
WASTEWATER TREATMENT	159,630	326,477	262,633	1,350,104	1,350,104	337,526	24.18%	1,023,627
WATER BILLING	39,093	106,408	110,242	521,343	521,343	130,336	20.41%	414,935
ENGINEERING	1,672	6,607	8,392	32,093	32,093	8,023	20.59%	25,486
NON DEPARTMENTAL	186,107	393,748	358,782	1,110,336	1,110,336	277,584	35.46%	716,588
INTERFUND TRANSFERS		403,383	396,250	2,238,811	2,238,811	559,703	18.02%	1,835,429
TOTAL WATER & SEWER EXPENSES	**$ 863,923**	**$ 2,132,310**	**$ 1,893,947**	**$ 9,541,393**	**$ 9,541,393**	**$ 2,385,348**	**22.35%**	**$ 7,409,084**
TOTAL WATER & SEWER FUND	**$ 32,127**	**$ (31,764)**	**$ 400,895**					**$ 31,764**

FINANCIAL REPORT - WATER & SEWER ENTERPRISE FUND
ACTUAL REVENUES
FY 21 vs FY 20 YTD
Period Ending: March 2021



FINANCIAL REPORT - WATER & SEWER ENTERPRISE FUND
ACTUAL EXPENDITURES
FY 21 vs FY 20 YTD
Period Ending: March 2021



ITEM 10D

CONSENT AGENDA

CONSIDER APPROVAL OF A RESOLUTION TO UPDATE THE AUTHORIZED CITY OF MARSHALL REPRESENTATIVES AT TEXPOOL

MEMORANDUM

To: Mark Rohr, City Manager

From: Dawn Jones, Finance Director

Date: May 5, 2021

Subject: Resolution Updating the Authorized Representatives at TexPool

---

This update is necessary to add Dawn Jones and Kim Smith as Authorized Representatives at TexPool.

Approval of the Resolution is recommended.

TEXPOOL
AN INVESTMENT SERVICE FOR PUBLIC FUNDS

Resolution Amending Authorized Representatives

Please complete this form to amend or designate Authorized Representatives. *This document supersedes all prior Authorized Representative forms.*

*** Required Fields**

1. Resolution

WHEREAS,

Participant Name*

Location Number*

("**Participant**") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("**TexPool / Texpool Prime**"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.

B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and

C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representative(s) of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1.

Name | Title

Phone | Fax | Email

Signature

2.

Name | Title

Phone | Fax | Email

Signature

3.

Name | Title

Phone | Fax | Email

Signature

1. Resolution (continued)

4.

Name

Title

Phone

Fax

Email

Signature

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Name

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. *This limited representative cannot perform transactions.* If the Participant desires to designate a representative with inquiry rights only, complete the following information.

Name

Title

Phone

Fax

Email

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the ____ day of ________, 20__.

Note: Document is to be signed by your Board President, Mayor or County Judge and attested by your Board Secretary, City Secretary or County Clerk.

Name of Participant*

SIGNED

Signature*

Printed Name*

Title*

ATTEST

Signature*

Printed Name*

Title*

2. Mailing Instructions

The completed Resolution Amending Authorized Representatives can be faxed to TexPool Participant Services at 1-866-839-3291, and mailed to:

TexPool Participant Services
1001 Texas Avenue, Suite 1150
Houston, TX 77002

ITEM 10E

CONSENT AGENDA

CONSIDER APPROVAL OF APPOINTMENTS TO THE CIVIL SERVICE BOARD

M E M O R A N D U M

To: Mark Rohr, City Manager

From: Christol Hall, HR Manager

Date: May 5, 2021

Subject: Appointment to the Civil Service Board

The Civil Service Board of Directors consists of three people. Rhonda Thomas and Sam Moseley are willing to serve. It is recommended that Rhonda Thomas and Sam Moseley be appointed to the Civil Service Board.

CITY OF MARSHALL
Human Resources Division
401 S. Alamo Blvd.
PO Box 698
Marshall, TX 75670

(903) 935-4426 Office
(903) 935-4454 Job line
(903) 935-4429 Fax
www.marshalltexas.net

Date: March 30, 2021

To: Mark Rohr, City Manager

From: Christol Hall, HR Manager

Re: Civil Service Commission Appointments

As you are aware, the Police Officers' and Fire Fighters' Civil Service Commission consists of three members appointed by the municipality's chief executive and confirmed by the governing body of the municipality. These members serve staggered three year terms, with one term expiring each December 31st.

Local Government Code Chapter 143, section 143.006 prescribes the following qualifications for appointment of Civil Service Commissioners:

- Must be of good moral character;
- Be a United States citizen;
- Be a resident of the municipality who has resided in the municipality for more than 3 years;
- Be over 25 years of age; and
- Not have held a public office within the preceding 3 years.

In recent years, no appointment/reappointment has been made to the Civil Service Commission; however the members of this Commission retain their seats until such time as they are officially replaced or reappointed. Therefore, I am requesting that appointments be made to fill the following terms:

Term expiring December 31, 2021
(currently held by Chris Horsley, who has indicated he is willing to serve again)

Term expiring December 31, 2022 – I recommend Rhonda Thomas
(currently held by Jim Pedison, no longer wants to be on the board)

Term expiring December 31, 2023 – I recommend Sam Moseley
(currently held by John Thompson, resigned from the board)

Section 143.006 (c-1) requires that a reappointment to a fourth or subsequent term be confirmed by a two-thirds majority of all the members of the municipality's governing body.

ITEM 11A

PUBLIC HEARING

PUBLIC HEARING OF THE PROJECT PLAN AND FINANCING PLAN AND CREATION OF THE TAX INCREMENT REINVESTMENT ZONE (TIRZ) NUMBER ONE AND APPROVAL OF SAME

TO: Mark Rohr, City Manager

FROM: Fabio Angell, Director
Community and Economic Development

DATE: May 13th, 2021

SUBJECT: Public Hearing on the Project Plan and Financing Plan and creation of the Reinvestment Zone Number One, City of Marshall, Texas

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City staff seeks input from City Council and the public regarding a proposed Tax Increment Financing (TIF) plan for the Original Townsite and adjacent properties in order to promote development and redevelopment. An area of about 157 acres.

This mechanism will raise money in the form of increment tax revenues over the next 15 years so the City can pay for infrastructure projects deemed necessary.

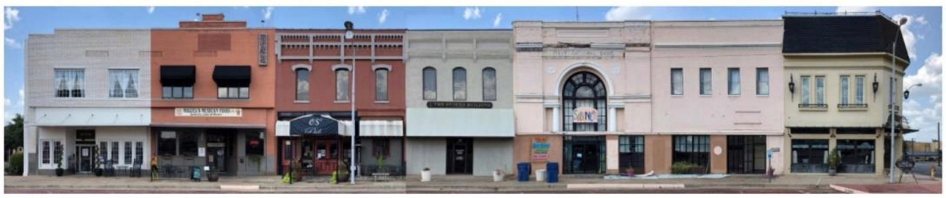
TIFs are used by city governments to finance such projects by pointing to the tax revenue that will accrue once said projects are completed. Statute allows City Council to create such a zone upon determining that development or redevelopment, in a particular blighted area in need of economic revitalization, would not occur solely through private investment in the reasonable foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone.

The proposal is to create a TIF area better known as a Tax Increment Reinvestment Zone (TIRZ). Any tax increments accrued over and above a tax base at Year 0 over the following 15 years of the life of the TIF will be captured into a TIF Fund. In turn, these monies will be used to fund the infrastructure projects needed.

It is estimated that these projects will lead businesses to set up shop inside the Zone, opening offices, restaurants and hotels, as well as adding housing. The projections call for the City to collect plenty of revenue from the new businesses that arise (refer to Exhibit B for Project Plan & Financing Plan).

Houston Street Streetscape Improvements:

- Expanded sidewalk with brick accents
- Variety of seating options
- Trees and plantings
- Historic style pedestrian lights with hanging flower baskets
- Shade umbrellas
- Flower pots



City of MARSHALL TEXAS

EAST HOUSTON STREET STOREFRONT STREETSCAPE

Downtown

Tax Increment Reinvestment Zone, City of Marshall, Texas

Preliminary Project & Financing Plan

Table of Contents

May 13rd, 2021

INTRODUCTION

Authority and Purpose. The City of Marshall, Texas, a Texas home-rule municipality (the "City"), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within the corporate limits or extraterritorial jurisdiction ("ETJ") of the City as a tax increment reinvestment zone to promote development or redevelopment of the area. The City Council (the "City Council") may create such a zone upon determining that development or redevelopment would not occur solely through private investment in the reasonable foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone.
The City has created its Tax Increment Reinvest Zone (the "Zone") as described in this Project and Financing Plan (the "Plan"). The purpose of the Zone is to facilitate development and redevelopment of public improvements by financing the costs of public works, public improvements including maintenance and upkeep programs, and other redevelopment projects benefiting the Zone.

There continues to be a need for economic incentives to attract development and redevelopment in the Zone for the purpose of providing long-term economic benefits including increased real property values, increased sales and use tax, and increased job opportunities for residents of the City. This Plan is intended as a guide for the City to implement the public works, public improvements, programs and other redevelopment projects so that the Zone will be developed and redeveloped to take full advantage of the opportunity to bring to the City a substantially increased tax base and job opportunities for its citizens.

Ultimately, the goal for the Zone is to encourage the development and redevelopment of downtown Marshall and adjoining areas into a mixed use, pedestrian oriented-environment consistent with the goals of the City's Downtown Redevelopment Plan and the City's Mobilize Marshall Strategic Plan.

Throughout this Plan, the following definitions are used. Capitalized terms not defined herein have the definitions assigned in the Act.

"*Captured Appraised Value*" means the total taxable value of all real property taxable by the City located in the Zone for each year less the Tax Increment Base.

"*Tax Increment*" for a taxing unit participating in the Zone means (i) the amount of property taxes levied and assessed by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone or (ii) the amount of property taxes levied and collected by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone.

"*Tax Increment Base*" for a taxing unit participating in the Zone means the total taxable value of all real property taxable by the unit and located in the Zone for the base tax year 2021.

"*Zone Securities*" means bonds, notes, certificates of obligation, or any other evidence of indebtedness authorized to be issued by the City, whether or not secured by revenues in the Tax Increment Fund, issued to fund Project Costs.

THE ZONE

Eligibility Requirements for the Zone. The Zone is eligible under the Act to be designated as a tax increment reinvestment zone because property within the Zone substantially impairs or arrests the sound growth of the commercial city center because of its challenges to development with a deterioration of structures and a lack of site improvements, a need for redevelopment (e.g. streetscape, lighting, paving, curb and gutter, landscaping, etc.), a substantial number of substandard structures, the predominance of defective or inadequate sidewalks or street layout and grading, and some conditions that endanger life or property by fire or other cause.

Additionally, no more than 30 percent of the property in the Zone, excluding property that is publicly owned, is “used for residential purposes”, as defined in the Act and total appraised value of taxable real property in the Zone does not exceed 50 percent of the total appraised value of taxable real property in the City. The City has not previously created any other tax increment reinvestment zone nor any other special taxing districts or industrial districts.

Zone Boundaries.

The Zone includes approximately 156.65 acres and is generally enclosed within the following boundaries:

Beginning at the intersection of Alamo Boulevard and Grand Avenue

West to Grove Street

South to Houston Street

Southwest along Houston Street approximately 1740 feet

South approximately 459 feet to Whetstone Street

Easterly along Whetstone Street to College Street

North to Bowie Street

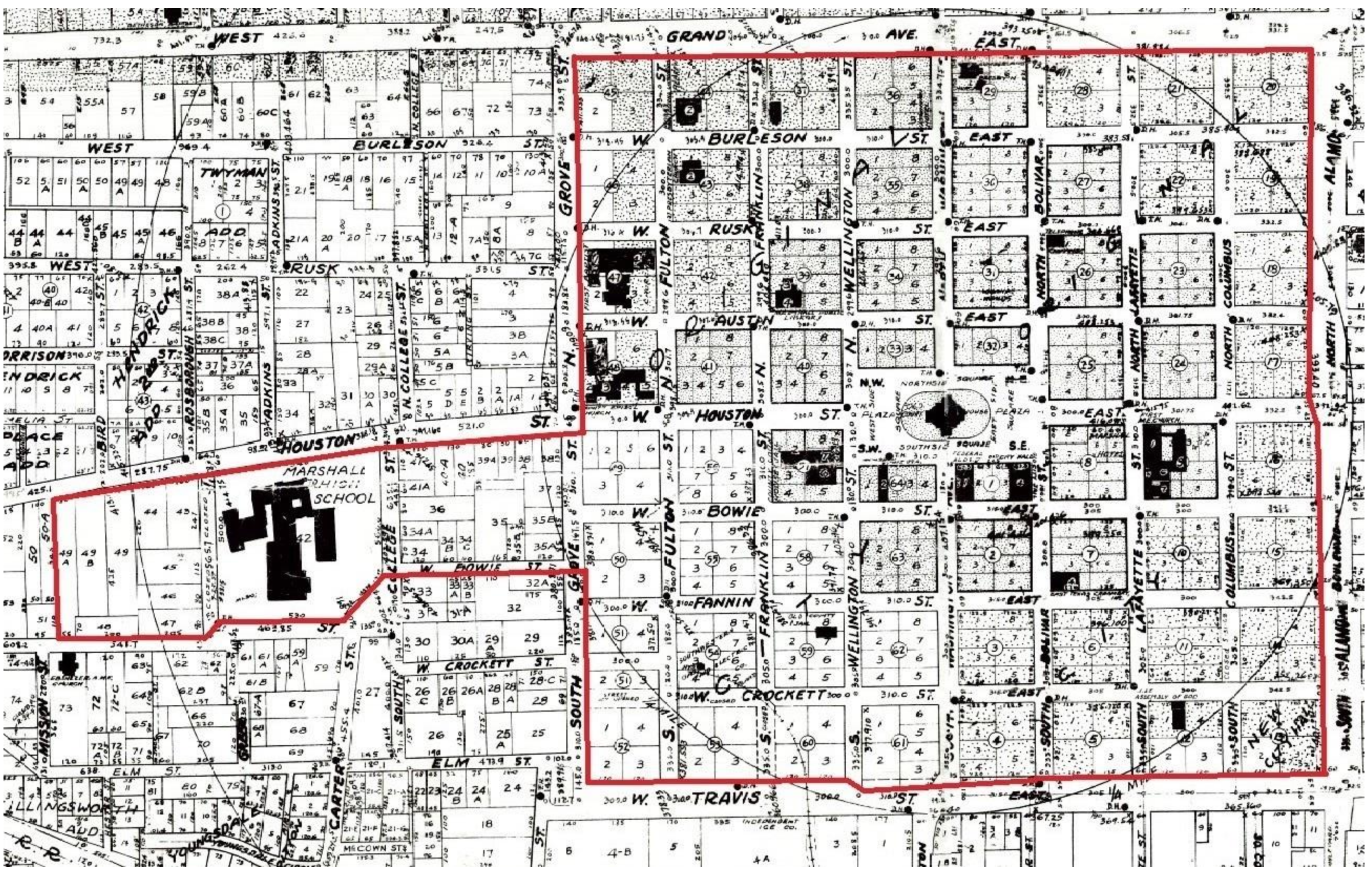
East to Grove Street

South to Travis Street

East to Alamo Boulevard

North to beginning point

MAP OF THE ZONE



Contributions to the Zone. The City is the only taxing unit participating in the Zone, unless an additional taxing unit becomes a participant in the future. The City will contribute 100 percent of its tax rate increment attributable to the increased taxable value of existing and new development in the Zone into a tax increment fund created by the City and segregated from all other funds of the City (the "TIF Fund"). The TIF Fund shall be used to pay the costs of public works, public improvements, maintenance and upkeep, and other projects and programs benefiting the Zone. The TIRZ Board will also make recommendations to the City Council concerning any development and reimbursement agreement ("TIF Reimbursement Agreement").

Existing Uses and Conditions. The Zone is located entirely within the City's corporate limits. Current property use within the Zone include mixed-use Residential and Commercial with some light industrial being no more than 10% of total area. The area may include, a high-end retail development and compact housing development on as-needed basis, especially in areas with low build out rates. A boundary map of the Zone and existing zoning uses is provided on **Exhibit B.**

Proposed Uses. The proposed uses will be established by existing zoning in most cases, but there may be areas where revised zoning will be requested. If so, any revisions will be made through the standard process and procedures of the City.

PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS. Any changes in ordinances, plans, codes, rules and regulations which are required or requested will be made through the standard process and procedures of the City. As of May 13th, 2021, there are no known proposed changes of zoning ordinances, the City's Comprehensive Plan, the City's Mobilize Marshall Strategic Plan, building codes, other municipal ordinances, and subdivision rules and regulations.

RELOCATION OF DISPLACED PERSONS. Although not anticipated, in the process of development and redevelopment in the Zone, any relocation will be made through the standard process and procedures of the City.

PROJECT OVERVIEW AND PROJECT COSTS

1. Infrastructure supporting cohesive redevelopment

Tax Increment Revenues shall be made available to facilitate investment in infrastructure or other improvements allowed by law that facilitate the following potential projects. This Project and Finance Plan will be amended as may be required by law to accommodate additional uses of the tax increment revenues within the TIF zone:

a. Projects that support infrastructure improvements and overall enhancement and aesthetic projects including sidewalks, furniture and other streetscape projects (e.g. lighting and safety features). See Table 1 below for more details.
b. Amounts shall be allocated to include operation and maintenance costs.
c. Acquisition of property by the private sector for parking and other economic priorities such as redevelopment and new construction projects shall be encouraged.
d. Annual marketing costs anticipated to be $65,000 over the term of the TIF

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Table 1 – COSTS: Proposed Public Improvements & Other Expenditures (Pay-as-you-go) Schedule

ITEM	Proposed Activity	ESTIMATED TIF's PROJECT COSTS
1	Phase 1. First Block (Projected Year 4) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
2	Phase 2. Second Block (Projected Year 5) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
3	Phase 3. Third Block (Projected Year 6) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
4	Phase 4. Fourth Block (Projected Year 7) Overall enhancement of New Town's Marshall Lofts area including streetscape, lighting, trees, safety, and other aesthetic features (e.g. painting, façade, neighborhood improvements)	$400,000
5	Maintenance, Upkeep & Administration (Years 2-15) $32,500 x 13	$390,000
6	Marketing Costs (Years 2-15) $5,000 x 13	$65,000
	TOTAL ESTIMATED PROJECT COSTS:	**$ 2,055,000**

This Cost Table 1 summarizes the currently anticipated Project Costs to be financed within the TIRZ.

PROJECT COSTS. The total maximum "Project Costs," including Administrative Costs are $2,055,000. Administrative, Operating & Maintenance Costs shall be paid each applicable year from the TIF Fund before any other Project Costs are paid. Project Costs for administration of the T=Zone shall be the actual direct costs paid or incurred by the City to establish and administer the Zone.

OTHER PROPOSED PUBLIC IMPROVEMENTS. The list of public works and public improvements that could be included or proposed for financing through the TIF Fund pursuant to amendments to this Plan may include:

Additional Maintenance and Upkeep
Additional Administrative and other operational costs
Sidewalks, raised cross walks, pedestrian ramps,
Crossing systems, hike and bike trails and facilities
Curb and gutter
Roadways, asphalt paving & grading
ADA compliant pedestrian ramps and facilities
Water Main Loops, water system improvements
Force Main & Other Sewer Lines
Utility line relocations/installs/replacement
Drainage Improvements
Streetscape fixtures, water fountains, pedestrian signals
Streetscape furniture
Street lights/electrical
Landscaping, works of art
Plazas, squares, pedestrian malls, and other public spaces
Parks & outdoor concert/performance sites
Signage
Parking

Table 1. shows the planned projects and their associated costs at Present Value. Construction of the public improvements is scheduled to take place in phases during the term of the TIF and timed in coordination with new development and redevelopment projects in the TIRZ.

Locations of Public Improvements. The locations of the proposed public works and streetscape improvements all lie within the TIRZ and are generally located as described in Table 1 all within the proposed TIRZ whose boundaries are as shown in "Map of the Zone" (see above).

ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED. Some Administrative and other Operational Costs will be incurred annually, specifically from years 2-15. It is assumed that the remainder of the Project Costs will be incurred during the life of the TIRZ. Debt can and will be considered on as-needed basis. The City reserves the right to enter into agreements with the

TIRZ board for purposes of loaning or financing projects using General Fund for reimbursement by the TIRZ board using the TIF fund.

ESTIMATED NON-PROJECT COSTS. Non-project costs are private or public expenses that are not eligible to be paid by the TIF Fund; these include public works projects that only partly benefit the Zone, and general government operating expenses unrelated to the Zone. Other non-project costs include private improvement costs paid by private development which are projected to be nearly $65.5 million based on the Feasibility Report, a copy of which is attached as **Exhibit C**. Other non-project costs not financed by the Zone include but are not limited to:

> Public improvement made within the Zone boundaries that also benefits property outside the Zone (that is, the portion of the total project costs allocated to the properties outside the Zone is a non-project cost); public improvements made outside the Zone boundaries that also benefit property within the Zone (that is, the portion of the total project costs allocated to the properties outside the Zone is a non-project cost); and, lastly, projects within the Zone as part of the project plan implementation that are paid fully or in part by impact fees, grants, special assessments or revenues other than the TIF Fund.

FINANCE PLAN & ECONOMIC FEASIBILITY.

For purposes of this Plan, economic feasibility has been evaluated by City staff for the Zone. A copy of the report is attached as **Exhibit C.** This report constitutes the "economic feasibility report" required by Section 311.011, Texas Tax Code. This evaluation focuses only on “direct” financial benefits (i.e., tax revenues only from new development in the TIRZ, no value increases from existing development nor value increases from new development after its completion) and does not take into consideration the “multiplier effect” that will result from new development that occurs outside the TIRZ, including increases in taxable sales volume.

The Feasibility Report and Finance Plan use a set of key assumptions for new development and redevelopment which make the overall project economically feasible, especially as all Project Costs are paid only from tax increment revenues accumulated in the TIF fund and as they become available.

Further, economic indicators point to acceleration in development in the region after the pandemic and by extension within the ZONE, as well. We believe the estimates of appraised values as a result of projected redevelopment and new construction projects in the Zone represent a conservative approach when evaluating the debt payment requirements for the Zone.

This report assumes a 2021 taxable value of $30,988,393 as a 'base' and an annual growth of 1.5% in appraised values of the Zone during the TIF's 15-year term. The report also makes the following assumptions as far as potential redevelopment and new construction projects (nearly $68.9 million) toward buildout of the Zone as shows in **Exhibit A** **(i.e. Table 2)**. These are:

- New Commercial, Retail or Office Space in the Zone—192,292 square feet with a projected value of approximately $33 million.
- New Redevelopment/Retrofit Space in the Zone—475,000 square feet with a projected value of approximately $35 million.

During the term of the Zone, the increase in value of new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately $6,107,926 million for the TIF Fund in tax revenue over its 15-year term.

Lastly, the financial model in the City's Feasibility Report calculated a Net Present Value (NPV) for the City's TIF of approximately $ 3,910,101. This present value of the benefits exceeds the Present Value of overall costs ($ 2,055,000) incurred by the TIF over its 15-year term. As a result, the City's TIF district will generate a NET positive cash flow of approximately $1,855,101, even at a relatively "modest" property value growth rate of 1.5% per annum, post pandemic.

This satisfies the **"financial viability"** criterion for TIF district. A high risk-adjusted discount rate of 5% is used in order to calculate the lowest possible present value today of all future cash flows during the TIF's 15-year period. This is a very conservative approach, even post pandemic.

Based on the foregoing, the feasibility of the Zone has been demonstrated.

ESTIMATED BONDED INDEBTEDNESS. The City currently anticipates paying Project Costs or reimbursing a developer for qualified Project Costs solely from tax increment revenues on an annual basis. No bond indebtedness is anticipated to be incurred for the Zone, at this time. If initial Project Costs are not advanced by a Developer or property owner, the City or the Marshall EDC (i.e. MEDCO) may consider issuing zone securities and utilizing tax increment funds for either direct repayment to the City (or MEDCO), or to cover debt service so long as TIF funds are available.

FINANCING & EXPECTED SOURCES OF REVENUE

1. About the time when costs or monetary obligations are to be incurred

When payment of costs or reimbursements of costs are to be made is a function of the availability of the tax increment revenues. **Schedule A** of the Feasibility Report is a projection of tax increment revenues which are available and expected to be available in the future to pay or reimburse the TIF Fund for Project Costs on a year to year basis (see Table 1).

2. About Financing, Expected Sources of Revenue

Following is a description of the methods of financing all estimated project costs and the expected sources of revenue (tax increment) to finance or pay for Project Costs.

METHOD OF FINANCING. TIRZ Project Costs will be paid directly for site improvements, as described in Table 1 above. That is, Project Costs will be paid solely from tax increment revenues of the TIRZ, as they are realized by the TIRZ and deposited into the TIF Fund.

SOURCES OF TAX INCREMENT REVENUE. The tax increment revenue necessary to pay the TIRZ Project Costs is expected to come from increased property values in the Zone. **Schedule A** (next page) displays the projected assessed valuations resulting from increases in value, using the most conservative of three (3) development scenarios. That is, a 1.5% growth rate for appraised values in the Zone. These new tax increment revenues will be used to pay for Project Costs.

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Schedule A. "Projected Increment Revenue"

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation (*)	Percent Increase	Taxable Value Increment	Projected Tax Increment	Cumulative Projected Tax Increment
0	2020	$30,988,393	1.50%	$0	$0	$0
1	2021	$31,453,219	1.50%	$464,826	$2,520	$2,520
2	2022	$41,045,324	1.50%	$10,056,931	$54,525	$57,045
3	2023	$80,569,453	1.50%	$49,581,060	$268,809	$325,853
4	2024	$95,549,571	1.50%	$64,561,178	$350,025	$675,878
5	2025	$109,207,892	1.50%	$78,219,499	$424,075	$1,099,953
6	2026	$115,259,602	1.50%	$84,271,209	$456,885	$1,556,838
7	2027	$116,988,496	1.50%	$86,000,103	$466,258	$2,023,096
8	2028	$118,743,323	1.50%	$87,754,930	$475,772	$2,498,868
9	2029	$120,524,473	1.50%	$89,536,080	$485,429	$2,984,297
10	2030	$122,332,340	1.50%	$91,343,947	$495,230	$3,479,527
11	2031	$124,167,325	1.50%	$93,178,932	$505,179	$3,984,706
12	2032	$126,029,835	1.50%	$95,041,442	$515,277	$4,499,983
13	2033	$127,920,283	1.50%	$96,931,890	$525,526	$5,025,509
14	2034	$129,839,087	1.50%	$98,850,694	$535,929	$5,561,438
15	2035	$131,786,673	1.50%	$100,798,280	$546,488	$6,107,926

Source: Feasibility Report. Scenario 1 at 1.5% growth rate. Most conservative projection.

Assumptions:
Estimated Years: 15
City Tax Rate: $ .54216

Schedule A: The Taxable Valuation column (3) does not reflect a 1.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

This Plan is based on a contribution rate (and current tax rates which are subject to change) shown from the City.

Table No. 3	The City is the only Participating Jurisdiction	
Taxing Jurisdiction	2020 Tax Rate (1)	% Dedicated
City of Marshall	$0.54216	100%

(1) 2020 Tax Rate for purposes of illustration only. Tax Rate will be levied from year to year by the City and will vary.

TOTAL TAXABLE VALUE. The current total appraised value of taxable real property in the Zone as of January 1, 2020 is approximately $ 30 million. It is estimated that upon expiration of the term of the Zone in fifteen (15) years, the total appraised value of taxable real property in the Zone will be approximately $ 131 million.

ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE CITY. The captured taxable value of the Zone—taxable by the City for a year is the total taxable value of the Zone for that year less the tax increment base of the Zone. The Tax Increment Base of the Zone is the total taxable value of the Zone for the year in which the Zone was designated. The estimated captured appraised value of the Zone during each year of existence is shown in Schedule A. The cumulative captured taxable value of the TIF's lifespan of fifteen (15) years is approximately $ 100 million.

<u>DURATION OF THE ZONE.</u> The term of the Zone commences on June 1st, 2021 and will continue until the earlier to occur of: (1) May 31st, 2036 or (2) the date on which all Project Costs, bonds (if any), and other zone securities or obligations (if any) have been paid in full.

EXHIBIT A

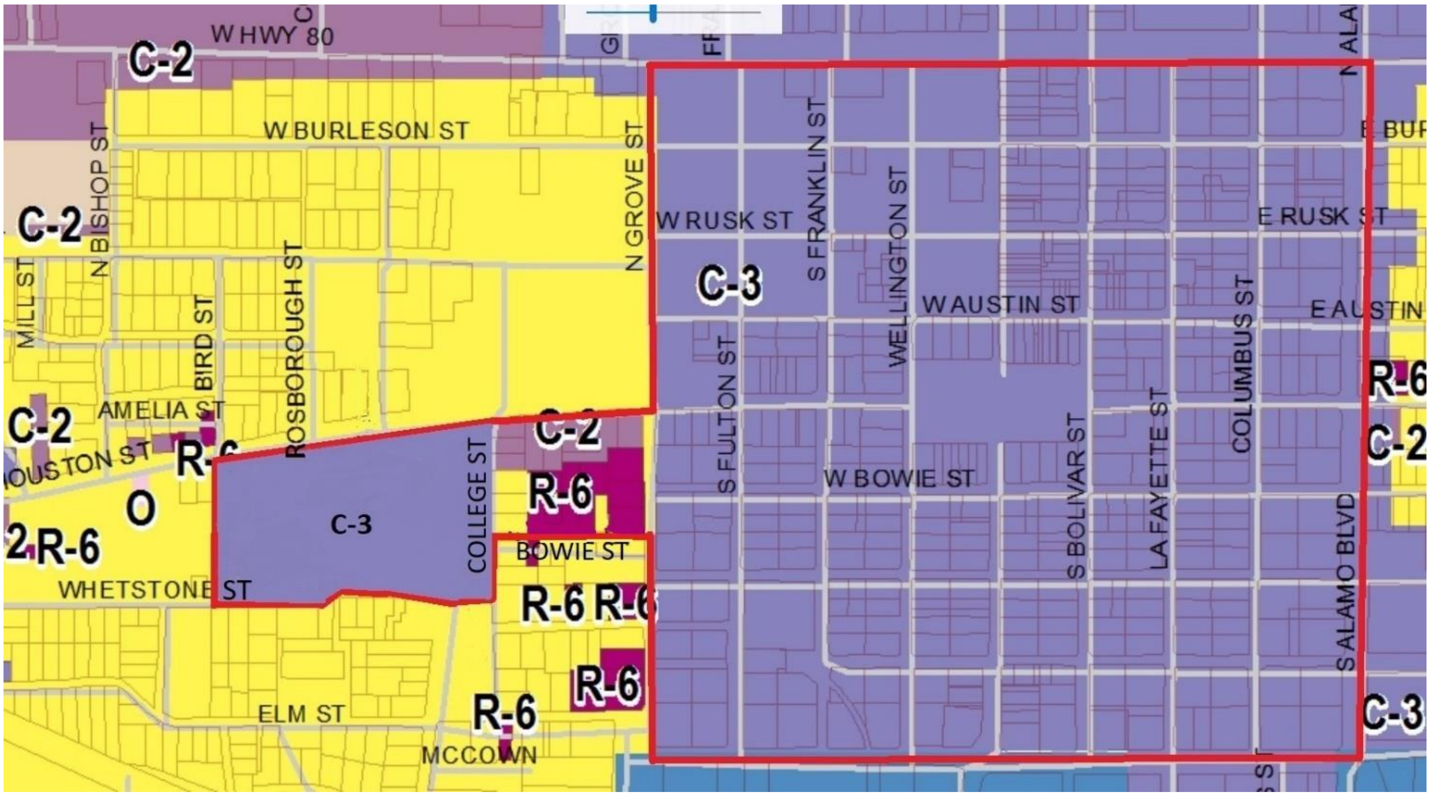
Assumed Redevelopment /New Construction Projects

	1	2	3	4	5	6	7
TABLE 2.			TOTAL SF Available	SF Available (Leasable Space)	Total SF Available	SF Available (Vacant Land)	Total SF Available
PROJECT 1.	**Bell Buckle**	Year 3				44,754	44,754
		Year 4		146,000	146,000		
PROJECT 2.	**Capital One**	Year3		28,812	28,812		
						28,800	28800
PROJECT 3.	**Swepco**	year 5				42,034	
		year 6				37,723	79,757
PROJECT 4.	**City**	year2	61,974			19,832	
		year3				19,832	
						21,071	60,735
PROJECT 5.	**Hist District**	year 2	170,000				
		year 3		45,000			
		year 4		55,000			
		year 5		70,000	170,000		
PROJECT 6.	*** M. Lofts**	year 2	129,240	25,848	0		
		year 3		103,392	129,240		
			SubTotal SF Available		474,052		214,046
						Total SF Available	**688,098**

* Pending. Add SF to account for new building

Projected New Development		$33,391,101	
Projected Redevelopment	$35,553,900.00		
Projected TOTAL New Investment			**$68,945,001**

EXHIBIT B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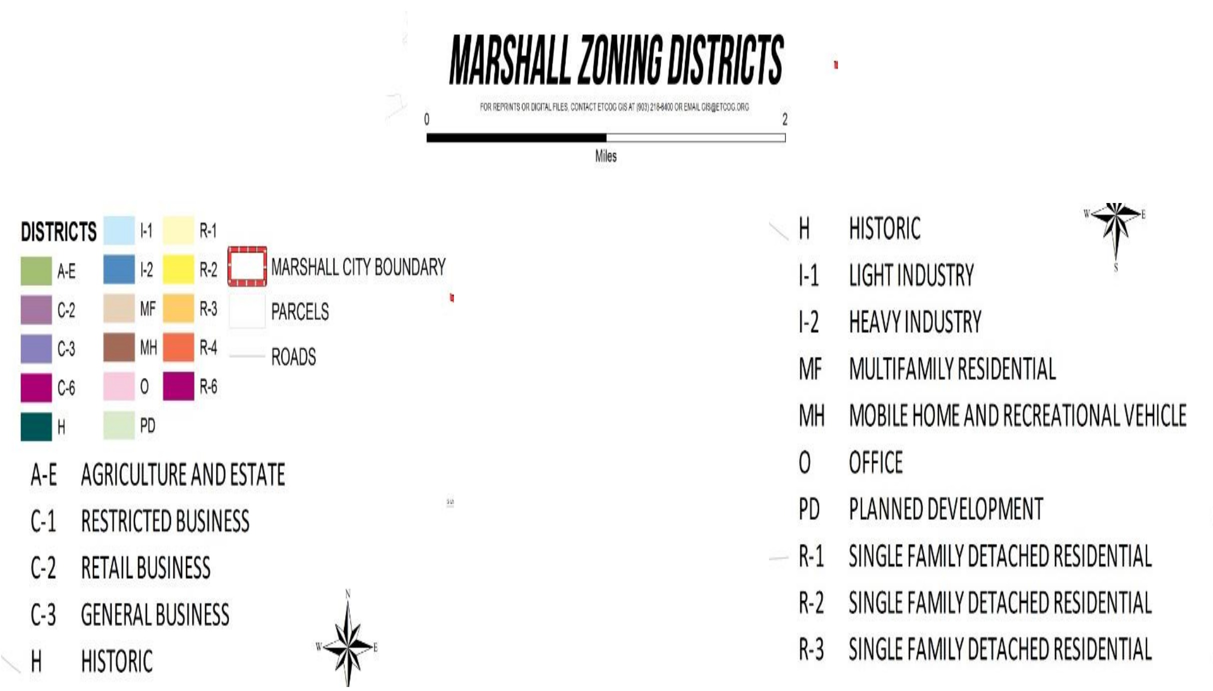
MARSHALL ZONING DISTRICTS
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R-4
R-6
MARSHALL CITY BOUNDARY
PARCELS
ROADS
A-E AGRICULTURE AND ESTATE
C-1 RESTRICTED BUSINESS
C-2 RETAIL BUSINESS
C-3 GENERAL BUSINESS
H HISTORIC
H HISTORIC
I-1 LIGHT INDUSTRY
I-2 HEAVY INDUSTRY
MF MULTIFAMILY RESIDENTIAL
MH MOBILE HOME AND RECREATIONAL VEHICLE
O OFFICE
PD PLANNED DEVELOPMENT
R-1 SINGLE FAMILY DETACHED RESIDENTIAL
R-2 SINGLE FAMILY DETACHED RESIDENTIAL
R-3 SINGLE FAMILY DETACHED RESIDENTIAL

EXHIBIT C

Feasibility Report Attached

EXHIBIT C - Feasibility Report

CITY OF MARSHALL
Community & Economic Development
Fabio Angell, Director

Date: 4/5/2021

To: MARK ROHR, CITY MANAGER

Re: CASH FLOW FORECAST FOR PROPOSED TIF ZONE (INTERNAL DOCUMENT)

- PRELIMINARY -

City staff completed three (3) scenarios of annual City taxes generated in the area where a tax increment financing ("TIF") program is being proposed by the City. A fourth scenario that did not include such TIF program was unnecessary. That is, 15-year projections of appraised values in the proposed TIF area would yield negative growth rates based on previous 10-year trends in the area of minus 4%.

On the other hand, the most conservative forecast (i.e. 1.5% growth rate) models annual municipal tax flow with creation of a TIF program to stimulate private sector investment and complete public improvements in key areas of the TIF zone.

The following assumptions are made:

- A TIF zone is created pursuant to Texas law in 2021 for a term of 10 years, with boundaries conforming to the accompanying map. For ten years, 100% of City real property tax on the increased value of real property starting in 2021 flows to a TIF fund. Real property tax on the 2021 'base" value never flows to the TIF fund, nor does any business personal property tax, sales tax or any other municipal tax.
- Real property tax dedicated to the TIF fund is used to facilitate development of the zone, whether by reimbursing expenses for public improvements or paying debt service on bond for land acquisition and /or public improvements. The later, however, is not anticipated. That is, no bond indebtedness is anticipated to be incurred for the Zone. TIRZ Project Costs will be paid directly for site improvements, as described in Table 1 above. That is, Project Costs will be paid solely from tax increment revenues of the TIRZ, as they are realized by the TIRZ and deposited into the TIF Fund.
- A large sample section of the proposed TIF area was surveyed by city staff, or about 29%. That is, 20 city blocks surveyed of nearly 70 in the proposed Zone.

It was found that a total of approximately 690,000 SF of space was either vacant or available for new construction and redevelopment projects in the Zone.

- Based on this square footage available, It is assumed that approximately $68 million in private sector investments can be generated over the course of the TIF's 15-year term, as follows:

  1. New Commercial, Retail or Office Space in the Zone—214,000 square feet with a projected value of approximately $33 million.
  2. New Redevelopment/Retrofit Space in the Zone—474,000 square feet with a projected value of approximately $35 million.

- Using these anticipated projects, three (3) development scenarios are included according to types, volumes and timing over the course of 15 years. One scenario assumes a rate increase of 1.5% in appraised values over and above the "base" appraised value at the start of the TIF (or Year 0). A second one assumes a rate increase of 2.25%, and a third one assumes a rate of increase of 3.5%.
- In all scenarios, taxable value assumptions per square foot of added floor or leasable area are identical.

With realization of these development assumptions, constant property and sales tax rates and moderate average annual inflation (even post pandemic), the most conservative TIF scenario (i.e. 1.5% growth rate) would produce approximately $ 144 million in total appraised value of taxable real property in the Zone to be used for tax increment financing during the TIF's term of fifteen (15) years.

The preceding forecasts of municipal revenue are expressed in nominal dollars but also in regard for the time value of money. That is, the Net Present Value (NPV) of the TIF is calculated to be **$ 4.17 million**, after total project costs of about $**2,050,000** are factored in and incorporated to the financial models using three (3) separate scenarios, as cited above. This is to say that when tax revenues are discounted at municipal interest rates for TIFs of, say, 5%, the forecasts are greater than without the TIF zone.

In general, the TIF zone will generate a positive cash flow at a relatively low property value growth rate of 1.5% per annum, and even more substantial positive cash flows across two (2) additional scenarios, as explained above.

The main implication of this analysis is:

> *If all or part of the stream of cash flowing to the hypothetical TIF fund were applied to public improvements in order to generate the anticipated new construction and redevelopment projects causing taxable property values to increase as assumed, the City would benefit financially.*

Revised development plans and changing market conditions may impact these scenarios pro formas.

Tax increment financing programs may apply cash received by a TIF fund to (1) reimbursement of developer expenditures for specified public improvements or (2) debt service on cash advanced by bonds of loans of City funds. There is ordinarily no market for bonds secured by TIF fund revenue alone until the taxable value within the TIF zone has risen sufficiently to support debt service payments. Consequently, tax increment financing typically requires (1) a developer to pay expenses for TIF project costs in exchange for a contract awarding reimbursement (with or without interest) for such costs as cash is received by the TIF fund or 92) a secondary source (municipal general fund, economic development fund, special district with demonstrated power to tax, etc.) to pay debt service if and when cash in the TIF fund is insufficient. At any rate, no bond indebtedness is anticipated to be incurred for the Zone.

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Schedule A

Projected Assessed Valuations

Scenario 1. 1.5% growth rate assumed (Most Conservative)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation (*)	Percent Increase	Taxable Value Increment	Projected Tax Increment	Cumulative Projected Tax Increment
0	2020	$30,988,393	1.50%	$0	$0	$0
1	2021	$31,453,219	1.50%	$464,826	$2,520	$2,520
2	2022	$41,045,324	1.50%	$10,056,931	$54,525	$57,045
3	2023	$80,569,453	1.50%	$49,581,060	$268,809	$325,853
4	2024	$95,549,571	1.50%	$64,561,178	$350,025	$675,878
5	2025	$109,207,892	1.50%	$78,219,499	$424,075	$1,099,953
6	2026	$115,259,602	1.50%	$84,271,209	$456,885	$1,556,838
7	2027	$116,988,496	1.50%	$86,000,103	$466,258	$2,023,096
8	2028	$118,743,323	1.50%	$87,754,930	$475,772	$2,498,868
9	2029	$120,524,473	1.50%	$89,536,080	$485,429	$2,984,297
10	2030	$122,332,340	1.50%	$91,343,947	$495,230	$3,479,527
11	2031	$124,167,325	1.50%	$93,178,932	$505,179	$3,984,706
12	2032	$126,029,835	1.50%	$95,041,442	$515,277	$4,499,983
13	2033	$127,920,283	1.50%	$96,931,890	$525,526	$5,025,509
14	2034	$129,839,087	1.50%	$98,850,694	$535,929	$5,561,438
15	2035	$131,786,673	1.50%	$100,798,280	$546,488	$6,107,926

(*) The Taxable Valuation column (3) does not reflect a 1.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

Schedule B

Projected Assessed Valuations

Scenario 2. 2.25% growth rate assumed (Post-Pandemic Moderate Growth)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation	Percent Increase	Taxable Value Increment	Projected Revenue	Cumulative Projected Revenue
0	2020	$30,988,393	2.25%	$0	$0	$0
1	2021	$31,685,632	2.25%	$697,239	$3,780	$3,780
2	2022	$41,518,865	2.25%	$10,530,472	$57,092	$60,872
3	2023	$81,361,489	2.25%	$50,373,096	$273,103	$333,975
4	2024	$96,963,698	2.25%	$65,975,305	$357,692	$691,667
5	2025	$111,370,460	2.25%	$80,382,067	$435,799	$1,127,466
6	2026	$118,289,886	2.25%	$87,301,493	$473,314	$1,600,780
7	2027	$120,951,408	2.25%	$89,963,015	$487,743	$2,088,523
8	2028	$123,672,815	2.25%	$92,684,422	$502,498	$2,591,021
9	2029	$126,455,453	2.25%	$95,467,060	$517,584	$3,108,605
10	2030	$129,300,701	2.25%	$98,312,308	$533,010	$3,641,615
11	2031	$132,209,967	2.25%	$101,221,574	$548,783	$4,190,398
12	2032	$135,184,691	2.25%	$104,196,298	$564,911	$4,755,309
13	2033	$138,226,347	2.25%	$107,237,954	$581,401	$5,336,710
14	2034	$141,336,439	2.25%	$110,348,046	$598,263	$5,934,973
15	2035	$144,516,509	2.25%	$113,528,116	$615,504	$6,550,477

(*) The Taxable Valuation column (3) does not reflect a 2.25% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

Schedule C

Projected Assessed Valuations

Scenario 3. 3.5% growth rate assumed (Post-Pandemic High Growth)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation	Percent Increase	Taxable Value Increment	Projected Revenue	Cumulative Projected Revenue
0	2020	$30,988,393	3.50%	$0	$0	$0
1	2021	$32,072,987	3.50%	$1,084,594	$5,880	$5,880
2	2022	$42,315,848	3.50%	$11,327,455	$61,413	$67,293
3	2023	$82,705,352	3.50%	$51,716,959	$280,389	$347,682
4	2024	$99,371,615	3.50%	$68,383,222	$370,746	$718,428
5	2025	$115,074,700	3.50%	$84,086,307	$455,882	$1,174,311
6	2026	$123,515,905	3.50%	$92,527,512	$501,647	$1,675,958
7	2027	$127,838,962	3.50%	$96,850,569	$525,085	$2,201,043
8	2028	$132,313,325	3.50%	$101,324,932	$549,343	$2,750,386
9	2029	$136,944,292	3.50%	$105,955,899	$574,451	$3,324,837
10	2030	$141,737,342	3.50%	$110,748,949	$600,437	$3,925,273
11	2031	$146,698,149	3.50%	$115,709,756	$627,332	$4,552,605
12	2032	$151,832,584	3.50%	$120,844,191	$655,169	$5,207,774
13	2033	$157,146,725	3.50%	$126,158,332	$683,980	$5,891,754
14	2034	$162,646,860	3.50%	$131,658,467	$713,800	$6,605,554
15	2035	$168,339,500	3.50%	$137,351,107	$744,663	$7,350,216

(*) The Taxable Valuation column (3) does not reflect a 3.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

ITEM 12A

PRESENTATION & PROCLAMATION

PRESENTATION OF THE KEEP MARSHALL BEAUTIFUL BEAUTIFICATION AWARD WINNER FOR THE MONTH OF MAY 2021

Memorandum

To: Mark Rohr, City Manager

From: Mallori James, Tourism & Cultural Arts Director

Date: April 15, 2021

Subject: Keep Marshall Beautiful Beautification Awards Winner

Keep Marshall Beautiful, in partnership with The City of Marshall and the Greater Marshall Chamber of Commerce announced their new program, the "Beautification Awards". This program will recognize residential and commercial properties in the city limits of Marshall which have shown their dedication to Keeping Marshall Beautiful through continued beautification or improvements of their property or business.

Two winners have been chosen to be recognized for the month of May; the residential property at owned by Mr. James Ellis at 4422 Jeff Davis street & the commercial property 215 S Washington (Love Cosmetic & General Dentistry). Keep Marshall Beautiful would like the Council to present the property owners with a certificate during the first meeting of the month recognizing their achievement and commitment to keeping our city beautiful, clean and attractive.

Background on the selection of winners for the program:

Every month from April to December, KMB and their partners will award a residential and commercial property owner for the beautification efforts made to their home or business. Wining properties will be selected by a group of judges from the organizations based on nominations by the community. Monthly award winning properties will be provided with a framed certificate on a monthly basis at a City Council meeting, a sign will be placed in the yard of the winner for the duration of the month and a picture with caption will be published in the local newspaper and social media. At the conclusion of the season, the committee will select one residential and one commercial property to award the Residential and Commercial Beautification of the Year Award to be recognized at the first City Council meeting of the New Year, followed by an announcement published in the local newspaper and social media.

Nominations for residential or commercial properties can be made through e-mail keepmarshallbeautiful@gmail.com, sending a private message on the Keep Marshall Beautiful Facebook Page or contacting Mallori James at 903.935.4417.

ITEM 12B

PRESENTATION & PROCLAMATION

PRESENTATION OF A PROCLAMATION DESIGNATING THE WEEK OF MAY 9-15, 2021 AS “POLICE WEEK” AND MAY 15, 2021 AS “PEACE OFFICERS MEMORIAL DAY” IN MARSHALL, TEXAS

MEMORANDUM

To: Members of the City Commission

From: Mark Rohr – City Manager

Date: May 6, 2021

Subject: Presentation of a Proclamation Designating “Police Week” and “Peace Officers Memorial Day” in Marshall, Texas

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A Proclamation will be read aloud designating the week of May 9-15 as “Police Week” in Marshall, Texas and further designating that May 15, 2021 be observed as “Peace Officers Memorial Day” in Marshall, Texas.

PROCLAMATION

WHEREAS, the Congress and President of the United States have designated May 15th as Peace Officers Memorial Day, and the week in which it falls as Police Week; and

WHEREAS, the International Association of Chiefs of Police has declared law enforcement officer safety and wellness a top priority, and the IACP's Center for Officer Safety and Wellness promotes the importance of individual, agency, family, and community safety and wellness awareness; and

WHEREAS, the members of law enforcement agencies of Marshall and Harrison County, Texas play an essential role in safeguarding the rights and freedoms of the citizens of Marshall; and

WHEREAS, it is important that all citizens know and understand the problems, duties and responsibilities of their police department, and that members of our police department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence or disorder, and by protecting the innocent against deception and the weak against oppression or intimidation; and

WHEREAS, the police department of the City of Marshall has grown to be a modern and scientific law enforcement agency which unceasingly provides a vital public service;

NOW, THEREFORE, we, the City Commission of Marshall, Texas call upon all citizens of Marshall and upon all patriotic, civil and educational organizations to observe the week of May 9-15, 2021, as Police Week with appropriate ceremonies in which all of our people may join in commemorating police officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

WE FURTHER call upon all citizens of the City of Marshall to observe May 15, 2021, as Peace Officers Memorial Day to honor those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Marshall, Texas to be affixed this 13th day of May 2021.

____

Honorable Mayor
City of Marshall, Texas

City of MARSHALL TEXAS

ITEM 12C

PRESENTATION & PROCLAMATION

PRESENTATION OF A PROCLAMATION DESIGNATING MAY 16TH – 23RD, 2021 AS "NATIONAL PUBLIC WORKS WEEK" IN THE CITY OF MARSHALL

City of MARSHALL TEXAS

TO:	Members of the City Council
FROM:	Eric Powell, PE EGP Director of Public Works/City Engineer
DATE:	May 3, 2021
SUBJECT:	Presentation of a Proclamation designating the week of May 16-23, 2021 as National Public Works Week in the City of Marshall

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The American Public Works Association (APWA) annually recognizes the many men and women in North America who provide public services and maintain infrastructure. National Public Works activities are observed each year during May and June, with the theme this year being "Stronger Together". Through proclamations and other efforts, the APWA seeks to raise the public's awareness of the importance of public works programs and the dedicated efforts of all public works personnel.

CITY OF MARSHALL
PROCLAMATION

WHEREAS, public works personnel focus on infrastructure, facilities, and services that are of vital importance to the City of Marshall and the everyday lives of its citizens; and

WHEREAS, these infrastructure, facilities, and services could not be maintained and provided without the dedicated efforts of the City of Marshall Public Works Department; and

WHEREAS, the health, safety, and comfort of this community greatly depends on the services provided by public works personnel; and

WHEREAS, the quality and effectiveness of facilities, as well as their planning, design, and construction is dependent upon the efforts and skills of public works officials; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems and programs; and

WHEREAS, the efficiency of the qualified and dedicated personnel who staff public works departments is materially influenced by the people's attitude and understanding of the importance of the work they perform; and

WHEREAS, the year 2021 marks the 61st annual National Public Works Week, sponsored by the American Public Works Association.

NOW, THEREFORE, the City Council of Marshall, Texas does hereby proclaim the week of May 16th through May 23rd, 2021 as

"National Public Works Week"

in the City of Marshall. We call upon all citizens to acquaint themselves with the issues that are involved in providing our public works services and to recognize the contributions which public works personnel make every day to our health, safety, and quality of life.

Given under my hand and Seal of the City of Marshall this 13th day of May 2021.

____
Mayor
Marshall, Texas City Council

ITEM 13A

ORDINANCE

CONSIDER APPROVAL OF AN ORDINANCE DESIGNATING GEOGRAPHIC AREA WITHIN THE CITY AS TAX INCREMENT REINVESTMENT ZONE NUMBER ONE AND ALL RELATED ITEMS; CREATING A BOARD OF DIRECTORS; ESTABLISHING A TAX INCREMENT FUND; CONTAINING FINDINGS REALTED TO THE CREATION OF THE ZONE; PROVIDING A TERMINATION DATE AND IMMDEIATE EFFECTIVENESS OF THE ZONE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MARSHALL, DESIGNATING A GEOGRAPHIC AREA WITHIN THE CITY AS TAX INCREMENT REINVESTMENT ZONE NUMBER ONE; DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A TERMINATION DATE FOR THE ZONE; PROVIDING FOR IMMEDIATE EFFECTIVENESS OF THE ZONE.

WHEREAS, the City of Marshall, Texas (the "City"), pursuant to Chapter 311 of the Texas Tax Code, as amended (the "Act"), may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, pursuant to the Act, the City Council of the City (the "City Council") prepared a Preliminary Project and Financing Plan for Reinvestment Zone Number One, City of Marshall, Texas (the “Zone”); and

WHEREAS, notice of a public hearing on the creation of the Zone was published in the Marshall Enterprise, a newspaper of general circulation in the City, not later than the seventh (7th) day before the public hearing held on May 13, 2021; and

WHEREAS, a public hearing was held on May 13, 2021 on the designation and creation of the Zone and its benefits to the City and to property in the Zone, and interested persons were allowed to speak for or against the designation and creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone, which hearing was then closed; and

WHEREAS, at such hearing, the City Council allowed any interested person, or his representative, to appear and contend for or against the preliminary project and financing plan attached hereto as Exhibit “A” and the establishment of the Zone, whether all or part of the territory which is described in the boundaries of the Zone as shown in Exhibit “A” should be included in such proposed Project and Financing Plan, and the creation of the Zone; and

WHEREAS, all owners of property located within the proposed boundaries of the Zone and all other taxing units and other interested persons were given the opportunity at such public hearing to protest the proposed Project and Financing Plan, and creation of the boundaries of the Zone and/or the inclusion of their property in such Zone.

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

Section 1**.** The City Council of the City finds that the facts and recitations contained in the preamble of this Ordinance are true and correct.

Section 2. The City Council hereby designates the Zone as a tax increment reinvestment zone. The name assigned to the zone for identification is Reinvestment Zone Number One, City of Marshall, Texas. The Zone is designated pursuant to Section 311.005(a)(1)(B), (C) and (E) of the Act.

Section 3. The City Council, after conducting such hearing and having heard such evidence and testimony, makes the following findings and determinations based on the evidence and testimony presented to it:

(a) The public hearing on the proposed Project and Financing Plan, and creation of the boundaries of the Zone has been properly called, held and conducted and that notice of such hearing has been published as required by law.

(b) Adoption of the Project and Financing Plan, and establishing the boundaries of the Zone as described in Exhibit "Awill result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the Zone.

(c) In compliance with Section 311.006 of the Act, the proposed boundaries of the Zone as depicted in Exhibit "A", meet the criteria for designating the boundaries of the Zone in that:

(i) Not more than thirty percent (30%) of the property in the Zone, excluding property that is publicly owned, is used for residential purposes.

(ii) The total appraised value of taxable real property in the Zone does not exceed twenty-five percent (25%) of the total appraised value of taxable real property in the City and in the industrial districts created by the City.

(d) The property to be included in the Zone is contiguous and is located wholly in the corporate limits of the City.

(e) It is found that the area to be included in the Zone contains the predominance of defective or inadequate sidewalk or street layout; faulty lot layout in relation to size, adequacy, accessibility, or usefulness and the deterioration of site or other improvements that otherwise would enable or attract development or redevelopment of the area, substantially impairs or arrests the sound growth of the City.

(f) It is found that the improvements to the property to be included in the Zone as described in the attached Project and Financing Plan will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City by providing infrastructure improvments and other facilities, improvements and other incentives that will encourage the development and redevelopment of the property within the Zone that will attract visitors and consumers to the area encompassed by the Zone and to commercial and retail enterprises within the Zone.

(g) The improvements within the Zone as described in the attached Project and Financing Plan will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City by providing improvements that will attract visitors and consumers to the area encompassed by the Zone and will attract commercial and retail development within the Zone.

(h) The development or redevelopment of the property to be included in the Zone will not occur solely through private investment in the reasonable foreseeable future.

(i) The total appraised value of taxable real property in the Zone is $ 30,998,393, based upon the appraisal roll provided to the City for the 2020-21 tax year.

Section 4. The City Council establishes the boundaries of the Zone over the area described by the descriptions in Exhibit "A" attached hereto and depicted in the map attached hereto as Exhibit "A", and adopts the Project and Financing Plan of the Zone as described in Exhibit "A" attached hereto.

Section 5. (a) There is hereby established a board of directors for the Zone (the "Board") consisting of seven members which members shall initially be the members of the City Council as of the date of adoption of this Ordinance. The terms of the board members shall be for two year terms. Each year, the City Council shall appoint a member to serve as the chairman of the Board for a one-year term that begins on January 1 of the following year. The Board is authorized to elect a vice-chairman to preside in the absence of the chairman or when there is a vacancy in the office of chairman. The Board may elect other officers as determined by the Board. A vacancy on the Board shall be filled for the unexpired term by appointment of the governing body of the City.

(b) To be eligible for appointment to the Board, an individual must meet the requirements specified in the Act, as it may be amended from time to time.

(c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The City Council hereby delegates to the Board all powers necessary to implement the Project and Financing Plan as approved by the City Council, including the power to employ consultants and enter into agreements that the Board considers necessary or convenient to implement the Project and Financing Plan and to administer, operate, and manage the Zone.

Section 6. The Zone shall take effect immediately upon the passage and approval of this Ordinance. The Zone shall terminate on the earlier of (1) April 30, 2031; or (2) the date on which all project costs, tax increment bonds and interest on those bonds, and other obligations have been paid in full.

Section 7. The Tax Increment Base for purposes of calculating the tax increment of the City means the total appraised value of all real property in the Zone that is taxable by the City as of January 1, 2021. The tax increment participation of the City is 100% of the total adopted (or voter ratified) tax.

Section 8. (a) There is hereby created and established a Tax Increment Fund for the Zone. Funds in the Tax Increment Fund shall be used to pay any project costs that benefit the Zone, in accordance with the Act. Within the Tax Increment Fund, there may be maintained subaccounts as necessary and convenient to carry out the purposes of the Act. The tax increment of the City shall be deposited into the Tax Increment Fund, as of the effective date of the Zone.

(b) The Tax Increment Fund and all subaccounts shall be maintained at the depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas municipalities. In addition, all revenues from the sale of any tax increment bonds and notes hereafter issued by the

City, revenues from the sale of any property acquired as part of the tax increment financing plan and other revenues to be dedicated to and used in the Zone shall be deposited into such fund or subaccount from which money will be disbursed to pay project costs for the Zone or to satisfy the claims of holders of tax increment bonds or notes issued for the Zone.

Section 9. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 10. The creation of the boundaries and adoption the Project and Financing Plan of the Zone shall take effect immediately upon the passage of this Ordinance.

PASSED, APPROVED AND ADOPTED ON MAY 13, 2021.

AYES: ____
NOES: ____
ABSTAINED: ____

____
CHAIRMAN OF THE COMMISSION OF THE CITY OF MARSHALL

ATTEST:

____
CITY SECRETARY

{SEAL}

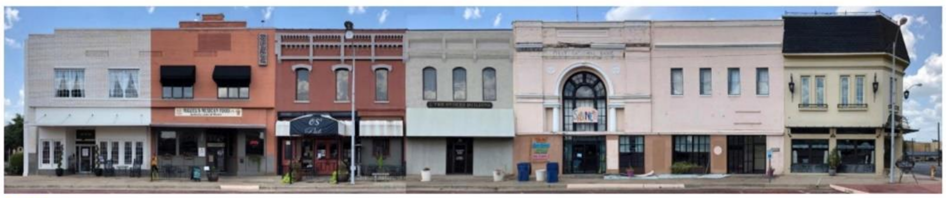
EXHIBIT A

Project and Financing Plan
For Reinvestment Zone Number One, City of Marshall, Texas
(Tax Increment Reinvestment Zone)

(see attached)

Houston Street Streetscape Improvements:

- Expanded sidewalk with brick accents
- Variety of seating options
- Trees and plantings
- Historic style pedestrian lights with hanging flower baskets
- Shade umbrellas
- Flower pots



City of MARSHALL TEXAS

EAST HOUSTON STREET STOREFRONT STREETSCAPE

Downtown

Tax Increment Reinvestment Zone, City of Marshall, Texas

Preliminary Project & Financing Plan

Table of Contents

May 13rd, 2021

INTRODUCTION

Authority and Purpose. The City of Marshall, Texas, a Texas home-rule municipality (the "City"), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within the corporate limits or extraterritorial jurisdiction ("ETJ") of the City as a tax increment reinvestment zone to promote development or redevelopment of the area. The City Council (the "City Council") may create such a zone upon determining that development or redevelopment would not occur solely through private investment in the reasonable foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone.
The City has created its Tax Increment Reinvest Zone (the "Zone") as described in this Project and Financing Plan (the "Plan"). The purpose of the Zone is to facilitate development and redevelopment of public improvements by financing the costs of public works, public improvements including maintenance and upkeep programs, and other redevelopment projects benefiting the Zone.

There continues to be a need for economic incentives to attract development and redevelopment in the Zone for the purpose of providing long-term economic benefits including increased real property values, increased sales and use tax, and increased job opportunities for residents of the City. This Plan is intended as a guide for the City to implement the public works, public improvements, programs and other redevelopment projects so that the Zone will be developed and redeveloped to take full advantage of the opportunity to bring to the City a substantially increased tax base and job opportunities for its citizens.

Ultimately, the goal for the Zone is to encourage the development and redevelopment of downtown Marshall and adjoining areas into a mixed use, pedestrian oriented-environment consistent with the goals of the City's Downtown Redevelopment Plan and the City's Mobilize Marshall Strategic Plan.

Throughout this Plan, the following definitions are used. Capitalized terms not defined herein have the definitions assigned in the Act.

"*Captured Appraised Value*" means the total taxable value of all real property taxable by the City located in the Zone for each year less the Tax Increment Base.

"*Tax Increment*" for a taxing unit participating in the Zone means (i) the amount of property taxes levied and assessed by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone or (ii) the amount of property taxes levied and collected by the unit for that year on the captured appraised value of real property taxable by the unit and located in the Zone.

"*Tax Increment Base*" for a taxing unit participating in the Zone means the total taxable value of all real property taxable by the unit and located in the Zone for the base tax year 2021.

"*Zone Securities*" means bonds, notes, certificates of obligation, or any other evidence of indebtedness authorized to be issued by the City, whether or not secured by revenues in the Tax Increment Fund, issued to fund Project Costs.

THE ZONE

Eligibility Requirements for the Zone. The Zone is eligible under the Act to be designated as a tax increment reinvestment zone because property within the Zone substantially impairs or arrests the sound growth of the commercial city center because of its challenges to development with a deterioration of structures and a lack of site improvements, a need for redevelopment (e.g. streetscape, lighting, paving, curb and gutter, landscaping, etc.), a substantial number of substandard structures, the predominance of defective or inadequate sidewalks or street layout and grading, and some conditions that endanger life or property by fire or other cause.

Additionally, no more than 30 percent of the property in the Zone, excluding property that is publicly owned, is “used for residential purposes”, as defined in the Act and total appraised value of taxable real property in the Zone does not exceed 50 percent of the total appraised value of taxable real property in the City. The City has not previously created any other tax increment reinvestment zone nor any other special taxing districts or industrial districts.

Zone Boundaries.

The Zone includes approximately 156.65 acres and is generally enclosed within the following boundaries:

Beginning at the intersection of Alamo Boulevard and Grand Avenue

West to Grove Street

South to Houston Street

Southwest along Houston Street approximately 1740 feet

South approximately 459 feet to Whetstone Street

Easterly along Whetstone Street to College Street

North to Bowie Street

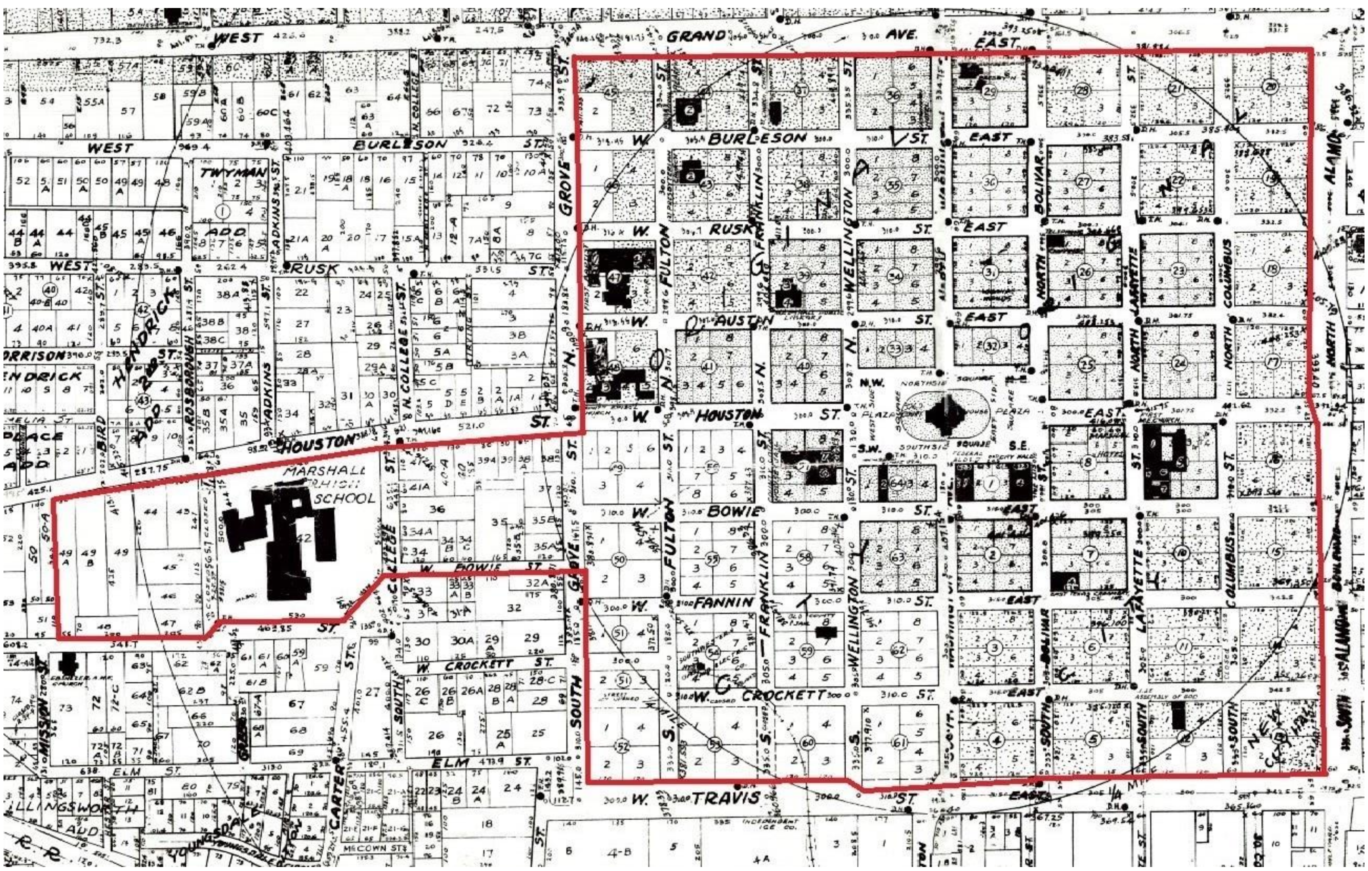
East to Grove Street

South to Travis Street

East to Alamo Boulevard

North to beginning point

MAP OF THE ZONE



Contributions to the Zone. The City is the only taxing unit participating in the Zone, unless an additional taxing unit becomes a participant in the future. The City will contribute 100 percent of its tax rate increment attributable to the increased taxable value of existing and new development in the Zone into a tax increment fund created by the City and segregated from all other funds of the City (the "TIF Fund"). The TIF Fund shall be used to pay the costs of public works, public improvements, maintenance and upkeep, and other projects and programs benefiting the Zone. The TIRZ Board will also make recommendations to the City Council concerning any development and reimbursement agreement ("TIF Reimbursement Agreement").

Existing Uses and Conditions. The Zone is located entirely within the City's corporate limits. Current property use within the Zone include mixed-use Residential and Commercial with some light industrial being no more than 10% of total area. The area may include, a high-end retail development and compact housing development on as-needed basis, especially in areas with low build out rates. A boundary map of the Zone and existing zoning uses is provided on **Exhibit B.**

Proposed Uses. The proposed uses will be established by existing zoning in most cases, but there may be areas where revised zoning will be requested. If so, any revisions will be made through the standard process and procedures of the City.

PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS. Any changes in ordinances, plans, codes, rules and regulations which are required or requested will be made through the standard process and procedures of the City. As of May 13th, 2021, there are no known proposed changes of zoning ordinances, the City's Comprehensive Plan, the City's Mobilize Marshall Strategic Plan, building codes, other municipal ordinances, and subdivision rules and regulations.

RELOCATION OF DISPLACED PERSONS. Although not anticipated, in the process of development and redevelopment in the Zone, any relocation will be made through the standard process and procedures of the City.

PROJECT OVERVIEW AND PROJECT COSTS

1. Infrastructure supporting cohesive redevelopment

Tax Increment Revenues shall be made available to facilitate investment in infrastructure or other improvements allowed by law that facilitate the following potential projects. This Project and Finance Plan will be amended as may be required by law to accommodate additional uses of the tax increment revenues within the TIF zone:

a. Projects that support infrastructure improvements and overall enhancement and aesthetic projects including sidewalks, furniture and other streetscape projects (e.g. lighting and safety features). See Table 1 below for more details.
b. Amounts shall be allocated to include operation and maintenance costs.
c. Acquisition of property by the private sector for parking and other economic priorities such as redevelopment and new construction projects shall be encouraged.
d. Annual marketing costs anticipated to be $65,000 over the term of the TIF

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Table 1 – COSTS: Proposed Public Improvements & Other Expenditures (Pay-as-you-go) Schedule

ITEM	Proposed Activity	ESTIMATED TIF's PROJECT COSTS
1	Phase 1. First Block (Projected Year 4) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
2	Phase 2. Second Block (Projected Year 5) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
3	Phase 3. Third Block (Projected Year 6) Overall enhancement of downtown including streetscape, lighting, trees, safety, and other aesthetic features	$400,000
4	Phase 4. Fourth Block (Projected Year 7) Overall enhancement of New Town's Marshall Lofts area including streetscape, lighting, trees, safety, and other aesthetic features (e.g. painting, façade, neighborhood improvements)	$400,000
5	Maintenance, Upkeep & Administration (Years 2-15) $32,500 x 13	$390,000
6	Marketing Costs (Years 2-15) $5,000 x 13	$65,000
	TOTAL ESTIMATED PROJECT COSTS:	**$ 2,055,000**

This Cost Table 1 summarizes the currently anticipated Project Costs to be financed within the TIRZ.

PROJECT COSTS. The total maximum "Project Costs," including Administrative Costs are $2,055,000. Administrative, Operating & Maintenance Costs shall be paid each applicable year from the TIF Fund before any other Project Costs are paid. Project Costs for administration of the T=Zone shall be the actual direct costs paid or incurred by the City to establish and administer the Zone.

OTHER PROPOSED PUBLIC IMPROVEMENTS. The list of public works and public improvements that could be included or proposed for financing through the TIF Fund pursuant to amendments to this Plan may include:

Additional Maintenance and Upkeep
Additional Administrative and other operational costs
Sidewalks, raised cross walks, pedestrian ramps,
Crossing systems, hike and bike trails and facilities
Curb and gutter
Roadways, asphalt paving & grading
ADA compliant pedestrian ramps and facilities
Water Main Loops, water system improvements
Force Main & Other Sewer Lines
Utility line relocations/installs/replacement
Drainage Improvements
Streetscape fixtures, water fountains, pedestrian signals
Streetscape furniture
Street lights/electrical
Landscaping, works of art
Plazas, squares, pedestrian malls, and other public spaces
Parks & outdoor concert/performance sites
Signage
Parking

Table 1. shows the planned projects and their associated costs at Present Value**.** Construction of the public improvements is scheduled to take place in phases during the term of the TIF and timed in coordination with new development and redevelopment projects in the TIRZ.

Locations of Public Improvements. The locations of the proposed public works and streetscape improvements all lie within the TIRZ and are generally located as described in Table 1 all within the proposed TIRZ whose boundaries are as shown in "Map of the Zone" (see above).

ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED. Some Administrative and other Operational Costs will be incurred annually, specifically from years 2-15. It is assumed that the remainder of the Project Costs will be incurred during the life of the TIRZ. Debt can and will be considered on as-needed basis. The City reserves the right to enter into agreements with the

TIRZ board for purposes of loaning or financing projects using General Fund for reimbursement by the TIRZ board using the TIF fund.

ESTIMATED NON-PROJECT COSTS. Non-project costs are private or public expenses that are not eligible to be paid by the TIF Fund; these include public works projects that only partly benefit the Zone, and general government operating expenses unrelated to the Zone. Other non-project costs include private improvement costs paid by private development which are projected to be nearly $65.5 million based on the Feasibility Report, a copy of which is attached as **Exhibit C**. Other non-project costs not financed by the Zone include but are not limited to:

> Public improvement made within the Zone boundaries that also benefits property outside the Zone (that is, the portion of the total project costs allocated to the properties outside the Zone is a non-project cost); public improvements made outside the Zone boundaries that also benefit property within the Zone (that is, the portion of the total project costs allocated to the properties outside the Zone is a non-project cost); and, lastly, projects within the Zone as part of the project plan implementation that are paid fully or in part by impact fees, grants, special assessments or revenues other than the TIF Fund.

FINANCE PLAN & ECONOMIC FEASIBILITY.

For purposes of this Plan, economic feasibility has been evaluated by City staff for the Zone. A copy of the report is attached as **Exhibit C.** This report constitutes the "economic feasibility report" required by Section 311.011, Texas Tax Code. This evaluation focuses only on “direct” financial benefits (i.e., tax revenues only from new development in the TIRZ, no value increases from existing development nor value increases from new development after its completion) and does not take into consideration the “multiplier effect” that will result from new development that occurs outside the TIRZ, including increases in taxable sales volume.

The Feasibility Report and Finance Plan use a set of key assumptions for new development and redevelopment which make the overall project economically feasible, especially as all Project Costs are paid only from tax increment revenues accumulated in the TIF fund and as they become available.

Further, economic indicators point to acceleration in development in the region after the pandemic and by extension within the ZONE, as well. We believe the estimates of appraised values as a result of projected redevelopment and new construction projects in the Zone represent a conservative approach when evaluating the debt payment requirements for the Zone.

This report assumes a 2021 taxable value of $30,988,393 as a 'base' and an annual growth of 1.5% in appraised values of the Zone during the TIF's 15-year term. The report also makes the following assumptions as far as potential redevelopment and new construction projects (nearly $68.9 million) toward buildout of the Zone as shows in **Exhibit A** **(i.e. Table 2)**. These are:

- New Commercial, Retail or Office Space in the Zone—192,292 square feet with a projected value of approximately $33 million.
- New Redevelopment/Retrofit Space in the Zone—475,000 square feet with a projected value of approximately $35 million.

During the term of the Zone, the increase in value of new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately $6,107,926 million for the TIF Fund in tax revenue over its 15-year term.

Lastly, the financial model in the City's Feasibility Report calculated a Net Present Value (NPV) for the City's TIF of approximately $ 3,910,101. This present value of the benefits exceeds the Present Value of overall costs ($ 2,055,000) incurred by the TIF over its 15-year term. As a result, the City's TIF district will generate a NET positive cash flow of approximately $1,855,101, even at a relatively "modest" property value growth rate of 1.5% per annum, post pandemic.

This satisfies the **"financial viability"** criterion for TIF district. A high risk-adjusted discount rate of 5% is used in order to calculate the lowest possible present value today of all future cash flows during the TIF's 15-year period. This is a very conservative approach, even post pandemic.

Based on the foregoing, the feasibility of the Zone has been demonstrated.

ESTIMATED BONDED INDEBTEDNESS. The City currently anticipates paying Project Costs or reimbursing a developer for qualified Project Costs solely from tax increment revenues on an annual basis. No bond indebtedness is anticipated to be incurred for the Zone, at this time. If initial Project Costs are not advanced by a Developer or property owner, the City or the Marshall EDC (i.e. MEDCO) may consider issuing zone securities and utilizing tax increment funds for either direct repayment to the City (or MEDCO), or to cover debt service so long as TIF funds are available.

FINANCING & EXPECTED SOURCES OF REVENUE

1. About the time when costs or monetary obligations are to be incurred

When payment of costs or reimbursements of costs are to be made is a function of the availability of the tax increment revenues. **Schedule A** of the Feasibility Report is a projection of tax increment revenues which are available and expected to be available in the future to pay or reimburse the TIF Fund for Project Costs on a year to year basis (see Table 1).

2. About Financing, Expected Sources of Revenue

Following is a description of the methods of financing all estimated project costs and the expected sources of revenue (tax increment) to finance or pay for Project Costs.

METHOD OF FINANCING. TIRZ Project Costs will be paid directly for site improvements, as described in Table 1 above. That is, Project Costs will be paid solely from tax increment revenues of the TIRZ, as they are realized by the TIRZ and deposited into the TIF Fund.

SOURCES OF TAX INCREMENT REVENUE. The tax increment revenue necessary to pay the TIRZ Project Costs is expected to come from increased property values in the Zone. **Schedule A** (next page) displays the projected assessed valuations resulting from increases in value, using the most conservative of three (3) development scenarios. That is, a 1.5% growth rate for appraised values in the Zone. These new tax increment revenues will be used to pay for Project Costs.

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Schedule A. "Projected Increment Revenue"

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation (*)	Percent Increase	Taxable Value Increment	Projected Tax Increment	Cumulative Projected Tax Increment
0	2020	$30,988,393	1.50%	$0	$0	$0
1	2021	$31,453,219	1.50%	$464,826	$2,520	$2,520
2	2022	$41,045,324	1.50%	$10,056,931	$54,525	$57,045
3	2023	$80,569,453	1.50%	$49,581,060	$268,809	$325,853
4	2024	$95,549,571	1.50%	$64,561,178	$350,025	$675,878
5	2025	$109,207,892	1.50%	$78,219,499	$424,075	$1,099,953
6	2026	$115,259,602	1.50%	$84,271,209	$456,885	$1,556,838
7	2027	$116,988,496	1.50%	$86,000,103	$466,258	$2,023,096
8	2028	$118,743,323	1.50%	$87,754,930	$475,772	$2,498,868
9	2029	$120,524,473	1.50%	$89,536,080	$485,429	$2,984,297
10	2030	$122,332,340	1.50%	$91,343,947	$495,230	$3,479,527
11	2031	$124,167,325	1.50%	$93,178,932	$505,179	$3,984,706
12	2032	$126,029,835	1.50%	$95,041,442	$515,277	$4,499,983
13	2033	$127,920,283	1.50%	$96,931,890	$525,526	$5,025,509
14	2034	$129,839,087	1.50%	$98,850,694	$535,929	$5,561,438
15	2035	$131,786,673	1.50%	$100,798,280	$546,488	$6,107,926

Source: Feasibility Report. Scenario 1 at 1.5% growth rate. Most conservative projection.

Assumptions:
Estimated Years: 15
City Tax Rate: $ .54216

Schedule A: The Taxable Valuation column (3) does not reflect a 1.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

This Plan is based on a contribution rate (and current tax rates which are subject to change) shown from the City.

Table No. 3	The City is the only Participating Jurisdiction	
Taxing Jurisdiction	2020 Tax Rate (1)	% Dedicated
City of Marshall	$0.54216	100%

(1) 2020 Tax Rate for purposes of illustration only. Tax Rate will be levied from year to year by the City and will vary.

TOTAL TAXABLE VALUE. The current total appraised value of taxable real property in the Zone as of January 1, 2020 is approximately $ 30 million. It is estimated that upon expiration of the term of the Zone in fifteen (15) years, the total appraised value of taxable real property in the Zone will be approximately $ 131 million.

ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE CITY. The captured taxable value of the Zone—taxable by the City for a year is the total taxable value of the Zone for that year less the tax increment base of the Zone. The Tax Increment Base of the Zone is the total taxable value of the Zone for the year in which the Zone was designated. The estimated captured appraised value of the Zone during each year of existence is shown in Schedule A. The cumulative captured taxable value of the TIF's lifespan of fifteen (15) years is approximately $ 100 million.

<u>DURATION OF THE ZONE.</u> The term of the Zone commences on June 1st, 2021 and will continue until the earlier to occur of: (1) May 31st, 2036 or (2) the date on which all Project Costs, bonds (if any), and other zone securities or obligations (if any) have been paid in full.

EXHIBIT A

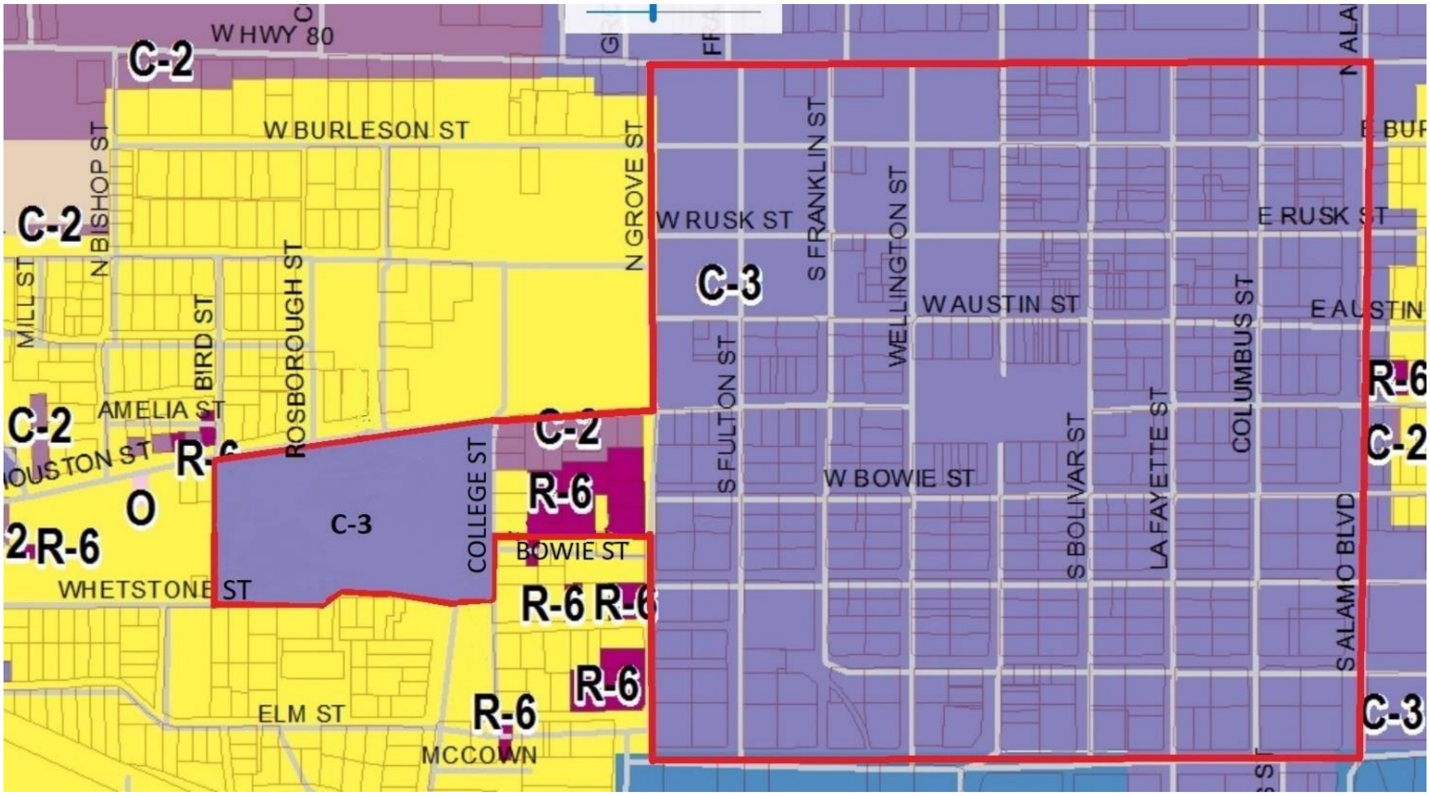
Assumed Redevelopment /New Construction Projects

TABLE 2.	1	2	3 TOTAL SF Available	4 SF Available (Leasable Space)	5 Total SF Available	6 SF Available (Vacant Land)	7 Total SF Available
PROJECT 1.	**Bell Buckle**	Year 3				44,754	44,754
		Year 4		146,000	146,000		
PROJECT 2.	**Capital One**	Year3		28,812	28,812		
						28,800	28800
PROJECT 3.	**Swepco**	year 5				42,034	
		year 6				37,723	79,757
PROJECT 4.	**City**	year2	61,974			19,832	
		year3				19,832	
						21,071	60,735
PROJECT 5.	**Hist District**	year 2	170,000				
		year 3		45,000			
		year 4		55,000			
		year 5		70,000	170,000		
PROJECT 6.	*** M. Lofts**	year 2	129,240	25,848	0		
		year 3		103,392	129,240		
			SubTotal SF Available		474,052		214,046
						Total SF Available	**688,098**

* Pending. Add SF to account for new building

Projected New Development		$33,391,101	
Projected Redevelopment	$35,553,900.00		
Projected TOTAL New Investment			**$68,945,001**

EXHIBIT B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C-2
W BURLESON ST
N BISHOP ST
C-2
MILL ST
BIRD ST
ROSBOROUGH ST
N GROVE ST
W RUSK ST
S FRANKLIN ST
WELLINGTON ST
C-3
W AUSTIN ST
E RUSK ST
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COLUMBUS ST
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AMELIA ST
C-2
R-6
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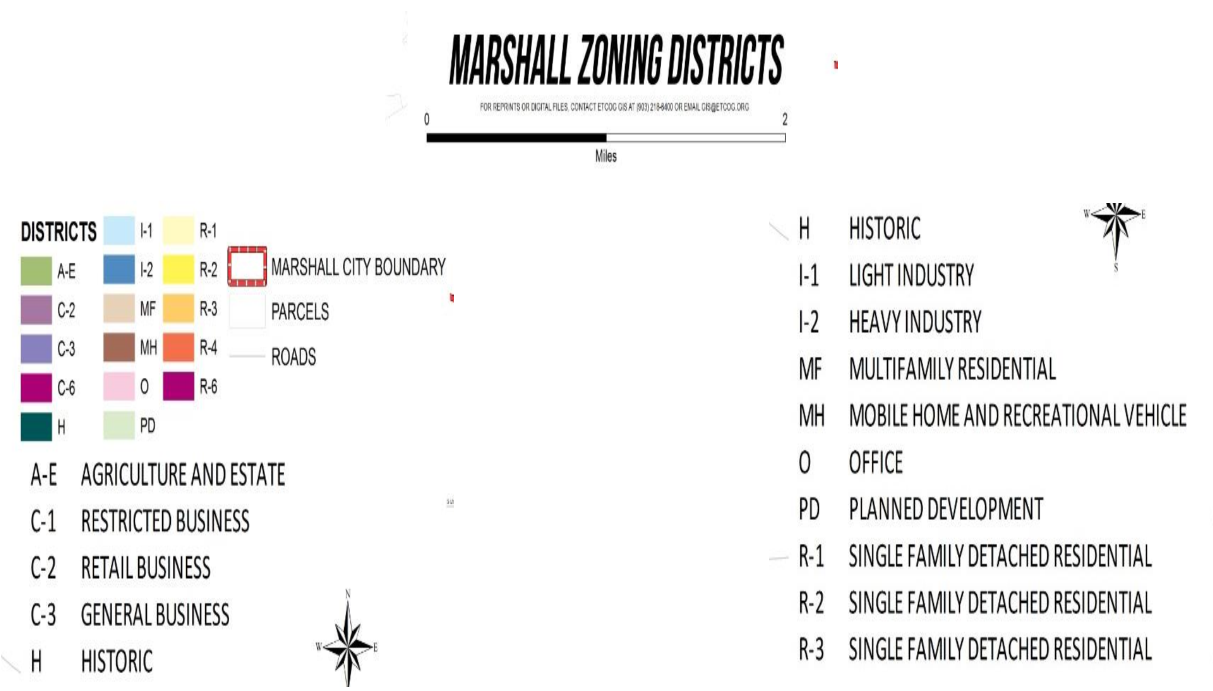
MARSHALL ZONING DISTRICTS
0
2
Miles
DISTRICTS
A-E
C-2
C-3
C-6
H
I-1
I-2
MF
MH
O
PD
R-1
R-2
R-3
R-4
R-6
MARSHALL CITY BOUNDARY
PARCELS
ROADS
A-E AGRICULTURE AND ESTATE
C-1 RESTRICTED BUSINESS
C-2 RETAIL BUSINESS
C-3 GENERAL BUSINESS
H HISTORIC
H HISTORIC
I-1 LIGHT INDUSTRY
I-2 HEAVY INDUSTRY
MF MULTIFAMILY RESIDENTIAL
MH MOBILE HOME AND RECREATIONAL VEHICLE
O OFFICE
PD PLANNED DEVELOPMENT
R-1 SINGLE FAMILY DETACHED RESIDENTIAL
R-2 SINGLE FAMILY DETACHED RESIDENTIAL
R-3 SINGLE FAMILY DETACHED RESIDENTIAL

EXHIBIT C

Feasibility Report Attached

EXHIBIT C - Feasibility Report

CITY OF MARSHALL
Community & Economic Development
Fabio Angell, Director

Date: 4/5/2021

To: Mark Rohr, City manager

Re: Cash Flow Forecast for proposed tif zone (Internal Document)

- Preliminary -

City staff completed three (3) scenarios of annual City taxes generated in the area where a tax increment financing ("TIF") program is being proposed by the City. A fourth scenario that did not include such TIF program was unnecessary. That is, 15-year projections of appraised values in the proposed TIF area would yield negative growth rates based on previous 10-year trends in the area of minus 4%.

On the other hand, the most conservative forecast (i.e. 1.5% growth rate) models annual municipal tax flow with creation of a TIF program to stimulate private sector investment and complete public improvements in key areas of the TIF zone.

The following assumptions are made:

- A TIF zone is created pursuant to Texas law in 2021 for a term of 10 years, with boundaries conforming to the accompanying map. For ten years, 100% of City real property tax on the increased value of real property starting in 2021 flows to a TIF fund. Real property tax on the 2021 'base" value never flows to the TIF fund, nor does any business personal property tax, sales tax or any other municipal tax.
- Real property tax dedicated to the TIF fund is used to facilitate development of the zone, whether by reimbursing expenses for public improvements or paying debt service on bond for land acquisition and /or public improvements. The later, however, is not anticipated. That is, no bond indebtedness is anticipated to be incurred for the Zone. TIRZ Project Costs will be paid directly for site improvements, as described in Table 1 above. That is, Project Costs will be paid solely from tax increment revenues of the TIRZ, as they are realized by the TIRZ and deposited into the TIF Fund.
- A large sample section of the proposed TIF area was surveyed by city staff, or about 29%. That is, 20 city blocks surveyed of nearly 70 in the proposed Zone.

It was found that a total of approximately 690,000 SF of space was either vacant or available for new construction and redevelopment projects in the Zone.

- Based on this square footage available, It is assumed that approximately $68 million in private sector investments can be generated over the course of the TIF's 15-year term, as follows:

  1. New Commercial, Retail or Office Space in the Zone—214,000 square feet with a projected value of approximately $33 million.
  2. New Redevelopment/Retrofit Space in the Zone—474,000 square feet with a projected value of approximately $35 million.

- Using these anticipated projects, three (3) development scenarios are included according to types, volumes and timing over the course of 15 years. One scenario assumes a rate increase of 1.5% in appraised values over and above the "base" appraised value at the start of the TIF (or Year 0). A second one assumes a rate increase of 2.25%, and a third one assumes a rate of increase of 3.5%.
- In all scenarios, taxable value assumptions per square foot of added floor or leasable area are identical.

With realization of these development assumptions, constant property and sales tax rates and moderate average annual inflation (even post pandemic), the most conservative TIF scenario (i.e. 1.5% growth rate) would produce approximately $ 144 million in total appraised value of taxable real property in the Zone to be used for tax increment financing during the TIF's term of fifteen (15) years.

The preceding forecasts of municipal revenue are expressed in nominal dollars but also in regard for the time value of money. That is, the Net Present Value (NPV) of the TIF is calculated to be **$ 4.17 million**, after total project costs of about $**2,050,000** are factored in and incorporated to the financial models using three (3) separate scenarios, as cited above. This is to say that when tax revenues are discounted at municipal interest rates for TIFs of, say, 5%, the forecasts are greater than without the TIF zone.

In general, the TIF zone will generate a positive cash flow at a relatively low property value growth rate of 1.5% per annum, and even more substantial positive cash flows across two (2) additional scenarios, as explained above.

The main implication of this analysis is:

> *If all or part of the stream of cash flowing to the hypothetical TIF fund were applied to public improvements in order to generate the anticipated new construction and redevelopment projects causing taxable property values to increase as assumed, the City would benefit financially.*

Revised development plans and changing market conditions may impact these scenarios pro formas.

Tax increment financing programs may apply cash received by a TIF fund to (1) reimbursement of developer expenditures for specified public improvements or (2) debt service on cash advanced by bonds of loans of City funds. There is ordinarily no market for bonds secured by TIF fund revenue alone until the taxable value within the TIF zone has risen sufficiently to support debt service payments. Consequently, tax increment financing typically requires (1) a developer to pay expenses for TIF project costs in exchange for a contract awarding reimbursement (with or without interest) for such costs as cash is received by the TIF fund or 92) a secondary source (municipal general fund, economic development fund, special district with demonstrated power to tax, etc.) to pay debt service if and when cash in the TIF fund is insufficient. At any rate, no bond indebtedness is anticipated to be incurred for the Zone.

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Schedule A

Projected Assessed Valuations

Scenario 1. 1.5% growth rate assumed (Most Conservative)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation (*)	Percent Increase	Taxable Value Increment	Projected Tax Increment	Cumulative Projected Tax Increment
0	2020	$30,988,393	1.50%	$0	$0	$0
1	2021	$31,453,219	1.50%	$464,826	$2,520	$2,520
2	2022	$41,045,324	1.50%	$10,056,931	$54,525	$57,045
3	2023	$80,569,453	1.50%	$49,581,060	$268,809	$325,853
4	2024	$95,549,571	1.50%	$64,561,178	$350,025	$675,878
5	2025	$109,207,892	1.50%	$78,219,499	$424,075	$1,099,953
6	2026	$115,259,602	1.50%	$84,271,209	$456,885	$1,556,838
7	2027	$116,988,496	1.50%	$86,000,103	$466,258	$2,023,096
8	2028	$118,743,323	1.50%	$87,754,930	$475,772	$2,498,868
9	2029	$120,524,473	1.50%	$89,536,080	$485,429	$2,984,297
10	2030	$122,332,340	1.50%	$91,343,947	$495,230	$3,479,527
11	2031	$124,167,325	1.50%	$93,178,932	$505,179	$3,984,706
12	2032	$126,029,835	1.50%	$95,041,442	$515,277	$4,499,983
13	2033	$127,920,283	1.50%	$96,931,890	$525,526	$5,025,509
14	2034	$129,839,087	1.50%	$98,850,694	$535,929	$5,561,438
15	2035	$131,786,673	1.50%	$100,798,280	$546,488	$6,107,926

(*) The Taxable Valuation column (3) does not reflect a 1.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

Schedule B

Projected Assessed Valuations

Scenario 2. 2.25% growth rate assumed (Post-Pandemic Moderate Growth)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation	Percent Increase	Taxable Value Increment	Projected Revenue	Cumulative Projected Revenue
0	2020	$30,988,393	2.25%	$0	$0	$0
1	2021	$31,685,632	2.25%	$697,239	$3,780	$3,780
2	2022	$41,518,865	2.25%	$10,530,472	$57,092	$60,872
3	2023	$81,361,489	2.25%	$50,373,096	$273,103	$333,975
4	2024	$96,963,698	2.25%	$65,975,305	$357,692	$691,667
5	2025	$111,370,460	2.25%	$80,382,067	$435,799	$1,127,466
6	2026	$118,289,886	2.25%	$87,301,493	$473,314	$1,600,780
7	2027	$120,951,408	2.25%	$89,963,015	$487,743	$2,088,523
8	2028	$123,672,815	2.25%	$92,684,422	$502,498	$2,591,021
9	2029	$126,455,453	2.25%	$95,467,060	$517,584	$3,108,605
10	2030	$129,300,701	2.25%	$98,312,308	$533,010	$3,641,615
11	2031	$132,209,967	2.25%	$101,221,574	$548,783	$4,190,398
12	2032	$135,184,691	2.25%	$104,196,298	$564,911	$4,755,309
13	2033	$138,226,347	2.25%	$107,237,954	$581,401	$5,336,710
14	2034	$141,336,439	2.25%	$110,348,046	$598,263	$5,934,973
15	2035	$144,516,509	2.25%	$113,528,116	$615,504	$6,550,477

(*) The Taxable Valuation column (3) does not reflect a 2.25% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

Schedule C

Projected Assessed Valuations

Scenario 3. 3.5% growth rate assumed (Post-Pandemic High Growth)

1	2	3	4	5	6	7
	City Tax Rate	0.0054216	NPV Project Costs = $2,055,000			
TIF Year	Calendar Year	Taxable Valuation	Percent Increase	Taxable Value Increment	Projected Revenue	Cumulative Projected Revenue
0	2020	$30,988,393	3.50%	$0	$0	$0
1	2021	$32,072,987	3.50%	$1,084,594	$5,880	$5,880
2	2022	$42,315,848	3.50%	$11,327,455	$61,413	$67,293
3	2023	$82,705,352	3.50%	$51,716,959	$280,389	$347,682
4	2024	$99,371,615	3.50%	$68,383,222	$370,746	$718,428
5	2025	$115,074,700	3.50%	$84,086,307	$455,882	$1,174,311
6	2026	$123,515,905	3.50%	$92,527,512	$501,647	$1,675,958
7	2027	$127,838,962	3.50%	$96,850,569	$525,085	$2,201,043
8	2028	$132,313,325	3.50%	$101,324,932	$549,343	$2,750,386
9	2029	$136,944,292	3.50%	$105,955,899	$574,451	$3,324,837
10	2030	$141,737,342	3.50%	$110,748,949	$600,437	$3,925,273
11	2031	$146,698,149	3.50%	$115,709,756	$627,332	$4,552,605
12	2032	$151,832,584	3.50%	$120,844,191	$655,169	$5,207,774
13	2033	$157,146,725	3.50%	$126,158,332	$683,980	$5,891,754
14	2034	$162,646,860	3.50%	$131,658,467	$713,800	$6,605,554
15	2035	$168,339,500	3.50%	$137,351,107	$744,663	$7,350,216

(*) The Taxable Valuation column (3) does not reflect a 3.5% annual growth as it also includes projected increases in appraised values from assumed redevelopment and new construction projects during the 15-year term of the TIF.

ITEM 14A

PRESENTATION OF AND CONSIDERATION OF QUALITY OF LIFE PLAN

Quality of Life Taskforce Plan:

Quality of Life

On June 1, 2019, the citizens of Marshall met together to voice their current and future priorities for their city. The citizen-driven Mobilize Marshall (MM) plan was developed as a direct result of this effort. At this time, several of the more essential parts of the MM plan are being implemented, it is now time to move on to the less critical areas to round out community development. One of these areas, prioritized by the MM plan, includes the improvement of the Quality of Life for our citizens.

Quality of Life was one of the highest ranked projects in the approved MM Plan and slotted in the one-three-year completion time frame. There were eight bullet points or projects listed under the overall heading of Quality of Life including:

1. Increase investment in existing parks (especially Airport Park)
2. Develop trails & bikeways system
3. Explore parks & recreation programming
    a. Explore an active youth center
    b. Partnership with Boys & Girls Club
    c. Explore health & wellness center
4. Construct a splash pad
5. Examine the need for additional parks (expand locations & areas)
6. Establish wayfinding & general signage plan
7. Facilitate affordable housing & assistance for improving properties
8. Add picnic tables to park areas

All of these projects and goals are important ingredients to a successful effort in improving the Quality of Life for or citizens. A Quality of Life Taskforce was created to help bring these projects/goals to fruition.

After several meetings and discussions, the Quality of Life Taskforce* has developed a two-phase plan that will allow for the City of Marshall to begin to accomplish several of the priorities listed in the MM plan. Under phase one, the four initial projects will consist of the creation of a Parks and Recreation study, the Development of the T&P Pond, the creation of a Sports Authority, and the improvement of existing parks and recreation facilities. Once completed and appropriate the Taskforce will move on to phase two, which encompasses the creation of new parks and recreational facilities throughout the City of Marshall.

*Quality of Life Taskforce:

1. Ashli Dansby (co-chair)
2. Colin Brady (co-chair)
3. Chad Patterson
4. Eric Powell
5. James Love
6. Willie Davis
7. Kendrick Biggs
8. Leo Morris
9. Ryan Erwin
10. Mallori James

Phase 1

Parks and Recreation Study:

According to a report issued by the American Association for Leisure and Recreation, a community parks and recreation master plan is "a document that provides an inclusive framework for orderly and consistent planning; acquisition; development; and administration of the parks and recreation resources, programs, and facilities of the agency that sponsors the master plan."

Shawn Spencer, from Heartland Play, was contacted about the possibility of developing a Parks Master Plan for the City of Marshall. Below, is a list of Scope of Services that will be provided:

Master Plan Phase:

1) Prepare an inventory of the existing park facilities, equipment, and properties.
2) Prepare a needs assessment and identification survey for the park master plan. The survey will be developed and coordinated by the Engineer. The survey will be in an online format (third party survey company). Request for public comment and participation will be made by the City using the City and School District's websites and social media. Direct mail notifications are optional and are at the discretion and responsibility of the City.
3) Develop a parks area facility standard and guidelines in accordance with the National Recreation and Parks Association (NRPA) recommendations. Compare existing park facilities to NRPA standards. Recommend improvements to address deficiencies.
4) Develop a park and facility needs implementation plan. Provide recommendations to address park deficiencies, priorities for the improvements, and a schedule and implementation plan for the improvements. Provide up to three (3) conceptual site plans for new park development or major park renovation projects. Cost estimates will be provided for the first five-year planning period's improvements.
5) Prepare a draft park master plan for review by City Staff.
6) Conduct a public hearing with citizens and staff to review the findings and accept comments.
7) Prepare a final park master plan to be submitted for final approval.

View complete proposal submitted by Heartland Play

Having a Parks Master Plan would also allow for the city to gain criteria points for most grant projects available through TPWD. The plan could also generate ideas for new projects to add to the city's Park and Recreational program in the future.

T&P Pond Property:

The City of Marshall owns a 33.565-acre tract of land located off of US Hwy 59. The tract of land has 2 ponds as well as enough acreage to potentially get converted into a municipal park/ recreational space for the citizens of Marshall. The idea is to convert it into a space where citizens can spend leisure time; potentially stocking the ponds with fish to allow for fishing, adding activities such as canoeing, and the potential creation of nature trails. This project could also serve as a regional draw adding to the city's tax base. With the aid of grants from TPWD such as the Non-Urban Outdoor Recreation Grant (which the City of Marshall would qualify for), it is possible to receive up to $750,000 in funds for the city to use to help fund this project.

Sports Authority:

The task force recommends implementing a Sports Authority within the City of Marshall to promote the city in sports-related events, which in turn can enhance economic development and bring a better quality of life to its residents.

This authority would integrate all City entities and facilities to promote Marshall for tournaments and events. A legal opinion from Acting City Attorney Scott Rectenwald stated Hotel Occupancy Tax (HOT) could be utilized as an adjunct under the Tourism & Cultural Arts Department Director Mallori James. The City of Marshall could create an employment position for this purpose.

Improving Existing Facilities:

Currently the City of Marshall has an existing park system that includes 9 developed total parks and 1 public swimming pool. Upgrades and enhancements of each of these existing parks are needed to make the community friendlier and more inviting to families and children residing within or visiting Marshall. The task force would like to address each park's needs, one park at a time, to make necessary and requested changes.

For example, the Taskforce believes that Airport Park is in need of maintenance and upgrades which would aid in attracting sports-related events to our area.

The taskforce would also like to make our parks more inclusive and accessible for all our citizens. This would include replacing existing playground equipment to enhance safety and make the parks more enjoyable for all populations.

Phase 2

As mentioned above, the second phase of the Taskforce created plan will be started after the completion of phase one. Phase two covers some of the key points under the Quality of Life category in the MM plan such as, the development of trails and bikeway systems as well as the exploration of our parks and recreation programming.

The second phase of this plan will include:

New Facilities:

Access to attractive parks and other recreational facilities and cultural amenities is what makes a community a desirable place to live. The creation of these new facilities will allow City of Marshall residents to enjoy the new amenities but also drawn in more people to potentially live here.

A few examples are:

Converting a local facility into a Community Center: The City of Marshall can work to acquire a local facility that can provide ample space for different activities for the community to be able to participate in and enjoy.

Creation of new Recreational Trails: Develop a trail plans that provide
off-road recreational opportunities for pedestrians and bicyclists that can connect existing parks as well as possibly creating trails throughout the newly developed T&P Pond Community Park area. There are grants available to cities for the creation of Recreational trails through the Texas Parks and Wildlife Department.

New Parks: The creation of new and improved Parks to be developed in the city.

Conclusion

On June 1st we heard that the citizens of Marshall wanted change and by going forward with the Quality of Life Plan we will provide a brighter future for our communities and our city as a whole. Current residents will be able to enjoy the amenities but this will also allow for several others to continue to be drawn to Marshall, TX rather it be for a visit or a permanent stay.

ITEM 14B

DISCUSSION OF AND ACTION REGARDING TERMINATING, MODIFYING OR CONTINUING CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT WITH MARSHALL MALL INVESTORS

In 2018 the City of Marshall entered into an economic development agreement with the Marshall Mall Investors, LP. ("MMI"), whereby MMI agreed to build certain improvements to its facility at 1300 E. Pinecrest Drive (the Marshall Mall), to attract and maintain a 48,265 square foot of Hobby Lobby retail establishment. Under the terms of the agreement, MMI agreed by January 1, 2019, to employ and maintain a minimum of thirty-five (35) "Full-Time Equivalent Employment Positions" working at the Hobby Lobby retail establishment located on the Property. MMI was to provide to the City, on an annual basis, a copy of the financial report that is being submitted to the State Comptroller relating to the remission of local sales and use taxes collected at the Property as a result of the operation of the Hobby Lobby. The first Sales Tax Report from the Developer was due January 1, 2020, and annually thereafter.

In exchange, the City agreed to make certain development payments to MMI. If the total aggregate annual sales from Hobby Lobby did not exceed Two Million and No/100 Dollars ($2,000,000.00) in annual sales, the City would not be obligated to make a program grant payment for the applicable calendar year. If the total aggregate annual sales from Hobby exceeded Two Million and No/100 Dollars ($2,000,000.00) in annual sales, [the equivalent of Thirty Thousand and No/100 Dollars ($30,000.00) in Sales and Use Tax and Additional Sales and Use Tax revenue] the City agreed to pay MMI a Program Grant Payment in the amount of seventy-five percent (75%) of the Sales and Use Tax and Additional Sales and Use Tax revenue reported in the Sales Tax Report provided by MMI. Under this provision, the total aggregate payments by the City to MMI would not exceed One Hundred Seventy-Seven Thousand One Hundred Fifty- Five and No/100 Dollars ($177,155.00).

In addition, the City agreed to make a Program Grant Payment to MMI for the ad valorem taxes (on real estate, but not personal property) paid by MMI to the City for the Property for a ten (10) year period. Under the agreement, however, the City has " no obligation to pay Developer any Program Grant Payment until receipt of the Sales Tax Report described in Section 4(e) of this Agreement." The total aggregate payments by City to the Developer pursuant to this Section 5(a)(2) of this Agreement were not exceed One Hundred Sixty-Two Thousand Six Hundred Forty-Eight and No/100 Dollars ($162,648.00).

The City's payment obligations were conditioned upon MMI's providing the annual report, and upon there being no "events of default" by MMI under the contract. "Event of Default" was defined in the agreement as, "Failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement," among other things.

In early 2020, MMI made a request to the City to make payments it claims are owed under the agreement. City Staff pointed out to MMI that the City had not received the financial report called for under the agreement, and had never received confirmation that the Hobby Lobby retail establishment was actually employing 35 full time equivalent positions. MMI states that Hobby Lobby will not share employment information, claiming that the information is proprietary and confidential. During 2020 and 2021, principals of MMI and City staff met several times, and MMI has continued to request payment it contends it is due. Most recently, MMI proposed a modification to the Economic Development Agreement, seeking to substitute

50 jobs through Blue Cross/Blue Shield for the 35 called for from Hobby Lobby, and to revise the sales tax payment for MMI to 50%. However, jobs created by tenants other than Hobby Lobby were an anticipated benefit to the City under the contract when the contract was executed.

The City's position has been that MMI has yet to prove its entitlement to a grant payment, and there appears to be some indication that the City has not received the consideration called for under the agreement - that Hobby Lobby has never maintained 35 full time positions.

I delivered a notice of default to Marshall Mall Investors on March 30th, 2021 giving them 30 days in which to cure the default pursuant to our contract by providing the required report and proof of employment of 35 full time employees at Hobby Lobby. The response I received was that MMI believed that they had complied with the intent of the agreement, but they did not provide either the report or proof of employment.

CITY OF MARSHALL, TEXAS
AND
MARSHALL MALL INVESTORS, L.P.

CHAPTER 380 ECONOMIC DEVELOPMENT
PROGRAM AND AGREEMENT

This **CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT** (hereinafter referred to as the "Agreement") is made and entered into by and between the **CITY OF MARSHALL, TEXAS**, a Texas home-rule municipality (hereinafter referred to as the "City"), and **MARSHALL MALL INVESTORS, L.P.,** a Texas limited partnership (hereinafter referred to as the "Developer"), for the purposes and considerations stated below:

WHEREAS, the Developer desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code; and

WHEREAS, the City desires to provide, pursuant to Chapter 380 of the Texas Local Government Code an incentive to Developer to develop the Property as defined below; and

WHEREAS, the City possesses the legal and statutory authority under Chapter 380 of the Texas Local Government Code to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of Marshall, Texas; and

WHEREAS, the City has determined that a grant of funds to the Developer will serve the public purpose of promoting local economic development, with the development and diversification of the economy of the State and City, will eliminate unemployment and underemployment in the State and City, and will enhance business and commercial activity within the City of Marshall, Texas; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Marshall, Texas, and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code, and further, is in the best interests of the City and the Developer; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Marshall, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution by assisting in the development and diversification of the economy of the State, by eliminating unemployment or underemployment in the State, and by the development or expansion of commerce within the State.

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

SECTION 2. TERM.

This Agreement shall be effective as of the Effective Date of this Agreement, as defined herein, and shall continue thereafter until **September 30, 2029**, unless terminated sooner under the provisions hereof.

SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

(a) **Additional Sales and Use Tax.** The words "Additional Sales and Use Tax" means the City's additional municipal sales and use tax, currently at the rate of one-half of one percent (0.50%), pursuant to section 321.101(b) of the Texas Tax Code, as amended.

(b) **Agreement.** The word "Agreement" means this Chapter 380 Economic Development Program and Agreement, authorized by Chapter 380 of the Texas Local Government Code, together with all exhibits and schedules attached to this Agreement from time to time, if any.

(c) **City.** The word "City" means the City of Marshall, Texas, a Texas home-rule municipality. For the purposes of this Agreement, City's address is 401 S. Alamo Blvd., Marshall, Texas 75670.

(d) **Developer**. The word "Developer" means Marshall Mall Investors, L.P., a Texas limited partnership, whose address for the purposes of this Agreement is 1300 E. Pinecrest Drive, Suite 120, Marshall, Texas 75670-7317.

(e) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the City and Developer.

(f) **Event of Default**. The words "Event of Default" mean and include any of the Events of Default set forth in the section entitled "Events of Default" in this Agreement.

(g) **Full-Time Equivalent Employment Positions.** The words "Full-Time Equivalent Employment Position" or "Full-Time Equivalent Employment Positions" mean and include a job requiring a minimum of Two Thousand (2,000) hours of work averaged over a twelve (12) month period, earning a minimum of $15.00 per hour, with such hours also to include vacation and sick leave with full benefits.

(h) **MEDCO.** The term "MEDCO" means the Marshall Economic Development Corporation, a Type A economic development corporation operating pursuant to Chapter 504 of the Texas Local Government Code, and a Texas non-profit corporation.

(i) **Personal Property.** The words "Personal Property" mean the tangible taxable personal property, including furniture, fixtures, inventory, and equipment, located on the Property.

(j) **Property Captured Appraised Value.** The words "Property Captured Appraised Value" mean the total appraised value of the Property as of January 1, 2018.

(k) **Property.** The word "Property" means Block 1, Lot 5 of the Marshall Mall Subdivision, an addition located within the City of Marshall, Harrison County, Texas, as more particularly described and or depicted in ***Exhibit A*** of this Agreement, which is attached hereto and incorporated herein for all purposes, and consisting of the retail establishment known as Hobby Lobby, and an approximate 28,000 square foot anchor located on the Property.

(l) **Qualified Expenditures.** The words "Qualified Expenditures" mean those expenditures consisting of the construction of a minimum 48,265 square foot Hobby Lobby retail establishment and approximate 28,000 square foot junior anchor located on the Property, as generally depicted in ***Exhibit B*** of this Agreement, which is attached hereto and incorporated herein for all purposes.

(m) **Sales and Use Tax.** The words "Sales and Use Tax" or "Sales and Use Taxes" mean the City's municipal sales and use tax, at the rate of one percent (1.0%), pursuant to section 321.103(a) of the Texas Tax Code, as amended.

(n) **State Comptroller.** The words "State Comptroller" mean the Office of the Texas Comptroller of Public Accounts, or any successor agency.

(o) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

SECTION 4. AFFIRMATIVE OBLIGATIONS OF DEVELOPER.

The Developer covenants and agrees with City that, while this Agreement is in effect, it shall comply with the following terms and conditions:

(a) **Construction of Qualified Expenditures.** Developer covenants and agrees to construct or cause to be constructed the Qualified Expenditures located on the Property for an amount not less than **Three Million and No/100 Dollars ($3,000,000.00).** Further, Developer covenants and agrees to submit to the City invoices, receipts, or other documentation for the Qualified Expenditures made to the Property in an amount of not less than **Three Million and No/100 Dollars ($3,000,000.00)**, and in a form acceptable to the City by **January 1, 2019**.

(b) **Certificate of Occupancy.** Developer covenants and agrees to obtain or cause to be obtained from the City a Certificate of Occupancy for a minimum of 48,265 square foot of Hobby Lobby retail establishment and an approximate 28,000 square foot junior anchor located on the Property by **January 1, 2019**.

(c) **Operate Retail Establishment.** Developer covenants and agrees by **January 1, 2019**, and during the Term of this Agreement to maintain and keep open to the general public the minimum 48,265 square feet of Hobby Lobby retail establishment and an approximate 28,000 square foot junior anchor located on the Property.

(d) **Job Creation and Retention.** Developer covenants and agrees by **January 1, 2019**, and during the Term of this Agreement to employ and maintain a minimum of thirty-five (35) Full-Time Equivalent Employment Positions working at the Hobby Lobby retail establishment located on the Property.

(e) **Reporting of Sales and Use Tax and Additional Sales and Use Tax.** Developer or tenant will provide to the City, on an annual basis, a copy of the financial report that is being submitted to the State Comptroller relating to the remission of local sales and use taxes collected at the Property as a result of the operation of the Hobby Lobby retail establishment located on the Property ("Sales Tax Report"). The sales and uses taxes to be included within said Sales Tax Report include the Sales and Use Tax and Additional Sales and Use Tax collected at the Hobby Lobby retail establishment located on the Property at the current rate of one and one-half percent (1.5%) and remitted by the State Comptroller to the City. Additionally, Developer will obtain any third party's consent for the State Comptroller's office to release the annual reported figures along with any State audit adjustments to the City. The City hereby agrees to keep this information "Confidential" consistent with the Section 321.3022(f) of the Texas Tax Code, and to the extent allowed by law. The first Sales Tax Report from the Developer shall be due **January 1, 2020**, and annually thereafter.

(f) **Performance.** Developer covenants and agrees to perform and comply with all terms, conditions and provisions set forth in this Agreement, and any other agreements by and between the City and Developer, and by and between MEDCO and Developer.

SECTION 5. AFFIRMATIVE OBLIGATIONS OF THE CITY.

City covenants and agrees with Developer that, while this Agreement is in effect, it shall comply with the following terms and conditions:

(a) **Program Grant Payments.**

(1) Sales and Use Tax. The City covenants and agrees to pay Developer a Program Grant Payment based upon the Sales and Use Tax and Additional Sales and Use Tax reported in the Sales Tax Report provided by the Developer to the City pursuant to Section 4(e) of this Agreement and as provided below. Such payments

shall be made annually upon reviewing the Sales Tax Report described in Section 4(e) of this Agreement, and confirming its accuracy with the State Comptroller, including any audit adjustments and its payment to City for the applicable year. The City covenants and agrees to make the payment to Developer within thirty (30) days following the receipt of the latter of: (A) the Sales Tax Report specified in Section 4(e) of this Agreement for each year; and (B) the Sales and Use Tax and Additional Sales and Use Tax revenue from the State Comptroller's office for the applicable year. Nothing in this Agreement shall require the City to make payment from revenue sources other than from the Sales and Use Tax and Additional Sales and Use Tax.

(A) Threshold Amount. In the event total aggregate annual sales from the Hobby Lobby retail establishment located on the Property does not exceed **Two Million and No/100 Dollars ($2,000,000.00)** in annual sales, [the equivalent of Thirty Thousand and No/100 Dollars ($30,000.00) in Sales and Use Tax and Additional Sales and Use Tax revenue] the City shall not be required and Developer shall not receive a Program Grant Payment for the applicable calendar year.

(B) Percentage. In the event the total aggregate annual sales from the Hobby Lobby retail establishment located on the Property exceeds **Two Million and No/100 Dollars ($2,000,000.00)** in annual sales, [the equivalent of Thirty Thousand and No/100 Dollars ($30,000.00) in Sales and Use Tax and Additional Sales and Use Tax revenue] the City covenants and agrees to pay Developer a Program Grant Payment in the amount of **seventy-five percent (75%)** of the Sales and Use Tax and Additional Sales and Use Tax revenue reported in the Sales Tax Report provided by the Developer to the City pursuant to Section 4(e) of this Agreement.

(C) Total Aggregate Payments. The total aggregate payments by City to the Developer pursuant to this Section 5(a)(1) of this Agreement shall not exceed **One Hundred Seventy-Seven Thousand One Hundred Fifty-Five and No/100 Dollars ($177,155.00).**

(2) Property Tax. In addition, the City shall make a Program Grant Payment to Developer for the ad valorem taxes paid by the Developer to the City for the Property for a ten (10) year period. The Program Grant Payment shall exclude the ad valorem taxes paid by the Developer to the City for the Property Captured Appraised Value as valued on January 1, 2018. Further, the Program Grant Payment shall exclude the ad valorem taxes paid on the Personal Property. The first year of the Program Grant Payment pursuant to this Section 5(a)(2) of this Agreement shall be the first tax year that begins after the City issues a Certificate of Occupancy for the Hobby Lobby retail establishment located on the Property pursuant to Section 4(b) of this Agreement, and the Property is fully assessed by the taxing authorities. The Program Grant Payments shall be based upon the

following percentages:

Tax Year	Percentage of City Ad Valorem Taxes Reimbursed
2019	**100%**
2020	**100%**
2021	**100%**
2022	**100%**
2023	**100%**
2024	**100%**
2025	**100%**
2026	**100%**
2027	**100%**
2028	**100%**

Notwithstanding the foregoing, the City shall have no obligation to pay Developer any Program Grant Payment until receipt of the Sales Tax Report described in Section 4(e) of this Agreement. The City covenants and agrees to provide the Program Grant Payment to Developer within thirty (30) days following receipt of the latter of: (1) ad valorem taxes paid to the City for the Property; and (2) the Sales Tax Report. The total aggregate payments by City to the Developer pursuant to this Section 5(a)(2) of this Agreement shall not exceed **One Hundred Sixty-Two Thousand Six Hundred Forty-Eight and No/100 Dollars ($162,648.00)**.

(b) **Waiver of City Fees.** The City covenants and agrees to waive all development related fees, including, but not limited to, building permit fees, building plan review fees, building inspection fees, infrastructure inspection fees, certificate of occupancy fees, zoning fees, sign application fees, all permit fees, plat application fees, plat filing fees, drainage fees, and all other related fees charged by the City in connection with the development of the Property, and for the Term of this Agreement. The total amount of fees waived pursuant to this Section 5(b) of this Agreement shall not exceed **Ten Thousand One Hundred Ninety-Seven and No/100 Dollars ($10,197.00)**.

(c) **Performance.** City agrees to perform and comply with all terms, conditions, and provisions set forth in this Agreement and in all other instruments and agreements by and between the Developer and City.

SECTION 6. CESSATION OF ADVANCES.

If the City has made any commitment to provide any financial assistance to Developer, whether under this Agreement or under any other agreement, the City shall have no obligation to advance or disburse any financial assistance if: (i) Developer becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged bankrupt; or (ii) an Event of Default occurs.

SECTION 7. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

(a) **General Event of Default.** Failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in this Agreement, or failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement by and between Developer and City is an Event of Default.

(b) **False Statements.** Any warranty, representation, or statement made or furnished to the City by or on behalf of Developer under this Agreement that is false or misleading in any material respect, either now or at the time made or furnished is an Event of Default.

(c) **Insolvency.** Developer's insolvency, appointment of receiver for any part of Developer's property, any assignment for the benefit of creditors of Developer, any type of creditor workout for Developer, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Developer is an Event of Default.

(d) **Ad Valorem Taxes.** Developer allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof from City and/or Harrison County Central Appraisal District is an Event of Default.

SECTION 8. EFFECT OF AN EVENT OF DEFAULT.

In the event of default under Section 7 of this Agreement, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure said default. Should said default remain uncured, the non-defaulting party shall have the right to terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default. In the event the Developer defaults and is unable or unwilling to cure said default within the prescribed time period, the amounts provided by the City to Developer pursuant to Section 5 of this Agreement, shall become immediately due and payable by the Developer to the City.

SECTION 9. TERMINATION OF AGREEMENT BY CITY AND EDC WITHOUT DEFAULT.

The City may terminate this Agreement without an event of default by Developer and effective immediately if (i) any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual or illegal, including case law holding that a Chapter 380 Economic Development Agreement rebating Sales and Use Taxes such as this Agreement is an unconstitutional debt; or (ii) the federal government implements the Streamlined Sales and Use Tax or similar legislation in such a manner as to change the consummation of a sales and use tax event to a tax situs outside of the City of Marshall, Texas, thereby eliminating the City's rights in the sales tax proceeds paid by Developer for taxable sales located on the Property.

Termination of this Agreement by City under this Section of the Agreement shall render this Agreement null and void from that point forward with each party having no further rights against each other under this Agreement or at law; provided, however, that (i) Developer shall be entitled to receive from City any Program Grant Payment or other payment due the Developer through the date of termination and (ii) the City and Developer agree to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible including, without limitation, the creation of an interest and sinking fund.

SECTION 10. INDEMNITY.

TO THE EXTENT ALLOWED BY LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMAND, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO OR RESULTING FROM ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT.

SECTION 11. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

(a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Harrison County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Harrison County, Texas.

(c) **Assignment.** This Agreement may not be assigned without the express written consent of the other party.

(d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. City warrants and represents that the individual executing this Agreement on behalf of City has full authority to execute this Agreement and bind City to the same. Developer warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

(e) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.

(f) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(g) **Entire Agreement.** This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

(h) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, fire or other casualty, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.

(i) **Notices**. Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered either by facsimile (with electronic information and a mailed copy to follow) or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested. The parties agree to keep the other party or parties informed of their address at all times during the Term of this Agreement. The Notices shall be addressed as follows:

If to the City: City of Marshall, Texas
401 S. Alamo Blvd.

Marshall, Texas 75670
Attn: Lisa Agnor, City Manager
Telephone: (903) 935-4421

If to the Developer: Marshall Mall Investors, L.P.
1300 E. Pinecrest Drive, Suite 120
Marshall, Texas 75670-7317
Attn: Jerry Tate
Telephone: _______________

(j) **Revenue Sharing Agreement.** The City designates this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax information from the State Comptroller, pursuant to section 321.3022 of the Texas Tax Code, as amended.

(k) **Severability.** The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation have the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

(l) **Sovereign Immunity**. No party hereto waives any statutory or common law right to sovereign immunity by virtue of its execution hereof.

(m) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.

(n) **Undocumented Workers.** The Developer certifies that Developer does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Developer is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of any public subsidy provided under this Agreement to Developer plus six percent (6.0%), not later than the 120th day after the date the City notifies Developer of the violation.

(o) In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S.B. 252, 85th Leg., R.S. (2017), the parties covenant and agree that Developer is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.

[The Remainder of this Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed.

<u>CITY</u>:

CITY OF MARSHALL, TEXAS,
A Texas home-rule municipality

By: ________________________________
Larry Hurta, Chairman
Date: ______________________________

ATTEST:

____
Elaine Altman, City Secretary

STATE OF TEXAS §
§
COUNTY OF HARRISON §

This instrument was acknowledged before me on the ____ day of ____________________ ______ , 2018, by Larry Hurta, Chairman of the City of Marshall, Texas, a Texas home-rule municipality, on behalf of said municipality.

____
Notary Public, State of Texas

<u>DEVELOPER</u>:

MARSHALL MALL INVESTORS, L.P.,
A Texas limited partnership

By: ________________________________
Jerry Tate
Title: ______________________________
Date Signed: _________________________

STATE OF TEXAS §
§
COUNTY OF ________________ §

This instrument was acknowledged before me on the ____ day of ____________________, 2018, by Jerry Tate, ___________________ of Marshall Mall Investors, L.P., a Texas limited partnership, on behalf of said partnership.

____
Notary Public, State of Texas

Exhibit A

Legal Description and/or Depiction
of the Property

Exhibit B

Qualified Expenditures

ITEM 14C

CONSIDER APPROVAL OF SMALL BUSINESS GRANT FUND APPLICATIONS

Memorandum

Date: May 13, 2021

To: Mark Rohr, City Manager

From: Shameia Ruffins, Community Development Coordinator

Subject: Approval of Small Business Grant Fund Recommendations

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The following recommendations have been made by staff in relation to the Small Business Grant Fund. This fund was approved on September 24, 2020 by the City Commission with a 6:0 vote.

The purpose of the SBGF is to help Marshall small businesses adapt their business model to changing business conditions because of the COVID-19 pandemic. This is a reimbursement grant for up to $2,500 of eligible costs including equipment, software, supplies, safety equipment, and financial support. Eligible businesses include, but are not limited to, retail (storefront), food and beverage, personal care (barbershop, nail salons, spas, etc.), automobile, mobile (food) vendors, maintenance, education/training, health/wellness, art galleries, gyms, and small manufacturing businesses. Businesses must have 25 or fewer employees and have been open and operating as of January 1, 2020.

Funding for the program is provided to the City of Marshall through the U.S. Department of Housing and Urban Development's Community Block Development Grant. Currently, the City has delegated $138,536.000 of our received COVID money to the Small Business Grant Fund. The approved application process says that upon receipt, staff will review the application for completion. Based on the review, City staff will make recommendations for approval by City Commission.

Thus far, we have approved 36 applications of which 2 were approved during the previous commission meeting held on April 8, 2021. A total of 3 pending applications today would bring us to a total of 39 applications. Staff has assisted several business owners in getting their application started, and will continue to spread the word on this local opportunity. We anticipate this to be an ongoing agenda item over the next few months as we continue to receive applications.

Staff is looking for the City Commission's approval for the three (3) Small Business Grant Fund applications that was received in completion between March 19, 2021 and May 3, 2021.

See Attached Documents

Staff Recommendations

Clark's Barber Shop-$2,500.00

Staff is recommending the max reimbursement of $2,500 to Clark's Barber Shop under the eligibility category of financial support and eligible supplies.

Clark's Barber Shop is indeed a small business, but had to abruptly adapt to the many inconveniences of the pandemic and do their part to slow the spread of Covid-19 here in Harrison County. In doing so Mr. Clark made the necessary purchases such as face masks, additional disinfectants, barbicides, as well as extra clippers for cutting hair to maintain a safe rotation of tools while keeping the others sterile. Receipts totaling $2,596.00 were submitted for reimbursement.

B & E Tees Print Shop-$2,500.00

Staff is recommending the max reimbursement of $2,500 to B & E Tees Screen Printing under the eligibility category of financial support.

B & E Tees have been located in the City of Marshall TX for more than 30 years and unfortunately as a small business they were forced to close their doors for at least 3 months. According to the CDC guidelines there were to be no gatherings or events. These rulings left the business owner with no incoming revenues as many did not order shirts and other merchandise during this difficult time. Needless to mention B & E Tees was still required to pay monthly rental fees despite the pandemic to keep the business from completely closing its doors. Business owner is seeking assistance to help pay back rental fees. Receipts totaling $10,000.00 was submitted.

Vicky's Divine (Salon)-$2,500.00

Staff is recommending the max reimbursement of $2,500 to Vicky's Divine under the eligibility category of financial support & eligible supplies.

Vicky's Divine has been located in the city of Marshall TX for over 20 years. This salon owner suffered monthly as many of other small businesses located within the city limits. Unfortunately Mrs. Vicky didn't have the option to opt out of paying monthly insurance, monthly utilities, or just the idea of closing her doors in general! Despite the cruel circumstances that came along with the Covid-19 Pandemic this salon owner purchased the necessary sanitizers, as well as adapted her salon to meet the requirements of the CDC guidelines including removing carpet that possibly held any bacteria or germs, buying additional clippers, scissors, and germicides to keep these products free of germs. Receipts totaling $2,570.99 were submitted.

ITEM 14D

CONSIDER APPROVAL OF AMENDMENT TO APPROVED OAK LAWN MUNICIPAL GOLF COURSE RATES

Memorandum

To: Mark Rohr, City Manager

From: Mallori James, Tourism & Cultural Arts Director

Date: May 7, 2021

Subject: Amendment to approved Oak Lawn Municipal Golf Course rates

After observing the extensive use of the leased and owned golf carts at Oak Lawn Municipal Golf Course, it has been determined that the previously recommended rates for golf cart rentals were not sufficient. Also, other fees charged to customers at the course for some time have been never been approved b council and placed on the fee schedule. Staff is looking for approval by City Council.

Golf Cart Rental

Oak Lawn staff has recommended a more appropriate rate for golf cart rental to increase revenue and cover the monthly lease payment of $673.90 of 10 golf carts and wear and tear on the 12 city owned carts.

The recommended rate changes are as follows:

Current

Cart Rental 9 Holes:	$10 per person
Cart Rental 18 Holes:	$10 per person

Recommended

Cart Rental 9 Holes:	$10 per person
Cart Rental 18 Holes:	$15 per person
Cart Rental 27 Holes:	$20 per person

Pro Shop Fees

Tees	$1.00 per package
Golf Glove	$9.00
Club rentals	$5.00
Golf balls	$4.06-$9.47 (pack of 3, subject to brand)
Used golf balls	$6.00 for 12
	$9.00 for 18
Coffee	$.25 per cup
Tournaments	20% percent of profit

Thank you for your consideration in the matter of making a change to the previously approved rates at Oak Lawn Municipal Golf Course.

ITEM 15

CONSIDERATION OF ITEMS WITHDRAWN FROM THE CONSENT AGENDA

ITEM 16

ADJOURNMENT