



CITY OF TEXARKANA

CITY COUNCIL

MINUTES • MAY 26, 2020

Council Chambers

Regular Meeting

6:00 PM

220 TEXAS BLVD.
TEXARKANA, TX 75501

I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

Attendee Name	Title	Status	Arrived
Bob Bruggeman	Mayor	Present	
Jean H. Matlock	Ward 1	Present	
Mary Hart	Ward 2	Present	
Betty Williams	Ward 3	Present	
Christie Alcorn	Ward 4	Present	
Bill Harp	Ward 5	Present	
Jay Davis	Ward 6	Present	

Staff Present: City Manager Shirley Jaster, Jennifer Evans, Kristin Peebles, David Orr, Sherry Jackson Hawkins, Karey Parker, Robby Robertson, Lisa Thompson, and Garrett Baker.

Legal Counsel: Jeff Lewis.

II. INVOCATION AND PLEDGE LED BY COUNCIL MEMBER JEAN MATLOCK

III. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

REMINDER - Council's Summer Schedule is one meeting in June and one meeting in July.

Upcoming City Council Meetings:

Monday, June 8, 2020 at 6:00 p.m.

Monday, July 13, 2020 at 6:00 p.m.

Parks & Recreation Events:

There are no events scheduled at this time.

Additional Parks & Recreation information can be found on the city's website at <http://www.ci.texarkana.tx.us> or by contacting staff at (903) 798-3978.

IV. OPEN FORUM: COMMENTS FROM THE PUBLIC

Per Council rules, comment time is limited to five minutes, or ten minutes if using a translator. Before comments are made, a speaker must complete an information sheet and give to the City Secretary. If your comment pertains to an agenda item with a scheduled public hearing or public comment, the Council requires that you make your comment at that time; you do not need to complete an information sheet.

There were no public comments made at Open Forum.

V. APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES

1. Motion to confirm the Mayoral appointment of Kevin Avery to the TexAmericas Center Board.

(6:06 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jean H. Matlock, Ward 1
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

VI. ITEMS FOR CONSIDERATION***Consent Items***

(6:08 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Betty Williams, Ward 3
SECONDER:	Christie Alcorn, Ward 4
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

1. Consider approval of the minutes of the Regular Meeting of the City Council held on April 27, 2020 at 6:00 PM.
2. Ordinance No. 2020-045 amending the budget for the Health Department Fund (Fund 501) to reflect additional revenue and expenditures of \$91,905 for grant funding received from the Department of State Health Services.

Public Hearing:

Council Vote: May 26, 2020

3. Ordinance No. 2020-046 amending the budget for the Community Development Block Grant Fund (Fund 204) to reflect additional revenue and expenditures of \$218,921 for grant funding received from the Community Development Block Grant (CDBG-CV) Cares Act.

Public Hearing:

Council Vote: May 26, 2020

4. Ordinance No. 2020-047 amending the budget for the Department of Justice COVID-19 Grant Fund (Fund 237) to reflect additional revenue and expenditures of \$83,330 for grant funding received from the DOJ.

Public Hearing:

Council Vote: May 26, 2020

Action Items

5. Resolution No. 2020-048 adopting the City's investment policy.

Public Hearing:

Council Vote: May 26, 2020

Kristin Peebles briefed this agenda item. Richard Long, of Valley View Consulting, was available via Zoom, for questions.

(6:10 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Harp, Ward 5
SECONDER:	Jean H. Matlock, Ward 1
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

6. Resolution No. 2020-050 assembling a Budget Advisory Committee to advise the City Council on the proposed fiscal year 2020-21 city budget.

Public Hearing:

Council Vote: May 26, 2020

Mayor Bruggeman reminded council of the citizens who served on last year's 2019-2020 fiscal year budget advisory committee. Council members were asked to confirm for reappointment last year's appointee or to submit a new name to the City Manager for this year's 2020-2021 fiscal year budget advisory committee by June 8th.

(6:13 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Betty Williams, Ward 3
SECONDER:	Jean H. Matlock, Ward 1
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

7. Resolution No. 2020-052 supporting the establishment of a Commercial Property Assessed Clean Energy (PACE) Program in Bowie County, Texas.

Public Hearing:

Council Vote: May 26, 2020

David Orr briefed this agenda item.

(6:14 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mary Hart, Ward 2
SECONDER:	Jay Davis, Ward 6
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

VII. CLOSED SESSION

The City Council convened into closed session pursuant to Texas Government Code Section 551.074 (Personnel Matters) to discuss or deliberate the reappointment of Sherry L. Jackson, J.D., as City Judge of the City's Municipal Court of Record and amending Judge Jackson's Compensation Agreement.

VIII. RECONVENED INTO OPEN SESSION

1. Ordinance No. 2020-049 for the reappointment of the Municipal Judge and the approval of a two-year employment agreement.

Public Hearing:

Council Vote: May 26, 2020

At the time of the motion, it was stated that council approved a 3% raise which will bring Judge Sherry Jackson's current salary from \$81,530.00 to \$83,975.90.

The 2020-2022 compensation agreement will reflect the new salary and will begin on June 1, 2020. Judge Jackson said "THANK YOU" to all.

(6:57 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Harp, Ward 5
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

IX. FIRST BRIEFINGS

1. Ordinance No. 2020-040 granting a Specific Use Permit to allow the location of a double wide HUD code manufactured home on Lots 1 & 2, Block 35, Grandview Addition, located at 2707 Davis Street. Sharon Robinson Block, applicant.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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2. Ordinance No. 2020-041 rezoning an approximate 2.9-acre tract of land in the M.E.P. Ry. Co. HRS, A-421, located at 3920 Summerhill Road. General Retail to Planned Development-Commercial. Alan Schimming, applicant.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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3. Ordinance No. 2020-042 granting Specific Use Permit to allow the location of a double wide HUD code manufactured home on Lots 3 & 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue. Mildred Wyatt, applicant. Sharon Williams, agent.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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4. Ordinance No. 2020-043 granting Specific Use Permit to allow the location of a double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue. John and Valerie Fuller, applicants.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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5. Ordinance No. 2020-044 granting Specific Use Permit to allow a telecommunications tower on Lots 7 & 8, Block 125, Trigg's Addition, located at 1204 Wood Street. Fred Norton, applicant. Gregg Staggs, agent.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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6. Resolution No. 2020-051 supporting The Texarkanan (former Texarkana National Bank building) redevelopment project, authorizing use of funds to any person or entity allying with Texarkana Renewal Properties, LLC for the project, and authorizing the City Manager to execute any and all loan documents or other documents necessary for the project.

Public Hearing: June 8, 2020
Council Vote: June 8, 2020

David Orr briefed this agenda item. David Peavy, of Texarkana Renewal Properties, LLC, shared brief comments about the proposed project.

RESULT:	MOVED FORWARD	Next: 6/8/2020 6:00 PM
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X. PUBLIC HEARINGS - NONE

XI. ITEMS FOR DISCUSSION

Staff Updates

City Manager Jaster said even though COVID-19 has slowed down various activities in the city, staff is still providing services to citizens. She will continue to serve the needs of the citizens and yet, at the same time, re-open city business slowly in order to keep the employees safe and healthy.

XII. ADMINISTRATIVE COMMENTS

1. City Council

The Mayor reminded everyone that the Emergency Operations Center (EOC) is still being staffed daily and keeping citizens informed about matters related to the coronavirus. He thanked Lisa Thompson for her assistance at the EOC.

2. City Staff

Staff had no administrative comments for council.

XIII. CLOSED SESSION

The City Council convened in closed session pursuant to Texas Government Code Section 551.071 - Consultation with the City Attorney.

XIV. RECONVENED INTO OPEN SESSION**XV. ADJOURNMENT**

A motion was made to adjourn the meeting.
(8:33 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Harp, Ward 5
SECONDER:	Jay Davis, Ward 6
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman



Jennifer Evans
City Secretary



Bob Bruggeman
Mayor



CITY OF TEXARKANA

CITY COUNCIL

MINUTES • APRIL 27, 2020

Council Chambers

Regular Meeting

6:00 PM

220 TEXAS BLVD.
TEXARKANA, TX 75501

I. CALL TO ORDER, ROLL CALL, ESTABLISHMENT OF QUORUM

Attendee Name	Title	Status	Arrived
Bob Bruggeman	Mayor	Present	
Jean H. Matlock	Ward 1	Present	
Mary Hart	Ward 2	Present	
Betty Williams	Ward 3	Present	
Christie Alcorn	Ward 4	Present	
Bill Harp	Ward 5	Present	
Jay Davis	Ward 6	Present	

Staff Present: City Manager Shirley Jaster, Jennifer Evans, Kristin Peeples, David Orr, Robby Robertson, Garrett Baker, and Lisa Thompson.

Legal Counsel: Jeff Lewis.

II. INVOCATION AND PLEDGE LED BY COUNCIL MEMBER BETTY WILLIAMS

III. MAYOR'S REMARKS AND ITEMS OF COMMUNITY INTEREST

Upcoming City Council Meetings:

Monday, May 11, 2020 at 6:00 p.m.

Tuesday, May 26, 2020 at 6:00 p.m.

Parks & Recreation Events:

Even though there are no events scheduled at this time, the parks are open for green space use and walking trails. While enjoying time at the park, please be mindful of recommended social distancing. Large pavilions and playground areas are currently prohibited for public use.

Additional Parks & Recreation information can be found on the city's website at <http://www.ci.texarkana.tx.us> or by calling (903) 798-3978.

Minutes Acceptance: Minutes of Apr 27, 2020 6:00 PM (Consent Items)

IV. SPECIAL UPDATE ON COVID-19

Due to the COVID-19 pandemic, many changes have occurred since the last council meeting held on March 23rd. The Emergency Operations Center (EOC) is up and running in full force at the Ark-Tex Council of Governments building. A special thanks was given to ATCOG Executive Director Chris Brown for generously allowing use of office space for EOC activities.

Many staff, representing cities and counties, have been working tirelessly at the EOC, taking phone calls, answering questions, and keeping citizens updated and informed with important information regarding closures, curfews, and essential businesses. The Mayor expressed his deepest thanks to the following people:

Eric Schlotter - Texarkana, Texas Fire Chief/Emergency Management Coordinator
 Tracy Litton - Texarkana, Texas Emergency Management Administrative Coordinator
 Kevin Schutte - Texarkana, Texas Police Chief
 Lisa Thompson - Texarkana, Texas Public Information
 Matt Cashatt - Texarkana, Texas Police Department
 Josh Armstrong - Texarkana, Texas Police Department
 Shawna Younts - Texarkana, Texas Police Department
 Lance Hall - Bowie County Emergency Services Director
 Dr. Matt Young - Medical Director/Local Health Authority
 Bobby Howell - Bowie County Judge
 Becky Wilbanks - Cass County Judge
 La Fonda Whitworth, R.N. - Texarkana, Texas Health Department
 Sanitizing and Cleaning Staff - Texarkana, Texas Parks & Recreation Department

Also instrumental in support of the local needs in the city was Mayo Manufacturing. Former Texarkana, Texas Mayor Steve Mayo, and his company staff, provided much needed masks for medical personnel, first responders, local school districts, and others in the community. This kind gesture was much appreciated!

Governor Greg Abbott's message on Monday, April 27th was optimistic for the residents of Texas. The Governor proposes to get Texas "back on its feet" by allowing certain businesses to open accommodating a 25% occupancy. This initial phase of reopening general public business will be monitored for two weeks and will be reevaluated for the possibility of gradually increasing occupancy for business owners.

This pandemic has resulted in a national impact, but the federal government has responded by providing stimulus packages to help reinvigorate the economy.

During this crisis, the community is to be truly commended for all of its understanding, cooperation and support. Every prayer, encouraging text or e-mail, and small gesture is greatly cherished. THANK YOU TEXARKANA!

V. OPEN FORUM: COMMENTS FROM THE PUBLIC

Per Council rules, comment time is limited to five minutes, or ten minutes if using a translator. Before comments are made, a speaker must complete an information sheet and give to the City Secretary. If your

comment pertains to an agenda item with a scheduled public hearing or public comment, the Council requires that you make your comment at that time; you do not need to complete an information sheet.

There were no public comments made at Open Forum.

VI. APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

Council Member Harp recommended the appointment of Steve McCowan to fill an alternate position on the Building & Standards Commission.

Council Member Matlock recommended the reappointment of Carolyn Moore to the Building & Standards Commission.

1. Motion to make an appointment and a reappointment to the Building & Standards Commission.

(6:26 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Harp, Ward 5
SECONDER:	Betty Williams, Ward 3
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

Mayor Bruggeman made the mayoral reappointment of Ben King to the TexAmericas Center Board of Directors for another term effective June 1, 2020.

VII. ITEMS FOR CONSIDERATION

Consent Items

(6:27 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jean H. Matlock, Ward 1
SECONDER:	Mary Hart, Ward 2
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

1. Consider approval of the minutes of the Regular Meeting of the City Council held on March 23, 2020 at 6:00 PM.
2. Resolution No. 2020-037 approving the budget calendar for fiscal year 2021.

Public Hearing:

Council Vote: April 27, 2020

Action Items

3. Resolution No. 2020-032 authorizing the City Manager to execute a funding agreement with the Texas Natural Resource Trustees for Watershed Restoration Projects along Days Creek, Cowhorn Creek, Waggoner Creek, Howard Creek and Swampoodle Creek.

Public Hearing:

Council Vote: April 27, 2020

David Orr briefed this agenda item. Georganna Collins, Project Manager of the Natural Resource Damage Assessment (NRDA) grant, via Zoom, shared comments about the administration of the grant. Barney Austin, CEO of Aqua Strategies, via Zoom, made himself available for questions from the council.

(6:40 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Betty Williams, Ward 3
SECONDER:	Christie Alcorn, Ward 4
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

4. Resolution No. 2020-033 authorizing the City Manager to execute a consulting contract with Aqua Strategies for Watershed Restoration Projects along Days Creek, Cowhorn Creek, Waggoner Creek, Howard Creek and Swampoodle Creek.

Public Hearing:

Council Vote: April 27, 2020

David Orr briefed this agenda item.

(6:41 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jay Davis, Ward 6
SECONDER:	Betty Williams, Ward 3
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

5. Resolution No. 2020-038 adopting the amended Community Development Block Grant (CDBG) Consolidated Plan, Citizen Participation Plan and Annual Action Plan for CARES Act funding in response to COVID-19.

Public Hearing: April 27, 2020

Council Vote: April 27, 2020

David Orr briefed this agenda item. There were no public comments made at this hearing.

(6:45 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mary Hart, Ward 2
SECONDER:	Bill Harp, Ward 5
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

6. Resolution No. 2020-039 authorizing the City Manager to make emergency amendments to loan payments due to COVID-19.

Public Hearing:

Council Vote: April 27, 2020

City Manager Jaster briefed this agenda item.

(6:46 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bill Harp, Ward 5
SECONDER:	Christie Alcorn, Ward 4
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

VIII. FIRST BRIEFINGS - NONE

IX. PUBLIC HEARINGS - NONE

X. ITEMS FOR DISCUSSION

Staff Updates

David Orr reported that the abatement process at the Grim Hotel is almost completed. The construction phase of the project is anticipated to begin soon.

XI. ADMINISTRATIVE COMMENTS

1. City Council

Council Member Harp asked for the number of affected businesses that could possibly benefit from Resolution No. 2020-039 authorizing the City Manager to make emergency amendments to loan payments due to COVID-19. City Manager Jaster said that staff would look up that information and provide the number to the council.

Council Member Matlock asked what is the status for the start of the mowing season. City Manager Jaster said staff has already begun sending out mowing letters to property owners.

Mayor Bruggeman reminded citizens not to forget to participate in the 2020 Census by taking a few minutes to complete the brief questionnaire online. This count information could provide crucial federal dollars for the future enhancement of Texarkana, Texas.

2. City Staff

Staff had no administrative comments for council.

XII. ADJOURNMENT

A motion was made to adjourn the meeting.
(6:50 p.m.)

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mary Hart, Ward 2
SECONDER:	Christie Alcorn, Ward 4
AYES:	Matlock, Hart, Williams, Alcorn, Harp, Davis
EXCUSED:	Bruggeman

Minutes Finalized - City Secretary & Mayor



Jennifer Evans
City Secretary



Bob Bruggeman
Mayor

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/6/2020 5:10 PM

Lead Department: Finance Department **Action Officer:** Kristin Peeples,
Ordinance No. 2020-045 amending the budget for the Health Department Fund
Subject: (Fund 501) to reflect additional revenue and expenditures of \$91,905 for grant
funding received from the Department of State Health Services.

Briefing: 5/26/2020 **Public Hearing:** **Council Vote:** 5/26/2020

Item Schedule

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The Texarkana Bowie County Family Health Center was awarded \$91,905 in additional funding from the Department of State Health Services for the WIC program. This funding was not included in the original budget for the fiscal year ending September 30, 2020. Staff is requesting that these funds be added to the Health Department Fund (Fund 501) budget for the fiscal year ending September 30, 2020.

Potential Options:

- Approve
- Deny

Fiscal Implications:

Appropriation of grant award. No financial impact to the City.

Staff Recommendation:

Staff recommends approval.

Advisory Board/Committee Review:

None

Board/Committee Recommendation:

Not Applicable

Advisory Board/Committee Meeting Date and Minutes:

Not Applicable

Attachments

City of Texarkana, Texas

- a. 2020-045 ORD amend Health Dept. Budget (DOC)
- b. 2020-045 Goals & Perspectives (DOCX)
- c. 2020-045 ORD Amending Health Dept Budget signed (PDF)

Staff Coordination

Finance Department	Kristin Peeples	Department Head Review	Completed	
	05/06/2020 5:10 PM			
Finance Department	Kristin Peeples	Finance Review	Completed	05/06/2020
	5:11 PM			
Parks, Recreation & Health		Robby Robertson	Review	Completed
	05/08/2020 9:45 AM			
City Manager	Shirley Jaster	City Manager Review	Completed	05/19/2020
	2:50 PM			
City Council	Jennifer Evans	Meeting	Completed	05/26/2020
	6:00 PM			

Meeting History

ORDINANCE NO. 2020-045

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE HEALTH DEPARTMENT FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Texarkana Bowie County Family Health Center was awarded **NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905)** in additional funding from the Department of State Health Services; and

WHEREAS, these funds are not currently included in the budget for the Health Department Fund (Fund 501) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the Health Department Fund (Fund 501).

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

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905)** added to the Health Department Fund (Fund 501).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☒ Deliver Quality Services ☒ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☒ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☐ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Low

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

ORDINANCE NO. 2020-045

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE HEALTH DEPARTMENT FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Texarkana Bowie County Family Health Center was awarded **NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905)** in additional funding from the Department of State Health Services; and

WHEREAS, these funds are not currently included in the budget for the Health Department Fund (Fund 501) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the Health Department Fund (Fund 501).

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

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **NINETY-ONE THOUSAND NINE HUNDRED FIVE DOLLARS (\$91,905)** added to the Health Department Fund (Fund 501).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th** day of **May, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:08 p.m.

Attachment: 2020-045 ORD Amending Health Dept Budget signed (2263 : 2020-045 ORD Amending Health Department Budget)

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/6/2020 12:48 PM

Lead Department: Finance Department **Action Officer:** Kristin Peeples,
Ordinance No. 2020-046 amending the budget for the Community Development
Block Grant Fund (Fund 204) to reflect additional revenue and expenditures of
\$218,921 for grant funding received from the Community Development Block
Subject: Grant (CDBG-CV) Cares Act.

Briefing: 5/26/2020 **Public Hearing:** **Council Vote:** 5/26/2020

Item Schedule

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The City was awarded additional Community Development Block Grant (CDBG-CV) CARES Act funding in the amount of \$218,921. This funding was not included in the original budget for the fiscal year ending September 30, 2020. Staff is requesting that these funds be added to the Community Development Block Grant Fund (Fund 204) budget for the fiscal year ending September 30, 2020.

Potential Options:

- Approve
- Deny

Fiscal Implications:

Appropriation of grant award. No financial impact to the City.

Staff Recommendation:

Staff recommends approval.

Advisory Board/Committee Review:

None

Board/Committee Recommendation:

Not Applicable

Advisory Board/Committee Meeting Date and Minutes:

Not Applicable

Attachments

City of Texarkana, Texas

- a. 2020-046 ORD Amending CDBG Budget (DOC)
- b. 2020-046 Goals & Perspectives (DOCX)
- c. 2020-046 ORD Amending CDBG Budget signed (PDF)

Staff Coordination

Finance Department	Kristin Peeples	Department Head Review	Completed	
	05/05/2020 3:59 PM			
Finance Department	Kristin Peeples	Finance Review	Completed	05/05/2020
4:00 PM				
Planning and Community Development	David Orr	Review	Completed	
	05/06/2020 9:52 AM			
City Manager	Shirley Jaster	City Manager Review	Completed	05/07/2020
3:21 PM				
City Council	Jennifer Evans	Meeting	Completed	05/26/2020
6:00 PM				

Meeting History

ORDINANCE NO. 2020-046

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Texarkana, Texas, was awarded **TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921)** in Community Development Block Grant (CDBG-CV) CARES Act funding; and

WHEREAS, these funds are not currently included in the budget for the Community Development Block Grant (CDBG) Fund (Fund 204) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the Community Development Block Grant (CDBG) Fund (Fund 204).

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

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921)** added to the Community Development Block Grant (CDBG) Fund (Fund 204).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☒ Provide a Safe Community ☒ Deliver Quality Services ☒ Foster a Healthy Community
Run the Operations	☒ Enhance Community Preparedness & Responsiveness ☒ Maximize Partnership Opportunities ☒ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☒ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Low

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

ORDINANCE NO. 2020-046

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Texarkana, Texas, was awarded **TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921)** in Community Development Block Grant (CDBG-CV) CARES Act funding; and

WHEREAS, these funds are not currently included in the budget for the Community Development Block Grant (CDBG) Fund (Fund 204) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the Community Development Block Grant (CDBG) Fund (Fund 204).

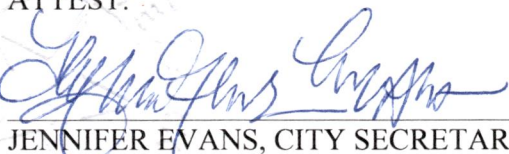
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **TWO HUNDRED EIGHTEEN THOUSAND NINE HUNDRED TWENTY-ONE DOLLARS (\$218,921)** added to the Community Development Block Grant (CDBG) Fund (Fund 204).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th** day of **May, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:08p.m.

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/15/2020 4:18 PM

Lead Department: Finance Department **Action Officer:** Kristin Peeples,
Ordinance No. 2020-047 amending the budget for the Department of Justice
Subject: COVID-19 Grant Fund (Fund 237) to reflect additional revenue and
expenditures of \$83,330 for grant funding received from the DOJ.

Briefing: 5/26/2020 **Public Hearing:** **Council Vote:** 5/26/2020

Item Schedule

Updates/History of Briefing:

Not Applicable

Executive Summary and Background Information:

The City was awarded \$83,330 in funding from the Department of Justice for responding to the coronavirus pandemic. This funding was not included in the original budget for the fiscal year ending September 30, 2020. Staff is requesting that these funds be added to the DOJ COVID 19 Grant Fund (Fund 237) budget for the fiscal year ending September 30, 2020.

Potential Options:

- Approve
- Deny

Fiscal Implications:

Appropriation of grant award. No financial impact to the City.

Staff Recommendation:

Staff recommends approval.

Advisory Board/Committee Review:

None

Board/Committee Recommendation:

Not Applicable

Advisory Board/Committee Meeting Date and Minutes:

Not Applicable

Attachments

- a. 2020-047 Goals & Perspectives (DOCX)

City of Texarkana, Texas

- b. 2020-047 ATTH 01 Texarkana Texas 2020-VD-BX-0297(opt) (002) (PDF)
- c. 2020-047 ORD amend DOJ COVID 19 Grant Budget (DOC)
- d. 2020-047 ORD Amend Budget COVID-19 PD Grant signed (PDF)

Staff Coordination

Finance Department	Kristin Peeples	Department Head Review	Completed	
	05/06/2020 5:27 PM			
Finance Department	Kristin Peeples	Finance Review	Completed	05/06/2020
5:28 PM				
Police	Kevin Schutte	Review	Completed	05/06/2020
7:01 PM				
City Manager	Shirley Jaster	City Manager Review	Completed	05/07/2020
2:44 PM				
City Council	Jennifer Evans	Meeting	Completed	05/26/2020
6:00 PM				

Meeting History

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☒ Provide a Safe Community ☒ Deliver Quality Services ☒ Foster a Healthy Community
Run the Operations	☒ Enhance Community Preparedness & Responsiveness ☒ Maximize Partnership Opportunities ☒ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☒ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Low

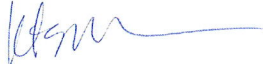
Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

 Department of Justice (DOJ) Office of Justice Programs Bureau of Justice Assistance		Grant		PAGE 1 OF 16																
1. RECIPIENT NAME AND ADDRESS (Including Zip Code) City of Texarkana 220 Texas Blvd. Texarkana, TX 75501-5625		4. AWARD NUMBER: 2020-VD-BX-0297																		
		5. PROJECT PERIOD: FROM 01/20/2020 TO 01/31/2022 BUDGET PERIOD: FROM 01/20/2020 TO 01/31/2022																		
		6. AWARD DATE 04/30/2020	7. ACTION Initial																	
2a. GRANTEE IRS/VENDOR NO. 756000691		8. SUPPLEMENT NUMBER 00																		
2b. GRANTEE DUNS NO. 062929187		9. PREVIOUS AWARD AMOUNT \$ 0																		
3. PROJECT TITLE Responding to Coronavirus Pandemic		10. AMOUNT OF THIS AWARD \$ 83,330																		
		11. TOTAL AWARD \$ 83,330																		
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).																				
13. STATUTORY AUTHORITY FOR GRANT This project is supported under FY20(BJA - CESF) Pub. L. No. 116-136, Div. B; 28 U.S.C. 530C																				
14. CATALOG OF DOMESTIC FEDERAL ASSISTANCE (CFDA Number) 16.034 - Coronavirus Emergency Supplemental Funding Program																				
15. METHOD OF PAYMENT GPRS																				
AGENCY APPROVAL		GRANTEE ACCEPTANCE																		
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Katharine T. Sullivan Principal Deputy Assistant Attorney General		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Shirley Jaster City Manager																		
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL 		19A. DATE 05/01/2020																
AGENCY USE ONLY																				
20. ACCOUNTING CLASSIFICATION CODES <table border="1"> <thead> <tr> <th>FISCAL YEAR</th> <th>FUND CODE</th> <th>BUD. ACT.</th> <th>OFC.</th> <th>DIV. REG.</th> <th>SUB.</th> <th>POMS</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>X</td> <td>B</td> <td>VD</td> <td>80</td> <td>00</td> <td>00</td> <td></td> <td>83330</td> </tr> </tbody> </table>		FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT	X	B	VD	80	00	00		83330	21. VVDUGT0296		
FISCAL YEAR	FUND CODE	BUD. ACT.	OFC.	DIV. REG.	SUB.	POMS	AMOUNT													
X	B	VD	80	00	00		83330													

OJP FORM 4000/2 (REV. 5-87) PREVIOUS EDITIONS ARE OBSOLETE.

OJP FORM 4000/2 (REV. 4-88)

Attachment: 2020-047 ATTH 01 Texarkana Texas 2020-VD-BX-0297(opt) (002) (2259 : 2020-047 ORD Amending Budget for Police Grant)



Department of Justice (DOJ)
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297

AWARD DATE 04/30/2020

SPECIAL CONDITIONS

1. Requirements of the award; remedies for non-compliance or for materially false statements

The conditions of this award are material requirements of the award. Compliance with any assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice ("DOJ") may determine that it will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such exceptions regarding enforcement, including any such exceptions made during the period of performance, are (or will be during the period of performance) set out through the Office of Justice Programs ("OJP") webpage entitled "Legal Notices: Special circumstances as to particular award conditions" (ojp.gov/funding/Explore/LegalNotices-AwardReqs.htm), and incorporated by reference into the award.

By signing and accepting this award on behalf of the recipient, the authorized recipient official accepts all material requirements of the award, and specifically adopts, as if personally executed by the authorized recipient official, all assurances or certifications submitted by or on behalf of the recipient that relate to conduct during the period of performance.

Failure to comply with one or more award requirements -- whether a condition set out in full below, a condition incorporated by reference below, or an assurance or certification related to conduct during the award period -- may result in OJP taking appropriate action with respect to the recipient and the award. Among other things, the OJP may withhold award funds, disallow costs, or suspend or terminate the award. DOJ, including OJP, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to the federal government related to this award (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. 1001 and/or 1621, and/or 34 U.S.C. 10271-10273), and also may lead to imposition of civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or -unenforceable, such provision shall be deemed severable from this award.



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**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297

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SPECIAL CONDITIONS

2. Applicability of Part 200 Uniform Requirements

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 C.F.R. Part 200, as adopted and supplemented by DOJ in 2 C.F.R. Part 2800 (together, the "Part 200 Uniform Requirements") apply to this FY 2019 award from OJP.

The Part 200 Uniform Requirements were first adopted by DOJ on December 26, 2014. If this FY 2019 award supplements funds previously awarded by OJP under the same award number (e.g., funds awarded during or before December 2014), the Part 200 Uniform Requirements apply with respect to all funds under that award number (regardless of the award date, and regardless of whether derived from the initial award or a supplemental award) that are obligated on or after the acceptance date of this FY 2019 award.

For more information and resources on the Part 200 Uniform Requirements as they relate to OJP awards and subawards ("subgrants"), see the OJP website at <https://ojp.gov/funding/Part200UniformRequirements.htm>.

Record retention and access: Records pertinent to the award that the recipient (and any subrecipient ("subgrantee") at any tier) must retain -- typically for a period of 3 years from the date of submission of the final expenditure report (SF 425), unless a different retention period applies -- and to which the recipient (and any subrecipient ("subgrantee") at any tier) must provide access, include performance measurement information, in addition to the financial records, supporting documents, statistical records, and other pertinent records indicated at 2 C.F.R. 200.333.

In the event that an award-related question arises from documents or other materials prepared or distributed by OJP that may appear to conflict with, or differ in some way from, the provisions of the Part 200 Uniform Requirements, the recipient is to contact OJP promptly for clarification.

3. Compliance with DOJ Grants Financial Guide

References to the DOJ Grants Financial Guide are to the DOJ Grants Financial Guide as posted on the OJP website (currently, the "DOJ Grants Financial Guide" available at <https://ojp.gov/financialguide/DOJ/index.htm>), including any updated version that may be posted during the period of performance. The recipient agrees to comply with the DOJ Grants Financial Guide.

4. Reclassification of various statutory provisions to a new Title 34 of the United States Code

On September 1, 2017, various statutory provisions previously codified elsewhere in the U.S. Code were editorially reclassified (that is, moved and renumbered) to a new Title 34, entitled "Crime Control and Law Enforcement." The reclassification encompassed a number of statutory provisions pertinent to OJP awards (that is, OJP grants and cooperative agreements), including many provisions previously codified in Title 42 of the U.S. Code.

Effective as of September 1, 2017, any reference in this award document to a statutory provision that has been reclassified to the new Title 34 of the U.S. Code is to be read as a reference to that statutory provision as reclassified to Title 34. This rule of construction specifically includes references set out in award conditions, references set out in material incorporated by reference through award conditions, and references set out in other award requirements.



Department of Justice (DOJ)
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**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297 AWARD DATE 04/30/2020

SPECIAL CONDITIONS

5. Required training for Point of Contact and all Financial Points of Contact

Both the Point of Contact (POC) and all Financial Points of Contact (FPOCs) for this award must have successfully completed an "OJP financial management and grant administration training" by 120 days after the date of the recipient's acceptance of the award. Successful completion of such a training on or after January 1, 2018, will satisfy this condition.

In the event that either the POC or an FPOC for this award changes during the period of performance, the new POC or FPOC must have successfully completed an "OJP financial management and grant administration training" by 120 calendar days after -- (1) the date of OJP's approval of the "Change Grantee Contact" GAN (in the case of a new POC), or (2) the date the POC enters information on the new FPOC in GMS (in the case of a new FPOC). Successful completion of such a training on or after January 1, 2018, will satisfy this condition.

A list of OJP trainings that OJP will consider "OJP financial management and grant administration training" for purposes of this condition is available at <https://www.ojp.gov/training/fmts.htm>. All trainings that satisfy this condition include a session on grant fraud prevention and detection

The recipient should anticipate that OJP will immediately withhold ("freeze") award funds if the recipient fails to comply with this condition. The recipient's failure to comply also may lead OJP to impose additional appropriate conditions on this award.

6. Requirements related to "de minimis" indirect cost rate

A recipient that is eligible under the Part 200 Uniform Requirements and other applicable law to use the "de minimis" indirect cost rate described in 2 C.F.R. 200.414(f), and that elects to use the "de minimis" indirect cost rate, must advise OJP in writing of both its eligibility and its election, and must comply with all associated requirements in the Part 200 Uniform Requirements. The "de minimis" rate may be applied only to modified total direct costs (MTDC) as defined by the Part 200 Uniform Requirements.

7. Requirement to report potentially duplicative funding

If the recipient currently has other active awards of federal funds, or if the recipient receives any other award of federal funds during the period of performance for this award, the recipient promptly must determine whether funds from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items for which funds are provided under this award. If so, the recipient must promptly notify the DOJ awarding agency (OJP or OVW, as appropriate) in writing of the potential duplication, and, if so requested by the DOJ awarding agency, must seek a budget-modification or change-of-project-scope grant adjustment notice (GAN) to eliminate any inappropriate duplication of funding.



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**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297

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SPECIAL CONDITIONS

8. Requirements related to System for Award Management and Universal Identifier Requirements

The recipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov/>. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.

The recipient also must comply with applicable restrictions on subawards ("subgrants") to first-tier subrecipients (first-tier "subgrantees"), including restrictions on subawards to entities that do not acquire and provide (to the recipient) the unique entity identifier required for SAM registration.

The details of the recipient's obligations related to SAM and to unique entity identifiers are posted on the OJP web site at <https://ojp.gov/funding/Explore/SAM.htm> (Award condition: System for Award Management (SAM) and Universal Identifier Requirements), and are incorporated by reference here.

This condition does not apply to an award to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).



Department of Justice (DOJ)
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**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297 AWARD DATE 04/30/2020

SPECIAL CONDITIONS

9. Employment eligibility verification for hiring under the award

1. The recipient (and any subrecipient at any tier) must--

A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the recipient (or any subrecipient) properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1) and (2).

B. Notify all persons associated with the recipient (or any subrecipient) who are or will be involved in activities under this award of both--

(1) this award requirement for verification of employment eligibility, and

(2) the associated provisions in 8 U.S.C. 1324a(a)(1) and (2) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.

C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the award requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1) and (2).

D. As part of the recordkeeping for the award (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. Staff involved in the hiring process

For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all recipient (or any subrecipient) officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.

B. Employment eligibility confirmation with E-Verify

For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the recipient (or any subrecipient) may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the recipient (or subrecipient) uses E-Verify (and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation") to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.

C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

D. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or



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SPECIAL CONDITIONS

any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any recipient, any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1) and (2).

Questions about E-Verify should be directed to DHS. For more information about E-Verify visit the E-Verify website (<https://www.e-verify.gov/>) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to OJP, before award acceptance.

10. Requirement to report actual or imminent breach of personally identifiable information (PII)

The recipient (and any "subrecipient" at any tier) must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it (or a subrecipient) -- (1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.79) within the scope of an OJP grant-funded program or activity, or (2) uses or operates a "Federal information system" (OMB Circular A-130). The recipient's breach procedures must include a requirement to report actual or imminent breach of PII to an OJP Program Manager no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

11. All subawards ("subgrants") must have specific federal authorization

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements for authorization of any subaward. This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a "subaward" (and therefore does not consider a procurement "contract").

The details of the requirement for authorization of any subaward are posted on the OJP web site at <https://ojp.gov/funding/Explore/SubawardAuthorization.htm> (Award condition: All subawards ("subgrants") must have specific federal authorization), and are incorporated by reference here.

12. Specific post-award approval required to use a noncompetitive approach in any procurement contract that would exceed \$250,000

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$250,000). This condition applies to agreements that -- for purposes of federal grants administrative requirements -- OJP considers a procurement "contract" (and therefore does not consider a subaward).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP web site at <https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm> (Award condition: Specific post-award approval required to use a noncompetitive approach in a procurement contract (if contract would exceed \$250,000)), and are incorporated by reference here.



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Office of Justice Programs
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**AWARD CONTINUATION
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Grant**

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PROJECT NUMBER 2020-VD-BX-0297

AWARD DATE 04/30/2020

SPECIAL CONDITIONS

13. Unreasonable restrictions on competition under the award; association with federal government

SCOPE. This condition applies with respect to any procurement of property or services that is funded (in whole or in part) by this award, whether by the recipient or by any subrecipient at any tier, and regardless of the dollar amount of the purchase or acquisition, the method of procurement, or the nature of any legal instrument used. The provisions of this condition must be among those included in any subaward (at any tier).

1. No discrimination, in procurement transactions, against associates of the federal government

Consistent with the (DOJ) Part 200 Uniform Requirements -- including as set out at 2 C.F.R. 200.300 (requiring awards to be "manage[d] and administer[ed] in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with U.S. statutory and public policy requirements") and 200.319(a) (generally requiring "[a]ll procurement transactions [to] be conducted in a manner providing full and open competition" and forbidding practices "restrictive of competition," such as "[p]lacing unreasonable requirements on firms in order for them to qualify to do business" and taking "[a]ny arbitrary action in the procurement process") -- no recipient (or subrecipient, at any tier) may (in any procurement transaction) discriminate against any person or entity on the basis of such person or entity's status as an "associate of the federal government" (or on the basis of such person or entity's status as a parent, affiliate, or subsidiary of such an associate), except as expressly set out in 2 C.F.R. 200.319(a) or as specifically authorized by USDOJ.

2. Monitoring

The recipient's monitoring responsibilities include monitoring of subrecipient compliance with this condition.

3. Allowable costs

To the extent that such costs are not reimbursed under any other federal program, award funds may be obligated for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

A. The term "associate of the federal government" means any person or entity engaged or employed (in the past or at present) by or on behalf of the federal government -- as an employee, contractor or subcontractor (at any tier), grant recipient or -subrecipient (at any tier), agent, or otherwise -- in undertaking any work, project, or activity for or on behalf of (or in providing goods or services to or on behalf of) the federal government, and includes any applicant for such employment or engagement, and any person or entity committed by legal instrument to undertake any such work, project, or activity (or to provide such goods or services) in future.

B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.



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**AWARD CONTINUATION
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PROJECT NUMBER 2020-VD-BX-0297

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SPECIAL CONDITIONS

14. Requirements pertaining to prohibited conduct related to trafficking in persons (including reporting requirements and OJP authority to terminate award)

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons, whether on the part of recipients, subrecipients ("subgrantees"), or individuals defined (for purposes of this condition) as "employees" of the recipient or of any subrecipient.

The details of the recipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP web site at <https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm> (Award condition: Prohibited conduct by recipients and subrecipients related to trafficking in persons (including reporting requirements and OJP authority to terminate award)), and are incorporated by reference here.

15. Determination of suitability to interact with participating minors

SCOPE. This condition applies to this award if it is indicated -- in the application for the award (as approved by DOJ)(or in the application for any subaward, at any tier), the DOJ funding announcement (solicitation), or an associated federal statute -- that a purpose of some or all of the activities to be carried out under the award (whether by the recipient, or a subrecipient at any tier) is to benefit a set of individuals under 18 years of age.

The recipient, and any subrecipient at any tier, must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status.

The details of this requirement are posted on the OJP web site at <https://ojp.gov/funding/Explore/Interact-Minors.htm> (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here.

16. Compliance with applicable rules regarding approval, planning, and reporting of conferences, meetings, trainings, and other events

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable laws, regulations, policies, and official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), including the provision of food and/or beverages at such conferences, and costs of attendance at such conferences.

Information on the pertinent DOJ definition of conferences and the rules applicable to this award appears in the DOJ Grants Financial Guide (currently, as section 3.10 of "Postaward Requirements" in the "DOJ Grants Financial Guide").

17. Requirement for data on performance and effectiveness under the award

The recipient must collect and maintain data that measure the performance and effectiveness of work under this award. The data must be provided to OJP in the manner (including within the timeframes) specified by OJP in the program solicitation or other applicable written guidance. Data collection supports compliance with the Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010, and other applicable laws.

18. OJP Training Guiding Principles

Any training or training materials that the recipient -- or any subrecipient ("subgrantee") at any tier -- develops or delivers with OJP award funds must adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <https://ojp.gov/funding/Implement/TrainingPrinciplesForGrantees-Subgrantees.htm>.



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SPECIAL CONDITIONS

19. Effect of failure to address audit issues

The recipient understands and agrees that the DOJ awarding agency (OJP or OVW, as appropriate) may withhold award funds, or may impose other related requirements, if (as determined by the DOJ awarding agency) the recipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

20. Potential imposition of additional requirements

The recipient agrees to comply with any additional requirements that may be imposed by the DOJ awarding agency (OJP or OVW, as appropriate) during the period of performance for this award, if the recipient is designated as "high-risk" for purposes of the DOJ high-risk grantee list.

21. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 42

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 42, specifically including any applicable requirements in Subpart E of 28 C.F.R. Part 42 that relate to an equal employment opportunity program.

22. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 54

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 54, which relates to nondiscrimination on the basis of sex in certain "education programs."

23. Compliance with DOJ regulations pertaining to civil rights and nondiscrimination - 28 C.F.R. Part 38

The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable requirements of 28 C.F.R. Part 38 (as may be applicable from time to time), specifically including any applicable requirements regarding written notice to program beneficiaries and prospective program beneficiaries.

Currently, among other things, 28 C.F.R. Part 38 includes rules that prohibit specific forms of discrimination on the basis of religion, a religious belief, a refusal to hold a religious belief, or refusal to attend or participate in a religious practice. Part 38, currently, also sets out rules and requirements that pertain to recipient and subrecipient ("subgrantee") organizations that engage in or conduct explicitly religious activities, as well as rules and requirements that pertain to recipients and subrecipients that are faith-based or religious organizations.

The text of 28 C.F.R. Part 38 is available via the Electronic Code of Federal Regulations (currently accessible at <https://www.ecfr.gov/cgi-bin/ECFR?page=browse>), by browsing to Title 28-Judicial Administration, Chapter 1, Part 38, under e-CFR "current" data.



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SPECIAL CONDITIONS

24. Restrictions on "lobbying"

In general, as a matter of federal law, federal funds awarded by OJP may not be used by the recipient, or any subrecipient ("subgrantee") at any tier, either directly or indirectly, to support or oppose the enactment, repeal, modification, or adoption of any law, regulation, or policy, at any level of government. See 18 U.S.C. 1913. (There may be exceptions if an applicable federal statute specifically authorizes certain activities that otherwise would be barred by law.)

Another federal law generally prohibits federal funds awarded by OJP from being used by the recipient, or any subrecipient at any tier, to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award. See 31 U.S.C. 1352. Certain exceptions to this law apply, including an exception that applies to Indian tribes and tribal organizations.

Should any question arise as to whether a particular use of federal funds by a recipient (or subrecipient) would or might fall within the scope of these prohibitions, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

25. Compliance with general appropriations-law restrictions on the use of federal funds (FY 2020) The recipient, and any subrecipient ("subgrantee") at any tier, must comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes. Pertinent restrictions that may be set out in applicable appropriations acts are indicated at <https://ojp.gov/funding/Explore/FY20AppropriationsRestrictions.htm>, and are incorporated by reference here. Should a question arise as to whether a particular use of federal funds by a recipient (or a subrecipient) would or might fall within the scope of an appropriations-law restriction, the recipient is to contact OJP for guidance, and may not proceed without the express prior written approval of OJP.

26. Reporting potential fraud, waste, and abuse, and similar misconduct

The recipient and any subrecipients ("subgrantees") must promptly refer to the DOJ Office of the Inspector General (OIG) any credible evidence that a principal, employee, agent, subrecipient, contractor, subcontractor, or other person has, in connection with funds under this award -- (1) submitted a claim that violates the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award should be reported to the OIG by--(1) online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online"); (2) mail directed to: Office of the Inspector General, U.S. Department of Justice, Investigations Division, 1425 New York Avenue, N.W. Suite 7100, Washington, DC 20530; and/or (3) by facsimile directed to the DOJ OIG Fraud Detection Office (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <https://oig.justice.gov/hotline>.



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27. Restrictions and certifications regarding non-disclosure agreements and related matters

No recipient or subrecipient ("subgrantee") under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended, and shall not be understood by the agency making this award, to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the recipient--

a. represents that it neither requires nor has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

2. If the recipient does or is authorized under this award to make subawards ("subgrants"), procurement contracts, or both--

a. it represents that--

(1) it has determined that no other entity that the recipient's application proposes may or will receive award funds (whether through a subaward ("subgrant"), procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

(2) it has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. it certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.



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SPECIAL CONDITIONS

28. Compliance with 41 U.S.C. 4712 (including prohibitions on reprisal; notice to employees)

The recipient (and any subrecipient at any tier) must comply with, and is subject to, all applicable provisions of 41 U.S.C. 4712, including all applicable provisions that prohibit, under specified circumstances, discrimination against an employee as reprisal for the employee's disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal grant.

The recipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. 4712 to this award, the recipient is to contact the DOJ awarding agency (OJP or OVW, as appropriate) for guidance.

29. Encouragement of policies to ban text messaging while driving

Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), DOJ encourages recipients and subrecipients ("subgrantees") to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this award, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.

30. Requirement to disclose whether recipient is designated "high risk" by a federal grant-making agency outside of DOJ

If the recipient is designated "high risk" by a federal grant-making agency outside of DOJ, currently or at any time during the course of the period of performance under this award, the recipient must disclose that fact and certain related information to OJP by email at OJP.ComplianceReporting@ojp.usdoj.gov. For purposes of this disclosure, high risk includes any status under which a federal awarding agency provides additional oversight due to the recipient's past performance, or other programmatic or financial concerns with the recipient. The recipient's disclosure must include the following: 1. The federal awarding agency that currently designates the recipient high risk, 2. The date the recipient was designated high risk, 3. The high-risk point of contact at that federal awarding agency (name, phone number, and email address), and 4. The reasons for the high-risk status, as set out by the federal awarding agency.

31. Signing Authority

This award must be signed by an authorized official of the applicant State, local, or tribal government, on behalf of that applicant State, unit of local government, or Tribe, unless the applicant designates an organizational unit to apply on its behalf. For example, if designated by a unit of local government, a Police Department or Sheriff's Office (or similar agency) may apply on behalf of the applicant jurisdiction, as long as the department, office, or agency is listed as the organizational unit on the SF-424. In that case, the head of the designated organizational unit (such as a Police Chief or Sheriff) may sign the award. Documentation of the designation by the appropriate governing body must be retained by the grant recipient.

32. The "Emergency Appropriations for Coronavirus Health Response and Agency Operations" law (Public Law 116-136) includes definitions, reporting requirements, and certain other provisions that apply (whether in whole or in part) to this award. In addition, consistent with the CESF Program's purposes, which involve preparing for, preventing, and responding to the coronavirus national emergency, OJP will provide notice of any additional CESF program-specific grants administrative requirements on an award page, accessible at <https://www.ojp.gov/funding/explore/CESF-program-specific-condition>, that is incorporated by reference here.



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SPECIAL CONDITIONS

33. The recipient agrees to comply with OJP grant monitoring guidelines, protocols, and procedures, and to cooperate with BJA and OCFO on all grant monitoring requests, including requests related to desk reviews, enhanced programmatic desk reviews, and/or site visits. The recipient agrees to provide to BJA and OCFO all documentation necessary to complete monitoring tasks, including documentation related to any subawards made under this award. Further, the recipient agrees to abide by reasonable deadlines set by BJA and OCFO for providing the requested documents. Failure to cooperate with BJA's/OCFO's grant monitoring activities may result in sanctions affecting the recipient's DOJ awards, including, but not limited to: withholdings and/or other restrictions on the recipient's access to grant funds; referral to the Office of the Inspector General for audit review; designation of the recipient as a DOJ High Risk grantee; or termination of an award(s).

34. FFATA reporting: Subawards and executive compensation

The recipient must comply with applicable requirements to report first-tier subawards ("subgrants") of \$25,000 or more and, in certain circumstances, to report the names and total compensation of the five most highly compensated executives of the recipient and first-tier subrecipients (first-tier "subgrantees") of award funds. The details of recipient obligations, which derive from the Federal Funding Accountability and Transparency Act of 2006 (FFATA), are posted on the OJP web site at <https://ojp.gov/funding/Explore/FFATA.htm> (Award condition: Reporting Subawards and Executive Compensation), and are incorporated by reference here.

This condition, including its reporting requirement, does not apply to-- (1) an award of less than \$25,000, or (2) an award made to an individual who received the award as a natural person (i.e., unrelated to any business or non-profit organization that he or she may own or operate in his or her name).

35. Required monitoring of subawards

The recipient must monitor subawards under this award in accordance with all applicable statutes, regulations, award conditions, and the DOJ Grants Financial Guide, and must include the applicable conditions of this award in any subaward. Among other things, the recipient is responsible for oversight of subrecipient spending and monitoring of specific outcomes and benefits attributable to use of award funds by subrecipients. The recipient agrees to submit, upon request, documentation of its policies and procedures for monitoring of subawards under this award.

36. Use of program income

Program income (as defined in the Part 200 Uniform Requirements) must be used in accordance with the provisions of the Part 200 Uniform Requirements. Program income earnings and expenditures both must be reported on the quarterly Federal Financial Report, SF 425.

37. Justice Information Sharing

Recipients are encouraged to comply any information-sharing projects funded under this award with DOJ's Global Justice Information Sharing Initiative (Global) guidelines. The recipient (and any subrecipient at any tier) is encouraged to conform to the Global Standards Package (GSP) and all constituent elements, where applicable, as described at: https://it.ojp.gov/gsp_grantcondition. The recipient (and any subrecipient at any tier) must document planned approaches to information sharing and describe compliance with the GSP and appropriate privacy policy that protects shared information.

38. Avoidance of duplication of networks

To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdictions, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity.



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39. Compliance with National Environmental Policy Act and related statutes

Upon request, the recipient (and any subrecipient at any tier) must assist BJA in complying with the National Environmental Policy Act (NEPA), the National Historic Preservation Act, and other related federal environmental impact analyses requirements in the use of these award funds, either directly by the recipient or by a subrecipient. Accordingly, the recipient agrees to first determine if any of the following activities will be funded by the grant, prior to obligating funds for any of these purposes. If it is determined that any of the following activities will be funded by the award, the recipient agrees to contact BJA. The recipient understands that this condition applies to new activities as set out below, whether or not they are being specifically funded with these award funds. That is, as long as the activity is being conducted by the recipient, a subrecipient, or any third party, and the activity needs to be undertaken in order to use these award funds, this condition must first be met. The activities covered by this condition are: a. New construction; b. Minor renovation or remodeling of a property located in an environmentally or historically sensitive area, including properties located within a 100-year flood plain, a wetland, or habitat for endangered species, or a property listed on or eligible for listing on the National Register of Historic Places; c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size; d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments; and e. Implementation of a program relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories. The recipient understands and agrees that complying with NEPA may require the preparation of an Environmental Assessment and/ or an Environmental Impact Statement, as directed by BJA. The recipient further understands and agrees to the requirements for implementation of a Mitigation Plan, as detailed at [https:// bja.gov/ Funding/ nepa.html](https://bja.gov/Funding/nepa.html), for programs relating to methamphetamine laboratory operations. Application of This Condition to Recipient's Existing Programs or Activities: For any of the recipient's or its subrecipients' existing programs or activities that will be funded by these award funds, the recipient, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.

40. Establishment of interest-bearing account

If award funds are being drawn down in advance, the recipient (or a subrecipient, with respect to a subaward) is required to establish an interest-bearing account dedicated specifically to this award. Recipients (and subrecipients) must maintain advance payments of federal awards in interest-bearing accounts, unless regulatory exclusions apply (2 C.F.R. 200.305(b)(8)). The award funds, including any interest, may not be used to pay debts or expenses incurred by other activities beyond the scope of the Coronavirus Emergency Supplemental Funding (CESF) program. The recipient also agrees to obligate the award funds in the account (including any interest earned) during the period of performance for the award and expend within 90 days thereafter. Any unobligated or unexpended funds, including interest earned, must be returned to OJP at the time of closeout.

41. Expenditures requiring prior approval

No funds under this award may be expended on individual items costing \$500,000 or more, or to purchase Unmanned Aerial Systems (UAS), Unmanned Aircraft (UA), and/or Unmanned Aerial Vehicles (UAV) without prior written approval from BJA. Prior approval must be obtained post-award, through the submission and approval of a Grant Adjustment Notice (GAN) through OJP's Grant Management System (GMS).



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SPECIAL CONDITIONS

42. Authorization to obligate (federal) award funds to reimburse certain project costs incurred on or after January 20, 2020

The recipient may obligate (federal) award funds only after the recipient makes a valid acceptance of the award. As of the first day of the period of performance for the award (January 20, 2020), however, the recipient may choose to incur project costs using non-federal funds, but any such project costs are incurred at the recipient's risk until, at a minimum-- (1) the recipient makes a valid acceptance of the award, and (2) all applicable withholding conditions are removed by OJP (via a Grant Adjustment Notice). (A withholding condition is a condition in the award document that precludes the recipient from obligating, expending, or drawing down all or a portion of the award funds until the condition is removed.)

Nothing in this condition shall be understood to authorize the recipient (or any subrecipient at any tier) to use award funds to "supplant" State or local funds.

43. Use of funds for DNA testing; upload of DNA profiles

If award funds are used for DNA testing of evidentiary materials, any resulting eligible DNA profiles must be uploaded to the Combined DNA Index System ("CODIS," the DNA database operated by the FBI) by a government DNA laboratory with access to CODIS. No profiles generated under this award may be entered or uploaded into any non-governmental DNA database without prior express written approval from BJA. Award funds may not be used for the purchase of DNA equipment and supplies unless the resulting DNA profiles may be accepted for entry into CODIS.

44. Body armor - compliance with NIJ standards and other requirements

Ballistic-resistant and stab-resistant body armor purchased with award funds may be purchased at any threat level, make or model, from any distributor or manufacturer, as long as the body armor has been tested and found to comply with applicable National Institute of Justice ballistic or stab standards and is listed on the NIJ Compliant Body Armor Model List (<https://nij.gov/topics/technology/body-armor/Pages/compliant-ballistic-armor.aspx>). In addition, ballistic-resistant and stab-resistant body armor purchased must be made in the United States and must be uniquely fitted, as set forth in 34 U.S.C. 10202(c)(1)(A). The latest NIJ standard information can be found here: <https://nij.gov/topics/technology/body-armor/pages/safety-initiative.aspx>.

ORDINANCE NO. 2020-047

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE DEPARTMENT OF JUSTICE COVID-19 GRANT FUND (FUND 237) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Texarkana, Texas, was awarded **EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330)** in funding from the Department of Justice for responding to the coronavirus pandemic; and

WHEREAS, these funds are not currently included in the budget for the DOJ COVID-19 Grant Fund (Fund 237) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the DOJ COVID-19 Grant Fund (Fund 237).

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

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330)** added to the DOJ COVID-19 Grant Fund (Fund 237).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020**.

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2020-047 ORD amend DOJ COVID 19 Grant Budget (2259 : 2020-047 ORD Amending Budget for Police Grant)

ORDINANCE NO. 2020-047

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING BUDGETED REVENUE AND EXPENDITURES FOR THE DEPARTMENT OF JUSTICE COVID-19 GRANT FUND (FUND 237) FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2020, ADDING THE AMOUNT OF EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330); AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Texarkana, Texas, was awarded **EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330)** in funding from the Department of Justice for responding to the coronavirus pandemic; and

WHEREAS, these funds are not currently included in the budget for the DOJ COVID-19 Grant Fund (Fund 237) for the fiscal year ending September 30, 2020; and

WHEREAS, City staff recommends amending the budget estimate of the City's revenues and expenditures for the fiscal year beginning October 1, 2019, and ending September 30, 2020, to include the additional funding in the DOJ COVID-19 Grant Fund (Fund 237).

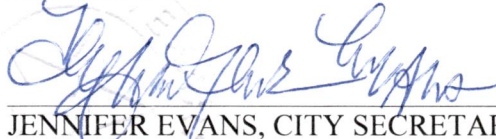
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS:

SECTION 1: That the budget estimate of the revenue and expenditures of the City of Texarkana, Texas, as prepared by the City Manager and appropriated by the City Council for the fiscal year beginning October 1, 2019, and ending September 30, 2020, be amended to reflect additional revenue and expenditures appropriated of **EIGHTY-THREE THOUSAND THREE HUNDRED THIRTY DOLLARS (\$83,330)** added to the DOJ COVID-19 Grant Fund (Fund 237).

SECTION 2: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th** day of **May, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:08 p.m.

Attachment: 2020-047 ORD Amend Budget COVID-19 PD Grant signed (2259 : 2020-047 ORD Amending Budget for Police Grant)

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/5/2020 4:06 PM

Lead Department: Finance DepartmentAction Officer: Kristin Peeples,Subject: Resolution No. 2020-048 adopting the City's investment policy.Briefing: 5/26/2020

Public Hearing:

Council Vote: 5/26/2020

Item Schedule

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

The Public Funds Investment Act, as amended, requires the City to annually adopt an investment policy and investment strategies. The attached Exhibit A complies with the Public Funds Investment Act and authorizes investment of City funds in safe and prudent investments. The City's investment consultant, Valley View Consulting, LLC, has assisted staff with this policy and verified that it complies with state requirements. The only proposed change to the existing policy is a title change for the Finance Director position with Texarkana Water Utilities. The previous policy listed this position as Director of Finance instead of Finance Director.

Potential Options:

- Approve the policy as recommended
- Reject the policy and recommend an alternative policy

Fiscal Implications:

Allows placement of available funds in safe and prudent investments, providing additional usable resources to the City.

Staff Recommendation:

Staff recommends approval.

Advisory Board/Committee Review:

Investment Committee consisting of the Mayor, City CFO, City ACFO, TWU Finance Director, and TWU Accounting Manager.

Board/Committee Recommendation:

Investment Committee recommends approval.

City of Texarkana, Texas

Advisory Board/Committee Meeting Date and Minutes:

Attachments

- a. 2020-048 RES Adopting City's Investment Policy (DOC)
- b. 2020-048 EXH 'A' Investment Policy(PDF)
- c. 2020-048 Goals & Perspectives (DOCX)
- d. 2020-048 RES Investment Policy signed (PDF)

Staff Coordination

Finance Department	Kristin Peebles	Department Head Review	Completed
	05/05/2020 4:06 PM		
City Manager	Shirley Jaster	City Manager Review Completed	05/07/2020
3:11 PM			
City Council	Jennifer Evans	Meeting	Completed 05/26/2020
6:00 PM			

Meeting History

RESOLUTION NO. 2020-048

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING THE CITY'S INVESTMENT POLICY; RECORDING THE ANNUAL REVIEW; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Public Funds Investment Act, as amended, requires the City to annually adopt an investment policy and investment strategies by rule, order, ordinance, or resolution; and

WHEREAS, the attached **Exhibit "A"** investment policy complies with the current Public Funds Investment Act, as amended, and authorizes the investment of City funds in safe and prudent investments.

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

SECTION 1: The facts and recitations contained in the above preamble of this Resolution are hereby incorporated herein for all purposes.

SECTION 2: The City Council of the City of Texarkana, Texas, approves the investment policy and investment strategy (**Exhibit "A"**).

SECTION 3: The City Council of the City of Texarkana, Texas, has performed an annual review of the investment policy and strategies and adopts its statements in the minutes recording that review.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

CITY OF TEXARKANA, TEXAS

INVESTMENT POLICY



CITY OF TEXARKANA, TEXAS

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INTRODUCTION

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Texarkana, Texas (the "City") in order to achieve the goals of safety, liquidity, public trust, and yield for all investment activity. The City Council of the City shall review and adopt, by resolution, its investment strategies and policy not less than annually. The resolution shall include a record of changes made to either the Investment Policy or strategy. This Policy serves to satisfy the statutory requirement, specifically the Public Funds Investment Act and Public Funds Collateral Act, Texas Government Code Chapter 2256 and Chapter 2257 (the "PFIA" and "PFCA" respectively) to define, adopt, and review a formal investment strategy and policy.

INVESTMENT STRATEGY

The City maintains two distinct portfolios (the City and the Water Utilities Department), which independently utilize four specific investment strategy considerations, designed to address the unique characteristics of the fund groups represented in the portfolios:

- A. Investment strategies for operating funds and combined pools containing operating funds have as their primary objectives to preserve principal and assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure, which will experience minimal volatility during economic cycles. This may be accomplished by maintaining adequate liquid balances and utilizing high quality, short-to-medium term investments, which will complement each other in a ladder or barbell maturity structure, and can be easily liquidated if the need arises. Any investment authorized by this Policy is suitable for these funds. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity date of each investment. The maximum stated final maturity shall

be three years. The yield objective shall be a comparable maturity rolling Treasury portfolio.

- B. Investment strategies for debt service funds shall have as the primary objectives the preservation of principal and the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Investments purchased shall not have a stated final maturity date which exceeds the next unfunded debt service payment date. Any investment authorized by this Policy is suitable for these funds. The yield objective shall be a short-term, government portfolio local government pool.
- C. Investment strategies for debt service reserve funds shall have as the primary objectives to preserve principal and to generate a dependable revenue stream to the appropriate debt service fund from investments with a low degree of volatility. Investments shall be of high quality and, except as may be required by the bond ordinance specific to an individual issue, of short-to-intermediate term maturities. Maximum maturity shall be the shorter of the first call date or five years. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available, within the desired maturity and quality range, without paying a premium, if at all possible. Any investment authorized by this Policy is suitable for these funds. The yield objective shall be a comparable maturity rolling Treasury portfolio.
- D. Investment strategies for special projects or special purpose fund portfolios will have as their primary objectives to preserve principal and to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in cash equivalent investments to allow for flexibility and unanticipated project outlays, and by utilizing high quality, short-to-medium term investments, which will complement each other in a ladder or barbell maturity structure, and can be easily liquidated if the need arises. Any investment authorized by this Policy is suitable for these funds. The stated final

maturity dates of securities held should not exceed the estimated project completion date. The yield objective shall be a comparable maturity rolling Treasury portfolio.

INVESTMENT POLICY

A. SCOPE

This Investment Policy applies to all financial assets of the City including the Water Utilities Department. These funds are accounted for in the City's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Proprietary Funds
- All Other Funds

This Policy shall not govern the Firemen's Relief and Pension Fund which is under the management and supervision of the City of Texarkana, Texas Firemen's Relief and Pension Fund Board of Trustees.

B. OBJECTIVES

The City shall manage and invest its cash with four objectives, listed in order of priority: Safety, Liquidity, Public Trust, and Yield. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local law.

The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payment in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to ensure maximum cash availability and maximum yield on short-term investment of pooled idle cash.

1. Safety

The primary objective of the City's investment activity is the preservation of principal in the overall portfolio. Each investment transaction shall be conducted in a manner to avoid principal losses, whether from investment defaults or erosion of market value.

2. Liquidity

The City's investment portfolio shall be structured such that the City is able to meet all obligations in a timely manner. This shall be achieved by maintaining adequate cash equivalent balances, matching investment maturities with forecasted cash flow requirements, and by investing in securities with active secondary markets.

3. Public Trust

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction which might impair public confidence in the City's ability to govern effectively.

4. Yield

The City's cash management portfolio shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies.

C. RESPONSIBILITY AND CONTROL

1. Investment Committee

An Investment Committee, consisting of one City Council Member appointed by the Mayor, Chief Financial Officer (City), ~~Director of Finance~~ [Finance Director](#) (Water Utilities Department), Accounting/Human Resources Manager (Water Utilities Department), and Assistant Chief Financial Officer (City) shall meet as needed to determine operational strategies and to monitor results. The Investment Committee shall include in its deliberation such topics as: performance reports, economic outlook,

portfolio diversification, maturity structure, potential risk to the City's funds, authorized broker/dealers, eligible investment training sources, and the target rate of return on the investment portfolio.

2. Delegation of Authority and Training

Authority to manage the City's investment program is derived from the City Charter. The Chief Financial Officer and Assistant Chief Financial Officer are designated as Investment Officers and are responsible for investment decisions and activities for the City portfolio. The ~~Director of Finance~~Finance Director and Accounting/Human Resources Manager are designated as Investment Officers and are responsible for investment decisions and activities for the Water Utilities Department portfolio. The Chief Financial Officer and ~~Director of Finance~~Finance Director shall establish written procedures for the operation of their respective investment program, consistent with this Investment Policy. In order to ensure qualified and capable investment management, the Investment Officers shall attend training sessions relating to the Officer's responsibility under the PFIA within 12 months after assuming duties and receive at least 10 hours of training, and additional training sessions not less than once every two year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date and receive at least 8 hours of training. Independent sources for such training shall be approved by the Investment Committee.

3. Internal Controls

The Chief Financial Officer and ~~Director of Finance~~Finance Director, or their respective designee, are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Chief Financial Officer and ~~Director of Finance~~Finance Director shall establish a process for annual independent review by an external auditor in conjunction with the annual audit, to assure compliance with policies and procedures. The internal controls shall address the following points:

- A. Control of collusion.
- B. Separation of transaction authority from accounting and record keeping.
- C. Custodial safekeeping.
- D. Avoidance of physical delivery securities.
- E. Clear delegation of authority to subordinate staff members.
- F. Written confirmation for telephone (voice) transactions for investments and wire transfers.

4. Prudence

The standard of prudence to be applied by the Investment Officers shall be the "prudent person" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- A. The investment of all funds, or funds under the City's control, over which the Officer had responsibility rather than a consideration as to the prudence of a single investment.
- B. Whether the investment decision was consistent with the written Investment Policy of the City.

An Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

5. Ethics and Conflicts of Interest

Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. Investment Officers shall disclose to the City Manager any material financial interest in financial institutions that conduct business with the City and they shall further disclose positions that could be related to the performance of the City's portfolio. Investment Officers shall subordinate their personal financial transactions to those of the City, particularly with regard to timing of purchases and sales.

An Investment Officer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council.

D. REPORTING

1. Quarterly Reporting

The Chief Financial Officer shall submit a quarterly investment report in compliance with the PFIA and signed by all Investment Officers.

2. Annual Report

Within a reasonable time after the end of the fiscal year, the Chief Financial Officer shall present an annual report on the investment program and investment

activity. This report may be presented as a component of the fourth quarter report to the City Manager and City Council.

3. Methods

The quarterly investment report shall include a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be prepared in compliance with the PFIA. The report will be provided to the City Manager and City Council. The report will include the following:

- A. A listing of individual investments held at the end of the reporting period. This list will include the name of the fund or pooled group fund for which each individual investment was acquired.
- B. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period. Market values shall be obtained from financial institutions or portfolio reporting services independent from the investment provider.
- C. Additions and changes to the market value during the period.
- D. Fully accrued interest for the reporting period.
- E. Average weighted yield to maturity of portfolio on City investments as compared to applicable benchmarks.
- F. Listing of investments by maturity date.
- G. The percentage of the total portfolio which each type of investment represents.

- H. Statement of compliance of the City's investment portfolio with State Law and the Investment Strategy and Policy approved by the City Council.

In conjunction with the annual audit, a formal annual review of these reports will be performed by an independent auditor with the results reported to the City Council as part of the overall audit report.

E. INVESTMENT PORTFOLIO

1. Active Portfolio Management

The City shall pursue an active versus a passive portfolio management philosophy. That is, investments may be sold or redeemed before they mature if market conditions present an opportunity for the City to benefit from the trade. The Investment Officers will routinely monitor the contents of the portfolio, the available markets, and the relative value of competing instruments, and will adjust the portfolio accordingly.

2. Performance

It is the City's policy to purchase investments with maturity dates coinciding with cash flow requirements. Using this strategy, the City attempts to purchase the highest yielding allowable investments available at the time of purchase. The City shall encourage a competitive environment for all investment activities including investment pool and mutual fund selections, financial institution deposit placements, securities transactions, and other investment-related proceedings. Weighted-average-yield-to-maturity shall be the portfolio's performance measurement standard.

3. Investments

Assets of the City may be invested in the following instruments; provided, however, that at no time shall assets of the City be invested in any instrument or security not authorized at the time of purchase for investment under the PFIA, as the PFIA may from time to time be amended. The City is not required to liquidate investments that were authorized investments at the time of purchase. All prudent

measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

a). Authorized

1. Obligations issued, guaranteed, or insured by the United States of America, its agencies and instrumentalities, which have a liquid market with a readily determinable market value, including the Federal Home Loan Banks.
2. Direct obligations of the State of Texas, its agencies and instrumentalities.
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
4. Obligations of the States, agencies thereof, Counties, Cities, and other political subdivision of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than "A" or its equivalent.
5. Certificates of Deposit, and other forms of deposit, of state and national banks, savings banks, or state or federal credit unions that has a main or branch office in Texas, guaranteed or insured by the Federal Deposit Insurance Corporation (or its successor) or the National Credit Union Share Insurance Fund (or its successor), or secured by obligations described in G. 3. Collateral Defined, or as authorized by the PFIA. Bids/quotes for certificates of deposit may be

solicited in the following ways: orally, in writing, electronically, or in any combination of the above methods.

6. Fully collateralized direct repurchase agreements with a defined termination date secured by cash or obligations of the United States or its agencies and instrumentalities. Securities purchased must be pledged to the City, held in the City's account, and deposited at the time of the investment with the City, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. Such agreements may include direct security repurchase agreements and reverse security repurchase agreements with terms of 90 days or less after the delivery date. Funds received by the City under a reverse security agreement shall be used to acquire additional authorized investments, but those investments must mature no later than the expiration date stated in the reverse security repurchase agreement.
7. Local Government Investment Pools, if the pool is specifically approved by the Council and the pool invests only in investments authorized by the PFIA. A pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. In order to be eligible to receive City funds a pool must comply with all PFIA requirements.
8. "Money Market" mutual funds that have a rating of AAA by at least one nationally recognized rating firm and are "no-load" funds. A "money market" mutual fund must maintain a \$1.0000 share value and include only short-term, highly liquid, and relatively low risk debt instruments. Must be registered with and regulated by the Securities and Exchange Commission. The City cannot own more than 10% of the mutual fund's total assets.

9. Guaranteed Investment contracts are allowed investments for bond proceeds only, if such contracts have a defined termination date, are secured by U.S. Government direct or agency obligations approved by the PFIA, in an amount equal to the bond proceeds, if security is pledged to the City and deposited with the City or a third party, and if the investment term is limited to five years from the date of bond issuance. In addition, specific provisions under PFIA Section 2256.015(c) 1-5 must be met to allow investment in these contracts.

b. Not Authorized

The City's authorized investment options are more restrictive than those allowed by State law. State law specifically prohibits investment in the following investment securities, or investment in specific instruments at levels higher than those listed below:

- 1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
- 2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
- 3) Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- 4) Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

4. Holding Period

The City intends to match the holding periods of investment funds with liquidity needs of the City.

5. Risk and Diversification

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification which shall be achieved by the following general guidelines:

- a) Risk of issuer default is controlled by limiting investments to those instruments allowed by the PFIA, which are described herein.
- b) Risk of market price changes shall be controlled by avoiding over-concentration of assets in a specific maturity sector, maintenance of adequate liquidity, and limitation of appropriate average maturity.
- c) Risk of temporary illiquidity shall be controlled by monitoring the rating of each issuer, as applicable, at least quarterly, and taking all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating.

F. SELECTION OF FINANCIAL INSTITUTIONS AND BROKER/DEALERS

1. Depository

In compliance with State legislation, a Primary Depository shall be selected through the City's banking services procurement process, which shall include a formal request for application (RFA). In selecting a Primary Depository, the credit worthiness of institutions shall be considered, and the Chief Financial Officer shall conduct a comprehensive review of prospective depositories' credit characteristics and financial history. In addition, the City may establish non-primary banking relationships based on deposit and unique service capabilities.

Institutions seeking to establish eligibility for the City's depository shall submit for review financial statements, evidence of federal insurance and other information as required by the Chief Financial Officer.

Any institution designated as a depository by the City will provide collateral in accordance with this Policy and applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Institutions serving as a depository will be required to sign a Depository/Collateral Agreement with the City. The collateralized deposit portion of the Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

2. Broker/Dealers

For broker/dealers, the City shall select only those dealers reporting to the Market Reports Division of the Federal Reserve Board of New York, also known as the "Primary Government Security Dealers", unless analysis reveals that other firms are adequately financed to conduct public business. All broker/dealers shall provide the City with references from public entities which they are currently serving. The Investment Committee shall adopt and annually review a list of

qualified broker/dealers authorized to engage in investment transactions with the City.

All investment providers, financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following, as appropriate:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration

Additionally, the qualified representative or equivalent of the Local Government Investment Pool or discretionary Investment Advisor firm (i.e. business organization) shall execute a Certificate to the effect that the qualified representative has:

1.) Received and thoroughly reviewed this Investment Policy, and

2.) Acknowledged that their business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment transactions between itself and the City that are not authorized by this Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio, requires and interpretation of subjective investment standards or relates to investment transactions of the City that are not made through accounts, or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The City may not engage in an investment transaction with a business organization prior to receiving this written acknowledgment completed by the organization.

G. SAFEKEEPING AND CUSTODY

1. Insurance or Collateral

All non-insured deposits and repurchase agreement investments of City funds shall be secured as required by State legislation. In order to anticipate market changes and provide a level of security for all funds, the minimum collateralization level will be 102% of market value of principal plus accrued interest on the deposits or repurchase agreement investments less any amount insured. Evidence of the pledged collateral shall be maintained by the Chief Financial Officer or Director of Finance (for their respective portfolios), or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the eligible collateral pledge in each agreement. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

2. Custodial Agreement

Collateral pledged to secure deposits of the City shall be held by a custodian institution in accordance with a Custodial Agreement which clearly defines the procedural steps for gaining access to the collateral should the City determine that the City's funds are in jeopardy. The custodian institution shall be the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral.

3. Collateral Defined

The City shall accept only the following as collateral:

- a) FDIC and NCUSIF insurance coverage.
- b) A bond, certificate of indebtedness, or note of the United States or its agencies and instrumentalities, or other evidence of indebtedness that is guaranteed as to the principal and interest by the United States or its agencies and instrumentalities.

- c) Obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or its agencies and instrumentalities.
- d) A bond of a county, city or other political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "A" or its equivalent) by a nationally recognized rating agency, with a remaining maturity of ten (10) years or less.

The use of a letter of credit issued to the City by a Federal Home Loan Bank may be considered by the City to meet the required bank depository collateral requirements.

4. Subject to Audit

All collateral shall be subject to inspection and audit by the City or the City's independent auditors.

5. Delivery vs. Payment

Securities shall be purchased using the delivery versus payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the City or its safekeeping agent. The security shall be held in the name of the City or held on behalf of the City. The safekeeping agent's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City.

H. INVESTMENT POLICY ADOPTION

The City Investment Policy shall be adopted by resolution of the City Council. The Investment Committee shall review the Policy for effectiveness on an annual basis and any modifications will be recommended for approval to the City Council. The City

Council shall review and approve these investment policies and strategies not less than annually.

APPENDIX A

SAMPLE INVESTMENT POLICY CERTIFICATION FORM

As required by Texas Government Code 2256.005(k)

CITY OF TEXARKANA, TEXAS

THE STATE OF TEXAS

COUNTY OF BOWIE

BEFORE ME, the undersigned authority, on this day personally appeared the person whose name is subscribed below, who, being by me first duly sworn, upon oath depose and said:

My name is _____. I am a Qualified Representative of _____ (the "Business Organization"). This Statement is provided to meet the requirements of the Public Funds Investment Act.

I hereby certify that:

1. I have reviewed the City's Investment Policy;
2. The Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City of Texarkana and the Business Organization that are not authorized by the City's Investment Policy, except to the extent that the Business Organization has not made an analysis of the make-up of the City's entire portfolio or has not engaged in any interpretation of subjective investment standards or requires and interpretation of subjective investment standards or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority; and
3. The statements, representations and declarations made in this document are true and correct.

Qualified Representative

SWORN TO AND SUBSCRIBED BEFORE ME, this the _____ day of _____, 20____.

Notary Public in and for the State of Texas

Attachment: 2020-048 EXH 'A' Investment Policy (2261 : 2020-048 RES Adopting the City's Investment Policy)

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☐ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Medium

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

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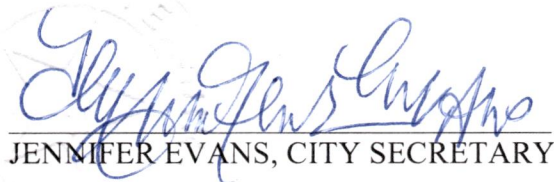
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PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:10 p.m.

Attachment: 2020-048 RES Investment Policy signed (2261 : 2020-048 RES Adopting the City's Investment Policy)

CITY OF TEXARKANA, TEXAS

INVESTMENT POLICY



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 - G. Safekeeping and Custody
 - 1. Insurance or Collateral
 - 2. Safekeeping Agreement
 - 3. Collateral Defined
 - 4. Subject to Audit
 - 5. Delivery vs. Payment
 - H. Investment Policy Adoption
- IV. Appendix
- A. Sample Certification Form

INTRODUCTION

The purpose of this document is to set forth specific investment policy and strategy guidelines for the City of Texarkana, Texas (the "City") in order to achieve the goals of safety, liquidity, public trust, and yield for all investment activity. The City Council of the City shall review and adopt, by resolution, its investment strategies and policy not less than annually. The resolution shall include a record of changes made to either the Investment Policy or strategy. This Policy serves to satisfy the statutory requirement, specifically the Public Funds Investment Act and Public Funds Collateral Act, Texas Government Code Chapter 2256 and Chapter 2257 (the "PFIA" and "PFCA" respectively) to define, adopt, and review a formal investment strategy and policy.

INVESTMENT STRATEGY

The City maintains two distinct portfolios (the City and the Water Utilities Department), which independently utilize four specific investment strategy considerations, designed to address the unique characteristics of the fund groups represented in the portfolios:

- A. Investment strategies for operating funds and combined pools containing operating funds have as their primary objectives to preserve principal and assure that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure, which will experience minimal volatility during economic cycles. This may be accomplished by maintaining adequate liquid balances and utilizing high quality, short-to-medium term investments, which will complement each other in a laddered or barbell maturity structure, and can be easily liquidated if the need arises. Any investment authorized by this Policy is suitable for these funds. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity date of each investment. The maximum stated final maturity shall

be three years. The yield objective shall be a comparable maturity rolling Treasury portfolio.

- B. Investment strategies for debt service funds shall have as the primary objectives the preservation of principal and the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Investments purchased shall not have a stated final maturity date which exceeds the next unfunded debt service payment date. Any investment authorized by this Policy is suitable for these funds. The yield objective shall be a short-term, government portfolio local government pool.
- C. Investment strategies for debt service reserve funds shall have as the primary objectives to preserve principal and to generate a dependable revenue stream to the appropriate debt service fund from investments with a low degree of volatility. Investments shall be of high quality and, except as may be required by the bond ordinance specific to an individual issue, of short-to-intermediate term maturities. Maximum maturity shall be the shorter of the first call date or five years. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available, within the desired maturity and quality range, without paying a premium, if at all possible. Any investment authorized by this Policy is suitable for these funds. The yield objective shall be a comparable maturity rolling Treasury portfolio.
- D. Investment strategies for special projects or special purpose fund portfolios will have as their primary objectives to preserve principal and to assure that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in cash equivalent investments to allow for flexibility and unanticipated project outlays, and by utilizing high quality, short-to-medium term investments, which will complement each other in a ladder or barbell maturity structure, and can be easily liquidated if the need arises. Any investment authorized by this Policy is suitable for these funds. The stated final

maturity dates of securities held should not exceed the estimated project completion date. The yield objective shall be a comparable maturity rolling Treasury portfolio.

INVESTMENT POLICY

A. SCOPE

This Investment Policy applies to all financial assets of the City including the Water Utilities Department. These funds are accounted for in the City's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Proprietary Funds
- All Other Funds

This Policy shall not govern the Firemen's Relief and Pension Fund which is under the management and supervision of the City of Texarkana, Texas Firemen's Relief and Pension Fund Board of Trustees.

B. OBJECTIVES

The City shall manage and invest its cash with four objectives, listed in order of priority: Safety, Liquidity, Public Trust, and Yield. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local law.

The City shall maintain a comprehensive cash management program which includes collection of accounts receivable, vendor payment in accordance with invoice terms, and prudent investment of available cash. Cash management is defined as the process of managing monies in order to ensure maximum cash availability and maximum yield on short-term investment of pooled idle cash.

1. Safety

The primary objective of the City's investment activity is the preservation of principal in the overall portfolio. Each investment transaction shall be conducted in a manner to avoid principal losses, whether from investment defaults or erosion of market value.

2. Liquidity

The City's investment portfolio shall be structured such that the City is able to meet all obligations in a timely manner. This shall be achieved by maintaining adequate cash equivalent balances, matching investment maturities with forecasted cash flow requirements, and by investing in securities with active secondary markets.

3. Public Trust

All participants in the City's investment process shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction which might impair public confidence in the City's ability to govern effectively.

4. Yield

The City's cash management portfolio shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies.

C. RESPONSIBILITY AND CONTROL

1. Investment Committee

An Investment Committee, consisting of one City Council Member appointed by the Mayor, Chief Financial Officer (City), ~~Director of Finance~~ Finance Director (Water Utilities Department), Accounting/Human Resources Manager (Water Utilities Department), and Assistant Chief Financial Officer (City) shall meet as needed to determine operational strategies and to monitor results. The Investment Committee shall include in its deliberation such topics as: performance reports, economic outlook,

portfolio diversification, maturity structure, potential risk to the City's funds, authorized broker/dealers, eligible investment training sources, and the target rate of return on the investment portfolio.

2. Delegation of Authority and Training

Authority to manage the City's investment program is derived from the City Charter. The Chief Financial Officer and Assistant Chief Financial Officer are designated as Investment Officers and are responsible for investment decisions and activities for the City portfolio. The ~~Director of Finance~~ Finance Director and Accounting/Human Resources Manager are designated as Investment Officers and are responsible for investment decisions and activities for the Water Utilities Department portfolio. The Chief Financial Officer and ~~Director of Finance~~ Finance Director shall establish written procedures for the operation of their respective investment program, consistent with this Investment Policy. In order to ensure qualified and capable investment management, the Investment Officers shall attend training sessions relating to the Officer's responsibility under the PFIA within 12 months after assuming duties and receive at least 10 hours of training, and additional training sessions not less than once every two year period that begins on the first day of the City's fiscal year and consists of the two consecutive fiscal years after that date and receive at least 8 hours of training. Independent sources for such training shall be approved by the Investment Committee.

3. Internal Controls

The Chief Financial Officer and ~~Director of Finance~~ Finance Director, or their respective designee, are responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Chief Financial Officer and ~~Director of Finance~~Finance Director shall establish a process for annual independent review by an external auditor in conjunction with the annual audit, to assure compliance with policies and procedures. The internal controls shall address the following points:

- A. Control of collusion.
- B. Separation of transaction authority from accounting and record keeping.
- C. Custodial safekeeping.
- D. Avoidance of physical delivery securities.
- E. Clear delegation of authority to subordinate staff members.
- F. Written confirmation for telephone (voice) transactions for investments and wire transfers.

4. Prudence

The standard of prudence to be applied by the Investment Officers shall be the "prudent person" rule, which states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- A. The investment of all funds, or funds under the City's control, over which the Officer had responsibility rather than a consideration as to the prudence of a single investment.
- B. Whether the investment decision was consistent with the written Investment Policy of the City.

An Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

5. Ethics and Conflicts of Interest

Investment Officers shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions. Investment Officers shall disclose to the City Manager any material financial interest in financial institutions that conduct business with the City and they shall further disclose positions that could be related to the performance of the City's portfolio. Investment Officers shall subordinate their personal financial transactions to those of the City, particularly with regard to timing of purchases and sales.

An Investment Officer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the City Council.

D. REPORTING

1. Quarterly Reporting

The Chief Financial Officer shall submit a quarterly investment report in compliance with the PFIA and signed by all Investment Officers.

2. Annual Report

Within a reasonable time after the end of the fiscal year, the Chief Financial Officer shall present an annual report on the investment program and investment

activity. This report may be presented as a component of the fourth quarter report to the City Manager and City Council.

3. Methods

The quarterly investment report shall include a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be prepared in compliance with the PFIA. The report will be provided to the City Manager and City Council. The report will include the following:

- A. A listing of individual investments held at the end of the reporting period. This list will include the name of the fund or pooled group fund for which each individual investment was acquired.
- B. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period. Market values shall be obtained from financial institutions or portfolio reporting services independent from the investment provider.
- C. Additions and changes to the market value during the period.
- D. Fully accrued interest for the reporting period.
- E. Average weighted yield to maturity of portfolio on City investments as compared to applicable benchmarks.
- F. Listing of investments by maturity date.
- G. The percentage of the total portfolio which each type of investment represents.

- H. Statement of compliance of the City's investment portfolio with State Law and the Investment Strategy and Policy approved by the City Council.

In conjunction with the annual audit, a formal annual review of these reports will be performed by an independent auditor with the results reported to the City Council as part of the overall audit report.

E. INVESTMENT PORTFOLIO

1. Active Portfolio Management

The City shall pursue an active versus a passive portfolio management philosophy. That is, investments may be sold or redeemed before they mature if market conditions present an opportunity for the City to benefit from the trade. The Investment Officers will routinely monitor the contents of the portfolio, the available markets, and the relative value of competing instruments, and will adjust the portfolio accordingly.

2. Performance

It is the City's policy to purchase investments with maturity dates coinciding with cash flow requirements. Using this strategy, the City attempts to purchase the highest yielding allowable investments available at the time of purchase. The City shall encourage a competitive environment for all investment activities including investment pool and mutual fund selections, financial institution deposit placements, securities transactions, and other investment-related proceedings. Weighted-average-yield-to-maturity shall be the portfolio's performance measurement standard.

3. Investments

Assets of the City may be invested in the following instruments; provided, however, that at no time shall assets of the City be invested in any instrument or security not authorized at the time of purchase for investment under the PFIA, as the PFIA may from time to time be amended. The City is not required to liquidate investments that were authorized investments at the time of purchase. All prudent

measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

a). Authorized

1. Obligations issued, guaranteed, or insured by the United States of America, its agencies and instrumentalities, which have a liquid market with a readily determinable market value, including the Federal Home Loan Banks.
2. Direct obligations of the State of Texas, its agencies and instrumentalities.
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
4. Obligations of the States, agencies thereof, Counties, Cities, and other political subdivision of any state having been rated as investment quality by a nationally recognized investment rating firm, and having received a rating of not less than "A" or its equivalent.
5. Certificates of Deposit, and other forms of deposit, of state and national banks, savings banks, or state or federal credit unions that has a main or branch office in Texas, guaranteed or insured by the Federal Deposit Insurance Corporation (or its successor) or the National Credit Union Share Insurance Fund (or its successor), or secured by obligations described in G. 3. Collateral Defined, or as authorized by the PFIA. Bids/quotes for certificates of deposit may be

solicited in the following ways: orally, in writing, electronically, or in any combination of the above methods.

6. Fully collateralized direct repurchase agreements with a defined termination date secured by cash or obligations of the United States or its agencies and instrumentalities. Securities purchased must be pledged to the City, held in the City's account, and deposited at the time of the investment with the City, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. Such agreements may include direct security repurchase agreements and reverse security repurchase agreements with terms of 90 days or less after the delivery date. Funds received by the City under a reverse security agreement shall be used to acquire additional authorized investments, but those investments must mature no later than the expiration date stated in the reverse security repurchase agreement.
7. Local Government Investment Pools, if the pool is specifically approved by the Council and the pool invests only in investments authorized by the PFIA. A pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. In order to be eligible to receive City funds a pool must comply with all PFIA requirements.
8. "Money Market" mutual funds that have a rating of AAA by at least one nationally recognized rating firm and are "no-load" funds. A "money market" mutual fund must maintain a \$1.0000 share value and include only short-term, highly liquid, and relatively low risk debt instruments. Must be registered with and regulated by the Securities and Exchange Commission. The City cannot own more than 10% of the mutual fund's total assets.

9. Guaranteed Investment contracts are allowed investments for bond proceeds only, if such contracts have a defined termination date, are secured by U.S. Government direct or agency obligations approved by the PFIA, in an amount equal to the bond proceeds, if security is pledged to the City and deposited with the City or a third party, and if the investment term is limited to five years from the date of bond issuance. In addition, specific provisions under PFIA Section 2256.015(c) 1-5 must be met to allow investment in these contracts.

b. Not Authorized

The City's authorized investment options are more restrictive than those allowed by State law. State law specifically prohibits investment in the following investment securities, or investment in specific instruments at levels higher than those listed below:

- 1) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
- 2) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
- 3) Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- 4) Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

4. Holding Period

The City intends to match the holding periods of investment funds with liquidity needs of the City.

5. Risk and Diversification

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification which shall be achieved by the following general guidelines:

- a) Risk of issuer default is controlled by limiting investments to those instruments allowed by the PFIA, which are described herein.
- b) Risk of market price changes shall be controlled by avoiding over-concentration of assets in a specific maturity sector, maintenance of adequate liquidity, and limitation of appropriate average maturity.
- c) Risk of temporary illiquidity shall be controlled by monitoring the rating of each issuer, as applicable, at least quarterly, and taking all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating.

F. SELECTION OF FINANCIAL INSTITUTIONS AND BROKER/DEALERS

1. Depository

In compliance with State legislation, a Primary Depository shall be selected through the City's banking services procurement process, which shall include a formal request for application (RFA). In selecting a Primary Depository, the credit worthiness of institutions shall be considered, and the Chief Financial Officer shall conduct a comprehensive review of prospective depositories' credit characteristics and financial history. In addition, the City may establish non-primary banking relationships based on deposit and unique service capabilities.

Institutions seeking to establish eligibility for the City's depository shall submit for review financial statements, evidence of federal insurance and other information as required by the Chief Financial Officer.

Any institution designated as a depository by the City will provide collateral in accordance with this Policy and applicable State law. The City reserves the right, in its sole discretion, to accept or reject any form of insurance or collateralization pledged towards depository deposits. Institutions serving as a depository will be required to sign a Depository/Collateral Agreement with the City. The collateralized deposit portion of the Agreement shall define the City's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

- The agreement must be in writing;
- The agreement has to be executed by the Depository and the City contemporaneously with the acquisition of the asset;
- The agreement must be approved by the Board of Directors or designated committee of the Depository and a copy of the meeting minutes must be delivered to the City; and
- The agreement must be part of the Depository's "official record" continuously since its execution.

2. Broker/Dealers

For broker/dealers, the City shall select only those dealers reporting to the Market Reports Division of the Federal Reserve Board of New York, also known as the "Primary Government Security Dealers", unless analysis reveals that other firms are adequately financed to conduct public business. All broker/dealers shall provide the City with references from public entities which they are currently serving. The Investment Committee shall adopt and annually review a list of

qualified broker/dealers authorized to engage in investment transactions with the City.

All investment providers, financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following, as appropriate:

- audited financial statements
- proof of Financial Industry Regulatory Authority (FINRA) certification
- proof of state registration

Additionally, the qualified representative or equivalent of the Local Government Investment Pool or discretionary Investment Advisor firm (i.e. business organization) shall execute a Certificate to the effect that the qualified representative has:

1.) Received and thoroughly reviewed this Investment Policy, and

2.) Acknowledged that their business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment transactions between itself and the City that are not authorized by this Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the City's entire portfolio, requires and interpretation of subjective investment standards or relates to investment transactions of the City that are not made through accounts, or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The City may not engage in an investment transaction with a business organization prior to receiving this written acknowledgment completed by the organization.

G. SAFEKEEPING AND CUSTODY**1. Insurance or Collateral**

All non-insured deposits and repurchase agreement investments of City funds shall be secured as required by State legislation. In order to anticipate market changes and provide a level of security for all funds, the minimum collateralization level will be 102% of market value of principal plus accrued interest on the deposits or repurchase agreement investments less any amount insured. Evidence of the pledged collateral shall be maintained by the Chief Financial Officer or Director of Finance (for their respective portfolios), or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the eligible collateral pledge in each agreement. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

2. Custodial Agreement

Collateral pledged to secure deposits of the City shall be held by a custodian institution in accordance with a Custodial Agreement which clearly defines the procedural steps for gaining access to the collateral should the City determine that the City's funds are in jeopardy. The custodian institution shall be the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral.

3. Collateral Defined

The City shall accept only the following as collateral:

- a) FDIC and NCUSIF insurance coverage.
- b) A bond, certificate of indebtedness, or note of the United States or its agencies and instrumentalities, or other evidence of indebtedness that is guaranteed as to the principal and interest by the United States or its agencies and instrumentalities.

- c) Obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or its agencies and instrumentalities.
- d) A bond of a county, city or other political subdivision of the State of Texas having been rated as investment grade (investment rating no less than "A" or its equivalent) by a nationally recognized rating agency, with a remaining maturity of ten (10) years or less.

The use of a letter of credit issued to the City by a Federal Home Loan Bank may be considered by the City to meet the required bank depository collateral requirements.

4. Subject to Audit

All collateral shall be subject to inspection and audit by the City or the City's independent auditors.

5. Delivery vs. Payment

Securities shall be purchased using the delivery versus payment method. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the City or its safekeeping agent. The security shall be held in the name of the City or held on behalf of the City. The safekeeping agent's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City.

H. INVESTMENT POLICY ADOPTION

The City Investment Policy shall be adopted by resolution of the City Council. The Investment Committee shall review the Policy for effectiveness on an annual basis and any modifications will be recommended for approval to the City Council. The City

Council shall review and approve these investment policies and strategies not less than annually.

APPENDIX A

SAMPLE INVESTMENT POLICY CERTIFICATION FORM

As required by Texas Government Code 2256.005(k)

CITY OF TEXARKANA, TEXAS

THE STATE OF TEXAS

COUNTY OF BOWIE

BEFORE ME, the undersigned authority, on this day personally appeared the person whose name is subscribed below, who, being by me first duly sworn, upon oath depose and said:

My name is _____. I am a Qualified Representative of _____ (the "Business Organization"). This Statement is provided to meet the requirements of the Public Funds Investment Act.

I hereby certify that:

1. I have reviewed the City's Investment Policy;
2. The Business Organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the City of Texarkana and the Business Organization that are not authorized by the City's Investment Policy, except to the extent that the Business Organization has not made an analysis of the make-up of the City's entire portfolio or has not engaged in any interpretation of subjective investment standards or requires and interpretation of subjective investment standards or relates to investment transactions of the City that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority; and
3. The statements, representations and declarations made in this document are true and correct.

Qualified Representative

SWORN TO AND SUBSCRIBED BEFORE ME, this the _____ day of _____, 20____.

Notary Public in and for the State of Texas

City of Texarkana, Texas

Briefing Sheet

Version: A
Update Date: 5/7/2020 2:48 PM

Lead Department: City Manager **Action Officer:** Jennifer Evans, City Secretary
Subject: Resolution No. 2020-050 assembling a Budget Advisory Committee to advise the City Council on the proposed fiscal year 2020-21 city budget.

Briefing: 5/26/2020 **Public Hearing:** **Council Vote:** 5/26/2020

Item Schedule

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

This resolution provides for Council authorization to assemble a budget advisory committee composed of seven citizens to advise the council on the fiscal year 2020-21 city budget.

Potential Options:

- To adopt the resolution as presented.
- To not adopt the resolution as presented.

Fiscal Implications:

None. The seven appointed citizen members to the committee would volunteer their services.

Staff Recommendation:

Staff recommends the adoption of this resolution.

Advisory Board/Committee Review:

NONE

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

NOT APPLICABLE

Attachments

- a. 2020-050 RES Assembling FY21 Citizens Budg Adv Cmte v2 (DOCX)

City of Texarkana, Texas

- b. 2020-050 Goals & Perspectives (DOCX)
- c. 2020-050 RES Assem. FY21 Budg. Adv. Committee signed (PDF)

Staff Coordination

City Manager	Shirley Jaster	Department Head Review	Completed	
	05/07/2020 2:46 PM			
Finance Department	Kristin Peebles	Review	Completed	05/21/2020
11:45 AM				
City Manager	Shirley Jaster	City Manager Review	Completed	05/21/2020
2:03 PM				
City Council	Jennifer Evans	Meeting	Completed	05/26/2020
6:00 PM				

Meeting History

RESOLUTION NO. 2020 - 050

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEXARKANA, TEXAS, ASSEMBLING A BUDGET ADVISORY
COMMITTEE TO ADVISE THE CITY COUNCIL ON THE FISCAL YEAR
2020-21 CITY BUDGET; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, in past resolutions, the City Council has assembled a budget advisory committee, composed of seven citizens, to advise the City Council regarding the upcoming fiscal year city budget; and

WHEREAS, the City Council desires to assemble a budget advisory committee to advise the City Council on the fiscal year 2020-21 city budget, with the Mayor and each Councilmember appointing, respectively, one citizen to said committee.

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

SECTION 1: That the City Council assembles a budget advisory committee composed of seven citizens to advise the City Council regarding the fiscal year 2020-21 city budget. The Mayor and each Councilmember shall designate, respectively, an appointee for the committee and shall inform the City Manager of said appointees by Monday, June 8, 2020, who shall cause the committee list to be released to the public.

SECTION 2: That the budget advisory committee may make recommendations to the Council but shall neither control nor supervise public business or policy.

SECTION 3: That the committee shall be dissolved upon the adoption of the fiscal year 2020-21 city budget.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☒ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☒ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☒ Maintain Fiscal Strength ☒ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

RESOLUTION NO. 2020 - 050**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, ASSEMBLING A BUDGET ADVISORY COMMITTEE TO ADVISE THE CITY COUNCIL ON THE FISCAL YEAR 2020-21 CITY BUDGET; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, in past resolutions, the City Council has assembled a budget advisory committee, composed of seven citizens, to advise the City Council regarding the upcoming fiscal year city budget; and

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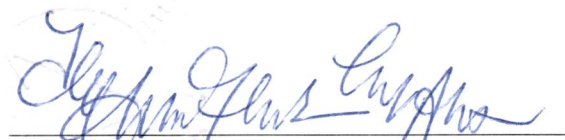
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SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:13 p.m.

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/20/2020 4:02 PM

Lead Department: Planning and Community Development **Action Officer:** David Orr, Planning & Community Development Director

Subject: Resolution No. 2020-052 supporting the establishment of a Commercial Property Assessed Clean Energy (PACE) Program in Bowie County, Texas.

Briefing: 5/26/2020 **Public Hearing:** 5/26/2020 **Council Vote:** 5/26/2020

Item Schedule

Schedule 2: Brief once - vote once (two weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

The 83rd Regular Legislative Session of the State of Texas created the Property Assessed Clean Energy (PACE) Act, Chapter 399 of the Local Government Code, which allows commercial, industrial, and certain multifamily residential property owners to invest in qualified improvements that will decrease water or energy consumption or demand while accessing financing through public or private funding and paying back the costs of the improvements over time through property assessments.

The Texas statute and model program, *PACE in a Box*, adopted by 27 Texas counties contain a high level of consumer protection, rely on private capital rather than local bond funding, are funded with user fees rather than tax dollars, and have been uniformly adopted by every local jurisdiction establishing a Commercial PACE program in Texas.

This resolution supports Bowie County's adoption of a PACE program and will be uniformly available to all qualifying property within the city and county.

Potential Options:

- Approve
- Deny

Fiscal Implications:

None

Staff Recommendation:

Staff recommends approval.

City of Texarkana, Texas

Advisory Board/Committee Review:

NONE

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

NOT APPLICABLE

Attachments

- a. 2020-052 RES City Support of Bowie County PACE Program (DOCX)
- b. 2020-052 ATTH 01 PACE Bowie & Miller Counties (PDF)
- c. 2020-052 ATTH 02 AR-TX REDI PACE Program Letter of Support 5-20-20 (PDF)
- d. 2020-052 Goals & Perspectives (DOCX)
- e. 2020-052 RES Supt of C-PACE Energy Prog signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review
Completed	05/20/2020 4:07 PM	
City Manager	Shirley Jaster	City Manager Review Completed 05/21/2020
2:06 PM		
City Council	Jennifer Evans	Meeting Completed 05/26/2020
6:00 PM		

Meeting History

RESOLUTION NO. 2020-052**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING SUPPORT FOR THE ESTABLISHMENT OF A COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM IN BOWIE COUNTY TEXAS; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, The 83rd Regular Legislative Session of the State of Texas created the Property Assessed Clean Energy (PACE) Act, Chapter 399 of the Local Government Code, which allows commercial, industrial, and certain multifamily residential property owners to invest in qualified improvements that will decrease water or energy consumption or demand while accessing financing through public or private funding and paying back the costs of the improvements over time through property assessments; and

WHEREAS, the Commercial PACE (C-PACE) assessment will likely be less than the utility savings resulting from the retrofits, essentially allowing a project to pay for itself without upfront costs; and

WHEREAS, C-PACE financing programs are an innovative local government solution to help businesses finance energy efficiency and renewable energy improvements with private capital; and

WHEREAS, the City, County and State could benefit from the energy and water demand savings by lessening the need to invest in expensive new water or power plants, creating new jobs to implement the conservation improvements, improving property values, increasing resiliency, and reducing harmful pollution; and

WHEREAS, the Texas statute and model program, *PACE in a Box*, adopted by 27 Texas counties contain a high level of consumer protection, rely on private capital rather than local bond funding, are funded with user fees rather than tax dollars, and have been uniformly adopted by every local jurisdiction establishing a Commercial PACE program in Texas; and

WHEREAS, a Texas *PACE in a Box* model program does not compete with the private sector, promotes private sector competition, is completely voluntary, and does not pose a risk to the County's treasury or impose on County staff resources; and

WHEREAS, a single Bowie County program will be uniformly available to all qualifying property in the county, and

WHEREAS, communities in other states with C-PACE legislation have faced challenges when multiple, competing PACE programs with different elements are developed and implemented by different administrators, demonstrating the need for the model *PACE in a Box* uniform program that does not pick winners and losers, establishes a level playing field within the private sector,

eases access to private capital in the most cost-effective way, imbeds uniform consumer protections, and enables all parties to successfully market the program to potential customers;

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

SECTION 1: Upon review of the program elements, types of projects that would qualify, private capital financing model to cover the upfront costs and the appropriate party to collect the assessments, among other elements in the Texas *PACE in a Box* model program, the Mayor and City Council hereby respectfully urge Bowie County to develop and implement a county-wide, C-PACE *PACE in a Box* model program.

SECTION 2: This Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR



Advancing PACE in Bowie County & Miller County

www.TexasPACEAuthority.org

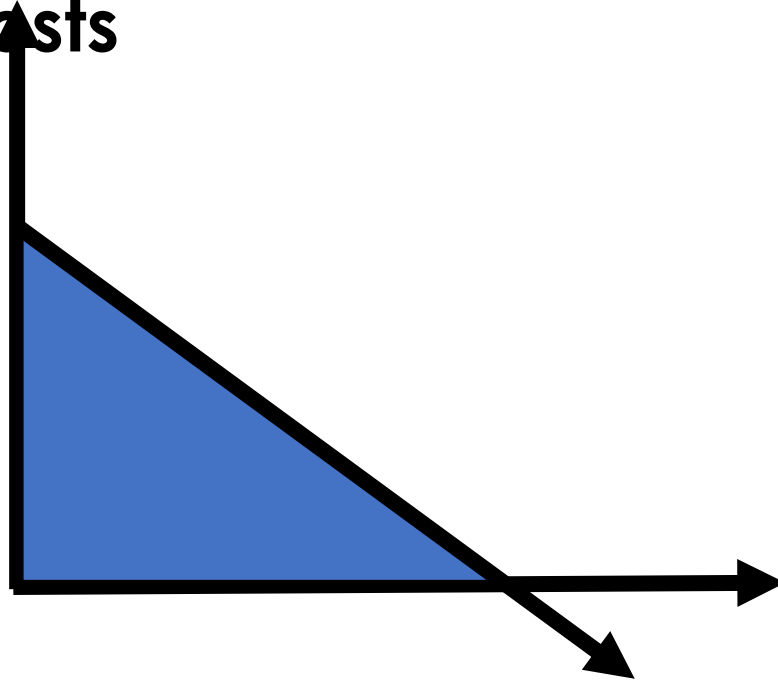
Texas PACE answers the question, “How are we going to pay for it?”

TX-PACE is transforming how developers, owners, and contractors look at projects, proving that there is a clear path forward for energy efficiency, distributed generation, water use reduction, and resiliency projects in existing buildings.

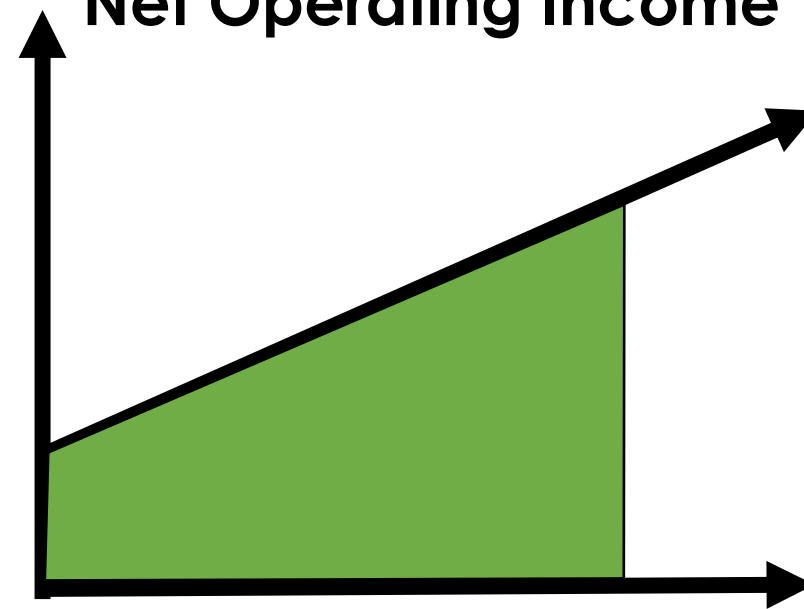


WHAT TX-PACE DOES

LOWER
Utility Costs



INCREASE
Net Operating Income



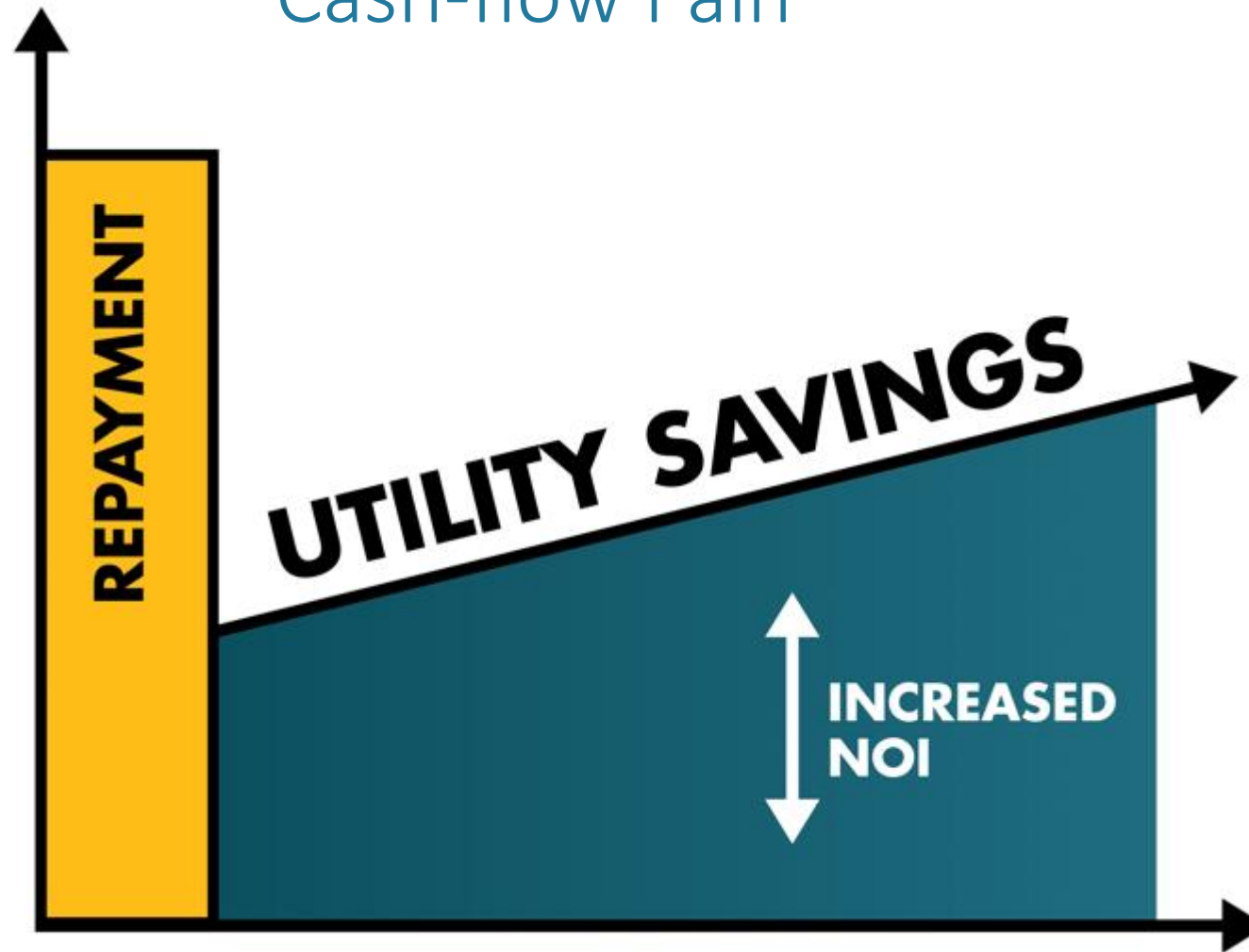
Bottom Line: Increased Building Value

WHAT IS TX-PACE?

- **Economic development tool** - property assessment
- **100%** long term, low cost **financing**
- For **energy efficiency, water conservation, distributed generation, and demand reduction** (resiliency)
- On **commercial, industrial, and multi-family** (5+ units) properties



Short Financing Term + Long ROI =
Cash-flow Pain

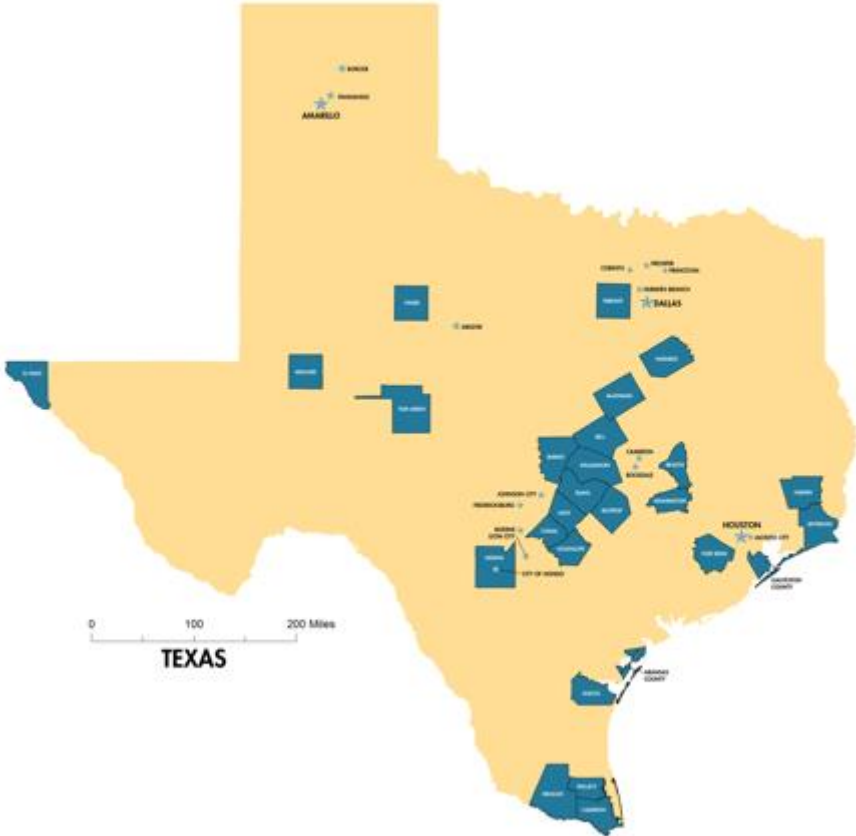


WHAT TX-PACE DOES

LOWER UTILITY COSTS *and* INCREASE NET OPERATING INCOME



THE GROWING TX-PACE MARKET



- \$108 million of investment to date
- 60% of state population covered

COUNTIES

Aransas County	Bastrop County	Bell County
Brazos County	Burnet County	Cameron County
Comal County	El Paso County	Fisher County
Fort Bend County	Galveston County	Guadalupe County
Hardin County	Hays County	Hidalgo County
Jefferson County	Medina County	McLennan County
Midland County	Navarro County	Nueces County
Tarrant County	Tom Green County	Travis County
Washington County	Willacy County	Williamson County

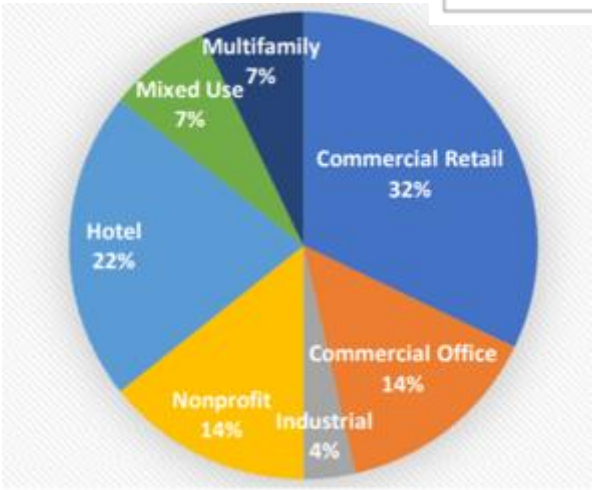
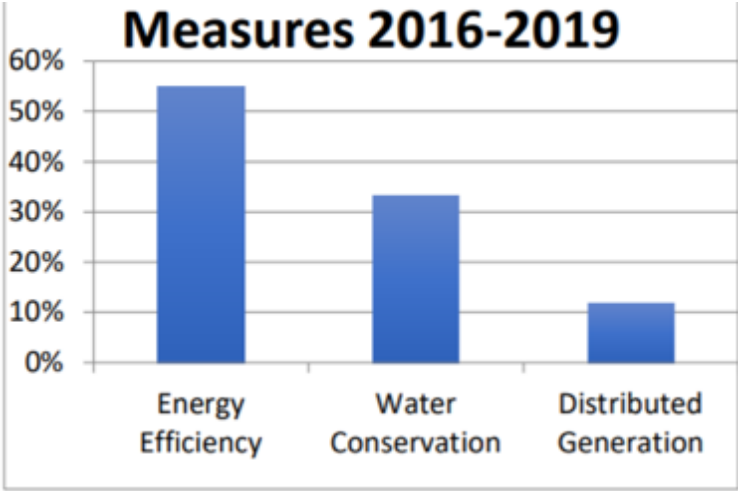
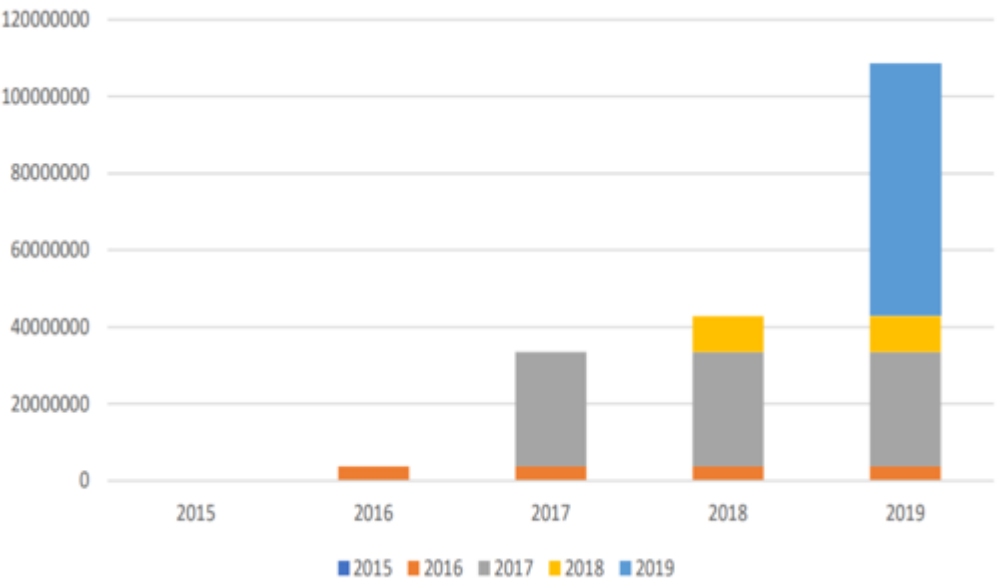
CITIES

City of Abilene	City of Amarillo	City of Boerne
City of Borger	City of Cameron	City of Corinth
City of Dallas	City of Farmers Branch	City of Fredricksburg
City of Hondo	City of Houston	Jacinto City
Johnson City	City of Leon Valley	City of Panhandle
City of Princeton	Town of Prosper	City of Rockdale

***Newest:**
City of San Antonio

TX-PACE BY THE NUMBERS

ANNUAL TX-PACE INVESTMENT



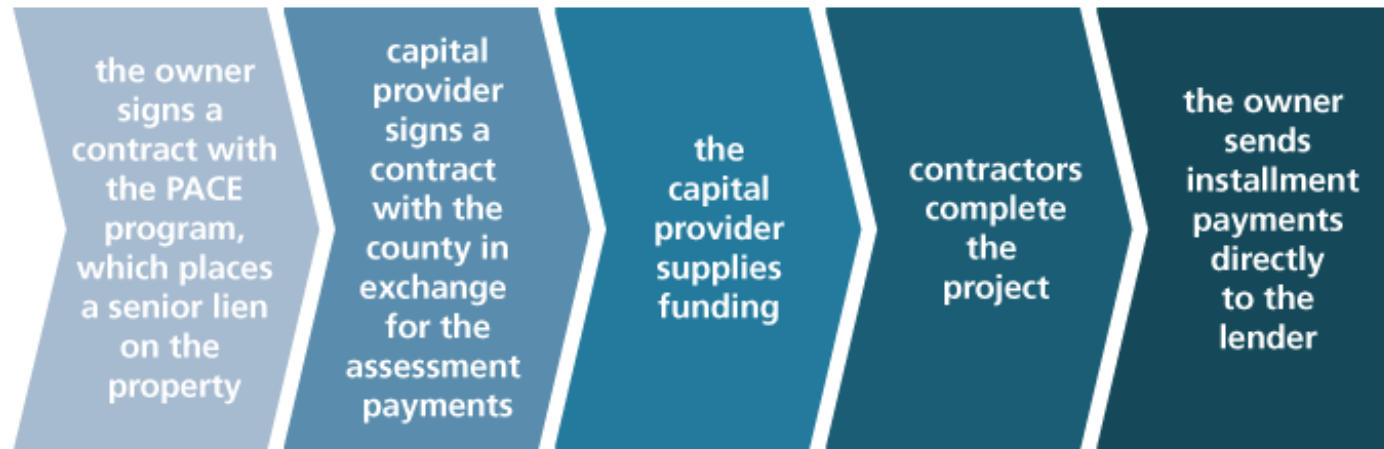
HOW TX-PACE WORKS – THE DETAILS

How It Works

A Building Owner:



If the owner, building, and project all meet PACE requirements:



LOCAL GOVERNMENT ACTION

- Post report on how the program will work
- Pass a resolution of intent
- Hold a public hearing
- Adopt a resolution establishing PACE program



PACE IN A BOX

“PACE in a Box” is a toolkit of recommendations and templates for counties and municipalities to:

- ▶ Create uniform, user friendly, scalable, and sustainable PACE programs
- ▶ Administered by a nonprofit in a transparent manner, focused on gov’t tasks; free market with decision/power in hands of property owner



PACE in a Box Working Groups

Program Underwriting

- Building Owner Qualifications
- Building Qualifications
- Project Qualifications
- Savings to Investment Ratio

Program Design

- Templates for Municipal Resolution
- Application Process
- Collection Process
- Overview / Flow Chart

Technical Standards

- Energy Saving M&V
- Water Savings M&V
- Third Party Review
- M&V Resources

Funding Platform

- Responsible Loan Making
- Attracting Capital
- Bonding

Education and Training

- Education to Municipalities
- Marketing Campaign to Building Owners, Lenders, and Contractors
- M&V training



Local Gov't Risk Avoidance

- Financial
 - No tax dollars (user fee)
 - No risk to treasury
 - No risk to public servants – HB 2654
 - Limited impact on public servant workload
- Fiduciary
 - Build strong local stakeholder support
 - Best practices/consumer protection
 - Gov't doesn't compete w/private sector
- Gov't costs covered if foreclosure

Free Market Flexibility

- No mandates, market distortions, or financial incentives that siphon funds away from local government
- Risk stays with property (not transferred to the Gov't or lender)
- Property owner selects lender, contractor and project, negotiates interest rates and other terms
- Private capital (gov't does not need to fund projects through bonds)
- No gov't imposed winners and losers
- Thorough Underwriting and Technical Standards requirements





Barfield Building

City of Amarillo

Measures:

- LED lighting
- Building envelope
- Water efficiency
- Domestic hot water heating



State Historic Tax Credit financing: \$9,050,551

Assessment Total: \$ 6,447,609

Total Savings: electric energy: 73%
natural gas: 79%
water: 40%



COMMERCIAL



Continental Gin Building • City of Dallas
Roofing • Glass/Glazing • Mechanical/HVAC • Lighting
Solar • Ext. Walls • Elevators • Utilities • Assessment: \$5M
Annual Savings: 1.4M kWh; 11,000 mmBTU; 500 Kgal



Softex Headquarters • Travis County
HVAC • Roof • Thermostats • Solar PV
Assessment: \$291,000 • Annual Savings: 190,000kWh



Elgin General Store • Bastrop County
Solar PV • Assessment: \$120,000 • USDA REAP Grant
& Oncor Incentives: \$62,000 • Annual Savings: 26%



1225 North Loop West, Houston

Measures:

- HVAC
- BAS
- LED lighting

Utility

Incentives:

\$30,000

Assessment:

\$1,304,352

Annual Utility

Savings: 38%

Annually



NON-PROFIT



Family Eldercare • Travis County
Solar PV • Cool Roof
Assessment: \$260,000 • Annual Savings: \$20,000



Congregation Beth Israel • Travis County
Boilers • Chillers • Window Film • BAS Controls
Assessment: \$450,000 • Annual Savings: \$40,000

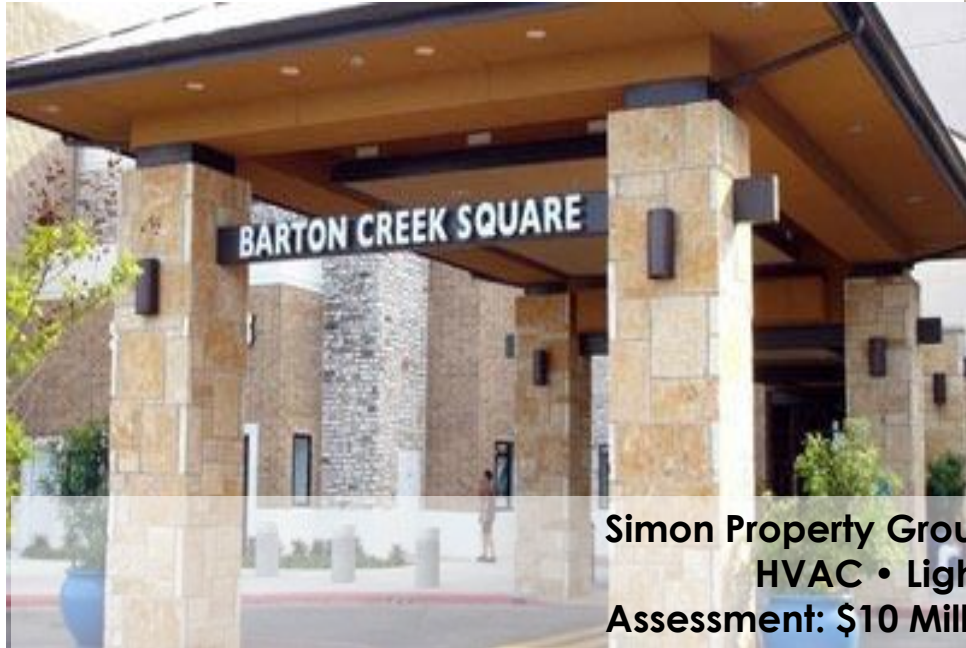


New Isis Theater • Tarrant County
HVAC • Building Envelope • Water
Assessment: \$2.3 Million

INDUSTRIAL & RETAIL



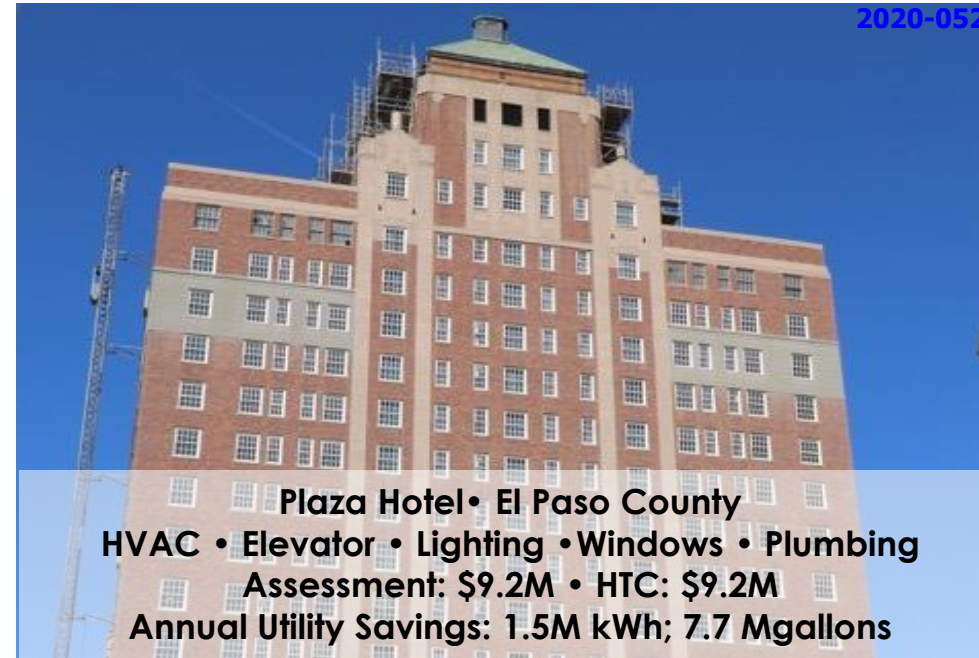
R.J. Liebe Company • Navarro County
HVAC • LED lighting
Assessment: \$325,000 • Annual Utility Savings: 30%



Simon Property Group • Multiple Counties
HVAC • Lighting • Water
Assessment: \$10 Million • Annual Savings:



HOSPITALITY



Plaza Hotel • El Paso County
HVAC • Elevator • Lighting • Windows • Plumbing
Assessment: \$9.2M • HTC: \$9.2M
Annual Utility Savings: 1.5M kWh; 7.7 Mgallons

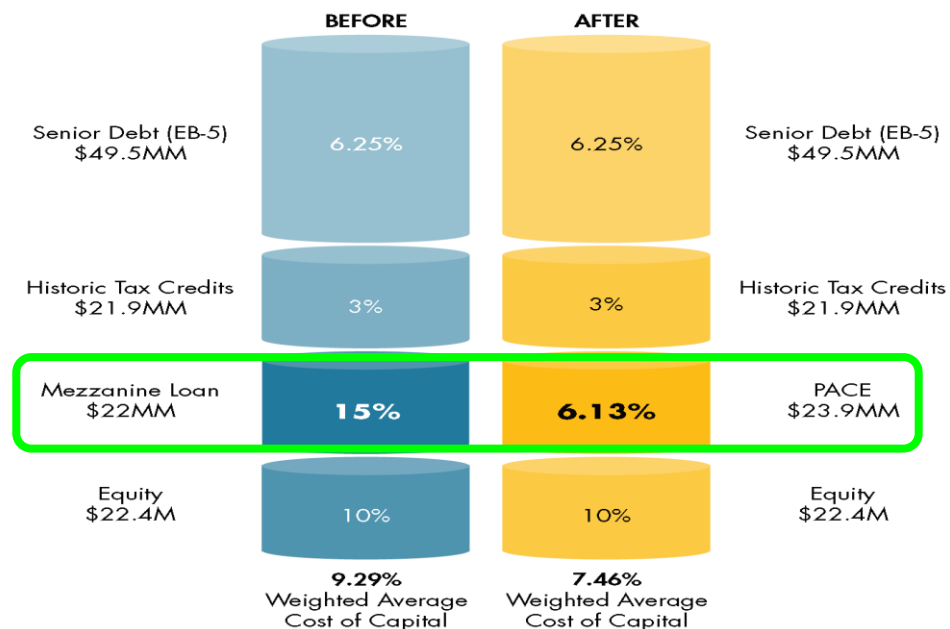


Barfield Building • City of Amarillo
LED lighting • Building Envelope • Water Efficiency •
Domestic Hot Water Heating •
Assessment: \$6.4 M • HTC: \$9M • Savings:



Kimpton Hotel • Tarrant County
HVAC • Lighting • Water Heater
Assessment: \$5.8 M
Annual Savings: 2,000,000 kWh; 15,000 BTU

RESIDENTIAL & MIXED USE



PACE is a WIN-WIN-WIN

- ✓ **Property Owners** – lower utility bills, energy independence, energy efficiency, property value increase
- ✓ **Contractors** – source of increase in business, more local hiring, best practices, keeping up with technology advancements
- ✓ **Lenders** – new loans, steady & stable process, fully collateralized, Tax Assessment lien position, improved asset value
- ✓ **State of Texas** – reduced peak demand, improved grid loading, distributed generation as resilient power source, improved air quality, better water conservation
- ✓ **Communities** – increased economic development and jobs, improved building infrastructure, more appealing building stock



- **State Energy Conservation Office:**
<https://comptroller.texas.gov/programs/seco/funding/pace.php>
- **Energy and Emissions Tool:**
<https://pace.harcresearch.org>
- **Texas PACE Authority:**
www.TexasPACEAuthority.org
- **Keeping PACE in Texas:**
www.KeepingPACEinTexas.org
- **PACE Nation:**
www.PACENation.us





TEXAS ★ PACE

AUTHORITY

TEXAS' OPEN-MARKET PACE
PROGRAM ADMINISTRATOR

www.TexasPACEAuthority.org

Charlene Heydinger, President

Charlene.Heydinger@KeepPACE.org

POWERED BY:





May 20, 2020

Judge Bobby Howell
Precinct 1 Commissioner Sammy Stone
Precinct 2 Commissioner Tom Whitten
Precinct 3 Commissioner James Strain
Precinct 4 Commissioner Mike Carter

RE: Property Assessed Clean Energy (PACE) Act, Chapter 399 of the Local Government Code

Dear Judge Howell and Honorable Commissioners:

On behalf of AR-TX Regional Economic Development Inc (REDI), I want to express my group's enthusiastic support to establish a Commercial Property Assessed Clean Energy (PACE) program in Bowie County, Texas.

The 83rd Regular Legislative Session of the State of Texas created the PACE Act, Chapter 399 of the Local Government Code, which allows commercial, industrial, and certain multifamily residential property owners to invest in qualified improvements that will decrease water or energy consumption or demand while accessing financing through public or private funding and paying back the costs of the improvements over time through property assessments.

Bowie County could benefit from the energy and water demand savings by lessening the need to invest in expensive new water or power plants, creating new jobs to implement the conservation improvements, improving property values, increasing resiliency, and reducing harmful pollution.

The Texas statute and model program, *PACE in a Box*, adopted by 27 Texas counties contain a high level of consumer protection, rely on private capital rather than local bond funding, are funded with user fees rather than tax dollars, and have been uniformly adopted by every local jurisdiction establishing a Commercial PACE program in Texas.

The PACE model does not pick winners and losers rather it establishes a level playing field within the private sector, eases access to private capital in the most cost-effective way, imbeds uniform consumer protections, and enables all parties to successfully market the program to potential customers.

I am confident that approving a PACE program in Bowie County will offer our community another potential tool to attract businesses to our great community. Thank you for your continued support of attracting job creating opportunities.

Sincerely,

Rob Sitterley
President & CEO

Saint Michael Drive • 5th Floor, Texarkana, TX 75503
903-824-1792 • rob.sitterley@ar-txredi.com

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☒ Provide a Safe Community ☒ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☒ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☒ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Medium

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

RESOLUTION NO. 2020-052**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING SUPPORT FOR THE ESTABLISHMENT OF A COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM IN BOWIE COUNTY TEXAS; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, The 83rd Regular Legislative Session of the State of Texas created the Property Assessed Clean Energy (PACE) Act, Chapter 399 of the Local Government Code, which allows commercial, industrial, and certain multifamily residential property owners to invest in qualified improvements that will decrease water or energy consumption or demand while accessing financing through public or private funding and paying back the costs of the improvements over time through property assessments; and

WHEREAS, the Commercial PACE (C-PACE) assessment will likely be less than the utility savings resulting from the retrofits, essentially allowing a project to pay for itself without upfront costs; and

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WHEREAS, communities in other states with C-PACE legislation have faced challenges when multiple, competing PACE programs with different elements are developed and implemented by different administrators, demonstrating the need for the model *PACE in a Box* uniform program that does not pick winners and losers, establishes a level playing field within the private sector,

eases access to private capital in the most cost-effective way, imbeds uniform consumer protections, and enables all parties to successfully market the program to potential customers;

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

SECTION 1: Upon review of the program elements, types of projects that would qualify, private capital financing model to cover the upfront costs and the appropriate party to collect the assessments, among other elements in the Texas *PACE in a Box* model program, the Mayor and City Council hereby respectfully urge Bowie County to develop and implement a county-wide, C-PACE *PACE in a Box* model program.

SECTION 2: This Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

Vicky Cooper for Jennifer Evans
JENNIFER EVANS, CITY SECRETARY

Bob Bruggeman
BOB BRUGGEMAN, MAYOR

Assistant City Secretary 6:14 p.m.

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/22/2020 9:51 AM

Lead Department: City Manager **Action Officer:** Jennifer Evans, City Secretary
Subject: Ordinance No. 2020-049 for the reappointment of the Municipal Judge and the approval of a two-year employment agreement.

Briefing: 5/26/2020 **Public Hearing:** **Council Vote:** 5/26/2020

Item Schedule

Updates/History of Briefing:

Not Applicable.

Executive Summary and Background Information:

In Ordinance No. 145-09, the City Council established the City's municipal court as a "municipal court of record" pursuant to Chapter 30 of the Texas Government Code to provide a more efficient disposition of cases arising in the City and in order to more effectively enforce the ordinances of the City.

A municipal court of record is required to provide a court reporter to create and preserve a record in cases tried before the court, while an ordinary municipal court typically does not create or preserve a record. Appeals from either type of municipal court are generally to the county court. The creation and preservation of a "record" increases the efficiency of any appeals from decisions of the municipal court of record: such an appeal from a municipal court of record is based on specific points of error as contained in the "record". In contrast, an appeal from an ordinary municipal court results in a brand new trial since no record was created (the technical term is "trial de novo", meaning all of the witnesses and all of the documentation submitted in the first trial must be presented again).

Sec. 30.00006 of the Texas Government Code, applicable to judges of municipal courts of record, provides in pertinent part as follows:

Sec. 30.00006. JUDGE.

- (a) A municipal court of record is presided over by one or more municipal judges.
- (b) The governing body shall by ordinance appoint its municipal judges.
- (c) A municipal judge must:
 - (1) be a resident of this state;
 - (2) be a citizen of the United States;

City of Texarkana, Texas

- (3) be a licensed attorney in good standing; and
 - (4) have two or more years of experience in the practice of law in this state.
- (d) The governing body shall provide by ordinance for the term of office of its municipal judges. The term must be for a definite term of two or four years.

* * *

- (h) The governing body shall determine the salary of a municipal judge. The amount of a judge's salary may not be diminished during the judge's term of office. The salary may not be based directly or indirectly on fines, fees, or costs collected by the court.

The Honorable Sherry Jackson, Municipal Judge of The Municipal Court of Record in the City of Texarkana, Texas, desires to be reappointed to another two-year term effective June 1, 2020. Her salary set by her current compensation agreement is \$81,530. The law vests with the City Council the function of determining the salary of a municipal judge; the office of municipal judge is included in the City's compensation plan; and the city pay scale salary survey indicates an increase of salary to \$_____.

Potential Options:

- Adopt the ordinance as presented.
- Revise the ordinance as presented
- Take other action as determined by the City Council.

Fiscal Implications:

A reappointment with salary set at current levels will have no fiscal implications. A reappointment with a salary increase to \$_____ per the city pay scale salary survey is within budgeted parameters.

Staff Recommendation:

Staff recommends adoption of the ordinance as presented.

Advisory Board/Committee Review:

None.

Board/Committee Recommendation:

Not Applicable.

Advisory Board/Committee Meeting Date and Minutes:

Not Applicable.

Attachments

- a. 2020-049 ORD Reappoint Municipal Court Judge (jcl rev) (DOCX)
- b. 2020-049 EXH 'A' Municipal Judge Compensation Agreement 2020-2022 (DOC)

City of Texarkana, Texas

- c. 2020-049 ATTH 01 Municipal Judge Compensation Agreement 2018-2020 (DOC)
- d. 2020-049 Goals & Perspectives (DOCX)
- e. 2020-049 ORD Reappointment of Municipal Judge signed (PDF)

Staff Coordination

City Manager	Shirley Jaster	Department Head Review	Completed	
	05/21/2020 2:13 PM			
City Manager	Shirley Jaster	City Manager Review Completed		05/22/2020
9:59 AM				
City Council	Jennifer Evans	Meeting	Completed	05/26/2020
6:00 PM				

Meeting History

ORDINANCE NO. 2020 - 049

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, REAPPOINTING SHERRY L. JACKSON AS MUNICIPAL JUDGE OF THE MUNICIPAL COURT OF RECORD IN THE CITY OF TEXARKANA, TEXAS, FOR A TWO-YEAR TERM; APPROVING A COMPENSATION AGREEMENT AND DETERMINING THE SALARY FOR THE OFFICE OF MUNICIPAL JUDGE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Section 30.00006 of the Texas Government Code, applicable to municipal courts of record, provides that the governing body of the municipality shall provide by ordinance for the term of office of its municipal judges and shall determine the salary of a municipal judge; and

WHEREAS, the City Charter of the City of Texarkana, Texas, requires that the Council elect a municipal judge each even year by a majority vote for a two-year term; and

WHEREAS, Section 30.00006(c) of the Texas Government Code provides that a municipal judge must be a resident of this state, be a citizen of the United States, be a licensed attorney in good standing, and have two or more years of experience in the practice of law in this state; and

WHEREAS, the City Charter requires that a municipal judge shall have been a resident of the City of Texarkana, Texas, for at least one year preceding the appointment.

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

SECTION 1: That Sherry L. Jackson is deemed qualified under the Texas Government Code and the City Charter to serve as Municipal Judge of The Municipal Court of Record in the City of Texarkana, Texas, and is hereby reappointed to that office for a term of two years commencing on June 1, 2020.

SECTION 2: That the salary for the Municipal Judge and other expense reimbursements, training requirements, and performance reporting shall be determined by the City Council as set forth in the Compensation Agreement as set out in **Exhibit "A"** to this Ordinance, incorporated herein by reference for all purposes, and such agreement is hereby approved.

SECTION 3: That the City Manager, on behalf of the City Council, is authorized and directed to execute the approved Compensation Agreement.

SECTION 4: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th day of May, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2020-049 ORD Reappoint Municipal Court Judge (jcl rev) (2262 : 2020-049 ORD Reappointment of Municipal Judge)

2020-049 EXH 'A' Municipal Judge Compensation Agreement

COMPENSATION AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Texarkana, Texas, a municipal corporation, (hereinafter referred to as the "CITY") and Sherry L. Jackson, (hereinafter referred to as "MUNICIPAL JUDGE").

WITNESSETH:

WHEREAS, CITY desires to employ the services of Sherry L. Jackson as the MUNICIPAL JUDGE of the City of Texarkana, Texas; and

WHEREAS, it is the desire of the City Council of the City of Texarkana, Texas, to provide certain compensation benefits, establish certain conditions of employment and to set working conditions of said MUNICIPAL JUDGE; and

WHEREAS, Sherry L. Jackson desires to accept employment as the MUNICIPAL JUDGE of the City of Texarkana, Texas;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, the parties agree as follows:

Section 1. Duties.

CITY hereby agrees to employ said Sherry L. Jackson as the MUNICIPAL JUDGE of said CITY to perform the functions and duties authorized under State law, the City Charter and City Ordinances, and to perform other legally permissible and proper duties and functions as the Council or City Manager shall from time to time assign.

Section 2. Term.

- A. Sherry L. Jackson shall commence serving as the MUNICIPAL JUDGE on the 1st day of June, 2020, and continue serving under the terms of this contract through the last day of May, 2022. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the MUNICIPAL JUDGE at any time, with or without cause. Sufficiency of cause shall be solely within the discretion of CITY. Nothing contained within this Agreement shall be construed to confer an expectation of continued employment or a property interest therein.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the MUNICIPAL JUDGE to resign at any time from her position with the CITY.
- C. MUNICIPAL JUDGE agrees to remain in the exclusive employ of CITY and to accept no other employment by another employer during the term of this Agreement. The term "employment" shall not be construed to include occasional teaching, writing, consulting, serving as legal counsel for issues unrelated to City business, or

2020-049 EXH 'A' Municipal Judge Compensation Agreement

mediation performed on the MUNICIPAL JUDGE'S time off or compensatory time off.

Section 3. Compensation and Benefits.

- A. CITY agrees to pay the MUNICIPAL JUDGE for her services rendered pursuant hereto an annual base salary of \$_____ payable in accordance with the same schedule that other employees of the CITY are paid and subject to the same applicable deductions for taxes, social security, benefit plans and other wage withholdings.
- B. CITY agrees to provide the MUNICIPAL JUDGE with compensation benefits as follows:
 - (1) City to pay Health Insurance benefits for employee only;
 - (2) Texas Municipal Retirement System: employee contribution equal 7% Matching Ration 2:1;
 - (3) Longevity pay in accordance with City practices as it relates to other City employees;
 - (4) Professional and Association dues to appropriate memberships in State organizations and other related training as approved in consultation with the City Manager. Approved training and travel will be reimbursed at normal and customary City rates.

Section 4. Performance Evaluation.

The MUNICIPAL JUDGE, at least once annually, shall provide the City Council with a written report of her continuing education activities and any specific areas of interest related to her abilities to perform the full range of her court duties.

Section 5. Hours of Work.

The position of MUNICIPAL JUDGE is a professional position, and MUNICIPAL JUDGE agrees that during regular business hours she will generally be involved in the pursuit of City business. The City recognizes that on occasion the MUNICIPAL JUDGE must devote time outside regular business hours of municipal office in performing her powers and duties (i.e. night court, etc.), and City agrees that the MUNICIPAL JUDGE may attend to personal matters during regular business hours when such use is reasonable and does not interfere with her duties or is compelled by unusual circumstances.

Section 6. Expenses.

The MUNICIPAL JUDGE shall be reimbursed for job-related expenses incurred in the conduct of City business, in the same manner and for the same purposes as other City employees.

Section 7. Severance.

If, and only if, terminated other than "for cause" by the City Council as defined hereinbelow, the MUNICIPAL JUDGE shall upon termination receive one lump sum payment of severance pay not to exceed the equivalent of two (2) months standard salary plus accumulated vacation time as provided in the City's Personnel Handbook. If the MUNICIPAL JUDGE resigns of her own initiative, leaves for other employment, retires, or is terminated "for cause" this section does not apply. The term "for cause," as used in this section, shall mean a conviction for a misdemeanor involving moral turpitude or personal gain or for any felony or a pattern of

2020-049 EXH 'A' Municipal Judge Compensation Agreement

insubordination which stems from a persistent failure to comply with a legally authorized written directive from the City Manager or City Council and which continues after a reasonable opportunity to remediate such failure to comply.

Section 8. Vacation, Sick Leave, Retirement, and other Benefits.

In addition to the benefits provided in this Agreement, all provisions of the City's Code of Ordinances and Employee Personnel Handbook relating to health care, vacation, sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as they now exist or may be amended, shall also apply to the MUNICIPAL JUDGE as they would to other employees of the CITY, insofar as those provisions, rules and regulations are not inconsistent with this Agreement.

Section 9. Notices.

Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to CITY or MUNICIPAL JUDGE as the case may be at the address set forth opposite the signature of the party.

Section 10. Entire Agreement.

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting this subject matter.

Section 11. Successor and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

Section 12. Governing Law.

This Agreement is governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be Bowie County, Texas.

Section 13. Amendment.

This Agreement may be amended by the mutual written agreement of the parties.

Section 14. Legal Construction.

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

Section 15. No Waiver.

The failure to enforce or insist on performance of any term or provision of this Agreement by CITY shall not be construed as a waiver of such provision.

EXECUTED this _____ day of _____, 2020.

2020-049 EXH 'A' Municipal Judge Compensation Agreement

MUNICIPAL JUDGE**CITY OF TEXARKANA, TEXAS**

By: _____

Sherry L. Jackson
Texas Municipal Court
100 N. Stateline, Box 1
Texarkana, Texas 75501

By: _____

Shirley Jaster
City Manager
City Manager's Office
P. O. Box 1967
Texarkana, Texas 75504

ATTEST:

By: _____

Jennifer Evans
City Secretary

Attachment: 2020-049 EXH 'A' Municipal Judge Compensation Agreement 2020-2022 (2262 : 2020-049 ORD Reappointment of Municipal Judge)

COMPENSATION AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Texarkana, Texas, a municipal corporation, (hereinafter referred to as the “CITY”) and Sherry L. Jackson, (hereinafter referred to as “MUNICIPAL JUDGE”).

WITNESSETH:

WHEREAS, CITY desires to employ the services of Sherry L. Jackson as the MUNICIPAL JUDGE of the City of Texarkana, Texas; and

WHEREAS, it is the desire of the City Council of the City of Texarkana, Texas, to provide certain compensation benefits, establish certain conditions of employment and to set working conditions of said MUNICIPAL JUDGE; and

WHEREAS, Sherry L. Jackson desires to accept employment as the MUNICIPAL JUDGE of the City of Texarkana, Texas;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, the parties agree as follows:

Section 1. Duties.

CITY hereby agrees to employ said Sherry L. Jackson as the MUNICIPAL JUDGE of said CITY to perform the functions and duties authorized under State law, the City Charter and City Ordinances, and to perform other legally permissible and proper duties and functions as the Council or City Manager shall from time to time assign.

2020-049 ATTH 01 Municipal Judge Compensation Agreement

Section 2. Term.

- A. Sherry L. Jackson shall commence serving as the MUNICIPAL JUDGE on the 1st day of August, 2018, and continue serving under the terms of this contract through the last day of July, 2020. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the MUNICIPAL JUDGE at any time, with or without cause. Sufficiency of cause shall be solely within the discretion of CITY. Nothing contained within this Agreement shall be construed to confer an expectation of continued employment or a property interest therein.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the MUNICIPAL JUDGE to resign at any time from her position with the CITY.
- C. MUNICIPAL JUDGE agrees to remain in the exclusive employ of CITY and to accept no other employment by another employer during the term of this Agreement. The term “employment” shall not be construed to include occasional teaching, writing, consulting, serving as legal counsel for issues unrelated to City business, or mediation performed on the MUNICIPAL JUDGE’S time off or compensatory time off.

Section 3. Compensation and Benefits.

- A. CITY agrees to pay the MUNICIPAL JUDGE for her services rendered pursuant hereto an annual base salary of \$81,530.00 payable in accordance with the same schedule that other employees of the CITY are paid and subject to the same applicable deductions for taxes, social security, benefit plans and other wage withholdings.
- B. CITY agrees to provide the MUNICIPAL JUDGE with compensation benefits as follows:
 - (1) City to pay Health Insurance benefits for employee only;
 - (2) Texas Municipal Retirement System: employee contribution equal 7% Matching Ration 2:1;
 - (3) Longevity pay in accordance with City practices as it relates to other City employees;

2020-049 ATTH 01 Municipal Judge Compensation Agreement

- (4) Professional and Association dues to appropriate memberships in State organizations and other related training as approved in consultation with the City Manager. Approved training and travel will be reimbursed at normal and customary City rates.

Section 4. Performance Evaluation.

The MUNICIPAL JUDGE, at least once annually, shall provide the City Council with a written report of her continuing education activities and any specific areas of interest related to her abilities to perform the full range of her court duties.

Section 5. Hours of Work.

The position of MUNICIPAL JUDGE is a professional position, and MUNICIPAL JUDGE agrees that during regular business hours she will generally be involved in the pursuit of City business. The City recognizes that on occasion the MUNICIPAL JUDGE must devote time outside regular business hours of municipal office in performing her powers and duties (i.e. night court, etc.), and City agrees that the MUNICIPAL JUDGE may attend to personal matters during regular business hours when such use is reasonable and does not interfere with her duties or is compelled by unusual circumstances.

Section 6. Expenses.

The MUNICIPAL JUDGE shall be reimbursed for job-related expenses incurred in the conduct of City business, in the same manner and for the same purposes as other City employees.

Section 7. Severance.

If, and only if, terminated other than “for cause” by the City Council as defined hereinbelow, the MUNICIPAL JUDGE shall upon termination receive one lump sum payment of severance pay not to exceed the equivalent of two (2) months standard salary plus accumulated vacation time as provided in the City’s Personnel Handbook. If the MUNICIPAL JUDGE resigns of her own initiative, leaves for other employment, retires, or is terminated “for cause” this section does not apply. The term “for cause,” as used in this section, shall mean a conviction for a misdemeanor involving moral turpitude or personal gain or for any felony or a pattern of

2020-049 ATTH 01 Municipal Judge Compensation Agreement

insubordination which stems from a persistent failure to comply with a legally authorized written directive from the City Manager or City Council and which continues after a reasonable opportunity to remediate such failure to comply.

Section 8. Vacation, Sick Leave, Retirement, and other Benefits.

In addition to the benefits provided in this Agreement, all provisions of the City's Code of Ordinances and Employee Personnel Handbook relating to health care, vacation, sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as they now exist or may be amended, shall also apply to the MUNICIPAL JUDGE as they would to other employees of the CITY, insofar as those provisions, rules and regulations are not inconsistent with this Agreement.

Section 9. Notices.

Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to CITY or MUNICIPAL JUDGE as the case may be at the address set forth opposite the signature of the party.

Section 10. Entire Agreement.

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting this subject matter.

Section 11. Successor and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

Section 12. Governing Law.

2020-049 ATTH 01 Municipal Judge Compensation Agreement

This Agreement is governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be Bowie County, Texas.

Section 13. Amendment.

This Agreement may be amended by the mutual written agreement of the parties.

Section 14. Legal Construction.

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

Section 15. No Waiver.

The failure to enforce or insist on performance of any term or provision of this Agreement by CITY shall not be construed as a waiver of such provision.

EXECUTED this _____ day of _____, 2018.

MUNICIPAL JUDGE

CITY OF TEXARKANA, TEXAS

By: _____

Sherry L. Jackson
Texas Municipal Court
100 N. Stateline, Box 1
Texarkana, Texas 75501

By: _____

Shirley Jaster
City Manager
City Manager's Office
P. O. Box 1967
Texarkana, Texas 75504

ATTEST:

By: _____

Jennifer Evans
City Secretary

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☒ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☒ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☐ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☐ Invest in Infrastructure & Transportation
Develop Personnel	☒ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: No Additional

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐

Other:

ORDINANCE NO. 2020 - 049

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, REAPPOINTING SHERRY L. JACKSON AS MUNICIPAL JUDGE OF THE MUNICIPAL COURT OF RECORD IN THE CITY OF TEXARKANA, TEXAS, FOR A TWO-YEAR TERM; APPROVING A COMPENSATION AGREEMENT AND DETERMINING THE SALARY FOR THE OFFICE OF MUNICIPAL JUDGE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Section 30.00006 of the Texas Government Code, applicable to municipal courts of record, provides that the governing body of the municipality shall provide by ordinance for the term of office of its municipal judges and shall determine the salary of a municipal judge; and

WHEREAS, the City Charter of the City of Texarkana, Texas, requires that the Council elect a municipal judge each even year by a majority vote for a two-year term; and

WHEREAS, Section 30.00006(c) of the Texas Government Code provides that a municipal judge must be a resident of this state, be a citizen of the United States, be a licensed attorney in good standing, and have two or more years of experience in the practice of law in this state; and

WHEREAS, the City Charter requires that a municipal judge shall have been a resident of the City of Texarkana, Texas, for at least one year preceding the appointment.

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

SECTION 1: That Sherry L. Jackson is deemed qualified under the Texas Government Code and the City Charter to serve as Municipal Judge of The Municipal Court of Record in the City of Texarkana, Texas, and is hereby reappointed to that office for a term of two years commencing on June 1, 2020.

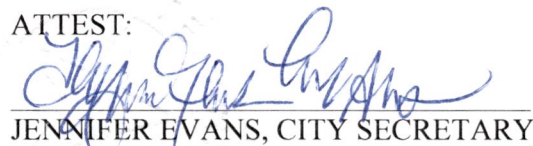
SECTION 2: That the salary for the Municipal Judge and other expense reimbursements, training requirements, and performance reporting shall be determined by the City Council as set forth in the Compensation Agreement as set out in **Exhibit "A"** to this Ordinance, incorporated herein by reference for all purposes, and such agreement is hereby approved.

SECTION 3: That the City Manager, on behalf of the City Council, is authorized and directed to execute the approved Compensation Agreement.

SECTION 4: That this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **26th** day of **May, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:57p.m.

Attachment: 2020-049 ORD Reappointment of Municipal Judge signed (2262 : 2020-049 ORD Reappointment of Municipal Judge)

COMPENSATION AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Texarkana, Texas, a municipal corporation, (hereinafter referred to as the "CITY") and Sherry L. Jackson, (hereinafter referred to as "MUNICIPAL JUDGE").

WITNESSETH:

WHEREAS, CITY desires to employ the services of Sherry L. Jackson as the MUNICIPAL JUDGE of the City of Texarkana, Texas; and

WHEREAS, it is the desire of the City Council of the City of Texarkana, Texas, to provide certain compensation benefits, establish certain conditions of employment and to set working conditions of said MUNICIPAL JUDGE; and

WHEREAS, Sherry L. Jackson desires to accept employment as the MUNICIPAL JUDGE of the City of Texarkana, Texas;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and confessed, the parties agree as follows:

Section 1. Duties.

CITY hereby agrees to employ said Sherry L. Jackson as the MUNICIPAL JUDGE of said CITY to perform the functions and duties authorized under State law, the City Charter and City Ordinances, and to perform other legally permissible and proper duties and functions as the Council or City Manager shall from time to time assign.

Section 2. Term.

- A. Sherry L. Jackson shall commence serving as the MUNICIPAL JUDGE on the 1st day of June, 2020, and continue serving under the terms of this contract through the last day of May, 2022. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the City Council to terminate the services of the MUNICIPAL JUDGE at any time, with or without cause. Sufficiency of cause shall be solely within the discretion of CITY. Nothing contained within this Agreement shall be construed to confer an expectation of continued employment or a property interest therein.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the MUNICIPAL JUDGE to resign at any time from her position with the CITY.
- C. MUNICIPAL JUDGE agrees to remain in the exclusive employ of CITY and to accept no other employment by another employer during the term of this Agreement. The term "employment" shall not be construed to include occasional teaching, writing, consulting, serving as legal counsel for issues unrelated to City business, or

2020-049 EXH 'A' Municipal Judge Compensation Agreement

mediation performed on the MUNICIPAL JUDGE'S time off or compensatory time off.

Section 3. Compensation and Benefits.

- A. CITY agrees to pay the MUNICIPAL JUDGE for her services rendered pursuant hereto an annual base salary of \$ 83,915.90 payable in accordance with the same schedule that other employees of the CITY are paid and subject to the same applicable deductions for taxes, social security, benefit plans and other wage withholdings.
- B. CITY agrees to provide the MUNICIPAL JUDGE with compensation benefits as follows:
 - (1) City to pay Health Insurance benefits for employee only;
 - (2) Texas Municipal Retirement System: employee contribution equal 7% Matching Ration 2:1;
 - (3) Longevity pay in accordance with City practices as it relates to other City employees;
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The MUNICIPAL JUDGE, at least once annually, shall provide the City Council with a written report of her continuing education activities and any specific areas of interest related to her abilities to perform the full range of her court duties.

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The position of MUNICIPAL JUDGE is a professional position, and MUNICIPAL JUDGE agrees that during regular business hours she will generally be involved in the pursuit of City business. The City recognizes that on occasion the MUNICIPAL JUDGE must devote time outside regular business hours of municipal office in performing her powers and duties (i.e. night court, etc.), and City agrees that the MUNICIPAL JUDGE may attend to personal matters during regular business hours when such use is reasonable and does not interfere with her duties or is compelled by unusual circumstances.

Section 6. Expenses.

The MUNICIPAL JUDGE shall be reimbursed for job-related expenses incurred in the conduct of City business, in the same manner and for the same purposes as other City employees.

Section 7. Severance.

If, and only if, terminated other than "for cause" by the City Council as defined hereinbelow, the MUNICIPAL JUDGE shall upon termination receive one lump sum payment of severance pay not to exceed the equivalent of two (2) months standard salary plus accumulated vacation time as provided in the City's Personnel Handbook. If the MUNICIPAL JUDGE resigns of her own initiative, leaves for other employment, retires, or is terminated "for cause" this section does not apply. The term "for cause," as used in this section, shall mean a conviction for a misdemeanor involving moral turpitude or personal gain or for any felony or a pattern of

2020-049 EXH 'A' Municipal Judge Compensation Agreement

insubordination which stems from a persistent failure to comply with a legally authorized written directive from the City Manager or City Council and which continues after a reasonable opportunity to remediate such failure to comply.

Section 8. Vacation, Sick Leave, Retirement, and other Benefits.

In addition to the benefits provided in this Agreement, all provisions of the City's Code of Ordinances and Employee Personnel Handbook relating to health care, vacation, sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as they now exist or may be amended, shall also apply to the MUNICIPAL JUDGE as they would to other employees of the CITY, insofar as those provisions, rules and regulations are not inconsistent with this Agreement.

Section 9. Notices.

Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to CITY or MUNICIPAL JUDGE as the case may be at the address set forth opposite the signature of the party.

Section 10. Entire Agreement.

This Agreement constitutes the sole and only agreement of the parties and supersedes any prior understandings or written or oral agreements between the parties respecting this subject matter.

Section 11. Successor and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

Section 12. Governing Law.

This Agreement is governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be Bowie County, Texas.

Section 13. Amendment.

This Agreement may be amended by the mutual written agreement of the parties.

Section 14. Legal Construction.

In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

Section 15. No Waiver.

The failure to enforce or insist on performance of any term or provision of this Agreement by CITY shall not be construed as a waiver of such provision.

EXECUTED this 1st day of JUNE, 2020.

Attachment: 2020-049 ORD Reappointment of Municipal Judge signed (2262 : 2020-049 ORD Reappointment of Municipal Judge)

2020-049 EXH 'A' Municipal Judge Compensation Agreement

MUNICIPAL JUDGE

By: Sherry L. Jackson
Sherry L. Jackson
Texas Municipal Court
100 N. Stateline, Box 1
Texarkana, Texas 75501

CITY OF TEXARKANA, TEXAS

By: Shirley Jaster
Shirley Jaster
City Manager
City Manager's Office
P. O. Box 1967
Texarkana, Texas 75504

ATTEST:

By: Jennifer Evans
Jennifer Evans
City Secretary

Attachment: 2020-049 ORD Reappointment of Municipal Judge signed (2262 : 2020-049 ORD Reappointment of Municipal Judge)

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/18/2020 1:39 PM

Lead Department: Planning and Community Development **Action Officer:** Debbie Burk,
Ordinance No. 2020-040 granting a Specific Use Permit to allow the location of
a double wide HUD code manufactured home on Lots 1 & 2, Block 35,
Subject: Grandview Addition, located at 2707 Davis Street. Sharon Robinson Block,
applicant.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item Schedule

Schedule 1: Brief twice - vote once (six weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

S-715: This is a request by Sharon Robinson Block, owner, for a Specific Use Permit to allow the location of a double wide HUD code manufactured home as a residence on Lots 1 and 2, Block 35, Grandview Addition, located at 2707 Davis Street. This property is currently vacant land.

The adjacent zoning is Single Family-3 to the north, south, and west, and Single Family-2 to the east. The adjacent land use is vacant land to the north, east and west, and a residence to the south.

The City's Zoning Ordinance was amended to comply with the state law in 2002, requiring that all manufactured housing be HUD code building standard. This amendment also stipulated that all HUD code manufactured homes inside the city limits be placed in the Single Family-3 zoning district along with the approval of a Specific Use Permit.

Staff recommends for approval of this request with the following stipulations:

1. That a 2019 or newer 4-bedroom 3 bath double wide HUD code manufactured home be allowed on this property. See attached floor plan and photograph of home exterior.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.

City of Texarkana, Texas

5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

All notification and application requirements have been met to consider this request.

Potential Options:

None

Fiscal Implications:

Not applicable

Staff Recommendation:

Staff recommends for approval with stipulations.

Advisory Board/Committee Review:

The Planning and Zoning Commission unanimously recommended for approval with staff stipulations.

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

May 4, 2020

Attachments

- a. 2020-040 ORD granting SUP at 2707 Davis St. (DOCX)
- b. 2020-040 ATTH 01 (zoning map) (PDF)
- c. 2020-040 ATTH 02 (aerial map) (PDF)
- d. 2020-040 ATTH 03 (photo of manf. home and floor plan) (PDF)
- e. 2020-040 Goals & Perspectives (DOCX)
- f. 2020-040 ORD granting SUP at 2707 Davis St. signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review
Completed	05/18/2020 12:32 PM	
City Manager Shirley Jaster	City Manager Review Completed	05/19/2020
3:08 PM		
City Council Jennifer Evans	Meeting Completed	05/26/2020
6:00 PM		

Meeting History

City of Texarkana, Texas

ORDINANCE NO. 2020-040

S-715

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-715 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 1 AND 2, BLOCK 35, GRANDVIEW ADDITION, LOCATED AT 2707 DAVIS STREET, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit to allow the location of a double wide HUD code manufactured home on Lots 1 and 2, Block 35, Grandview Addition, located at 2707 Davis Street** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-715 to allow the location of a double wide HUD code manufactured home on Lots 1 and 2, Block 35, Grandview Addition, located at 2707 Davis Street** in the City of Texarkana, Bowie County, Texas.

Attachment: 2020-040 ORD granting SUP at 2707 Davis St. (2265 : 2020-040 ORD granting SUP at 2707 Davis St.)

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4-bedroom 3 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

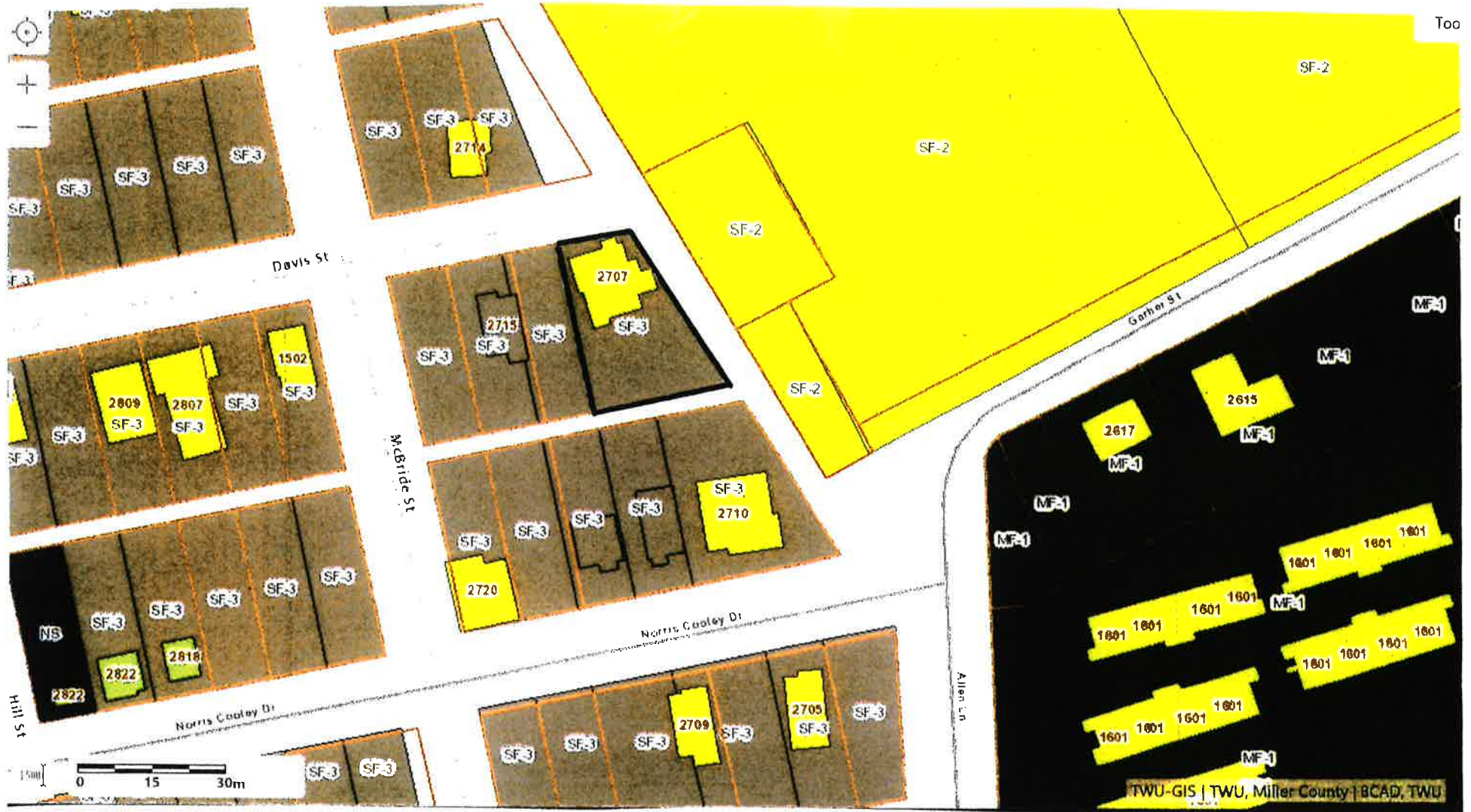
SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR



Attachment: 2020-040 ATTH 01 (zoning map) (2265 : 2020-040 ORD granting SUP at 2707 Davis St.)

2707 Davis



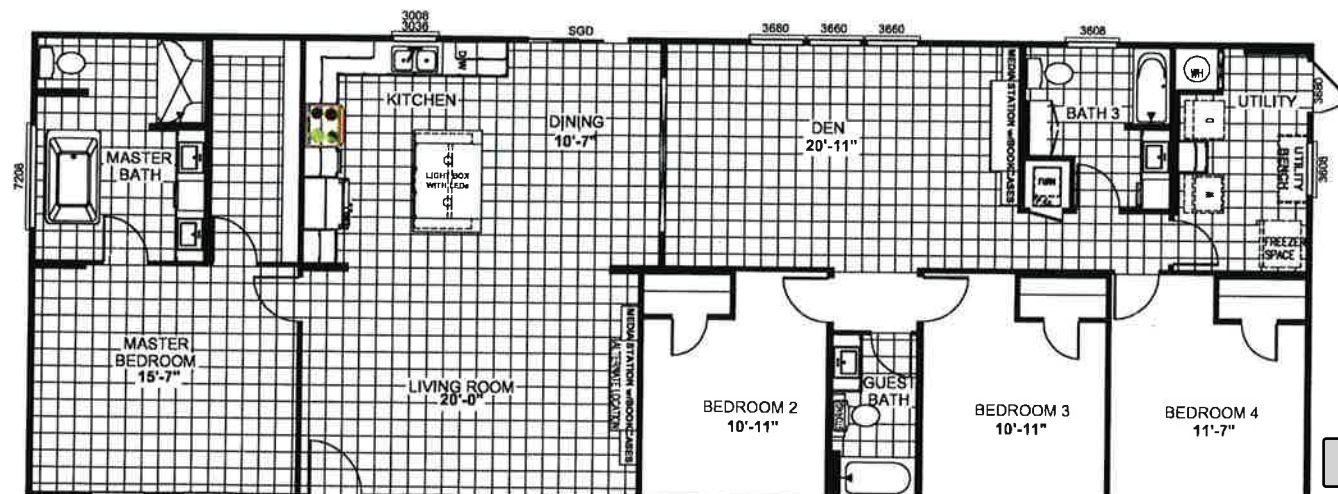
Attachment: 2020-040 ATTH 02 (aerial map) (2265 : 2020-040 ORD granting SUP at 2707 Davis St.)





Mariana 9776

28 x 76 (80) Overall
 27'4" x 76 Box 2,077 Lvg.Sq.Ft.
 4 Bedroom 3 Bath
 Rev. 1-21-20



City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☐ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

NA

No Additional

Other Potential Impacts:

NA

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☒	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☒	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☒	None Required	☒	Sign Posted

Other:

ORDINANCE NO. 2020-040

S-715

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-715 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 1 AND 2, BLOCK 35, GRANDVIEW ADDITION, LOCATED AT 2707 DAVIS STREET, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit to allow the location of a double wide HUD code manufactured home on Lots 1 and 2, Block 35, Grandview Addition, located at 2707 Davis Street** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-715 to allow the location of a double wide HUD code manufactured home on Lots 1 and 2, Block 35, Grandview Addition, located at 2707 Davis Street** in the City of Texarkana, Bowie County, Texas.

Attachment: 2020-040 ORD granting SUP at 2707 Davis St. signed (2265 : 2020-040 ORD granting SUP at 2707 Davis St.)

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4-bedroom 3 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

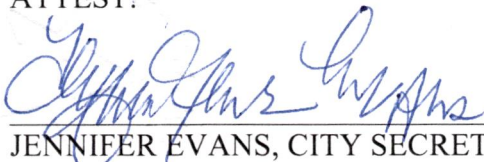
SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

6:58 p.m.

Attachment: 2020-040 ORD granting SUP at 2707 Davis St. signed (2265 : 2020-040 ORD granting SUP at 2707 Davis St.)

City of Texarkana, Texas

Version: B

Update Date: 5/20/2020 3:40 PM

Briefing Sheet

Lead Department: Planning and Community Development **Action Officer:** Debbie Burk,
Ordinance No. 2020-041 rezoning an approximate 2.9-acre tract of land in the
Subject: M.E.P. Ry. Co. HRS, A-421, located at 3920 Summerhill Road. General Retail
to Planned Development-Commercial. Alan Schimming, applicant.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item ScheduleSchedule 1: Brief twice - vote once (six weeks)**Updates/History of Briefing:**

NOT APPLICABLE

Executive Summary and Background Information:

Z-20-4: This is a request by Alan Schimming, dba Condeb, L.P., owner, to rezone an approximate 2.9-acre tract of land in the MEP & P HRS, A-421, located at 3920 Summerhill Road from General Retail to Planned Development-Commercial (PD-C). The old Ellis Pottery building is currently located on this site. The proposed use is retail and commercial rental property.

The adjacent zoning is General Retail to the north and west, Single Family-2 to the east and PD-General Retail to the south. The adjacent land use is a shopping center to the north, residences to the east, and office and business uses to the west and south.

The Future Land Use Map designates this property as "Neighborhood Retail". However, there are other Commercial zoned properties in this area along Summerhill Road. The applicant is requesting rezoning to PD-Commercial to expand potential future uses of the property.

Since other commercial zoned properties are currently located in this area, staff recommends for approval to PD-Commercial. If the request is approved, staff would recommend adding the following prohibited uses:

1. Auto mechanic work (minor or major repair), oil or tire sales store.
2. Construction yard or heavy machinery storage or sales.
3. Auctions.
4. Wrecking, scrap or auto salvage yard.
5. Tire retreading or capping business.
6. Permanent outside storage with the exception of automobile sales.

City of Texarkana, Texas

All notification and application requirements have been met to consider this request.

Potential Options:

None

Fiscal Implications:

Not applicable

Staff Recommendation:

Staff recommends for approval to PD Commercial with prohibited uses.

Advisory Board/Committee Review:

At the Planning and Zoning Commission meeting, the applicant (Alan Schimming) asked that the list of prohibited uses recommended by staff be amended to allow minor auto repair and to include several more uses in outdoor sales.

The Planning and Zoning Commission amended staff's recommendations for prohibited uses and voted unanimously for approval with the following amended list of prohibited uses:

1. Major auto mechanic work, oil or tire sales store.
2. Construction yard or heavy machinery storage or sales.
3. Auctions.
4. Wrecking, scrap or auto salvage yard.
5. Tire retreading or capping business.
6. Permanent outside storage with the exception of automobile, boat, motorcycle/ATV, RV, outdoor lawn equipment and nursery sales.

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

May 4, 2020

Attachments

- a. 2020-041 ORD rezoning 3920 Summerhill Rd.. GR to PD-C (DOCX)
- b. 2020-041 EXH 'A' (legal description) (PDF)
- c. 2020-041 ATTH 01 (zoning map) (PDF)
- d. 2020-041 ATTH 02 (aerial map) (PDF)
- e. 2020-041 ATTH 03 (email from neighbor) (PDF)
- f. 2020-041 Goals & Perspectives (DOCX)
- g. 2020-041 ORD rezoning 3920 Summerhill signed (PDF)

Staff Coordination

City of Texarkana, Texas

Planning and Community Development	David Orr	Department Head Review
Completed	05/18/2020 12:34 PM	
City Manager	Shirley Jaster	City Manager Review Completed
2:01 PM		05/21/2020
City Council	Jennifer Evans	Meeting
6:00 PM		Completed
		05/26/2020

Meeting History

ORDINANCE NO. 2020-041

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING AN APPROXIMATE 2.9 ACRE TRACT OF LAND IN THE M.E.P. & P. RY. CO. HRS, A-421, LOCATED AT 3920 SUMMERHILL ROAD IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS FROM GENERAL RETAIL TO PLANNED DEVELOPMENT-COMMERCIAL; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone **an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road** in the City of Texarkana, Bowie County, Texas, from **General Retail to PD-Commercial**; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted unanimously five (5) to zero (0) to recommend the application for rezoning from General Retail to PD-Commercial on an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road** in the City Council of Texarkana, Texas; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **General Retail to PD-Commercial** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to rezone **an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road** in the City of Texarkana, Bowie County, Texas, from **General Retail to PD-Commercial**.

SECTION 2: That the following uses are prohibited:

1. Major auto mechanic work, oil or tire sales store.
2. Construction yard or heavy machinery storage or sales.
3. Auctions.
4. Wrecking, scrap or auto salvage yard.
5. Tire retreading or capping business.
6. Permanent outside storage with the exception of automobile, boat, motorcycle/ATV, RV, outdoor lawn equipment and nursery sales.

SECTION 3: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 4: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

EXHIBIT "A"

Property description: Landlord does hereby lease to Tenant the following described real property and the buildings and improvements thereon in the City of Texarkana, County of Bowie, State of Texas, designated as 3920 Summerhill Road, to-wit:

Part of a certain tract or parcel of land in and being part of Section 3, M.E.P. & P. Ry. Co. SURVEY, Abstract No. 421, in Bowie County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at the southwest corner of Lot No. 3 in Block No. 50 of Glenwood 10th Addition, same being 2506.61 feet South and 959.70 feet West of an inside corner of said Sec. 3, and the Southwest corner of the Willis Oldham H.R. Survey;

THENCE No. 01 deg. 40' W., with the West boundary line of Glenwood 10th Addition, 380.27 feet to the Northwest corner of Lot No. 1 in Block No. 50, same being on the South ROW Line of a street designated as 40th Street (a 70 foot ROW);

THENCE S. 88 deg. 16' W., 5.68 feet along the South ROW Line of said 40th Street to a point for curve to the left, whose central angle is 34 deg. 41' and whose radius is 197.18 feet;

THENCE around said curve to the left 119.36 feet along the South ROW Line of 40th Street to a point for reverse curve to the right, whose central angle is 34 deg. 41' and whose radius is 267.18 feet;

THENCE around said curve to the right 161.73 feet along the South ROW Line of 40th Street to the end of said curve;

THENCE S. 88 deg. 16' W., 115.15 feet along the South ROW Line of 40th Street to a point for curve to the left whose central angle is 89 deg. 56' and whose radius is 25.00 feet;

THENCE around said curve to the left 39.24 feet to the end of said curve, also being a point in the East ROW Line of Summerhill Road (State Hwy. 93, a variable width ROW);

THENCE S. 1 deg. 40' E., 192.08 feet along the East ROW Line of Summerhill Road to a point for angle;

THENCE S. 4 deg. 54' E., 43.42 feet along the East ROW Line of Summerhill Road to a point for curve to the right whose central angle is 0 deg. 16' 46" and whose radius is 5779.58 feet;

THENCE around said curve to the right 28.19 feet along the East ROW Line of Summerhill Road to the end of said curve and a point for corner;

THENCE N. 89 deg. 34' E., 406.15 feet to the place of beginning, and containing 130,641.0 sq. ft. or 2.999 acres of land.

SAVE AND EXCEPT .009 acres (392 feet) of land conveyed to the State of Texas for right-of-way by Deed dated April 23, 1965, recorded in Vol. 481, Page 788.

3920 Summerhill Road

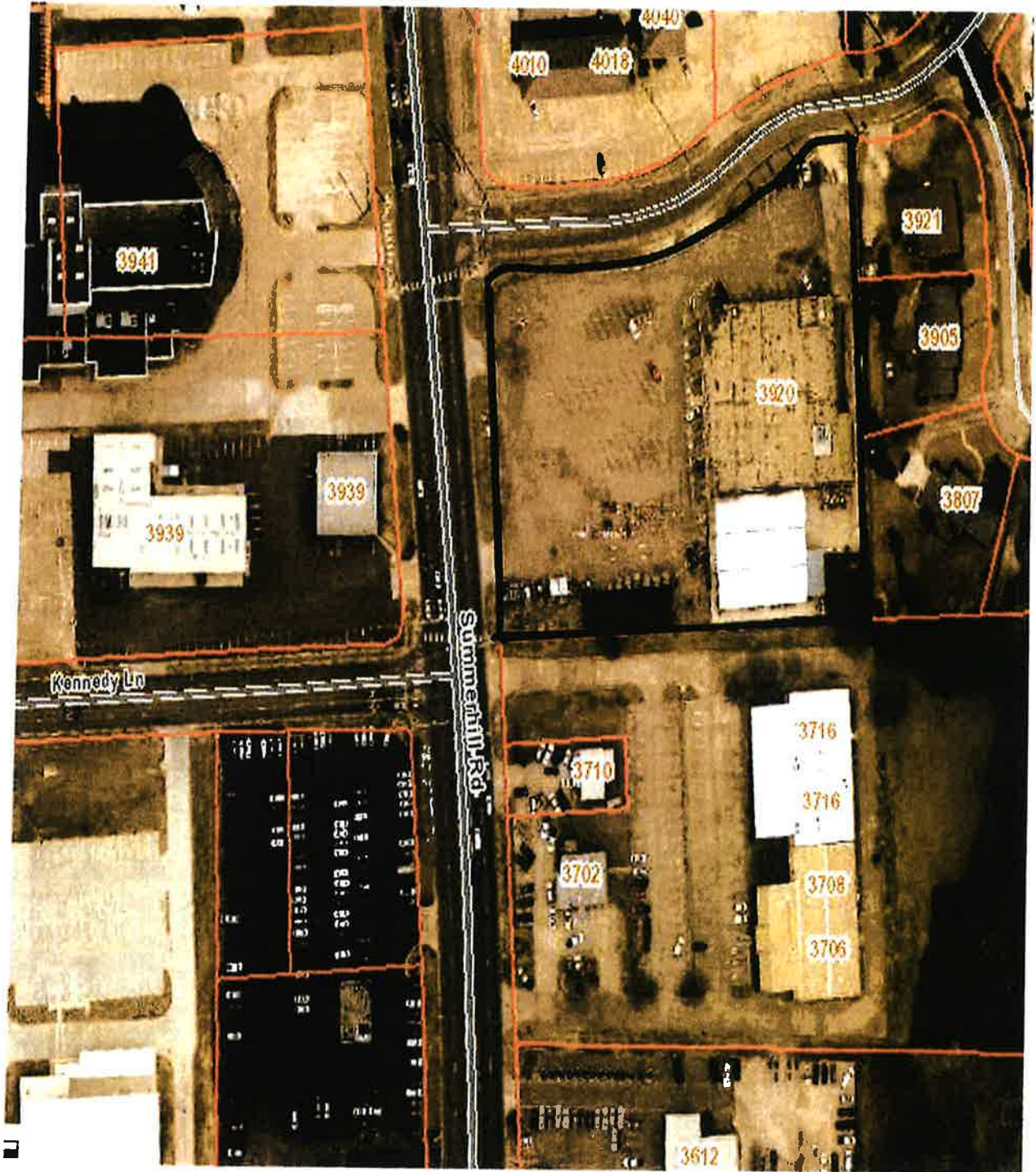
9.2.c



Attachment: 2020-041 ATTH 01 (zoning map) (2266 : 2020-041 ORD rezoning 3920 Summerhill Rd. GR to

2020-041 ATTH 02

3920 Summerhill



Attachment: 2020-041 ATTH 02 (aerial map) (2266 : 2020-041 ORD rrezoning 3920 Summerhill Rd. GR to PD-C)



2020-041 ATTH 03

TEX-Burk, Debbie

From: Martha Stilwell <mlou2109@gmail.com>
Sent: Thursday, April 30, 2020 3:33 PM
To: TEX-Burk, Debbie
Subject: 3920 Summerhill Road

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To Whom It May Concern:

I am concerned about the old Ellis Pottery building and the use of the property. While driving, I noticed that a rezoning sign was up and was apprehensive about the rezoning. I live in the area and am concerned that a reputable business be in place. I, along with others who live in this area, feel that an apartment, multiple family dwelling, condo, or duplex would effect the neighborhood in a negative manner. Please consider the effect any new business or new building would have on the area.

Thank you for your consideration.

Sincerely yours,

Martha Stilwell

Sent from my iPad

Attachment: 2020-041 ATTH 03 (email from neighbor) (2266 : 2020-041 ORD rrezoning 3920 Summerhill Rd. GR to PD-C)

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☐ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

NA

No Additional

Other Potential Impacts:

NA

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☒	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☒	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☒	None Required	☒	Sign Posted

Other:

Z-20-3
(PD-20-2)

ORDINANCE NO. 2020-041

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF TEXARKANA, TEXAS, BY REZONING AN APPROXIMATE 2.9 ACRE TRACT OF LAND IN THE M.E.P. & P. RY. CO. HRS, A-421, LOCATED AT 3920 SUMMERHILL ROAD IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS FROM GENERAL RETAIL TO PLANNED DEVELOPMENT-COMMERCIAL; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed requesting an amendment to the Zoning Ordinance of the City of Texarkana, Texas, to rezone an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road in the City of Texarkana, Bowie County, Texas, from **General Retail to PD-Commercial**; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, **voted unanimously five (5) to zero (0) to recommend the application for rezoning from General Retail to PD-Commercial on an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road in the City Council of Texarkana, Texas; and**

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that rezoning the property from **General Retail to PD-Commercial** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be and is hereby further amended to rezone an approximate 2.9 acre tract of land in the M.E.P. & P. Ry. Co. HRS, A-421 (Exhibit 'A'), located at 3920 Summerhill Road in the City of Texarkana, Bowie County, Texas, from **General Retail to PD-Commercial**.

Attachment: 2020-041 ORD rezoning 3920 Summerhill signed (2266 : 2020-041 ORD rezoning 3920 Summerhill Rd. GR to PD-C)

SECTION 2: That the following uses are prohibited:

1. Major auto mechanic work.
2. Construction yard or heavy machinery storage or sales.
3. Auctions.
4. Wrecking, scrap or auto salvage yard.
5. Tire retreading or capping business.
6. Permanent outside storage with the exception of automobile, boat, motorcycle/ATV, RV, outdoor lawn equipment and nursery sales.

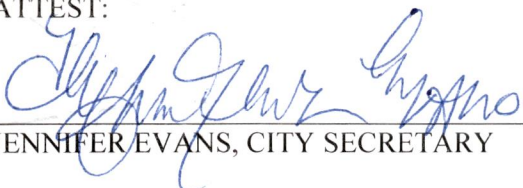
SECTION 3: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 4: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

7:05 p.m.

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/18/2020 1:38 PM

Lead Department: Planning and Community Development **Action Officer:** Debbie Burk,
Ordinance No. 2020-042 granting Specific Use Permit to allow the location of
a double wide HUD code manufactured home on Lots 3 & 4, Block 19,
Subject: Grandview Addition, located at 3919 Alexander Avenue. Mildred Wyatt,
applicant. Sharon Williams, agent.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item Schedule

Schedule 1: Brief twice - vote once (six weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

S-716: This is a request by Mildred Wyatt, owner, and Sharon Williams, agent, for a Specific Use Permit to allow the location of a double wide HUD code manufactured home as a residence on Lots 3 and 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue. This property is currently vacant land.

The adjacent zoning is Single Family-3 to the north, south, east and west. The adjacent land use is residences to the north and west and vacant property to east and south.

The City's Zoning Ordinance was amended to comply with the state law in 2002, requiring that all manufactured housing be HUD code building standard. This amendment also stipulated that all HUD code manufactured homes inside the city limits be placed in the Single Family-3 zoning district along with the approval of a Specific Use Permit.

Staff recommends for approval of this request with the following stipulations:

1. That a 2019 or newer 4 or 5 bedroom, 2 or 3 bath double wide HUD code manufactured home be allowed on this property. See attached floor plan and photograph of home exterior.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.

City of Texarkana, Texas

5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

All notification and application requirements have been met to consider this request.

Potential Options:

None

Fiscal Implications:

Not applicable.

Staff Recommendation:

Staff recommends approval with stipulations.

Advisory Board/Committee Review:

The Planning and Zoning Commission unanimously recommended for approval with staff stipulations.

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

May 4, 2020

Attachments

- a. 2020-042 ORD granting SUP at 3919 Alexander Ave. (DOCX)
- b. 2020-042 ATTH 01 (zoning map) (PDF)
- c. 2020-042 ATTH 02 (aerial map) (PDF)
- d. 2020-042 ATTH 03 (photo of manf. home and floor plan) (PDF)
- e. 2020-042 Goals & Perspectives (DOCX)
- f. 2020-042 ORD granting SUP at 3919 Alexander signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review
Completed	05/18/2020 12:35 PM	
City Manager	Shirley Jaster	City Manager Review Completed
2:57 PM		05/19/2020
City Council	Jennifer Evans	Meeting
6:00 PM		Completed
		05/26/2020

Meeting History

ORDINANCE NO. 2020-042

S-716

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-716 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 3 AND 4, BLOCK 19, GRANDVIEW ADDITION, LOCATED AT 3919 ALEXANDER AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a double wide HUD code manufactured home on Lots 3 and 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-716 to allow the location of a double wide HUD code manufactured home on Lots 3 and 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue** in the City of Texarkana, Bowie County, Texas.

Attachment: 2020-042 ORD granting SUP at 3919 Alexander Ave. (2267 : 2020-042 ORD granting SUP at 3919 Alexander Ave.)

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4 or 5 bedroom, 2 or 3 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

Attachment: 2020-042 ORD granting SUP at 3919 Alexander Ave. (2267 : 2020-042 ORD granting SUP at 3919 Alexander Ave.)



3919 Alexander



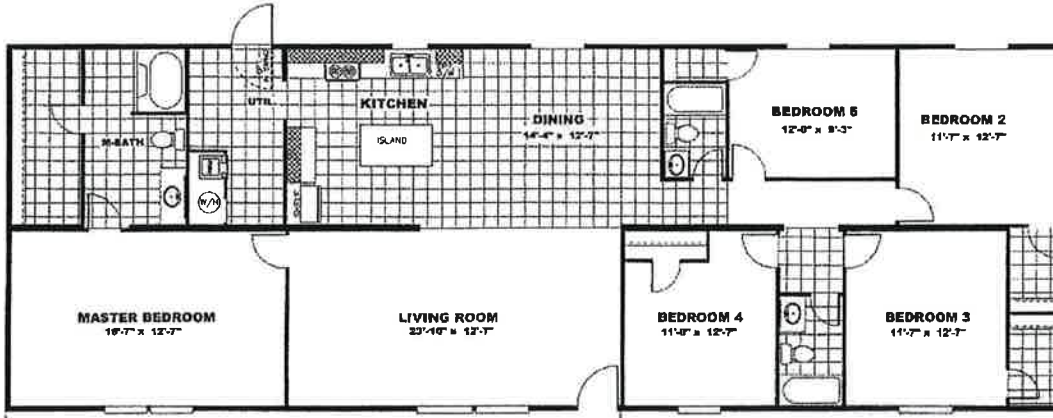
Attachment: 2020-042 ATTH 02 (aerial map) (2267 : 2020-042 ORD granting SUP at 3919 Alexander Ave.)



TRIUMPH

TRU28765A

2,001 sq ft // 5 beds // 3 baths



City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☐ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

NA

No Additional

Other Potential Impacts:

NA

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☒	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☒	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☒	None Required	☒	Sign Posted

Other:

Attachment: 2020-042 Goals & Perspectives (2267 : 2020-042 ORD granting SUP at 3919 Alexander Ave.)

ORDINANCE NO. 2020-042

S -716

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-716 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 3 AND 4, BLOCK 19, GRANDVIEW ADDITION, LOCATED AT 3919 ALEXANDER AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a double wide HUD code manufactured home on Lots 3 and 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-716 to allow the location of a double wide HUD code manufactured home on Lots 3 and 4, Block 19, Grandview Addition, located at 3919 Alexander Avenue** in the City of Texarkana, Bowie County, Texas.

Attachment: 2020-042 ORD granting SUP at 3919 Alexander signed (2267 : 2020-042 ORD granting SUP at 3919 Alexander Ave.)

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4 or 5 bedroom, 2 or 3 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

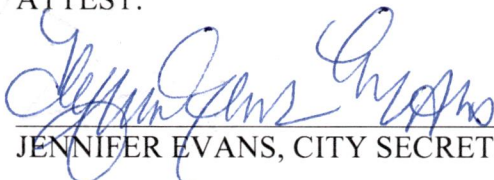
SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th** day of **June, 2020**.

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

7:06 p.m.

City of Texarkana, Texas

Version: A

Update Date: 5/19/2020 4:01 PM

Briefing Sheet

Lead Department: Planning and Community Development **Action Officer:** Debbie Burk,
Ordinance No. 2020-043 granting Specific Use Permit to allow the location of a
double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview
Addition, located at 3324 Alexander Avenue. John and Valerie Fuller,
Subject: applicants.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item ScheduleSchedule 1: Brief twice - vote once (six weeks)**Updates/History of Briefing:**

NOT APPLICABLE

Executive Summary and Background Information:

S-717: This is a request by John and Valerie Fuller, owners, for a Specific Use Permit to allow the location of a double wide HUD code manufactured home as a residence on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue. This property is currently vacant land.

The adjacent zoning is Single Family-3 to the north, south, east and west. The adjacent land use is residences to the north, west and east and vacant property to the south.

The City's Zoning Ordinance was amended to comply with the state law in 2002, requiring that all manufactured housing be HUD code building standard. This amendment also stipulated that all HUD code manufactured homes inside the city limits be placed in the Single Family-3 zoning district along with the approval of a Specific Use Permit.

Staff recommends for approval of this request with the following stipulations:

1. That a 2019 or newer 4-bedroom 2.5 bath double wide HUD code manufactured home be allowed on this property. See attached floor plan.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.

City of Texarkana, Texas

5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas codes.

All notification and application requirements have been met to consider this request.

Potential Options:

None

Fiscal Implications:

Not applicable.

Staff Recommendation:

Staff recommends for approval with stipulations.

Advisory Board/Committee Review:

The Planning and Zoning Commission unanimously recommended for approval with stipulations.

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

May 4, 2020

Attachments

- a. 2020-043 ORD granting SUP at 3324 Alexander Ave. (DOCX)
- b. 2020-043 ATTH 01 (zoning map) (PDF)
- c. 2020-043 ATTH 02 (aerial map) (PDF)
- d. 2020-043 ATTH 03 (floor plan of manf. home) (PDF)
- e. 2020-043 ATTH 04 (survey) (PDF)
- f. 2020-043 ATTH 05 (email of support from church in area) (PDF)
- g. 2020-043 Goals & Perspectives (DOCX)
- h. 2020-043 ORD granting SUP 3324 Alexander signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review
Completed	05/18/2020 12:35 PM	
City Manager	Shirley Jaster	City Manager Review Completed
3:01 PM		05/19/2020
City Council	Jennifer Evans	Meeting
6:00 PM		Completed
		05/26/2020

Meeting History

City of Texarkana, Texas

S-717

ORDINANCE NO. 2020-043

S.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-717 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 7-10, BLOCK 10, GRANDVIEW ADDITION, LOCATED AT 3324 ALEXANDER AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-717 to allow the location of a double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue** in the City of Texarkana, Bowie County, Texas.

Attachment: 2020-043 ORD granting SUP at 3324 Alexander Ave. (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4-bedroom 2.5 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

3324 Alexander Avenue



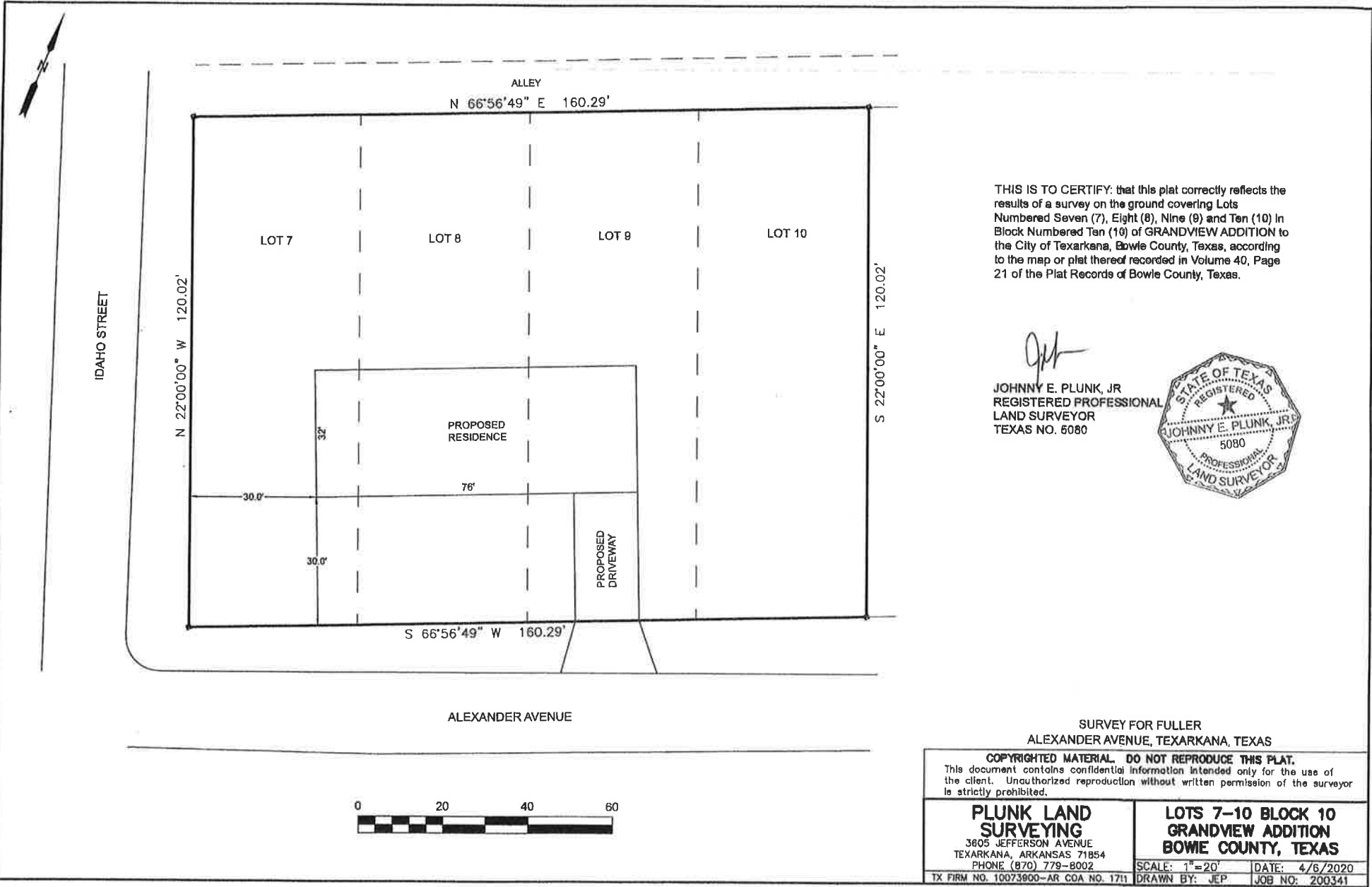
3324 Alexander



Attachment: 2020-043 ATTH 02 (aerial map) (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)



2020-043 ATTH 04



THIS IS TO CERTIFY: that this plat correctly reflects the results of a survey on the ground covering Lots Numbered Seven (7), Eight (8), Nine (9) and Ten (10) in Block Numbered Ten (10) of GRANDVIEW ADDITION to the City of Texarkana, Bowie County, Texas, according to the map or plat thereof recorded in Volume 40, Page 21 of the Plat Records of Bowie County, Texas.

JOHNNY E. PLUNK, JR.
REGISTERED PROFESSIONAL
LAND SURVEYOR
TEXAS NO. 5080



SURVEY FOR FULLER
ALEXANDER AVENUE, TEXARKANA, TEXAS

COPYRIGHTED MATERIAL. DO NOT REPRODUCE THIS PLAT.
This document contains confidential information intended only for the use of the client. Unauthorized reproduction without written permission of the surveyor is strictly prohibited.

Attachment: 2020-043 ATTH 04 (survey) (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)

TEX-Burk, Debbie

From: TEX-Orr, David
Sent: Monday, May 4, 2020 12:30 PM
To: TEX-Burk, Debbie
Subject: FW: Support of Rezoning

David W. Orr
 Director of Planning & Community Development

City of Texarkana, Texas
 Office: (903) 798-3902
 Cell: (903) 278-7735
 Fax: (903) 798-3913
 Email: david.orr@txkusa.org

Email communications through this office may be subject to Texas Public Records laws and may be shared with others.

From: Dr. James Anthony Morris <jamesamorris1@gmail.com>
Sent: Monday, May 4, 2020 12:10 PM
To: TEX - PCD <TEXPlanning@txkusa.org>
Subject: Support of Rezoning

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To: Texarkana Planning & Zoning Commission c/o Debbie Burk

This email is in support of the following:

Applicants: John and Valerie Fuller

3321 Findley Street - Texarkana, TX 75501

Location of Rezoning: 3324 Alexander Avenue - Texarkana, TX 75501

Proposed Change: Specific Use Permit to Allow a Double Wide HUD Code Manufactured Home

Legal Description: Lots 7-10, Block 10, Grandview Addition

Case No: S-717

The Hamilton Memorial AME Church is located across the street from this lot and we fully support the rezoning of this property to allow the Fullers to have a new home to replace their home that was damaged by fire.

Regards,

Dr. James Anthony Morris, Pastor
 Hamilton Memorial AME Church
 3401 Alexander Avenue - Texarkana, TX 75501

Attachment: 2020-043 ATTH 05 (email of support from church in area) (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☐ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

NA

No Additional

Other Potential Impacts:

NA

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☒	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☒	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☒	None Required	☒	Sign Posted

Other:

Attachment: 2020-043 Goals & Perspectives (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)

ORDINANCE NO. 2020-043

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-717 TO ALLOW THE LOCATION OF A DOUBLE WIDE HUD CODE MANUFACTURED HOME ON LOTS 7-10, BLOCK 10, GRANDVIEW ADDITION, LOCATED AT 3324 ALEXANDER AVENUE, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **unanimously five (5) to zero (0) to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a double wide HUD code manufactured home** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-717 to allow the location of a double wide HUD code manufactured home on Lots 7-10, Block 10, Grandview Addition, located at 3324 Alexander Avenue** in the City of Texarkana, Bowie County, Texas.

SECTION 2: That the following stipulations are hereby imposed and made a part of this ordinance:

1. That a 2019 or newer 4-bedroom 2.5 bath double wide HUD code manufactured home be allowed on this property.
2. That the double wide HUD code manufactured home be tied down/skirted/underpinned.
3. That the double wide HUD code manufactured home be used for dwelling purposes only, human occupancy only.
4. That the Specific Use Permit be in effect for a period of three (3) years, beginning at the date of this Ordinance. It is the owner's responsibility to renew this permit.
5. That if the HUD code manufactured home is not placed on the property within the three (3) year period, the Specific Use Permit will automatically be revoked.
6. That all driveways, parking, building codes/setbacks, engineered foundation, platting and flood plain requirements must be in accordance with the City of Texarkana, Texas, codes.

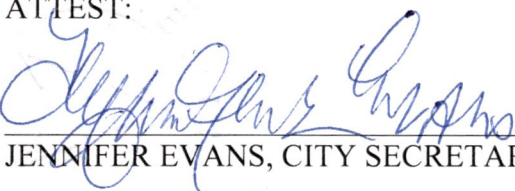
SECTION 3: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

SECTION 4: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 5: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

7:11 p.m.

Attachment: 2020-043 ORD granting SUP 3324 Alexander signed (2268 : 2020-043 ORD granting SUP at 3324 Alexander Ave.)

City of Texarkana, Texas

Briefing Sheet

Version:

Update Date: 5/18/2020 3:58 PM

Lead Department: Planning and Community Development **Action Officer:** Debbie Burk,
Ordinance No. 2020-044 granting Specific Use Permit to allow a
Subject: telecommunications tower on Lots 7 & 8, Block 125, Trigg's Addition, located
at 1204 Wood Street. Fred Norton, applicant. Gregg Staggs, agent.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item Schedule

Schedule 1: Brief twice - vote once (six weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

S-718: This is a request by Fred Norton, owner, and Gregg Staggs, representing Integrisite and AT& T Mobility, agent, for a Specific Use Permit to allow the new build of a 180' AT&T telecommunications tower on Lots 7 & 8, Block 125, Trigg's Addition, located at 1204 Wood Street. The applicant has leased a 75' x 75' tract of land for the location of the proposed tower. The property is currently vacant land.

The adjacent zoning is Office to the north, south, east and west. The adjacent land use is vacant land to the north and east, a residence to the west and a church to the south across West 12th Street.

Per information provided by the applicant, AT & T Mobility is requesting this new tower "to provide capacity, relieve exhausted sectors, improve coverage and provide adequate RF signals for the AT & T network along State Line Avenue/Highway 71. AT & T takes all precautions necessary to ensure that none of its transmission locations interfere with any other carrier and/or wireless entity. Also, the tower will conform to applicable FCC standards for radio frequency emissions and copies of any federally studies or measurements of radio frequency."

The proposed 180' monopole telecommunications tower will be collapsible to one-half (90') of the tower height horizontally. There are no residential or commercial structures located within the 90' fall zone. The applicant has stated that there are no other towers in the immediate that would work for calculation. At the present time, AT & T is the only carrier for the tower.

The applicant provided a letter from the Federal Aviation Administration stating that an aeronautical study was done for this site. The study revealed that the structure does not exceed obstruction standards and will not be a hazard to air navigation.

Due to the need for cellular service in this area and since no structures are located within the 90' fall zone, staff recommends for approval of this request.

City of Texarkana, Texas

All notification and application requirements have been met to consider this request.

Potential Options:

None

Fiscal Implications:

Not applicable.

Staff Recommendation:

Staff recommends for approval.

Advisory Board/Committee Review:

The Planning and Zoning Commission unanimously recommended for approval.

Board/Committee Recommendation:

NOT APPLICABLE

Advisory Board/Committee Meeting Date and Minutes:

May 4, 2020

Attachments

- a. 2020-044 ORD granting SUP at 1204 Wood St. (DOCX)
- b. 2020-044 EXH 'A' (site plan) (PDF)
- c. 2020-044 ATTH 01 (zoning map) (PDF)
- d. 2020-044 ATTH 02 (aerial map) (PDF)
- e. 2020-044 ATTH 03 (Fall zone map) (PDF)
- f. 2020-044 ATTH 04 (letter from AT & T) (PDF)
- g. 2020-044 ATTH 05 (letter from design engineer) (PDF)
- h. 2020-044 ATTH 06 (letter from FAA) (PDF)
- i. 2020-044 ATTH 07 (email from Wadley AT&T tower) (PDF)
- j. 2020-044 Goals & Perspectives (DOCX)
- k. 2020-044 ORD granting SUP 1204 Wood St. signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review
Completed	05/18/2020 12:37 PM	
City Manager	Shirley Jaster	City Manager Review Completed
3:06 PM		05/19/2020
City Council	Jennifer Evans	Meeting
6:00 PM		Completed
		05/26/2020

Meeting History

City of Texarkana, Texas

ORDINANCE NO. 2020-044

S -718

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-718 TO ALLOW THE LOCATION OF A TELECOMMUNICATIONS TOWER ON LOTS 7 AND 8, BLOCK 125, TRIGG'S ADDITION, LOCATED AT 1204 WOOD STREET, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a telecommunications tower (Exhibit 'A') on Lots 7 and 8, Block 125, Trigg's Addition, located at 1204 Wood Street** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **four (4) to zero (0) with one (1) member abstaining, to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a telecommunications tower** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-718 to allow the location of a telecommunications tower (Exhibit 'A') on Lots 7 and 8, Block 125, Trigg's Addition, located at 1204 Wood Street** in the City of Texarkana, Bowie County, Texas.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

Attachment: 2020-044 ORD granting SUP at 1204 Wood St. (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

SECTION 3: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 4: That this ordinance shall be in full force and effect from and after its passage and approval.

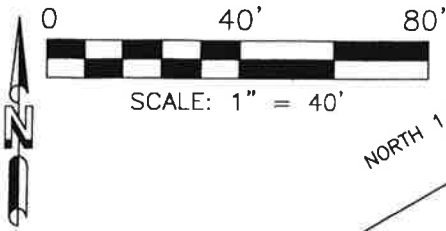
PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

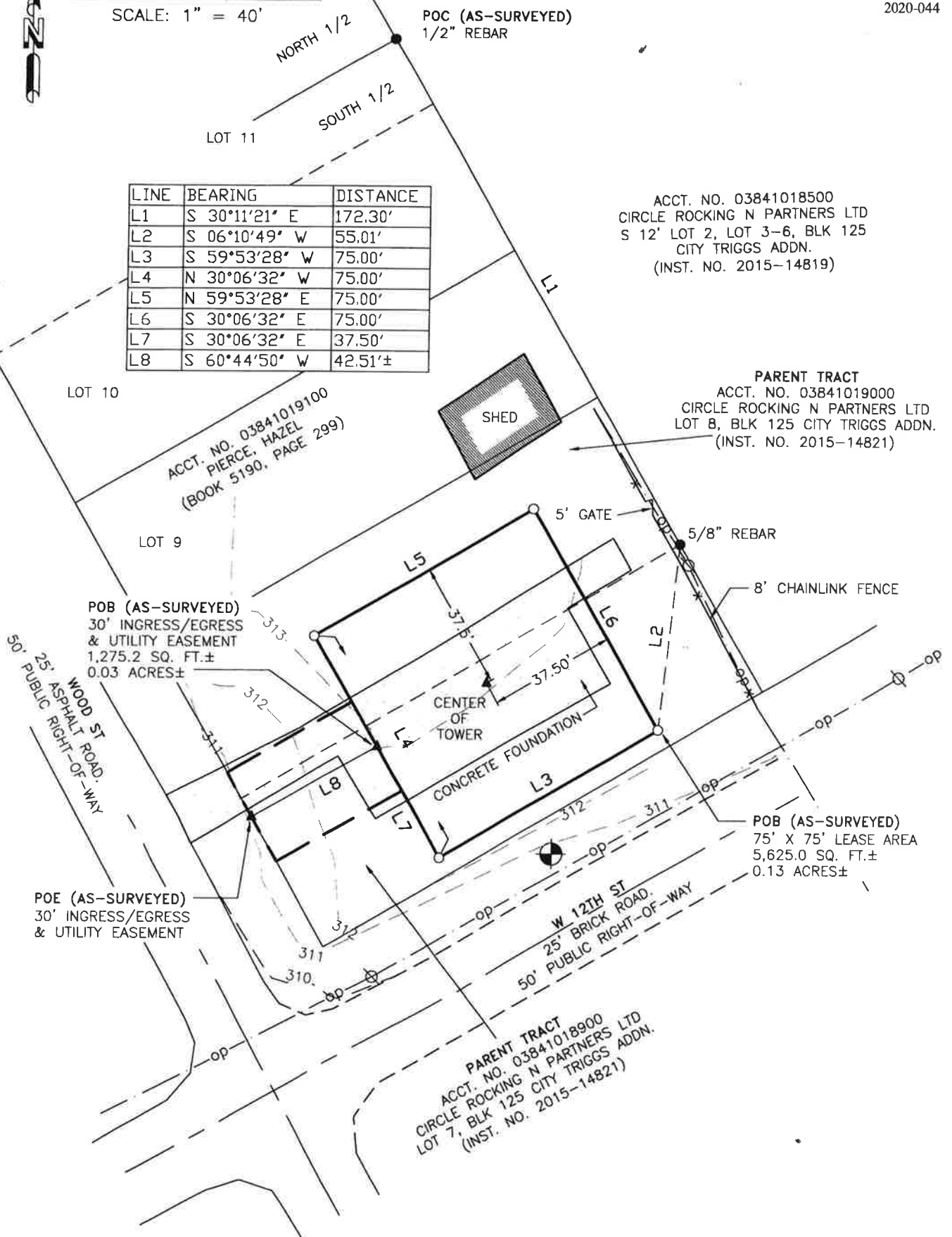
JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

2020-044



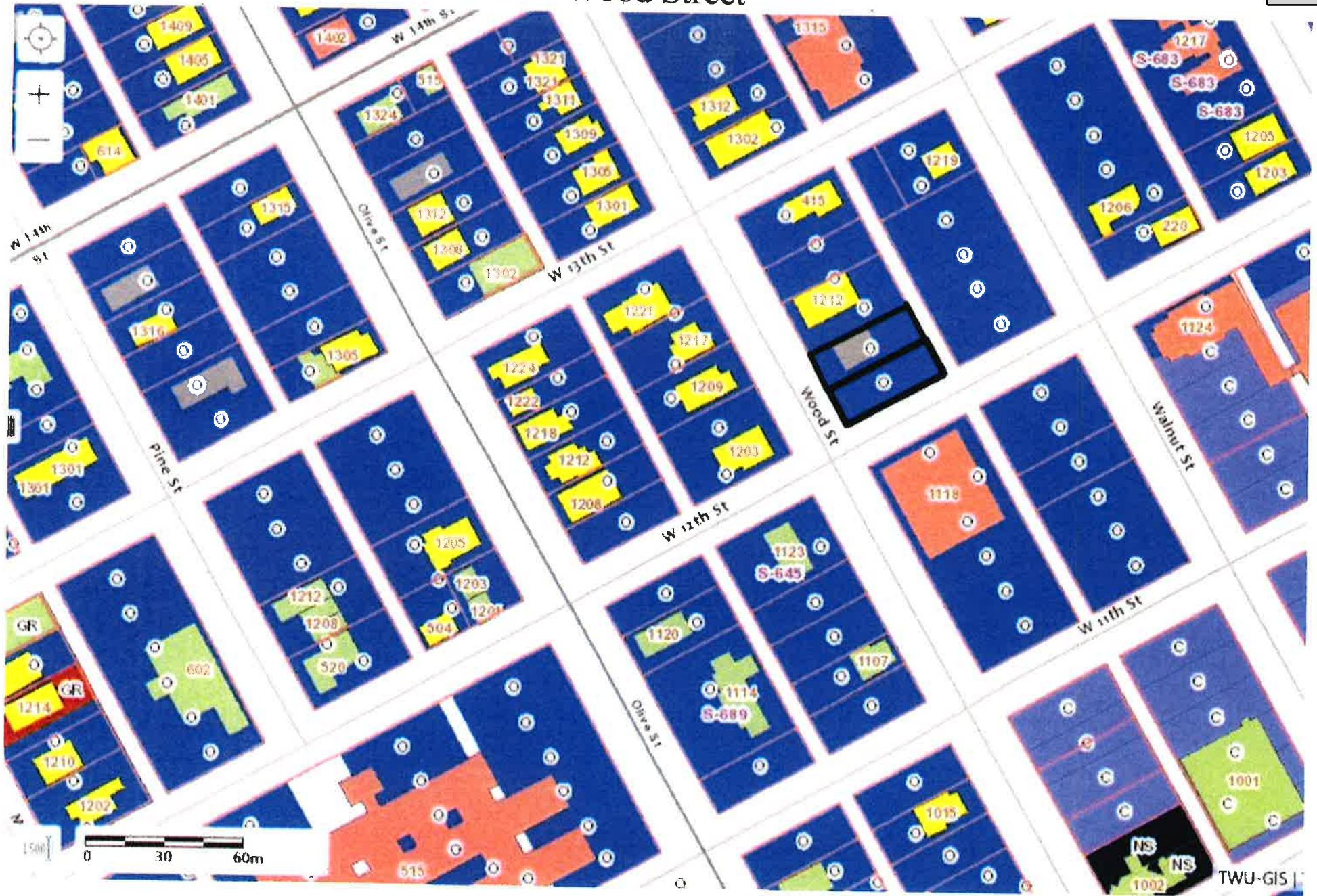
LINE	BEARING	DISTANCE
L1	S 30°11'21" E	172.30'
L2	S 06°10'49" W	55.01'
L3	S 59°53'28" W	75.00'
L4	N 30°06'32" W	75.00'
L5	N 59°53'28" E	75.00'
L6	S 30°06'32" E	75.00'
L7	S 30°06'32" E	37.50'
L8	S 60°44'50" W	42.51'±



Attachment: 2020-044 EXH 'A' (site plan) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

1204 Wood Street

9.5.c



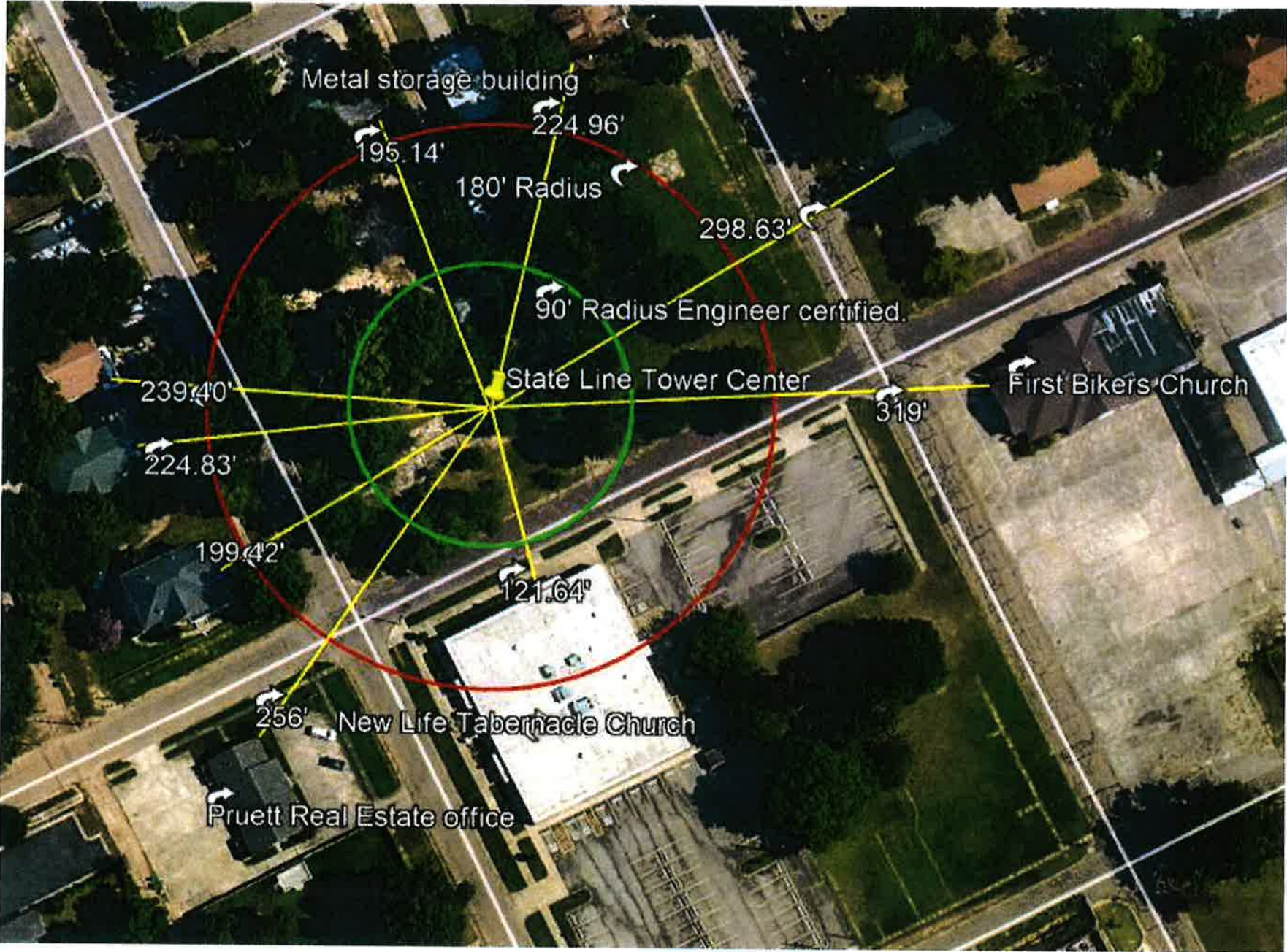
Attachment: 2020-044 ATTH 01 (zoning map) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

1204 Wood



Attachment: 2020-044 ATTH 02 (aerial map) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)







March 16, 2020

RE: Proposed Tower: State Line / ARL01843 / 14742272 / 3103A0K9LZ

To Whom It May Concern:

AT&T Mobility ("AT&T") respectfully submits this letter in an effort to construct a new telecommunications tower just outside the metropolitan area of Texarkana, Texas. The proposed new tower is required to provide capacity, relieve exhausted sectors, improve coverage and provide adequate RF signal for the AT&T network along Hwy 71/State Line Ave area.

This new site will improve the access to AT&T's enhanced E911 services as required the FCC (FirstNet, network exclusively for public safety and First Responders) as well as local PSAP and improve safety to the citizens. AT&T takes all precautions necessary to ensure that none of its transmission locations interfere with any other carrier and/or wireless entity. Also, the tower facility will conform to applicable FCC standards for radio frequency emissions and copies of any federally studies or measurements of radio frequency.

For AT&T to meet the increasing demand for its wireless services, it is essential to place telecommunication facilities in strategic locations to adequately support the expanding capacity requirements of both its voice and data networks. Specifically, AT&T RF Engineering has determined that there is a necessity for increased in-building voice and data capacity at the areas near this proposed new site. The areas near this proposed new site will experience increased in-building data throughput rates and improved signal as a result of the new tower.

Previous optimization efforts in the area encompassing the capacity exhausted neighboring AT&T sites, were unable to provide the needed coverage of traffic due to surrounding terrain conditions and distance to the targeted area. Before requesting permission to build a new tower, AT&T looks first for co-location opportunities. There are no opportunities for co-location in the current candidate search ring area.

If you have additional questions you may contact me at ma6375@att.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew Ashley".

Matthew Ashley

Sr Real Estate & Construction Manager (Arkansas / Oklahoma)

Attachment: 2020-044 ATTH 04 (letter from AT & T) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

Sabre Industries™

Towers and Poles

March 11, 2020

Jamie Lahr
Vice President – Development, Operations & Engineering
Diamond Communications
820 Morris Turnpike, Suite 104
Short Hills, NJ 07078

RE: Proposed 180' Sabre Monopole and foundation for TX241 Wood Street, TX (20-6339-JDS)

Dear Mr. Lahr:

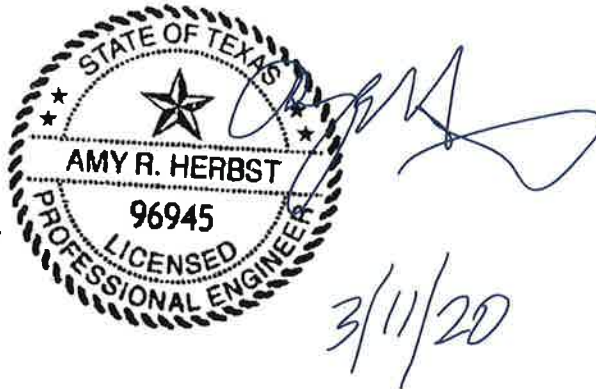
Upon receipt of order, we propose to design and supply a 180' monopole and foundation for the above referenced site. The monopole and foundation will be designed for an ASCE 7-16 ultimate wind speed of 105 mph without ice and 30 mph with 1.5" ice, Structure Class II, Exposure Category B and Topographic Category 1, in accordance with ANSI/TIA-222-G.

When designed according to this standard, the wind pressures and steel strength capacities include several safety factors. Therefore, it is highly unlikely that the monopole will fail structurally in a wind event where the design wind speed is exceeded within the range of the built-in safety factors.

Should the wind speed increase beyond the capacity of the built-in safety factors, to the point of failure of one or more structural elements, the most likely location of the failure would be within the monopole shaft, above the base plate. Assuming that the wind pressure profile is similar to that used to design the monopole, the monopole will buckle at the location of the highest combined stress ratio within the monopole shaft. This is likely to result in the portion of the monopole above leaning over and remaining in a permanently deformed condition. **Please note that this letter only applies to the above referenced monopole designed and manufactured by Sabre Towers & Poles.** This would effectively result in a fall radius less than or equal to 50% of the monopole height.

Sincerely,

Amy R. Herbst, P.E.
Senior Design Engineer





Mail Processing Center
Federal Aviation Administration
Southwest Regional Office
Obstruction Evaluation Group
10101 Hillwood Parkway
Fort Worth, TX 76177

Aeronautical Study No.
2020-ASW-4036-OE

Issued Date: 03/18/2020

Sandra Wiley
AT&T
208 S. Akard St.
Dallas, TX 75202

**** DETERMINATION OF NO HAZARD TO AIR NAVIGATION ****

The Federal Aviation Administration has conducted an aeronautical study under the provisions of 49 U.S.C., Section 44718 and if applicable Title 14 of the Code of Federal Regulations, part 77, concerning:

Structure:	Antenna Tower STATE LINE - ARL01843
Location:	Texarkana, TX
Latitude:	33-25-54.73N NAD 83
Longitude:	94-02-45.83W
Heights:	314 feet site elevation (SE)
	190 feet above ground level (AGL)
	504 feet above mean sea level (AMSL)

This aeronautical study revealed that the structure does not exceed obstruction standards and would not be a hazard to air navigation provided the following condition(s), if any, is(are) met:

It is required that FAA Form 7460-2, Notice of Actual Construction or Alteration, be e-filed any time the project is abandoned or:

- ☐ At least 10 days prior to start of construction (7460-2, Part 1)
☒ Within 5 days after the construction reaches its greatest height (7460-2, Part 2)

Based on this evaluation, marking and lighting are not necessary for aviation safety. However, if marking/lighting are accomplished on a voluntary basis, we recommend it be installed in accordance with FAA Advisory circular 70/7460-1 L Change 2.

This determination expires on 09/18/2021 unless:

- the construction is started (not necessarily completed) and FAA Form 7460-2, Notice of Actual Construction or Alteration, is received by this office.
- extended, revised, or terminated by the issuing office.
- the construction is subject to the licensing authority of the Federal Communications Commission (FCC) and an application for a construction permit has been filed, as required by the FCC, within 6 months of the date of this determination. In such case, the determination expires on the date prescribed by the FCC for completion of construction, or the date the FCC denies the application.

Attachment: 2020-044 ATTH 06 (letter from FAA) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

TEX-Coopwood, Vicky

From: Brown, Shelby <Shelby.Brown@steward.org>
Sent: Friday, May 1, 2020 1:11 PM
To: TEX-Orr, David
Subject: AT&T Tower

CAUTION: This email originated from outside our email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

David,

As far as Wadley Regional Medical Center is concerned, we are fine with the proposed AT&T tower erection near our location. Although this will not enhance our business operation, it should benefit the personal cell phone usage inside the hospital.

Respectfully,
Shelby

Shelby Brown

Director of Marketing & Planning
Wadley Regional Medical Center
O 903-798-8085 | F 903-798-8077 | wadleyhealth.org



Attachment: 2020-044 ATTH 07 (email from Wadley AT&T tower) (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☐ Provide a Safe Community ☐ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☐ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☒ Model a Positive City Image ☐ Deliver Efficient Services ☒ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

NA

No Additional

Other Potential Impacts:

NA

Public Information Plan:

☒	Newspaper Notice (Required by Statute)	☒	Public Hearing (Required by Statute)
☐	Public Forum/Input Session	☐	Press Release
☐	E-News Distribution	☒	Website Notice
☐	Social Media (Twitter, Facebook, etc.)	☒	Special Mailing
☐	Flyers Posted	☐	Banners Posted
☐	Survey	☐	Automated Phone Call
☒	None Required	☒	Sign Posted

Other:

Attachment: 2020-044 Goals & Perspectives (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

ORDINANCE NO. 2020-044

S -718

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, AMENDING THE ZONING MAP SHOWING THE LOCATION, BOUNDARY AND USE OF CERTAIN PROPERTY BY THE GRANTING OF SPECIFIC USE PERMIT NO. S-718 TO ALLOW THE LOCATION OF A TELECOMMUNICATIONS TOWER ON LOTS 7 AND 8, BLOCK 125, TRIGG'S ADDITION, LOCATED AT 1204 WOOD STREET, IN THE CITY OF TEXARKANA, BOWIE COUNTY, TEXAS; CONTAINING A REPEALER CLAUSE; CONTAINING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, an application has been filed with the City of Texarkana, Texas, requesting an amendment to the Zoning Ordinance to grant a **Specific Use Permit** to allow the **location of a telecommunications tower (Exhibit 'A') on Lots 7 and 8, Block 125, Trigg's Addition, located at 1204 Wood Street** in the City of Texarkana, Bowie County, Texas; and

WHEREAS, the Planning and Zoning Commission of the City of Texarkana, Texas, and the City Council of the City of Texarkana, Texas, in compliance with the laws of the State of Texas with reference to the granting of zoning classifications and changes, have given the requisite notices by publication and otherwise, and have afforded and held full and fair hearings to all property owners generally and to all persons interested and situated in the affected area and in the vicinity thereof; and

WHEREAS, after consideration of said application, the Planning and Zoning Commission of the City of Texarkana, Texas, voted **four (4) to zero (0) with one (1) member abstaining, to recommend** to the City Council of Texarkana, Texas, that a **Specific Use Permit be granted to allow the location of a telecommunications tower** on said property; and

WHEREAS, after consideration of said application and the recommendation of the Planning and Zoning Commission, the City Council of the City of Texarkana, Texas, does hereby find that granting the **Specific Use Permit** is in the best interest of the public health, safety, morals and general welfare of the City.

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

SECTION 1: That the Zoning Ordinance of the City of Texarkana, Texas, Ordinance No. 127-70, passed and approved on September 14, 1970, be further amended to grant **Specific Use Permit Numbered S-718 to allow the location of a telecommunications tower (Exhibit 'A') on Lots 7 and 8, Block 125, Trigg's Addition, located at 1204 Wood Street** in the City of Texarkana, Bowie County, Texas.

SECTION 2: All ordinances or parts of ordinances in conflict herewith are specifically repealed to the extent of such conflict.

Attachment: 2020-044 ORD granting SUP 1204 Wood St. signed (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

SECTION 3: It is further provided that in case a section, clause, sentence or part of this ordinance shall be deemed or adjudged by a court of competent jurisdiction to be invalid, then such invalidity shall not affect, impair, or invalidate the remainder of this ordinance.

SECTION 4: That this ordinance shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

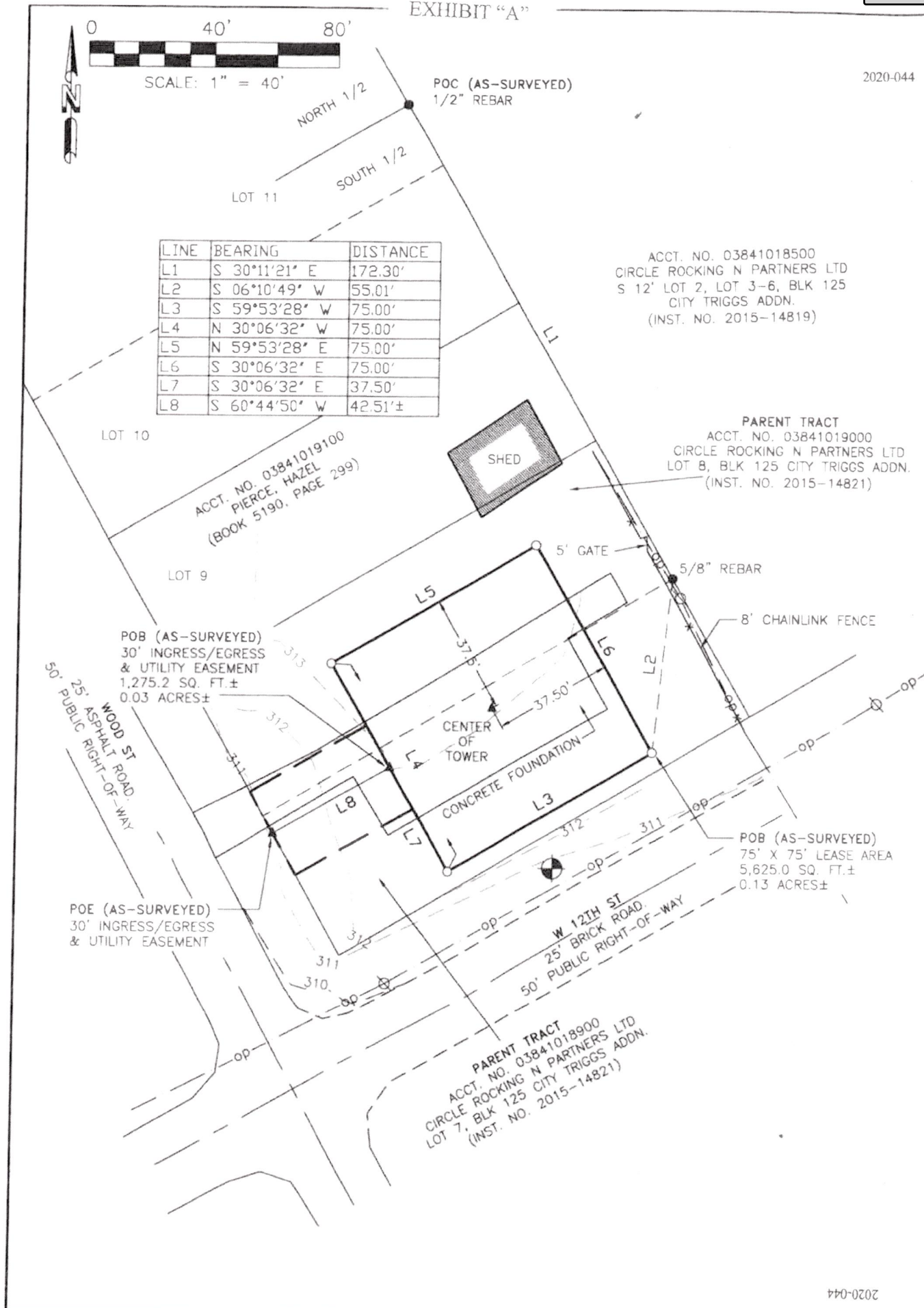

JENNIFER EVANS, CITY SECRETARY
BOB BRUGGEMAN, MAYOR

7:16 p.m.

Attachment: 2020-044 ORD granting SUP 1204 Wood St. signed (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

EXHIBIT "A"

2020-044



Attachment: 2020-044 ORD granting SUP 1204 Wood St. signed (2269 : 2020-044 ORD granting SUP at 1204 Wood St.)

2020-044

City of Texarkana, Texas

Version: A

Update Date: 6/4/2020 11:25 AM

Briefing Sheet

Lead Department: Planning and Community Development **Action Officer:** David Orr, Planning & Community Development Director

Subject: Resolution No. 2020-051 supporting The Texarkanan (former Texarkana National Bank building) redevelopment project, authorizing use of funds to any person or entity allying with Texarkana Renewal Properties, LLC for the project, and authorizing the City Manager to execute any and all loan documents or other documents necessary for the project.

Briefing: 6/8/2020 **Public Hearing:** 6/8/2020 **Council Vote:** 6/8/2020

Item Schedule

Schedule 1: Brief twice - vote once (six weeks)

Updates/History of Briefing:

NOT APPLICABLE

Executive Summary and Background Information:

The project includes restoration and redevelopment of two sites, the former Texarkana National Bank Building located at 100 W. Broad Street and the Parking Garage Property located on the SW corner of W. 3rd Street and Pine Street.

The former Texarkana National Bank building was originally constructed in 1914 with additions made in 1924 and 1962. The building contains 56,250 sq. ft, and at eight (8) stories, is the second tallest building downtown.

The proposed project contains several phases, with the initial phase being to remove the façade exposing the original architecture. Once this phase is complete, the developer will seek state and national historic designation. The proposed project will preserve the historic elements of the building while completely updating the property.

The goal is to redevelop the building with meeting space and offices on the ground level, apartments throughout the remaining floors with a restaurant included on the fifth floor.

City of Texarkana, Texas

Recent developments over the past several years included a Phase 1 EPA Brownfield Site Assessment completed in the Summer of 2011 and updated in December 2019, and Phase II Brownfields Environmental Site Assessment completed in April 2013, making the project eligible for EPA Revolving Loan funds.

The former parking garage property consists of a 0.32-acre parcel of land with a five-story 44,000+ sq. ft. parking garage and associated basement, office, and retail spaces. The parking garage was constructed in 1960.

The goal is to revitalize the parking garage for parking and storage, and to revitalize the retail space maintaining the retail use. The parking facility will be private parking for residents of the redeveloped Texarkanan.

Potential Options:

- Approve
- Deny

Fiscal Implications:

EPA Brownfields Cleanup loans	\$400,000
City Façade program loans	\$100,000
City Façade Restoration and Improvement Grants	\$10,000
Total	\$510,000

Staff Recommendation:

The developer is proposing a multiple phase approach for the redevelopment of this property that includes removal of the exterior façade and environmental cleanup as phase one. The phase one work will reveal the original brick façade to qualify for historic tax credits. Phase two will include actual construction work for the redevelopment of the property. Due to the complexity and multiple phasing of the development and financing plan, this loan is considered high risk. However, this development is important to the City's continued support of downtown revitalization efforts and the development is located in a federally qualified Opportunity Zone. Furthermore, the developer has a positive track record with other downtown properties. As a result, staff recommends approval with the following terms and conditions:

1. EPA Brownfields Cleanup loans up to \$400,000 for both the formerly Texarkana National Bank building and Parking Garage with a 12-year term. No interest for one year with interest only in years 2 and 3 with principle and interest due years 4-12.

City of Texarkana, Texas

Interest rate will be set at the 10-year treasury rate plus 1%.

2. City Façade program loans for \$50,000 for the formerly Texarkana National Bank building and \$50,000 for the Parking Garage each with a 10-year term. No interest for one year with interest only in years 2 and 3 with principle and interest due years 4-10. Interest rate will be set at the 10-year treasury rate plus 1%.
3. City Façade Restoration and Improvement Grants of \$5,000 each for the formerly Texarkana National Bank building and Parking Garage provided the terms, conditions and match requirements of the program are met.
4. Developer will follow all applicable City Building Codes along with all EPA Brownfield Program terms and conditions. Developer will ensure work is protective of human health & the environment including but not limited to adherence to approved EPA cleanup plans, approved EPA closure reports and Davis-Bacon requirements.
5. For the EPA loan, the lender may withhold up to twenty percent (20%) of each payment requested as a retainage until any **EPA Agency or Lender required closure reports are received and approved by the Agency.**
6. Assign collateral acceptable to the internal staff loan committee.
7. Developer provide additional letters of financial commitment and an updated proforma after Phase I work is completed and prior to Phase II beginning.

Advisory Board/Committee Review:

EPA Revolving Loan Program (RLF) Committee

Board/Committee Recommendation:

EPA Revolving Loan Program RLF Committee recommended approval with staff terms and conditions.

Advisory Board/Committee Meeting Date and Minutes:

EPA Revolving Loan Program (RLF) Committee met on May 14th, 2020 - Meeting Minutes Attachment

Attachments

- a. 2020-051 RES Auth City Manager to enter into agreements Texarkana National Bank & Parking Garage Properties (DOCX)
- b. 2020-051 Goals & Perspectives (DOCX)
- c. 2020-051 ATTH 01 TNB Presentation_D Peavy (PDF)
- d. 2020-051 ATTH 03 Guaranty Tex Ren Prop 217-223 Pinefinal (DOCX)
- e. 2020-051 ATTH 04 Tex Ren Prop Facade Loan DOT 217-223 Pine jt rvsdcleanfinal (DOCX)
- f. 2020-051 ATTH 05 Promissory Note 217 - 223 Pine Stjt rvsdcleanfinal (DOCX)

City of Texarkana, Texas

- g. 2020-051 ATTH 06 Tex Ren Prop Facade Loan DOT100 W Broadfinal (DOCX)
- h. 2020-051 ATTH 07 Promissory Note 100 Broadfinal (DOCX)
- i. 2020-051 ATTH 08 Guaranty Tex Ren Prop 100 W Broadfinal (DOCX)
- j. 2020-051 ATTH 09 Texarkana Renewal Properties Agreement v2clean agrmt ExA
ExBfinal (DOCX)
- k. 2020-051 ATTH 10 ATTACHMENT C Note (DOCX)
- l. 2020-051 ATTH 11 ATTACHMENT D Security Agreement (DOCX)
- m. 2020-051 ATTH 12 Guaranty \$400000final (DOCX)
- n. 2020-051 ATTH 13 Ex F - H (DOCX)
- o. 2020-051 ATTH 14 ATTACHMENT E (DOCX)
- p. 2020-051 ATTH 02 RLF Committee May 14 2020 Minutes (DOCX)
- q. 2020-051 RES Auth CM Agr for TNB & Park Gar signed (PDF)

Staff Coordination

Planning and Community Development	David Orr	Department Head Review	
Completed	05/20/2020 10:39 AM		
Finance Department	Kristin Peebles	Finance Review	Completed 05/20/2020
10:48 AM			
City Manager	Shirley Jaster	City Manager Review	Completed 05/20/2020
2:43 PM			
City Council	Jennifer Evans	Meeting	Completed 05/26/2020
6:00 PM			

Meeting History

RESOLUTION NO. 2020-051

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING SUPPORT OF THE TEXARKANA PROJECT TO REDEVELOP THE FORMER TEXARKANA NATIONAL BANK AND PARKING GARAGE PROPERTIES, AND APPROVING THE USE OF COMMITTED FUNDS TO ANY PERSON OR ENTITY ALLYING WITH TEXARKANA RENEWAL PROPERTIES, LLC FOR THE PROJECT, AND AUTHORIZING THE CITY MANAGER TO SIGN ANY AND ALL LOAN DOCUMENTS OR OTHER DOCUMENTS NECESSARY FOR THE PROJECT; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the redevelopment of these two properties are pivotal for downtown revitalization and increasing the tax base of the City of Texarkana, Texas, and

WHEREAS, grant funds and other non-general fund dollars are available for this project; and

WHEREAS, City staff and the RLF Loan Committee approved by unanimous vote an EPA Brownfields Revolving Loan Fund loan up to \$400,000, City Façade loans in the amount of \$50,000 for each property, and City Façade Restoration and Improvement Grants in the amount of \$5,000 for each property; and

WHEREAS, Texarkana Renewal Properties, LLC is preparing applications for tax credit opportunities and PACE loans; and

WHEREAS, the City Council intends by this resolution to affirm its approval and support of the redevelopment project, authorizing the City Manager to execute any and all loan documents or other documents necessary for the project.

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

SECTION 1: The City Council affirms its approval and support of the project to redevelop the former Texarkana National Bank and Parking Garage properties.

SECTION 2: The City Council authorizes the City Manager to execute any and all loan documents or other documents necessary for the project.

SECTION 3: This Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:

JENNIFER EVANS, CITY SECRETARY

BOB BRUGGEMAN, MAYOR

City of Texarkana, Texas

Developing Perspectives and Goals Pending Approval by the City Council:

Perspectives	Goals
Serve the Community	☐ Promote an Environmentally Sensitive & Livable Community ☒ Provide a Safe Community ☒ Deliver Quality Services ☐ Foster a Healthy Community
Run the Operations	☐ Enhance Community Preparedness & Responsiveness ☒ Maximize Partnership Opportunities ☐ Provide Courteous & Responsive Customer Service ☐ Model a Positive City Image ☒ Deliver Efficient Services ☐ Cultivate Community Involvement & Access
Manage the Resources	☐ Maintain Fiscal Strength ☐ Maximize Utilization & Resources ☒ Invest in Infrastructure & Transportation
Develop Personnel	☐ Develop a Skilled & Diverse Workforce ☐ Create a Positive & Rewarding Work Culture

Perspectives and Goals Additional Comments:

NONE

Resource Impact:

Staff time required if item is approved: Medium

Other Potential Impacts:

NONE APPLICABLE

Public Information Plan:

☐ Newspaper Notice (Required by Statute)	☐ Public Hearing (Required by Statute)
☐ Public Forum/Input Session	☐ Press Release
☐ E-News Distribution	☐ Website Notice
☐ Social Media (Twitter, Facebook, etc.)	☐ Special Mailing
☐ Flyers Posted	☐ Banners Posted
☐ Survey	☐ Automated Phone Call
☒ None Required	☐
Other:	

TEXARKANA NATIONAL BUILDING Re-Development

By

Texarkana Renewal Properties, LLC

The Texarkana

Apartments/ Hotel/ Venue/ Retail

An Opportunity Zone Development

Investor/ Loan Package

February, 2020



**Texarkana
National Bank
1914-1980's
Hibernia Bank
1980's
Capital One Bank
2000's
Left 2011**

**Slip Cover over the original
Façade installed in 1971**

Texarkana National Bank Building,
Texarkana, Ark -Tex.

2020-051 ATTH 01

9.6.c

Texarkana National Bank 1914-1924

Original Building was
25 foot wide



Attachment: 2020-051 ATTH 01 TNB Presentation_D Peavy (2270 : 2020-051 RES Auth CM

Texarkana National Bank Expanded in 1924- 1925



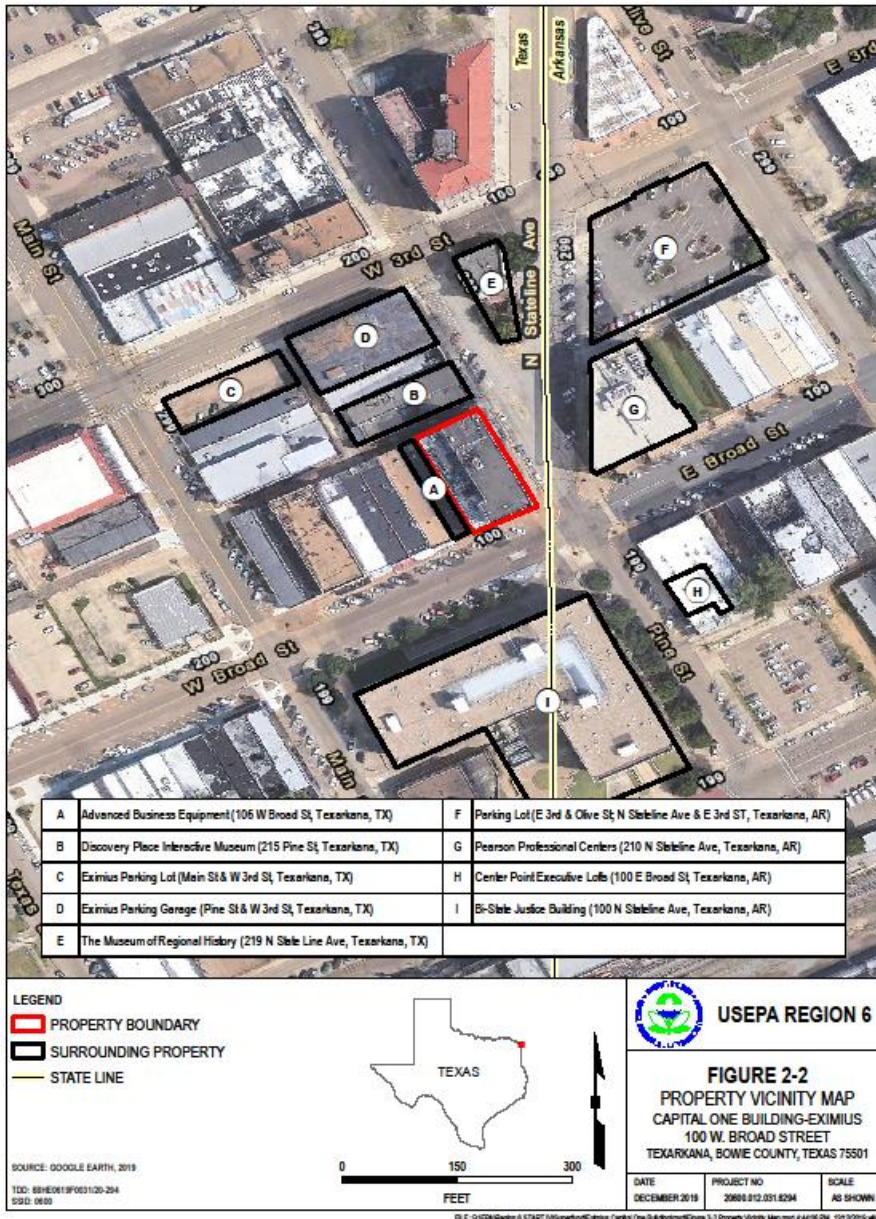
Attachment: 2020-051 ATTH 01 TNB Presentation_D Peavy (2270 : 2020-051 RES Auth CM

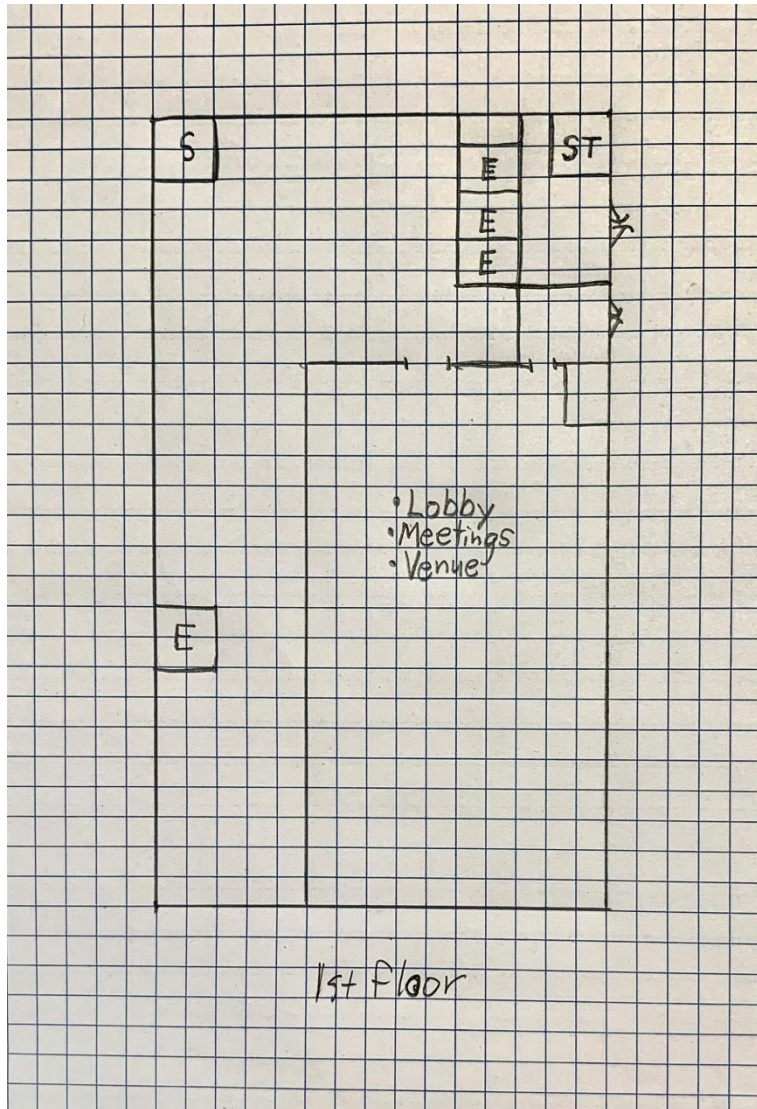


**Much of the Original Architectural
Artwork still exist under the slip**

Location Map

Redevelopment Building Location (Red Outline)



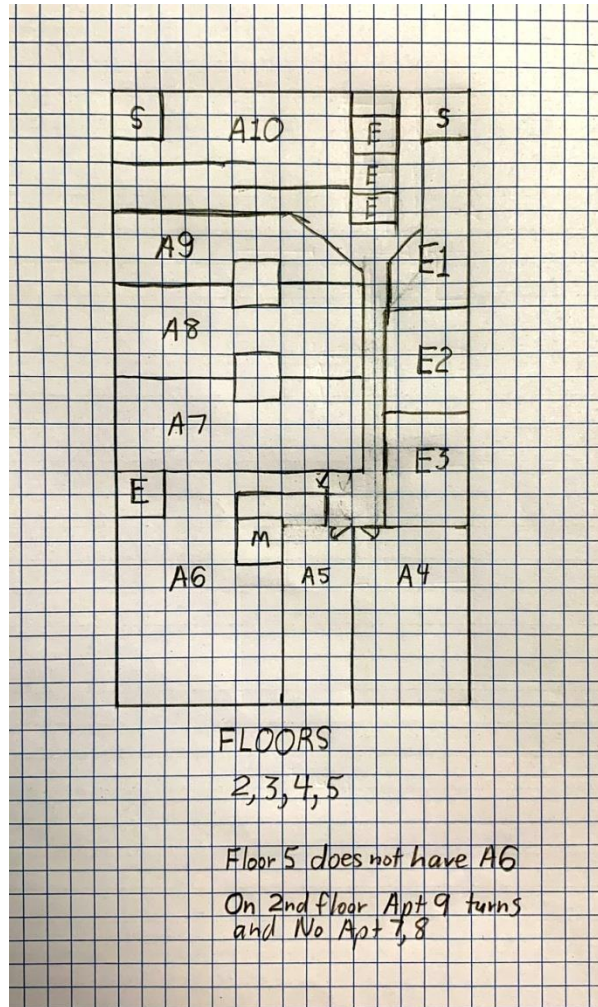


Preliminary Redevelopment layout drawings

1st Floor

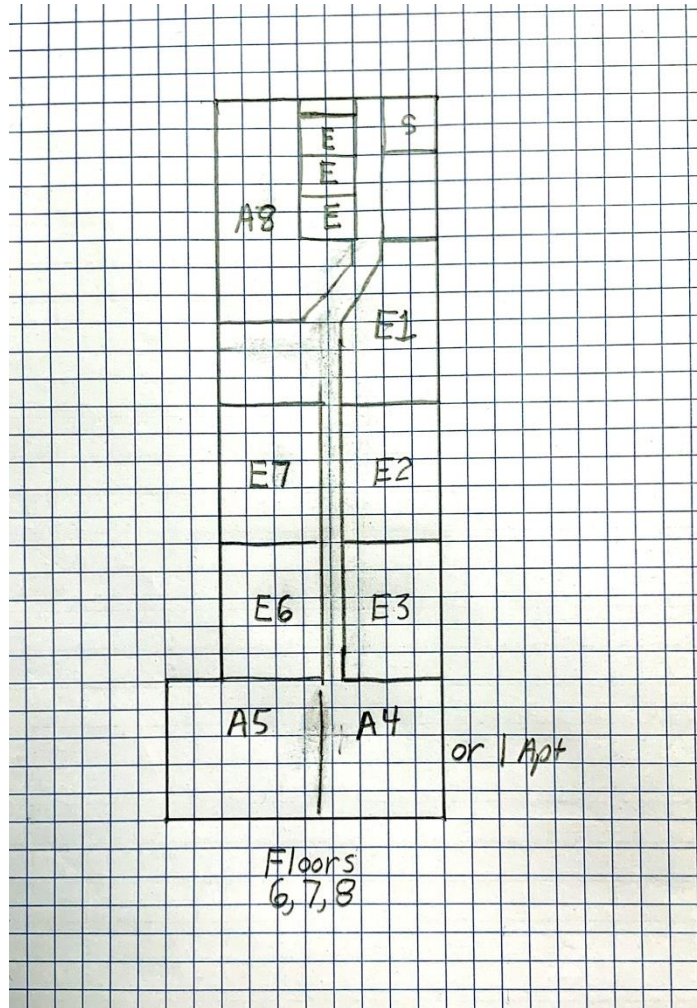
Preliminary Redevelopment layout drawings

2-4st Floors



Preliminary Redevelopment layout drawings

6-8th Floor



Preliminary
Cost
Projections
For
Texarkanan
Building

Attachment: 2020-051 ATTH 01 TNB Presentation_D Peavy : 2020-051 RES Auth CM

B	C	D	E	F	G	H	I	J	K	L
Description of Work	Scheduled Value	Change Order	Revised Scheduled Value	Work Complete Previous Applications	This Period	Materials Presently Stored	Total Completed and Stored to Date	%	Balance to Finish	Retainage
Property	300,000.00	0.00	300,000.00	0.00	0.00	0.00	0.00	0.00%	300,000.00	0.00
Historic Cert/phase1-3	30,000.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00%	30,000.00	0.00
Architect/ Engineering	120,000.00	0.00	120,000.00	0.00	0.00	0.00	0.00	0.00%	120,000.00	0.00
Insurance	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Bank Interest	150,000.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	0.00
Inspections	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Permits	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Bank closing cost	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Cash	75,000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	0.00
Direct Labor				0.00	0.00	0.00	0.00			0.00
	300,000.00	0.00	300,000.00	0.00	0.00	0.00	0.00	0.00%	300,000.00	0.00
Trash/ Utilities	75000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	0.00
Termite - Pillow	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Roof Repair	150,000.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	0.00
Brick Cap/ Flashing	30,000.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00%	30,000.00	0.00
Asbestos Abatement	750,000.00	0.00	750,000.00	0.00	0.00	0.00	0.00	750.00%	750,000.00	0.00
Stairs Upgrades	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
Sprinkler system	250,000.00	0.00	250,000.00	0.00	0.00	0.00	0.00	250.00%	250,000.00	0.00
Fire Alarm	125,000.00	0.00	125,000.00	0.00	0.00	0.00	0.00	0.00%	125,000.00	0.00
Access Control	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Gates/ Fences	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Stairwell railing	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Steel beam adds	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Handrails at basement entrances	9,000.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00%	9,000.00	0.00
Terracotta/brick repairs	225,000.00	0.00	225,000.00	0.00	0.00	0.00	0.00	0.00%	225,000.00	0.00
Windows/Glass	200,000.00	0.00	200,000.00	0.00	0.00	0.00	0.00	0.00%	200,000.00	0.00
Bldg Materials	1,200,000.00	0.00	1,200,000.00	0.00	0.00	0.00	0.00	0.00%	1,200,000.00	0.00
Basement	75,000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	0.00
FramingDrywall/ Painting	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Trim Work	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Plumbing	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
A/C	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Electrical	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Millwork	2,500.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00%	2,500.00	0.00
Flooring	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
1st Floor	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
FramingDrywall/ Painting	150,000.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	0.00
Plaster Repair/Trim Work	225,000.00	0.00	225,000.00	0.00	0.00	0.00	0.00	225.00%	225,000.00	0.00
Plumbing	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
A/C	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Electrical	40,000.00	0.00	40,000.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	0.00
2nd- 8th Floor		0.00		0.00	0.00					
FramingDrywall/ Painting	800,000.00	0.00	800,000.00	0.00	0.00	0.00	0.00	0.00%	800,000.00	0.00
Trim Work	250,000.00	0.00	250,000.00	0.00	0.00	0.00	0.00	0.00%	250,000.00	0.00
Plumbing	600,000.00	0.00	600,000.00	0.00	0.00	0.00	0.00	0.00%	600,000.00	0.00
A/C	800,000.00	0.00	800,000.00	0.00	0.00	0.00	0.00	0.00%	800,000.00	0.00
Electrical	800,000.00	0.00	800,000.00	0.00	0.00	0.00	0.00	0.00%	800,000.00	0.00
Glass	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Countertops	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Millwork	80,000.00	0.00	80,000.00	0.00	0.00	0.00	0.00	0.00%	80,000.00	0.00
Flooring	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
Elevator Shaft	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
FramingDrywall/ Painting	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Trim Work	2,000.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00%	2,000.00	0.00
Electrical	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Steel	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
Stairwell N-S		0.00		0.00	0.00					
FramingDrywall/ Painting	64,000.00	0.00	64,000.00	0.00	0.00	0.00	0.00	0.00%	64,000.00	0.00
Trim Work	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00%	1,000.00	0.00
Electrical	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
Flooring	2,000.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00%	2,000.00	0.00
Elevator	750,000.00	0.00	750,000.00	0.00	0.00	0.00	0.00	750.00%	750,000.00	0.00
Basement Concrete	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Outside upgrades	32,000.00	0.00	32,000.00	0.00	0.00	0.00	0.00	0.00%	32,000.00	0.00
Insulation/ Fireproof	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
Extra/adds/fees	490,000.00		490,000.00	0.00	0.00	0.00	0.00	0.00%	490,000.00	0.00
TOTALS	9,997,500.00	0.00	9,997,500.00	0.00	0.00	0.00	0.00	0.00%	9,997,500.00	0.00

Preliminary Investment Projections and Income For Texarkana Building

Investments	Scheduled Value	Change Order	Revised Scheduled Value	Interest	Monthly Payments	Without Investors
EPA Loan I	400,000.00		400,000.00	3%	3863	10y 3863
EPA Loan II	333,000.00		333,000.00	3%	3216	10y 3216
Façade Loan	50,000.00	0.00	50,000.00	3%	966	10y 966
Façade Grant	5,000.00	0.00	5,000.00	0%	0	0
Pace loan	2,300,000.00	0.00	2,300,000.00	7%	16256	25 16256
Private Investors/ Condo Sales	4,884,500.00	0.00	4,884,500.00	6%	0	25 31470
Texas State Historic Tax Credits 25%	2,025,000.00	0.00	2,025,000.00	0%	0	0
Federal Tax Credits	0.00		0.00	0%	0	20 0
TOTALS	9,997,500.00	0.00	9,997,500.00		24301	55771

Historic Tax Credits $9,000,000 \times .25 \times .9 = \$2,025,000$

Federal Tax Credits $9,000,000 \times .20 \times .8 = \$1,440,000$

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Investments (Selling Out the Federal Tax credits)	Scheduled Value	Change Order	Revised Scheduled Value	Interest	Monthly Payments	Without Investors
EPA Loan I	400,000.00		400,000.00	3%	3863	10y 3863
EPA Loan II	333,000.00		333,000.00	3%	3216	10y 3216
Façade Loan	50,000.00	0.00	50,000.00	3%	966	10y 966
Façade Grant	5,000.00	0.00	5,000.00	0%	0	0
Pace loan	2,300,000.00	0.00	2,300,000.00	7%	16256	25 16256
Private Investors/ Condo Sales	3,444,500.00	0.00	3,444,500.00	6%	0	25 22193
Texas State Historic Tax Credits 25%	2,025,000.00	0.00	2,025,000.00	0%	0	0
Federal Tax Credits	1,440,000.00		1,440,000.00	0%	0	20 0
TOTALS	9,997,500.00	0.00	9,997,500.00		24301	46494

Parking Garage and Storage and Retail



THE TEXARKANA NATIONAL BANK
THE TEXARKANA NATIONAL MOTOR BANK
THE INSTALMENT LOAN BUILDING
THE TEXARKANA NATIONAL PARKING GARAGE

Growing with Texarkana . . . since the horse and buggy days . . . from the pioneer times of seventy-five years ago to the comfort of the hour . . . so much has The Texarkana National Bank looked upon in its seventy-five years . . . and so much do we see ahead . . . as we wish our many friends good fortune and happiness.

Preliminary Cost Projections For Texarkana Garage and Storage

Description of Work	Scheduled Value	Change Order	Revised Scheduled Value	Work Complete Previous Applications	This Period	Materials Presently Stored	Total Completed and Stored to Date	%	Balance to Finish	Retainage
Property	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
Historic Cert/phase1-3	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Architect/ Engineering	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Insurance	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Bank Interest	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Inspections	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Permits	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Bank closing cost	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Cash	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Direct Labor				0.00	0.00	0.00	0.00			0.00
Other Labor	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
Trash/ Utilities	24,000.00	0.00	24,000.00	0.00	0.00	0.00	0.00	0.00%	24,000.00	0.00
Termite - Pillow	10,000.00	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	0.00
Roof Repair	150,000.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	0.00
Exterior facade	6,000.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00%	6,000.00	0.00
Asbestos Abatement	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Stairs Upgrades	100,000.00	0.00	100,000.00	0.00	0.00	0.00	0.00	0.00%	100,000.00	0.00
Sprinkler system	150,000.00	0.00	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	0.00
Structural improvements	30,000.00	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00%	30,000.00	0.00
1st floor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
2nd floor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
3rd floor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
Fire Alarm	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Access Control/cameras	75,000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	0.00
Steel railing/ structure/ fences/gates		0.00		0.00	0.00					
Gates/Fences	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Steel beam adds	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Handrails at basement entrances	9,000.00	0.00	9,000.00	0.00	0.00	0.00	0.00	0.00%	9,000.00	0.00
bldg Materials	75,000.00	0.00	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	0.00
Basement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
FramingDrywall/ Painting	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Trim Work	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
Plumbing	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
A/C	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Electrical	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Millwork	2,500.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00%	2,500.00	0.00
Flooring	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
Glass	2,000.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00%	2,000.00	0.00
1st Floor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	#DIV/0!	0.00	0.00
FramingDrywall/ Painting	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Trim Work	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Plumbing	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
A/C	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Electrical	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
2nd- 5th Floor		0.00		0.00	0.00					
FramingDrywall/ Painting	40,000.00	0.00	40,000.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	0.00
Plumbing	15,000.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00%	15,000.00	0.00
Electrical	50,000.00	0.00	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Glass	25,000.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	0.00
Partitions	80,000.00	0.00	80,000.00	0.00	0.00	0.00	0.00	0.00%	80,000.00	0.00
Flooring	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Stairwell N-S		0.00		0.00	0.00					
FramingDrywall/ Painting	64,000.00	0.00	64,000.00	0.00	0.00	0.00	0.00	0.00%	64,000.00	0.00
Trim Work	1,000.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00%	1,000.00	0.00
Electrical	5,000.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	0.00
Flooring	2,000.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00%	2,000.00	0.00
Outside upgrades	32,000.00	0.00	32,000.00	0.00	0.00	0.00	0.00	0.00%	32,000.00	0.00
Insulation/ Fireproof	20,000.00	0.00	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	0.00
Extra/adds/fees	26,500.00		26,500.00	0.00	0.00	0.00	0.00	0.00%	26,500.00	0.00
TOTALS	1,749,000.00	0.00	1,749,000.00	0.00	0.00	0.00	0.00	0.00%	1,749,000.00	0.00

Preliminary Investment Projections and Income For Texarkana Garage and Storage

Investments	Scheduled Value	Change Order	Revised Scheduled Value	Interest	Monthly Payments	Without Investors
EPA Loan I	25,000.00		25,000.00	3%	241	241
Façade Loan	50,000.00	0.00	50,000.00	3%	483	483
Façade Grant	5,000.00	0.00	5,000.00	0%	0	0
Pace loan	247,390.00	0.00	247,390.00	7%	1759	1759
Private Investors	844,110.00	0.00	844,110.00	0%	0	6230
Texas State Historic Tax Credits 25%	337,500.00	0.00	337,500.00	0%	0	0
Federal Tax Credits	240,000.00		240,000.00	7%	0	1861
TOTALS	1,749,000.00	0.00	1,749,000.00		2483	10574

Historic Tax Credits $1,500,000 \times .25 \times .9 = \$337,500$

Federal Tax Credits $1,500,000 \times .20 \times .8 = \$240,000$

Potential Income	Monthly Scheduled Value	Change Order	Annual Scheduled Value
Retail 1	750.00	0.00	9,000.00
Retail 2	750.00	0.00	9,000.00
Retail 3	750.00	0.00	9,000.00
Retail 4	750.00	0.00	9,000.00
Storage	6,000.00	0.00	72,000.00
Parking	3,400.00	0.00	40,800.00
Parking Enclosed	800.00	0.00	9,600.00
TOTALS	13,200.00	0.00	158,400.00



Other Downtown Investments

Downtown Texarkana is on a long awaited rebound. Millions of dollars are currently being poured into the buildings and infrastructure of Downtown.

Grim Hotel	\$26,000,000
Post Office/ Courthouse	\$14,000,000
1894City Market	\$4,000,000
Regions Bank	\$3,000,000
Moore's Furniture	\$1,500,000

Some of these cost are projections.

Many other smaller projects are underway in downtown Texarkana.

Investor Opportunities

1. If you have capital gains taxes generated in the last 18 months, you could shelter those taxes until 2027. Those taxes could also be reduced by 10 percent after 5 years.
2. You could receive a 20% tax credit for investing in a historic building.
3. You could keep equity in the building and receive revenue from leasing out the building. Your share of the net income would be proportional to your share of the partnership.
4. You can buy Condo Space up front at a 30% savings from the completed building price.



An Investor would be an Equity Owner of the building.

A \$100,000 investment would buy a 1% interest in the building,
based on the \$10,000,000 we are projected to spend on the building.

Future Returns would be paid at a pro rata % share to the investor after loan principles and interest, expenses, reserves, and management fees are paid.

Condo Price List per Floor

Pricing	Early Bird	After Building
Price Per Foot	or Floor Complete	
2nd Floor		
	\$260	\$360
700	\$182,000	\$252,000
450	\$117,000	\$162,000
1480	\$384,800	\$384,800
1750	\$455,000	\$630,000
850	\$221,000	\$306,000
450	\$117,000	\$162,000
850	\$221,000	\$306,000

3rd Floor		
	\$260	\$360
700	\$182,000	\$252,000
450	\$117,000	\$162,000
1480	\$384,800	\$384,800
1750	\$455,000	\$630,000
1040	\$270,400	\$374,400
1000	\$260,000	\$360,000
850	\$221,000	\$306,000
450	\$117,000	\$162,000
850	\$221,000	\$306,000

4th Floor		
	\$260	\$360
700	\$182,000	\$252,000
450	\$117,000	\$162,000
1480	\$384,800	\$384,800
1750	\$455,000	\$630,000
1040	\$270,400	\$374,400
1000	\$260,000	\$360,000
850	\$221,000	\$306,000
450	\$117,000	\$162,000
850	\$221,000	\$306,000

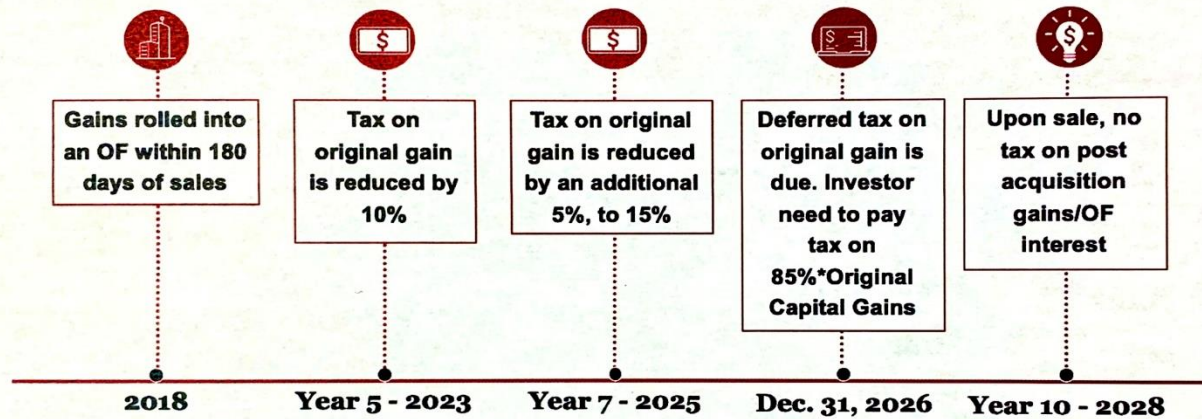
Pricing	Early Bird	After Building
Price Per Foot	or Floor Complete	
5th Floor		
	\$270	\$370
700sqft	\$189,000	\$259,000
450sqft	\$121,500	\$166,500
450sqft	\$121,500	\$166,500
900sqft	\$243,000	\$333,000
580sqft	\$156,600	\$214,600
1750sqft	\$472,500	\$647,500
1040sqft	\$280,800	\$384,800
1000sqft	\$270,000	\$370,000
800sqft	\$216,000	\$296,000
800sqft	\$216,000	\$296,000

6th Floor		
	\$280	\$380
1300sqft	\$364,000	\$494,000
800sqft	\$224,000	\$304,000
450sqft	\$126,000	\$171,000
450sqft	\$126,000	\$171,000
900sqft	\$252,000	\$342,000

7th Floor		
	\$290	\$390
1300sqft	\$377,000	\$507,000
800sqft	\$232,000	\$312,000
450sqft	\$130,500	\$175,500
450sqft	\$130,500	\$175,500
450sqft	\$130,500	\$175,500
900sqft	\$261,000	\$351,000

8th Floor		
	\$300	\$400
1300sqft	\$390,000	\$520,000
800sqft	\$240,000	\$320,000
450sqft	\$135,000	\$180,000
450sqft	\$135,000	\$180,000
450sqft	\$135,000	\$180,000
900sqft	\$270,000	\$360,000

Opportunity Fund Incentives | Tax Deferral Timeline



*Tax benefits of opportunity zone are reliant on the Sponsor meeting the requirements outlined in the code. Full regulations have not been issued and may never be fully issued.

IRS CODE ALLOWANCES FOR TAX CRDITS

30. What are some examples of expenses that do not qualify for the rehabilitation tax credit?

Acquisition costs

Appliances

Cabinets

Carpeting (if tacked in place and not glued)

Decks (not part of original building)

Demolition costs (removal of a building on property site)

Enlargement costs (increase in total volume)

Fencing

Feasibility studies

Financing fees

Furniture

Landscaping

Leasing Expenses

Moving (building) costs (if part of acquisition)

Outdoor lighting remote from building

Parking lot

Paving

Planters

Porches and Porticos (not part of original buildings)

Retaining Walls

Sidewalks

Signage

Storm Sewer Construction Costs

31. What are some expenses that qualify for the rehabilitation tax credit?

Any expenditure for a structural component of a building will qualify for the rehabilitation tax credit. Treasury Regulation 1.48-1(e)(2) defines structural components to include walls, partitions, floors, ceilings, permanent coverings such as paneling or tiling, windows and doors, components of central air conditioning or heating systems, plumbing and plumbing fixtures, electrical wiring and lighting fixtures, chimneys, stairs, escalators, elevators, sprinkling systems, fire escapes, and other components related to the operation or maintenance of the building. In addition to the above named "hard costs", there are "soft costs" which also qualify. These include construction period interest and taxes, architect fees, engineering fees, construction management costs, reasonable developer fees, and any other fees paid that would normally be charged to a capital account.

To be Clear:

The cost in these charts are projections and the real cost could be more or less. The gross income projections are not guaranteed and are only possible projections.

There are two projects here, one is the Texarkana 8 story building. The other is the parking garage. There is a key shop next to the garage that is not in these two projects.

We are looking for investors in the two projects independent of each other.

The gross income would require that expenses be taken out to determine the Net income.

Some of those expenses would be:

Utilities

Advertizing

Professional services

Cleaning and maintaining

Maintenance contracts

Replacement reserves

Payment of principle and interest on loans

Insurance

Property Taxes

Management cost of 15%

To be Clear:

We will be applying to get both the buildings on the national register. This will allow these projects to be eligible for state and federal tax credits.

We believe both buildings have the historic significance to qualify and be awarded national register status.

It is possible that one or both of these buildings could not be allowed national register status.

It is also possible that the National Park service could make requirements that could increase the cost of these projects.

Also, we could find hidden and concealed building flaws that we did not anticipate.

STATE OF TEXAS

COUNTY OF BOWIE

GUARANTY AGREEMENT

FOR VALUE RECEIVED, and in consideration of the City of Texarkana, Texas (hereinafter called LENDER) extending credit to **Texarkana Renewal Properties, LLC.**, hereinafter called BORROWER (whether one or more), this Guaranty is given by the undersigned, hereinafter called GUARANTOR, whether one or more.

1. **Obligation.** GUARANTOR unconditionally, and jointly and severally as principal, guarantees to LENDER and LENDER's successors and assigns, the prompt payment to LENDER at maturity of the following described indebtedness, with all renewals, extensions, modifications, including all obligations related to said indebtedness, described as follows, to-wit:

That certain Promissory Note of even date herewith executed by BORROWER payable to the Order of LENDER in the original principal sum of **Fifty Thousand Dollars and No/100 (\$50,000.00) for property located at 217-223 Pine Street, Texarkana, Texas**, with interest thereon, together with all attorneys' fees, costs, and expenses of collection incurred by LENDER in connection with any matter covered by this guaranty, and all attorneys' fees, costs, and expenses incurred by LENDER in connection with the enforcement of any obligation of any GUARANTOR hereunder.

2. **Term.** The joint and several liability of GUARANTOR shall continue until payment is made of every obligation of BORROWER now due or hereafter to become due relative to the above described indebtedness, and until payment is made of any loss or damage incurred by LENDER with respect to any matter covered by this guaranty.

3. **Consent to LENDER's Acts.** GUARANTOR jointly and severally consents, without affecting any of GUARANTOR'S liability to LENDER hereunder, that LENDER may, without notice to or consent of GUARANTOR, upon such terms as it may deem advisable: (a) extend, in whole or in part, by renewal or otherwise, the time of payment of any indebtedness owing by BORROWER to LENDER, or held by LENDER as security for any such indebtedness; (b) release, surrender, exchange, substitute, modify, impair, or extend the period of duration, or the time for performance or payment, of any collateral securing any indebtedness of BORROWER to LENDER; (c) settle or compromise any claim of LENDER against BORROWER, or against any other person, firm or corporation, whose obligation is held by LENDER as collateral security for any indebtedness of BORROWER to LENDER; and (d) release, in whole or in part, any of GUARANTOR'S or any number of GUARANTORS, or reach any settlement, accommodation, or compromise with any one or more (but less than all) of GUARANTORS. GUARANTOR jointly and severally hereby ratifies and affirms any such extension, renewal, release, surrender, exchange, substitution, modification, impairment, settlement, accommodation, or compromise; and all such actions shall be binding upon GUARANTOR jointly and severally, and

GUARANTOR hereby waives all defenses, counterclaims, or offsets which GUARANTOR jointly and severally might have by reason thereof.

4. **Waiver.** GUARANTOR jointly and severally waives: (a) notice of acceptance of this guaranty by LENDER; (b) presentment, notice of presentment, demand for payment, protest, notice of protest, notice of dishonor, notice of intent to accelerate maturity, and notice of acceleration of maturity, of any of BORROWER indebtedness, and of the obligation of any person, firm or corporation, held by LENDER as collateral security for any of BORROWER's indebtedness; (c) notice of the failure of any person, firm, or corporation to pay to LENDER any indebtedness held by LENDER as collateral security for any indebtedness of BORROWER; (d) notice of the death, or termination of the liability hereunder for future indebtedness, of any of the GUARANTORS; and (e) all defenses, offsets, and counterclaims which GUARANTOR may at any time have to any claim of LENDER against BORROWER.

5. **BORROWER Change or Enforceability.** Should the status of BORROWER change (including, without limitation, by the incorporation of an operation owned by a BORROWER, the dissolution of a corporate BORROWER, the adjudication of mental incapacity of a BORROWER and appointment of a guardian therefor, or any other alteration of status, similar or dissimilar to any such listed example), this GUARANTY shall continue and also cover the indebtedness (then existing or thereafter arising) of the successor to such BORROWER in the new status, according to the terms hereof guaranteeing the indebtedness of the BORROWER. If any or all of the indebtedness cannot, for any reason, be enforced or becomes unenforceable, in whole or in part, against BORROWER (or any one of BORROWER), such fact shall not, in any manner, affect the liability GUARANTOR hereunder, but such liability shall remain and continue as to the entire indebtedness as if it had been fully enforceable against BORROWER.

6. **Representations by GUARANTOR.** GUARANTOR represents that, at the time of the execution and delivery of this guaranty, nothing exists to impair the effectiveness of the liability of GUARANTOR to LENDER hereunder, or to stop this GUARANTY from becoming immediately effective as the sole agreement between GUARANTOR and LENDER with respect to guaranteeing BORROWER's indebtedness to LENDER.

7. **Remedies.** LENDER may at its option proceed in the first instance against GUARANTOR, or if more than one guarantor, jointly and severally, or any one or more of them, to collect any indebtedness covered by this guaranty, without first proceeding against BORROWER; or any other person, firm, or corporation, and without first resorting to any property at any time held by LENDER as collateral security.

8. **Modification.** The whole of this guaranty is herein set forth, and there is no verbal or other written agreement, and no understanding or custom affecting the terms hereof. This guaranty can be modified only by a written instrument signed by the party to be charged therewith.

9. **Benefit.** This guaranty is delivered and made in, and shall be construed pursuant to the laws of, the State of Texas, and is binding upon GUARANTOR and her legal representatives, and shall inure to the benefit of LENDER, its successors and assigns. It is performable in Bowie County, Texas.

IN WITNESS WHEREOF, GUARANTOR has signed this GUARANTY on the 8th day of June, 2020.

David Peavy, Individually

DRAFT

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DEED OF TRUST**("Deed of Trust")**

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from this instrument before it is filed for record in the public records: your Social Security number or your driver's license number.

Terms

Date: June 8, 2020

Grantor: Texarkana Renewal Properties, LLC

Grantor's Mailing Address: 105 Olive Street, Apt. G, Texarkana, AR 71854

Trustee: Chief Financial Officer of the City of Texarkana, Bowie County, Texas

Trustee's Mailing Address: P.O. Box 1967, Bowie County, Texarkana, Texas 75504

Lender: City of Texarkana, Bowie County, Texas

Lender's Mailing Address: P.O. Box 1967, Bowie County, Texarkana, Texas 75504

Obligation**Note:**

Date: June 8, 2020

Original Principal Amount: \$50,000.00

Borrower: Texarkana Renewal Properties, LLC.

Lender: City of Texarkana, Bowie County, Texas

Interest: Interest shall accrue at one percent (1%) above the current ten-year treasury rate, which the current rate is 0.73%, making the current interest rate on this loan 1.73%, to be adjusted annually.

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Loan Term and Payment: One hundred-twenty (120) months with no interest for one year, interest only in years 2 and 3, with principle and interest due years 4 – 10.

Property (including any improvements):

Real Property:

1. Real property located at 217-223 Pine Street, Texarkana, Bowie County, Texas (hereinafter sometimes called the "Premises"), as more specifically described in Exhibit "A" attached.

Other Exceptions to Conveyance and Warranty:

For value received and to secure payment of the Obligation, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property, subject to the Other Exceptions to Conveyance and Warranty. On payment of the Obligation and all other amounts secured by this deed of trust, this deed of trust will have no further effect, and Lender will release it at Grantor's expense.

Clauses and Covenants

A. Grantor's Obligations

Grantor agrees to—

1. keep the Property in good repair and condition;
2. pay all taxes and assessments on the Property before delinquency;
3. defend title to the Property subject to the Other Exceptions to Conveyance and Warranty and preserve the lien's priority as it is established in this deed of trust;
4. maintain all insurance coverages with respect to the Property, revenues generated by the Property, and operations on the Property that Lender reasonably requires ("Required Insurance Coverages"), issued by insurers and written on policy forms acceptable to Lender, and deliver evidence of the Required Insurance Coverages in a form acceptable to Lender at least ten days before the expiration of the Required Insurance Coverages;
5. obey all laws, ordinances, and restrictive covenants applicable to the Property;

Commented [1]: If there is more than one note, repeat the above information for each additional note and change the word *Notes* in all applicable instances.

Commented [2]: If there is more than one prior lien, repeat the above information for each additional prior lien and change the words *Prior Lien* to *Prior Liens* in all applicable instances.

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6. keep any buildings occupied as required by the Required Insurance Coverages;
7. if the lien of this deed of trust is not a first lien, pay or cause to be paid all prior lien notes and abide by or cause to be abided by all prior lien instruments; and
8. notify Lender of any change of address.

B. Lender's Rights

1. Lender or Lender's mortgage servicer may appoint in writing a substitute trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds of the Obligation are used to pay any debt secured by prior liens, Lender is subrogated to all the rights and liens of the holders of any debt so paid.
3. Lender may apply any proceeds received under the property insurance policies covering the Property either to reduce the Obligation or to repair or replace damaged or destroyed improvements covered by the policy.
4. Notwithstanding the terms of the Note to the contrary, and unless applicable law prohibits, all payments received by Lender from Grantor with respect to the Obligation or this deed of trust may, at Lender's discretion, be applied first to amounts payable under this deed of trust and then to amounts due and payable to Lender with respect to the Obligation, to be applied to late charges, principal, or interest in the order Lender in its discretion determines.
5. If Grantor fails to perform any of Grantor's obligations, Lender may perform those obligations and be reimbursed by Grantor on demand for any amounts so paid, including attorney's fees, plus interest on those amounts from the dates of payment at the rate stated in the Note for matured, unpaid amounts. The amount to be reimbursed will be secured by this deed of trust.
6. If there is a default on the Obligation or if Grantor fails to perform any of Grantor's obligations and the default continues after any required notice of the default and the time allowed to cure, Lender may—
 - a. declare the unpaid principal balance and earned interest on the Obligation immediately due;

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- b. direct Trustee to foreclose this lien, in which case Lender or Lender's agent will cause notice of the foreclosure sale to be given as provided by the Texas Property Code as then in effect; and
 - c. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligation.
7. Lender may remedy any default without waiving it and may waive any default without waiving any prior or subsequent default.

C. Trustee's Rights and Duties

If directed by Lender to foreclose this lien, Trustee will—

- 1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then in effect;
- 2. sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general warranty binding Grantor, subject to the Prior Lien and to the Other Exceptions to Conveyance and Warranty and without representation or warranty, express or implied, by Trustee;
- 3. from the proceeds of the sale, pay, in this order—
 - a. expenses of foreclosure, including a reasonable commission to Trustee;
 - b. to Lender, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance; and
- 4. be indemnified, held harmless, and defended by Lender against all costs, expenses, and liabilities incurred by Trustee for acting in the execution or enforcement of the trust created by this deed of trust, which includes all court and other costs, including attorney's fees, incurred by Trustee in defense of any action or proceeding taken against Trustee in that capacity.

D. General Provisions

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1. If any of the Property is sold under this deed of trust, Grantor must immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any trustee's deed conveying the Property will be presumed to be true.
3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.
5. If any portion of the Obligation cannot be lawfully secured by this deed of trust, payments will be applied first to discharge that portion.
6. Grantor assigns to Lender all amounts payable to or received by Grantor from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses incurred, including attorney's fees and court and other costs, Lender will either release any remaining amounts to Grantor or apply such amounts to reduce the Obligation. Lender will not be liable for failure to collect or to exercise diligence in collecting any such amounts. Grantor will immediately give Lender notice of any actual or threatened proceedings for condemnation of all or part of the Property.
7. Grantor assigns to Lender absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Grantor warrants the validity and enforceability of the assignment. Grantor may as Lender's licensee collect rent and other income and receipts as long as Grantor is not in default with respect to the Obligation or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the Obligation and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due with respect to the Obligation and the deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the Obligation or performance of this deed of trust, Lender may terminate Grantor's license to collect rent and other income and then as Grantor's agent may rent the Property and collect all rent and other income and receipts. Lender neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Lender may exercise Lender's rights and remedies under this paragraph without taking possession of the Property. Lender will apply all rent and other income and

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receipts collected under this paragraph first to expenses incurred in exercising Lender's rights and remedies and then to Grantor's obligations with respect to the Obligation and this deed of trust in the order determined by Lender. Lender is not required to act under this paragraph, and acting under this paragraph does not waive any of Lender's other rights or remedies. If Grantor becomes a voluntary or involuntary debtor in bankruptcy, Lender's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.

8. Interest on the debt secured by this deed of trust will not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides any conflicting provisions in this and all other instruments concerning the debt.
9. In no event may this deed of trust secure payment of any debt that may not lawfully be secured by a lien on real estate or create a lien otherwise prohibited by law.
10. If Grantor transfers any part of the Property without Lender's prior written consent, Lender may declare the Obligation immediately payable and invoke any remedies provided in this deed of trust for default.
11. Grantor may not sell, transfer, or otherwise dispose of any Property, whether voluntarily or by operation of law, without the prior written consent of Lender. If granted, consent may be conditioned upon (a) the grantee's integrity, reputation, character, creditworthiness, and management ability being satisfactory to Lender; and (b) the grantee's executing, before such sale, transfer, or other disposition, a written assumption agreement containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Grantor may not cause or permit any Property to be encumbered by any liens, security interests, or encumbrances other than the liens securing the Obligation and the liens securing ad valorem taxes not yet due and payable without the prior written consent of Lender. If granted, consent may be conditioned upon Grantor's

Commented [3]: If a due-on-sale clause is desired, select the following.

Commented [4]: Select the following for a residential trust.

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executing, before granting such lien, a written modification agreement containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, an approval fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Grantor may not grant any lien, security interest, or other encumbrance (a "Subordinate Instrument") covering the Property that is subordinate to the liens created by this deed of trust without the prior written consent of Lender. If granted, consent may be conditioned upon the Subordinate Instrument's containing express covenants to the effect that—

- (a) the Subordinate Instrument is unconditionally subordinate to this deed of trust;
- (b) if any action is instituted to foreclose or otherwise enforce the Subordinate Instrument, no action may be taken that would terminate any occupancy or tenancy without the prior written consent of Lender, and that consent, if granted, may be conditioned in any manner Lender determines;
- (c) rents, if collected by or for the holder of the Subordinate Instrument, will be applied first to the payment of the Obligation then due and to expenses incurred in the ownership, operation, and maintenance of the Property in any order Lender may determine, before being applied to any indebtedness secured by the Subordinate Instrument;
- (d) written notice of default under the Subordinate Instrument and written notice of the commencement of any action to foreclose or otherwise enforce the Subordinate Instrument must be given to Lender concurrently with or immediately after the occurrence of any such default or commencement; and
- (e) in the event of the bankruptcy of Grantor, all amounts due on or with respect to the Obligation and this deed of trust will be payable in full before any payments on the indebtedness secured by the Subordinate Instrument.

Grantor may not cause or permit any of the following events to occur without the prior written consent of Lender: if Grantor is (a) a corporation, the dissolution of the corporation or the sale, pledge, encumbrance, or assignment of any shares of its stock; (b) a limited liability company, the dissolution of the company or the sale,

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pledge, encumbrance, or assignment of any of its membership interests; (c) a general partnership or joint venture, the dissolution of the partnership or venture or the sale, pledge, encumbrance, or assignment of any of its partnership or joint venture interests, or the withdrawal from or admission into it of any general partner or joint venturer; or (d) a limited partnership, (1) the dissolution of the partnership, (2) the sale, pledge, encumbrance, or assignment of any of its general partnership interests, or the withdrawal from or admission into it of any general partner, (3) the sale, pledge, encumbrance, or assignment of a controlling portion of its limited partnership interests, or (4) the withdrawal from or admission into it of any controlling limited partner or partners. If granted, consent may be conditioned upon (a) the integrity, reputation, character, creditworthiness, and management ability of the person succeeding to the ownership interest in Grantor (or security interest in such ownership) being satisfactory to Lender; and (b) the execution, before such event, by the person succeeding to the interest of Grantor in the Property or ownership interest in Grantor (or security interest in such ownership) of a written modification or assumption agreement containing such terms as Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Commented [5]: Continue with the following.

12. When the context requires, singular nouns and pronouns include the plural.
13. The term *Note* includes all extensions, modifications, and renewals of the Note and all amounts secured by this deed of trust.
14. This deed of trust binds, benefits, and may be enforced by the successors in interest of all parties.
15. If Grantor and Borrower are not the same person, the term *Grantor* includes Borrower.
16. Grantor and each surety, endorser, and guarantor of the Obligation waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.
17. Grantor agrees to pay reasonable attorney's fees, trustee's fees, and court and other costs of enforcing Lender's rights under this deed of trust if this deed of trust is placed in the hands of an attorney for enforcement.

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18. If any provision of this deed of trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.
19. Grantor represents that this deed of trust and the Note are given for the following purposes to secure the payment and purchase of Property described above.

Texarkana Renewal Properties, LLC
By: David Peavy, Sole Member

State of Texas §
 §
 County of Bowie §

The foregoing document was acknowledged before me, the undersigned authority, by David Peavy by and on behalf of Texarkana Renewal Properties, LLC on this the 8th day of June, 2020.

 Notary Public, State of Texas

 (printed or stamped name)

My commission expires:_____

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Exhibit "A"
Legal Description

Parking Garage Property

Site Address: 217-223 Pine Street, Texarkana, TX

Bowie County Texas Assessor's Office: PIDN: 7937; Long Account Number
03840009300

Property Description: CITY/TRIGGS ADDN LOTS 1 & 2, 2020-1370 02/10/20,
BLK/TRACT 21, 0.32 ACRES

OTHER PROPERTY TAKEN AS COLLATERAL

Attachment: 2020-051 ATTH 04 Tex Ren Prop Facade Loan DOT 217-223 Pine jt rvsdcleanfinal (2270 : 2020-051 RES Auth CM to enter into loan

PROMISSORY NOTE**("Promissory Note")****\$50,000.00****June 8, 2020**

Texarkana, Bowie County, Texas

WHEREAS, Texarkana Renewal Properties, LLC of the County of Bowie, Texas, hereinafter called Borrower, desires to borrow the principal sum of **Fifty Thousand Dollars and No/100 (\$50,000.00)** for property located at **217-223 Pine Street**, Texarkana, Texas, from the City of Texarkana, Texas ("City"), as provided in this Note; and

WHEREAS, Borrower is not in default on any Notes to the City; and

WHEREAS, City is willing to lend the funds as approved by Council in Resolution 2020-051;

NOW THEREFORE, FOR VALUE RECEIVED, the undersigned (and each of the undersigned), as principals, unconditionally and jointly and severally promise to pay to the order of the **City of Texarkana, Texas**, with an address of P.O. Box 1967, Texarkana, Texas 75505 at payee's office in the City of Texarkana, Bowie County, Texas, the principal sum of Fifty Thousand Dollars and No/100 (\$50,000.00), in legal and lawful money of the United States of America, together with interest (on the principal balance outstanding hereunder from time to time) as provided herein, payable as provided herein. All payments hereon shall be credited first to interest and then to principal; and any prepayments of principal shall first be applied to reduce the payments scheduled to be paid latest.

Interest shall accrue at one percent (1%) above the current ten-year treasury rate, which the current rate is 0.73%, making the current interest rate on this loan 1.73%, to be adjusted annually. Notwithstanding any payments otherwise scheduled or made hereon, the balance of principal and interest on this indebtedness shall be finally due and payable on or before one hundred-twenty (120) months following thirty days from the date of execution (the "Loan Term"). Payments shall be made as follows: No interest shall be due and payable in the first year of the Loan Term. Payment of accrued interest only shall be made annually in years two (2) and three (3) of the Loan Term, with payment due and payable on the anniversary date of each year. Thereafter, payments of principal and interest calculated over a 7 year amortization schedule shall be due in years four (4) – ten (10) with an annual payment of Seven Thousand Six Hundred and Forty-Two Dollars and 66/100 (\$7,642.66) due and payable on the anniversary date of each said year, save and except the last payment shall include any remaining principal and interest outstanding.

If not paid when due or declared due, matured and unpaid interest and principal (including as principal all additional amounts payable to the owner hereof as expenses or advancements agreed to be paid hereunder or under any agreement or instrument securing, guaranteeing or supplementing this Note) shall bear interest from the date of maturity until paid at the maximum rate allowed by law.

It is expressly provided that upon default in the punctual payment of this Note or any part thereof, principal or interest, as the same shall become due and payable, or default or breach by any maker hereof of any obligation of such maker to the owner hereof, or failure to perform any terms of any instrument

securing, guaranteeing, or supplementing this Note, this Note and the entire indebtedness secured or guaranteed by any such instrument, exclusive of unearned interest, shall be matured, at the option of the owner, without demand or notice. If at any time, in the sole opinion of the owner hereof, the financial responsibility of any maker, surety, guarantor, or endorser, or the prospect for payment, of this Note or the collateral securing this Note, shall become impaired or unsatisfactory to the owner hereof, this Note and all other obligations of such maker, guarantor, or endorser, exclusive of unearned interest shall become immediately due and payable at the owner's option, without demand or notice. Further, in the event this Note or Collateral is transferred or assigned without the consent of Lender, Borrower shall be in default. In the event default is made in the prompt payment of this Note or such indebtedness when due or declared due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through Probate, or other judicial proceeding, then the makers, sureties, guarantors, and endorsers agree and promise to pay reasonable attorneys' fees for collection. Each of the undersigned additionally agrees and promises to pay all costs of collection hereof and of realization upon (or protection of) any security herefor, together with any interest thereon as provided herein from the time expended by the owner hereof. **THIS NOTE SHALL BE GOVERNED BY THE LAWS IN EFFECT IN THE STATE OF TEXAS, INCLUDING ANY APPLICABLE FEDERAL LAW.**

Each party liable on this Note, whether primarily or secondarily liable, including, without limitation, each maker, surety, guarantor, accommodation party, and endorser of this Note, expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protests and notices of protest, notice of nonpayment, and diligence in collecting this Note, filing of suit, and enforcing any of the security herefor, as to this Note and as to each, every, and all installments hereof; agrees that any and all extensions, and changes in the time for payment, hereof may be granted to any of the above parties without notice to the others; consents, without notice, to extensions of time, renewals, release of any party liable hereon, releases of collateral and indulgences extended by any owner hereof; and agrees that it will not be necessary for any owner hereof, in order to enforce any liability hereon, to first institute suit or exhaust its remedies against any party liable hereon, or to enforce its rights against any security herefor, and that no extension, renewal, substitution, exchange, or release of collateral, or indulgence shall discharge, release, or reduce any liability of any party hereon. No delay by the owner hereof in exercising any right hereunder, or under any instrument securing, guaranteeing, or supplementing this Note, shall be construed as a waiver of any such right; and such right may be exercised at any subsequent time during default.

Notwithstanding anything to the contrary, all agreements between any party liable on this Note and any owner or holder hereof are expressly limited and modified so that in no event or contingency whatsoever shall the amount paid, agreed to be paid, or charged for the use, forbearance, or detention of money, ever exceed the maximum amount permissible under applicable law. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected is interpreted so that any charge provided for in this Note, in any instrument securing, guaranteeing, or supplementing this Note, or in any other indebtedness of any maker hereof payable to the owner hereof, whether considered separately or together with other charges that are considered a part of this transaction, violates such law by reason of the acceleration of any indebtedness, or for any other reason, such charge is hereby reduced to the extent necessary to eliminate any such violation. Any amounts of such interest or other charges previously paid to the owner hereof in excess of the amounts permitted by applicable law shall be applied by the owner to reduce the principal of the indebtedness evidenced by this Note, or, at the owner's option, be refunded.

Payment hereof is secured by a Deed of Trust on the real property located at 217-223 Pine Street, Texarkana, Bowie County, Texas, and such other collateral as set forth in the Deed of Trust, as well as a personal guaranty.

The following Notice is provided pursuant to Section 26.02 of the Texas Business & Commerce Code, regarding the "Loan Agreement" which is defined as all of the loan documents, including this promissory note and documents guaranteeing or securing the note:

THIS WRITTEN LOAN 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.

THIS LOAN IS PAYABLE IN FULL ON OR BEFORE THE FIRST DAY OF THE 120TH MONTH FOLLOWING 30 DAYS AFTER THE EXECUTION OF THIS NOTE BY ALL PARTIES. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN.

IN WITNESS WHEREOF, this Note has been signed and delivered to the payee herein on the date first written above.

Texarkana Renewal Properties, LLC, Inc.
By: David Peavy, Sole Member

2020-051 ATTH 06

DEED OF TRUST**("Deed of Trust")**

Notice of confidentiality rights: If you are a natural person, you may remove or strike any or all of the following information from this instrument before it is filed for record in the public records: your Social Security number or your driver's license number.

Terms

Date: June 8, 2020

Grantor: Texarkana Renewal Properties, LLC

Grantor's Mailing Address: 105 Olive Street, Apt. G, Texarkana, AR 71854

Trustee: Chief Financial Officer of the City of Texarkana, Bowie County, Texas

Trustee's Mailing Address: P.O. Box 1967, Bowie County, Texarkana, Texas 75504

Lender: City of Texarkana, Bowie County, Texas

Lender's Mailing Address: P.O. Box 1967, Bowie County, Texarkana, Texas 75504

Obligation**Note:**

Date: June 8, 2020

Original Principal Amount: \$50,000.00

Borrower: Texarkana Renewal Properties, LLC.

Lender: City of Texarkana, Bowie County, Texas

Maturity Date: One hundred-twenty (120) months with no interest for one year, interest only in years 2 and 3, with principle and interest due years 4 – 10.

Commented [1]: If there is more than one note, repeat the information for each additional note and change the word *Notes* in all applicable instances.

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Property (including any improvements):**Real Property:**

Real property located at 100 West Broad Street, Texarkana, Bowie County, Texas (hereinafter sometimes called the "Premises"), as more specifically described in Exhibit "A" attached.

Other Exceptions to Conveyance and Warranty:

For value received and to secure payment of the Obligation, Grantor conveys the Property to Trustee in trust. Grantor warrants and agrees to defend the title to the Property, subject to the Other Exceptions to Conveyance and Warranty. On payment of the Obligation and all other amounts secured by this deed of trust, this deed of trust will have no further effect, and Lender will release it at Grantor's expense.

Commented [2]: If there is more than one prior lien, reword above information for each additional prior lien and change words *Prior Lien* to *Prior Liens* in all applicable instances.

Clauses and Covenants**A. Grantor's Obligations**

Grantor agrees to—

1. keep the Property in good repair and condition;
2. pay all taxes and assessments on the Property before delinquency;
3. defend title to the Property subject to the Other Exceptions to Conveyance and Warranty and preserve the lien's priority as it is established in this deed of trust;
4. maintain all insurance coverages with respect to the Property, revenues generated by the Property, and operations on the Property that Lender reasonably requires ("Required Insurance Coverages"), issued by insurers and written on policy forms acceptable to Lender, and deliver evidence of the Required Insurance Coverages in a form acceptable to Lender at least ten days before the expiration of the Required Insurance Coverages;
5. obey all laws, ordinances, and restrictive covenants applicable to the Property;
6. keep any buildings occupied as required by the Required Insurance Coverages;
7. if the lien of this deed of trust is not a first lien, pay or cause to be paid all prior lien notes and abide by or cause to be abided by all prior lien instruments; and

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8. notify Lender of any change of address.

B. Lender's Rights

1. Lender or Lender's mortgage servicer may appoint in writing a substitute trustee, succeeding to all rights and responsibilities of Trustee.
2. If the proceeds of the Obligation are used to pay any debt secured by prior liens, Lender is subrogated to all the rights and liens of the holders of any debt so paid.
3. Lender may apply any proceeds received under the property insurance policies covering the Property either to reduce the Obligation or to repair or replace damaged or destroyed improvements covered by the policy.
4. Notwithstanding the terms of the Note to the contrary, and unless applicable law prohibits, all payments received by Lender from Grantor with respect to the Obligation or this deed of trust may, at Lender's discretion, be applied first to amounts payable under this deed of trust and then to amounts due and payable to Lender with respect to the Obligation, to be applied to late charges, principal, or interest in the order Lender in its discretion determines.
5. If Grantor fails to perform any of Grantor's obligations, Lender may perform those obligations and be reimbursed by Grantor on demand for any amounts so paid, including attorney's fees, plus interest on those amounts from the dates of payment at the rate stated in the Note for matured, unpaid amounts. The amount to be reimbursed will be secured by this deed of trust.
6. If there is a default on the Obligation or if Grantor fails to perform any of Grantor's obligations and the default continues after any required notice of the default and the time allowed to cure, Lender may—
 - a. declare the unpaid principal balance and earned interest on the Obligation immediately due;
 - b. direct Trustee to foreclose this lien, in which case Lender or Lender's agent will cause notice of the foreclosure sale to be given as provided by the Texas Property Code as then in effect; and
 - c. purchase the Property at any foreclosure sale by offering the highest bid and then have the bid credited on the Obligation.

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7. Lender may remedy any default without waiving it and may waive any default without waiving any prior or subsequent default.

C. Trustee's Rights and Duties

If directed by Lender to foreclose this lien, Trustee will—

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then in effect;
2. sell and convey all or part of the Property "AS IS" to the highest bidder for cash with a general warranty binding Grantor, subject to the Prior Lien and to the Other Exceptions to Conveyance and Warranty and without representation or warranty, express or implied, by Trustee;
3. from the proceeds of the sale, pay, in this order—
 - a. expenses of foreclosure, including a reasonable commission to Trustee;
 - b. to Lender, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance; and
4. be indemnified, held harmless, and defended by Lender against all costs, expenses, and liabilities incurred by Trustee for acting in the execution or enforcement of the trust created by this deed of trust, which includes all court and other costs, including attorney's fees, incurred by Trustee in defense of any action or proceeding taken against Trustee in that capacity.

D. General Provisions

1. If any of the Property is sold under this deed of trust, Grantor must immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor will become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any trustee's deed conveying the Property will be presumed to be true.

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3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien will remain superior to liens later created even if the time of payment of all or part of the Obligation is extended or part of the Property is released.
5. If any portion of the Obligation cannot be lawfully secured by this deed of trust, payments will be applied first to discharge that portion.
6. Grantor assigns to Lender all amounts payable to or received by Grantor from condemnation of all or part of the Property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the Property. After deducting any expenses incurred, including attorney's fees and court and other costs, Lender will either release any remaining amounts to Grantor or apply such amounts to reduce the Obligation. Lender will not be liable for failure to collect or to exercise diligence in collecting any such amounts. Grantor will immediately give Lender notice of any actual or threatened proceedings for condemnation of all or part of the Property.
7. Grantor assigns to Lender absolutely, not only as collateral, all present and future rent and other income and receipts from the Property. Grantor warrants the validity and enforceability of the assignment. Grantor may as Lender's licensee collect rent and other income and receipts as long as Grantor is not in default with respect to the Obligation or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the Obligation and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due with respect to the Obligation and the deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the Obligation or performance of this deed of trust, Lender may terminate Grantor's license to collect rent and other income and then as Grantor's agent may rent the Property and collect all rent and other income and receipts. Lender neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the Property. Lender may exercise Lender's rights and remedies under this paragraph without taking possession of the Property. Lender will apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Lender's rights and remedies and then to Grantor's obligations with respect to the Obligation and this deed of trust in the order determined by Lender. Lender is not required to act under this paragraph, and acting under this paragraph does not waive any of Lender's other rights or remedies. If Grantor becomes a voluntary or involuntary debtor in bankruptcy, Lender's filing a proof of claim in bankruptcy will be deemed equivalent to the appointment of a receiver under Texas law.

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8. Interest on the debt secured by this deed of trust will not exceed the maximum amount of non-usurious interest that may be contracted for, taken, reserved, charged, or received under law. Any interest in excess of that maximum amount will be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess will be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides any conflicting provisions in this and all other instruments concerning the debt.
9. In no event may this deed of trust secure payment of any debt that may not lawfully be secured by a lien on real estate or create a lien otherwise prohibited by law.
10. If Grantor transfers any part of the Property without Lender's prior written consent, Lender may declare the Obligation immediately payable and invoke any remedies provided in this deed of trust for default.
11. Grantor may not sell, transfer, or otherwise dispose of any Property, whether voluntarily or by operation of law, without the prior written consent of Lender. If granted, consent may be conditioned upon (a) the grantee's integrity, reputation, character, creditworthiness, and management ability being satisfactory to Lender; and (b) the grantee's executing, before such sale, transfer, or other disposition, a written assumption agreement containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Grantor may not cause or permit any Property to be encumbered by any liens, security interests, or encumbrances other than the liens securing the Obligation and the liens securing ad valorem taxes not yet due and payable without the prior written consent of Lender. If granted, consent may be conditioned upon Grantor's executing, before granting such lien, a written modification agreement containing any terms Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, an approval fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Commented [3]: If a due-on-sale clause is desired, select the following.

Commented [4]: Select the following for a residential trust.

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Grantor may not grant any lien, security interest, or other encumbrance (a "Subordinate Instrument") covering the Property that is subordinate to the liens created by this deed of trust without the prior written consent of Lender. If granted, consent may be conditioned upon the Subordinate Instrument's containing express covenants to the effect that—

- (a) the Subordinate Instrument is unconditionally subordinate to this deed of trust;
- (b) if any action is instituted to foreclose or otherwise enforce the Subordinate Instrument, no action may be taken that would terminate any occupancy or tenancy without the prior written consent of Lender, and that consent, if granted, may be conditioned in any manner Lender determines;
- (c) rents, if collected by or for the holder of the Subordinate Instrument, will be applied first to the payment of the Obligation then due and to expenses incurred in the ownership, operation, and maintenance of the Property in any order Lender may determine, before being applied to any indebtedness secured by the Subordinate Instrument;
- (d) written notice of default under the Subordinate Instrument and written notice of the commencement of any action to foreclose or otherwise enforce the Subordinate Instrument must be given to Lender concurrently with or immediately after the occurrence of any such default or commencement; and
- (e) in the event of the bankruptcy of Grantor, all amounts due on or with respect to the Obligation and this deed of trust will be payable in full before any payments on the indebtedness secured by the Subordinate Instrument.

Grantor may not cause or permit any of the following events to occur without the prior written consent of Lender: if Grantor is (a) a corporation, the dissolution of the corporation or the sale, pledge, encumbrance, or assignment of any shares of its stock; (b) a limited liability company, the dissolution of the company or the sale, pledge, encumbrance, or assignment of any of its membership interests; (c) a general partnership or joint venture, the dissolution of the partnership or venture or the sale, pledge, encumbrance, or assignment of any of its partnership or joint venture interests, or the withdrawal from or admission into it of any general partner or joint venturer; or (d) a limited partnership, (1) the dissolution of the partnership, (2) the sale, pledge, encumbrance, or assignment of any of its general

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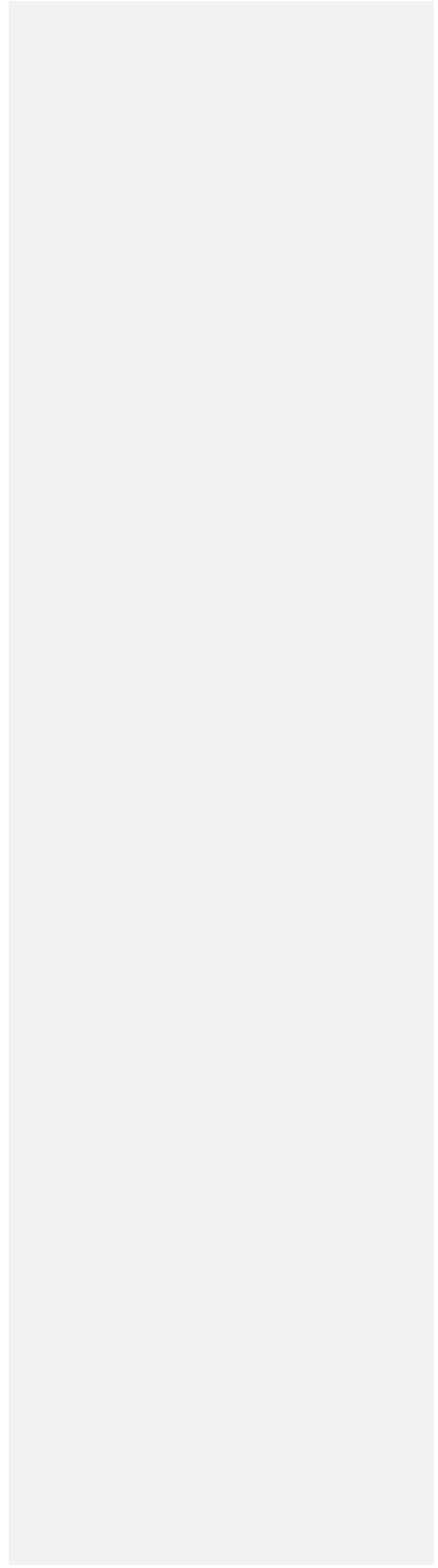
partnership interests, or the withdrawal from or admission into it of any general partner, (3) the sale, pledge, encumbrance, or assignment of a controlling portion of its limited partnership interests, or (4) the withdrawal from or admission into it of any controlling limited partner or partners. If granted, consent may be conditioned upon (a) the integrity, reputation, character, creditworthiness, and management ability of the person succeeding to the ownership interest in Grantor (or security interest in such ownership) being satisfactory to Lender; and (b) the execution, before such event, by the person succeeding to the interest of Grantor in the Property or ownership interest in Grantor (or security interest in such ownership) of a written modification or assumption agreement containing such terms as Lender may require, such as a principal pay down on the Obligation, an increase in the rate of interest payable with respect to the Obligation, a transfer fee, or any other modification of the Note, this deed of trust, or any other instruments evidencing or securing the Obligation.

Commented [5]: Continue with the following.

12. When the context requires, singular nouns and pronouns include the plural.
13. The term *Note* includes all extensions, modifications, and renewals of the Note and all amounts secured by this deed of trust.
14. This deed of trust binds, benefits, and may be enforced by the successors in interest of all parties.
15. If Grantor and Borrower are not the same person, the term *Grantor* includes Borrower.
16. Grantor and each surety, endorser, and guarantor of the Obligation waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.
17. Grantor agrees to pay reasonable attorney's fees, trustee's fees, and court and other costs of enforcing Lender's rights under this deed of trust if this deed of trust is placed in the hands of an attorney for enforcement.
18. If any provision of this deed of trust is determined to be invalid or unenforceable, the validity or enforceability of any other provision will not be affected.
19. Grantor represents that this deed of trust and the Note are given for the following purposes to secure the payment and purchase of Property described above.

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DRAFT



Attachment: 2020-051 ATTH 06 Tex Ren Prop Facade Loan DOT100 W Broadfinal (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for

2020-051 ATTH 06

Texarkana Renewal Properties, LLC
By: David Peavy, Sole Member

State of Texas §
 §
County of Bowie §

The foregoing document was acknowledged before me, the undersigned authority, by David Peavy by and on behalf of Texarkana Renewal Properties, LLC on this the 8th day of June, 2020.

Notary Public, State of Texas

(printed or stamped name)

My commission expires:_____

Attachment: 2020-051 ATTH 06 Tex Ren Prop Facade Loan DOT100 W Broadfinal (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for

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Exhibit "A"
Legal Description

Texarkana National Bank Building

Site Address: 100 W. Broad Street, Texarkana, TX

Bowie County Texas Assessor's Office: PIDN: 7939; Long Account Number
03840009700

Property Description: CITY/TRIGGS ADDN LOTS 4-6, 2020-1368 02/10/20, BLK/TRACT
21, 0.22 ACRES

PROMISSORY NOTE**("Promissory Note")****\$50,000.00****June 8, 2020**

Texarkana, Bowie County, Texas

WHEREAS, Texarkana Renewal Properties, LLC of the County of Bowie, Texas, hereinafter called Borrower, desires to borrow the principal sum of **Fifty Thousand Dollars and No/100 (\$50,000.00)** for property located at **100 West Broad Street**, Texarkana, Texas, from the City of Texarkana, Texas ("City"), as provided in this Note; and

WHEREAS, Borrower is not in default on any Notes to the City; and

WHEREAS, City is willing to lend the funds as approved by Council in Resolution 2020-051;

NOW THEREFORE, FOR VALUE RECEIVED, the undersigned (and each of the undersigned), as principals, unconditionally and jointly and severally promise to pay to the order of the **City of Texarkana, Texas**, with an address of P.O. Box 1967, Texarkana, Texas 75505 at payee's office in the City of Texarkana, Bowie County, Texas, the principal sum of Fifty Thousand Dollars and No/100 (\$50,000.00), in legal and lawful money of the United States of America, together with interest (on the principal balance outstanding hereunder from time to time) as provided herein, payable as provided herein. All payments hereon shall be credited first to interest and then to principal; and any prepayments of principal shall first be applied to reduce the payments scheduled to be paid latest.

Interest shall accrue at one percent (1%) above the current ten-year treasury rate, which the current rate is 0.73%, making the current interest rate on this loan 1.73%, to be adjusted annually. Notwithstanding any payments otherwise scheduled or made hereon, the balance of principal and interest on this indebtedness shall be finally due and payable on or before one hundred-twenty (120) months following thirty days from the date of execution (the "Loan Term"). Payments shall be made as follows: No interest shall be due and payable in the first year of the Loan Term. Payment of accrued interest only shall be made annually in years two (2) and three (3) of the Loan Term, with payment due and payable on the anniversary date of each year. Thereafter, payments of principal and interest calculated over a 7 year amortization schedule shall be due in years four (4) – ten (10) with an annual payment of Seven Thousand Six Hundred and Forty-Two Dollars and 66/100 (\$7,642.66) due and payable on the anniversary date of each said year, save and except the last payment shall include any remaining principal and interest outstanding.

If not paid when due or declared due, matured and unpaid interest and principal (including as principal all additional amounts payable to the owner hereof as expenses or advancements agreed to be paid hereunder or under any agreement or instrument securing, guaranteeing or supplementing this Note) shall bear interest from the date of maturity until paid at the maximum rate allowed by law.

It is expressly provided that upon default in the punctual payment of this Note or any part thereof, principal or interest, as the same shall become due and payable, or default or breach by any maker hereof

of any obligation of such maker to the owner hereof, or failure to perform any terms of any instrument securing, guaranteeing, or supplementing this Note, this Note and the entire indebtedness secured or guaranteed by any such instrument, exclusive of unearned interest, shall be matured, at the option of the owner, without demand or notice. If at any time, in the sole opinion of the owner hereof, the financial responsibility of any maker, surety, guarantor, or endorser, or the prospect for payment, of this Note or the collateral securing this Note, shall become impaired or unsatisfactory to the owner hereof, this Note and all other obligations of such maker, guarantor, or endorser, exclusive of unearned interest shall become immediately due and payable at the owner's option, without demand or notice. Further, in the event this Note or Collateral is transferred or assigned without the consent of Lender, Borrower shall be in default. In the event default is made in the prompt payment of this Note or such indebtedness when due or declared due, and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through Probate, or other judicial proceeding, then the makers, sureties, guarantors, and endorsers agree and promise to pay reasonable attorneys' fees for collection. Each of the undersigned additionally agrees and promises to pay all costs of collection hereof and of realization upon (or protection of) any security herefor, together with any interest thereon as provided herein from the time expended by the owner hereof. **THIS NOTE SHALL BE GOVERNED BY THE LAWS IN EFFECT IN THE STATE OF TEXAS, INCLUDING ANY APPLICABLE FEDERAL LAW.**

Each party liable on this Note, whether primarily or secondarily liable, including, without limitation, each maker, surety, guarantor, accommodation party, and endorser of this Note, expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protests and notices of protest, notice of nonpayment, and diligence in collecting this Note, filing of suit, and enforcing any of the security herefor, as to this Note and as to each, every, and all installments hereof; agrees that any and all extensions, and changes in the time for payment, hereof may be granted to any of the above parties without notice to the others; consents, without notice, to extensions of time, renewals, release of any party liable hereon, releases of collateral and indulgences extended by any owner hereof; and agrees that it will not be necessary for any owner hereof, in order to enforce any liability hereon, to first institute suit or exhaust its remedies against any party liable hereon, or to enforce its rights against any security herefor, and that no extension, renewal, substitution, exchange, or release of collateral, or indulgence shall discharge, release, or reduce any liability of any party hereon. No delay by the owner hereof in exercising any right hereunder, or under any instrument securing, guaranteeing, or supplementing this Note, shall be construed as a waiver of any such right; and such right may be exercised at any subsequent time during default.

Notwithstanding anything to the contrary, all agreements between any party liable on this Note and any owner or holder hereof are expressly limited and modified so that in no event or contingency whatsoever shall the amount paid, agreed to be paid, or charged for the use, forbearance, or detention of money, ever exceed the maximum amount permissible under applicable law. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected is interpreted so that any charge provided for in this Note, in any instrument securing, guaranteeing, or supplementing this Note, or in any other indebtedness of any maker hereof payable to the owner hereof, whether considered separately or together with other charges that are considered a part of this transaction, violates such law by reason of the acceleration of any indebtedness, or for any other reason, such charge is hereby reduced to the extent necessary to eliminate any such violation. Any amounts of such interest or other charges previously paid to the owner hereof in excess of the amounts permitted by applicable law shall be applied by the owner to reduce the principal of the indebtedness evidenced by this Note, or, at the owner's option, be refunded.

Payment hereof is secured by a Deed of Trust on the real property located at 1304 Texas Blvd, Texarkana, Bowie County, Texas.

The following Notice is provided pursuant to Section 26.02 of the Texas Business & Commerce Code, regarding the "Loan Agreement" which is defined as all of the loan documents, including this promissory note and documents guaranteeing or securing the note:

THIS WRITTEN LOAN 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.

THIS LOAN IS PAYABLE IN FULL ON OR BEFORE THE FIRST DAY OF THE 120TH MONTH FOLLOWING 30 DAYS AFTER THE EXECUTION OF THIS NOTE BY ALL PARTIES. AT MATURITY, YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN.

IN WITNESS WHEREOF, this Note has been signed and delivered to the payee herein on the date first written above.

Texarkana Renewal Properties, LLC, Inc.
By: David Peavy, Sole Member

STATE OF TEXAS

COUNTY OF BOWIE

GUARANTY AGREEMENT

FOR VALUE RECEIVED, and in consideration of the City of Texarkana, Texas (hereinafter called LENDER) extending credit to **Texarkana Renewal Properties, LLC.**, hereinafter called BORROWER (whether one or more), this Guaranty is given by the undersigned, hereinafter called GUARANTOR, whether one or more.

1. **Obligation.** GUARANTOR unconditionally, and jointly and severally as principal, guarantees to LENDER and LENDER's successors and assigns, the prompt payment to LENDER at maturity of the following described indebtedness, with all renewals, extensions, modifications, including all obligations related to said indebtedness, described as follows, to-wit:

That certain Promissory Note of even date herewith executed by BORROWER payable to the Order of LENDER in the original principal sum of **Fifty Thousand Dollars and No/100 (\$50,000.00) for property located at 100 West Broad Street, Texarkana, Texas**, with interest thereon, together with all attorneys' fees, costs, and expenses of collection incurred by LENDER in connection with any matter covered by this guaranty, and all attorneys' fees, costs, and expenses incurred by LENDER in connection with the enforcement of any obligation of any GUARANTOR hereunder.

2. **Term.** The joint and several liability of GUARANTOR shall continue until payment is made of every obligation of BORROWER now due or hereafter to become due relative to the above described indebtedness, and until payment is made of any loss or damage incurred by LENDER with respect to any matter covered by this guaranty.

3. **Consent to LENDER's Acts.** GUARANTOR jointly and severally consents, without affecting any of GUARANTOR'S liability to LENDER hereunder, that LENDER may, without notice to or consent of GUARANTOR, upon such terms as it may deem advisable: (a) extend, in whole or in part, by renewal or otherwise, the time of payment of any indebtedness owing by BORROWER to LENDER, or held by LENDER as security for any such indebtedness; (b) release, surrender, exchange, substitute, modify, impair, or extend the period of duration, or the time for performance or payment, of any collateral securing any indebtedness of BORROWER to LENDER; (c) settle or compromise any claim of LENDER against BORROWER, or against any other person, firm or corporation, whose obligation is held by LENDER as collateral security for any indebtedness of BORROWER to LENDER; and (d) release, in whole or in part, any of GUARANTOR'S or any number of GUARANTORS, or reach any settlement, accommodation, or compromise with any one or more (but less than all) of GUARANTORS. GUARANTOR jointly and severally hereby ratifies and affirms any such extension, renewal, release, surrender, exchange, substitution, modification, impairment, settlement, accommodation, or compromise; and all such actions shall be binding upon GUARANTOR jointly and severally, and

GUARANTOR hereby waives all defenses, counterclaims, or offsets which GUARANTOR jointly and severally might have by reason thereof.

4. **Waiver.** GUARANTOR jointly and severally waives: (a) notice of acceptance of this guaranty by LENDER; (b) presentment, notice of presentment, demand for payment, protest, notice of protest, notice of dishonor, notice of intent to accelerate maturity, and notice of acceleration of maturity, of any of BORROWER indebtedness, and of the obligation of any person, firm or corporation, held by LENDER as collateral security for any of BORROWER's indebtedness; (c) notice of the failure of any person, firm, or corporation to pay to LENDER any indebtedness held by LENDER as collateral security for any indebtedness of BORROWER; (d) notice of the death, or termination of the liability hereunder for future indebtedness, of any of the GUARANTORS; and (e) all defenses, offsets, and counterclaims which GUARANTOR may at any time have to any claim of LENDER against BORROWER.

5. **BORROWER Change or Enforceability.** Should the status of BORROWER change (including, without limitation, by the incorporation of an operation owned by a BORROWER, the dissolution of a corporate BORROWER, the adjudication of mental incapacity of a BORROWER and appointment of a guardian therefor, or any other alteration of status, similar or dissimilar to any such listed example), this GUARANTY shall continue and also cover the indebtedness (then existing or thereafter arising) of the successor to such BORROWER in the new status, according to the terms hereof guaranteeing the indebtedness of the BORROWER. If any or all of the indebtedness cannot, for any reason, be enforced or becomes unenforceable, in whole or in part, against BORROWER (or any one of BORROWER), such fact shall not, in any manner, affect the liability GUARANTOR hereunder, but such liability shall remain and continue as to the entire indebtedness as if it had been fully enforceable against BORROWER.

6. **Representations by GUARANTOR.** GUARANTOR represents that, at the time of the execution and delivery of this guaranty, nothing exists to impair the effectiveness of the liability of GUARANTOR to LENDER hereunder, or to stop this GUARANTY from becoming immediately effective as the sole agreement between GUARANTOR and LENDER with respect to guaranteeing BORROWER's indebtedness to LENDER.

7. **Remedies.** LENDER may at its option proceed in the first instance against GUARANTOR, or if more than one guarantor, jointly and severally, or any one or more of them, to collect any indebtedness covered by this guaranty, without first proceeding against BORROWER; or any other person, firm, or corporation, and without first resorting to any property at any time held by LENDER as collateral security.

8. **Modification.** The whole of this guaranty is herein set forth, and there is no verbal or other written agreement, and no understanding or custom affecting the terms hereof. This guaranty can be modified only by a written instrument signed by the party to be charged therewith.

9. **Benefit.** This guaranty is delivered and made in, and shall be construed pursuant to the laws of, the State of Texas, and is binding upon GUARANTOR and her legal representatives, and shall inure to the benefit of LENDER, its successors and assigns. It is performable in Bowie County, Texas.

IN WITNESS WHEREOF, GUARANTOR has signed this GUARANTY on the 8th day of June, 2020.

David Peavy, Individually

DRAFT

**BROWNFIELD REVOLVING LOAN FUND
LOAN AGREEMENT
BETWEEN THE CITY OF TEXARKANA AND
TEXARKANA RENEWAL PROPERTIES, LLC**

I. PARTIES

THIS AGREEMENT is made and entered into on _____ (LOAN AGREEMENT DATE), by and between Texarkana Renewal Properties, LLC, hereinafter referred to as the "BORROWER," and the City of Texarkana, Texas, hereinafter referred to as "LENDER."

II. DEFINITIONS

Property – Real property located in the City of Texarkana, Texas at 100 W. Broad Street, Texarkana, Bowie County, Texas, the "Former Texarkana National Bank" building and site containing .22 acres more or less, and at 217 – 219 Pine Street, Texarkana, Bowie County, Texas, the former Parking Garage containing .32 acres more or less, both as more specifically set forth in Attachment A, and owned by the Borrower. (The "Former Texarkana National Bank" and "Parking Garage" are collectively referred to herein as the "Properties.")

Project– The remediation of petroleum products and/or hazardous substances, including petroleum and metal contaminants in soil, and asbestos and lead based paint in the buildings, from the Properties in accordance with the selected Cleanup Plan.

Cleanup Plan - Voluntary Cleanup Program Response Action Plan (RAP), Corrective Action Plan (CAP), or another LENDER and Agency approved cleanup plan.

Borrower – Texarkana Renewal Properties, LLC, 105 Olive Street, Apt G, Texarkana, AR 71854.

Agency–The Texas Commission of Environmental Quality (TCEQ) Voluntary Cleanup Program (VCP), the Texas Department of State Health Services, or other State or Federal Agency providing remediation oversight in cooperation with the City of Texarkana.

Contractor – The general contractor for remediation or other contractors hired by the Borrower through a competitive bid process approved by the Lender and EPA.

Consultant – The environmental consultant hired by the Lender.

CERCLA– Comprehensive, Environmental Response Compensation and Liability Act, Brownfields Revitalization Act (CERCLA 42 U.S.C. § 9601–9675).

BRLF– The City of Texarkana Brownfields Revolving Loan Fund (per Cooperative Agreement No BF00F-62501 between the City of Texarkana and the United State Environmental Protection Agency (USEPA)).

Eligible Expenses – Expenses paid or incurred by the Borrower to complete the Project, but only to the extent such expenses are deemed eligible for reimbursement/disbursement from the Revolving Loan Fund under applicable EPA guidance, agreements, rules, and regulations. Eligible Expenses are discussed in Attachment B and Attachment G.

ABCA – Analysis of Brownfields Cleanup Alternatives

QAPP – Quality Assurance Project Plan

III. REPRESENTATIONS AND WARRANTIES

WHEREAS, the LENDER is the recipient of a USEPA grant to establish a Brownfields Revolving Loan Fund (BRLF) and is authorized to make certain loans from these funds (Loan Fund) pursuant to the Small Business Liability Relief and Brownfields Revitalization Act, Section 104(k) of CERCLA, 42 U.S.C. 9604(k), and as a condition of awarding the Grants, the USEPA has placed requirements on the use of the Grants as documented in Cooperative Agreement numbered BF00F-62501; and

WHEREAS, the LENDER is responsible for the proper expenditure of loan funds; and

WHEREAS, BRLF funds are to be used to undertake cleanup of Brownfields sites by making loans to parties willing to undertake cleanup of these sites; and

WHEREAS, the BORROWER will own during the life of this agreement by way of fee simple title to certain real property located in Texarkana, Texas (the Properties), which Properties are more particularly described in Attachment A, attached hereto; and

WHEREAS, the Properties are contaminated with petroleum and/or hazardous substances, including asbestos and lead based paint, as defined by CERCLA; and

WHEREAS, Borrower shall retain the services of a general contractor (Contractor) to perform or subcontract all work to be performed under this Agreement (the "Work"); and

WHEREAS, Borrower shall further retain the services of a qualified Environmental Consultant that shall be on site daily to oversee the work, ensure all Work is in compliance with this Agreement and any applicable laws or requirements, and report to the City's Environmental Consultant as required in this Agreement; and

WHEREAS, the Properties are not listed, or proposed for listing on the National Priorities List of the EPA; are not subject to a unilateral administrative order, a court order, an administrative order on consent or judicial consent decree issues or entered into by parties under CERCLA; is not subject to jurisdiction, custody, or control by the United States government; and

WHEREAS, LENDER has determined in accordance with relevant USEPA grant requirements that the BORROWER is not potentially liable under section 107 of CERCLA for response costs on the site and that the BORROWER has not caused, contributed to, permitted or exacerbated the release of hazardous substances, pollutants or contaminants on, or emanating from the Properties, and continues to meet its continuing obligations and exercise appropriate care with respect to hazardous substances found at the Properties;

WHEREAS, EPA has determined that the Properties are eligible for BRLF funds; and,

WHEREAS, the BORROWER is not and has never been subject to any penalties resulting from environmental non-compliance at or on the Properties nor is the BORROWER, or its Project contractors or subcontractors currently suspended, debarred, or otherwise declared ineligible for participation in this Federal program or from the receipt of these funds.

IV. CERTIFICATIONS

NOW THEREFORE, in consideration of the covenants and promises contained herein, it is mutually agreed by and between the parties as follows:

1. The BORROWER agrees to carry out the Project and shall use Loan Funds only for eligible activities in accordance with all applicable state, local and federal laws, regulations, orders,

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writs, judgments, injunctions, decrees or awards, including but not limited to the following, CERCLA § 104 (k); the Uniform Administrative Requirements of Grants and Cooperative Agreements to States and Local Governments (40 CFR Part 31); all applicable cross-cutting requirements, including those federal requirements agreed between the USEPA and the City defined by the Cooperative Agreement Number (B F-00E45801), OSHA Worker Health & Safety Standard 29 C.F.R. 1910.120; the Uniform Relocation Act, Historic Preservation Act, Endangered Species Act; and Permits required by Section 404 of the Clean Water Act; Contract Work Hours and Safety Standards Act, as amended (40 U.S.C. 327333), the Anti-Kickback Act (40 U.S.C. 276c) and Section 504 of the Rehabilitation Act of 1973 as implemented by Executive Orders 11914 and 11250; including the applicable laws and regulations set forth on the attached Attachment G incorporated herein.

2. The BORROWER shall ensure that the cleanup is protective of human health and the environment in accordance with EPA, TCEQ and all other applicable regulations. The LENDER may change cleanup activities as necessary based on comments from the public or new information acquired.
3. The BORROWER agrees to assist the LENDER in conducting Community Involvement activities, which may include providing documents for the Community Involvement Plan, and attending public meetings at the LENDER's request.
4. The BORROWER understands and agrees that all Loan Funds provided by the LENDER shall be used to clean up the Property identified in Attachment A and that Loan Funds shall not be used for the payment of any cost or expense related to site assessments, except for confirmation testing and sampling in conjunction with cleanup of the site, nor for building demolition, site improvements or infrastructure unless such activities are approved and necessary to conduct the Agency approved Cleanup Plan. See Attachment B of this agreement for a list of eligible and ineligible costs and activities.
5. The BORROWER agrees to enter into and conduct cleanup activities in accordance with the terms of the TCEQ Voluntary Cleanup Program (VCP) or other TCEQ oversight authority as approved and/or required by the LENDER.
6. The BORROWER agrees to perform the Project in accordance with the selected Cleanup Plan after consideration of public comment on an Analysis of Brownfields Cleanup Alternatives (ABCA).
7. The BORROWER agrees to prepare the following Project Documents, as requested: a Cleanup Plan with detailed design and construction activities, a Project Budget and Work Schedule, including any letters of financial commitment and proformas as required by LENDER, a Quality Assurance Project Plan (QAPP) setting forth the manner and method of collecting samples, Project Completion Reports as required, and any other documents requested or required by LENDER and submitted same to the LENDER and the Agency Project Manager, for approval.
8. All changes or modifications to the Project Documents, Work Plan, Budget and/or Work Schedule initiated by the BORROWER shall be approved in writing by the Agency and LENDER and concurred by USEPA as appropriate, prior to such change or modification becoming effective. All additional costs incurred as a result of any such change orders shall be the responsibility of the BORROWER. In the event that unforeseen conditions are discovered during the Project implementation, the LENDER reserves the right to revise the Project Documents.
9. The BORROWER agrees to submit a Health and Safety Plan in accordance with

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Occupational Safety and Health Administration (OSHA), 29 CFR 1910.120, to the LENDER for review with the Project Documents.

10. Site security will be provided by the Contractor(s). The BORROWER agrees to allow the LENDER to erect a sign on the Property stating that the Project is being financed in part by U.S. EPA RLF Funds, and providing the appropriate contacts for obtaining information on activities being conducted at the Property and for reporting suspected criminal activities.
11. The BORROWER shall carry out (and cause Contractor and any subcontractor employed in connection with the Project to carry out) the Project in accordance with the Davis Bacon Act of 1931 (CERCLA 104(g) (1), 40 U.S.C. 276a to 276a-5 and 42 U.S.C. 3222 as set forth in CERCLA 104(g)). Compliance with the Davis Bacon Act requires payment of federal prevailing wage rates. Contractor must obtain recent and applicable wage rates from the U.S. Department of Labor and incorporate them into the construction contract.
12. The BORROWER shall document how funds are used. Separate records will be maintained for costs incurred for petroleum-contaminated and hazardous substance-contaminated areas.
13. The BORROWER further understands and agrees that any and all work performed on the Property for which Loan Funds are used and the receipt of any Loan Funds under this Agreement is conditioned upon the BORROWER's full compliance with the Project Documents and this Agreement.
14. The BORROWER agrees to conduct all procurement transactions, to the maximum extent practical, in a manner that provides for open and free competition. The BORROWER agrees to award solicitations that are the most advantageous based on price, quality, and other factors considered in the bid specifications.
15. The BORROWER has supplied the LENDER with a redevelopment plan for the property.
16. The BORROWER confirms that the Loan Application previously delivered by Loan Applicant to the LENDER fairly represents the financial condition of BORROWER; has been prepared by a certified public accountant in accordance with generally accepted accounting principles consistently applied; and, as of the date of such financial statement, and since such date, no materially adverse change in the condition or operation of BORROWER has occurred.
17. The BORROWER acknowledges and agrees that Cooperative Agreement No. BF00F-62501 between the LENDER and the USEPA is the source of BRLF Loan Capital and regulates the use of loan funds. The BORROWER further agrees to comply with the terms and conditions (Attachment G) of the Cooperative Agreement as stipulated in this agreement.

V. LOAN TERMS AND CONDITIONS

18. **Loan Period.** This agreement shall be effective upon the Loan Approval Date of _____ (the "LOAN AGREEMENT DATE"). The Loan Term shall run from the date of the first disbursement of funds for a period of ONE HUNDRED FORTY FOUR (144) MONTHS (12 years) (the "Loan End Date" or the "Loan Term").
19. **Loan Amount.** Subject to the terms and conditions of this Agreement, the LENDER agrees to lend to the BORROWER the principal sum of FOUR HUNDRED THOUSAND DOLLARS (\$400,000). The BORROWER may elect to repay the loan prior to the loan due date without prepayment penalty. The Loan Term shall begin on the date of the first disbursement of funds.

20. **Repayment**. No interest or principal payments shall be due and payable in the first year of the Loan. Interest only shall be paid annually in years two (2) and three (3) with the payment due and payable on the 1st day of the month following the expiration of 24 months and 36 months of the Loan Term respectively. Thereafter, the principal and interest shall be due and payable in annual installments in years four (4) through twelve (12) based on a 9 year amortization, utilizing the 10-year Treasury Rate (currently 0.73%), plus 1%, adjustable every 5 years, as a non-assumable loan. Payments of FORTY-EIGHT THOUSAND THREE HUNDRED AND SEVENTY-SIX DOLLARS AND 77/100 (\$48,376.77) will commence on the first day of the month following the expiration of the fourth year of the Loan Term, with a like payment being made annually on the same day of each year, with the balance of all outstanding principal and interest being due and payable on the first day of the month following the Twelfth (12th) year of the Loan Term. Notwithstanding the above, in the event there is a default in this Agreement any amounts due, including principal and interest, shall immediately be due and payable in full.
21. **Origination Fee and Closing Costs**. The BORROWER shall pay origination fees in the amount of zero percent (0%) of the principal amount, not to exceed \$-0-. BORROWER shall pay a non-refundable application fee of \$500.00. The BORROWER shall pay all costs necessary to close the loan, including but not limited to, recording fees, title fees, and legal fees.
22. **Promissory Note**. The BORROWER's obligation to repay the Loan Proceeds shall be evidenced by the Loan Promissory Note as included in Attachment C and incorporated herein. The BORROWER shall not exceed any of the costs enumerated in the approved Project Budget without the prior written approval of the LENDER.
23. **Security**. BORROWER agrees to execute a Deed of Trust on the Properties to secure payment of this Loan. Furthermore, the principal owner of BORROWER shall execute a personal guaranty to secure payment of this Loan.
24. **Project Cost Share**. The BORROWER agrees that the Project Budget shall reflect at least twenty percent (20%) of Project Costs attributed as cost share funds, which may be in the form of a contribution of money, labor, material, or services from a non-federal source to be spent for eligible project costs. Cost share funds must meet all federal requirements to be considered, including, but not limited to, those requirements set forth in CERCLA Sec. 104(k)(9)(B)(iii) and 2 CFR Sec. 200.306.
25. **Disbursement**. The Loan Funds shall be payable to the BORROWER as reimbursement for eligible activities incurred based upon the progress of the work and in accordance with the approved Project Budget. Any request for reimbursement submitted for payment by the first of each month will be paid by the fifteenth of the following month, assuming the reimbursement request has been reviewed and approved for payment by the LENDER.
26. **Retainage**. The LENDER may withhold up to twenty percent (20%) of each payment requested as a retainage until any Agency or Lender required closure reports are received and approved by the Agency.

VI. _CONDITIONS PRECEDENT TO LOAN

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27. **Closing.** The Closing of this Loan shall be subject to:

- A. The LENDER's receipt of a property appraisal from the BORROWER satisfactory to the LENDER.
- B. Payment of the loan application fee as agreed to be paid through a reduction in the first reimbursement payment to the BORROWER.
- C. Written authorization in the form of a resolution, if a corporation, limited liability company, partnership, or other entity authorizing the loan to the BORROWER and authorizing BORROWER's representative to execute the loan documents on behalf of the BORROWER.
- D. Evidence by the BORROWER that no outstanding taxes, fees, charges, mortgages, liens, encumbrances or other assessments have been filed or are recorded against the Property, except those liens accepted by the LENDER.
- E. Title insurance in an amount equal to the obligation provided at the expense of the BORROWER.
- F. Evidence of insurance coverage as set forth in Attachment D in addition to environmental insurance such as Contractor Pollution Liability or Pollution Incident and Environmental Response Policies, incorporated herein. (COVERAGE WITH LIMITS OF LIABILITY AS DETERMINED BY LENDER). All insurance coverage required by this section shall remain in full force and effect during the term of this Agreement, and LENDER will be included as an additional insured/payee.
- G. Identification of the BORROWER's contractor(s) and subcontractor(s) for the Project.
- H. The LENDER's receipt of Project cost breakdown based upon estimates and prices supplied by the BORROWER's contractor(s) and subcontractor(s).
- I. Borrower acknowledges and agrees that all funds, under this loan agreement, shall be expended prior to disbursal of any sub-grant funds.

28. **Security.** As security for the BORROWER's indebtedness to the LENDER, the BORROWER shall grant to the LENDER the security as particularly described in the attached Guarantee and/or Security Agreement as attached hereto in Attachment D, incorporated herein:

- A. A Deed of Trust on said Properties that shall be dated prior to, or concurrently herewith this Agreement;
- B. A Lien or Security Agreement against personal property or equipment of BORROWER that shall be dated prior to, or concurrently herewith this Agreement; and
- C. A Personal Guarantee by a corporate principal that shall be dated prior to, or concurrently herewith this Agreement.

VII. COVENANTS OF BORROWER

29. **Performance.** All Project work performed pursuant to this Agreement and with LENDER Funds shall be performed by a qualified, contractor consistent with good practices and industry standards, and licensed by applicable federal/state/county/city agencies to perform such services.

Attachment: 2020-051 ATTH 09 Texarkana Renewal Properties Agreement v2clean agrmt ExA ExBfinal (2270 : 2020-051 RES Auth CM to enter

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30. **Contracts.** The BORROWER shall provide the LENDER with copies of all bids and contracts for all work required under the Cleanup Plan.
31. **Project Changes.** All changes or modification to the Project or the Project Documents initiated by the BORROWER shall be approved in writing by the Agency Project Manager and the LENDER prior to such change or modification becoming effective. All additional costs incurred as the result of Change Orders shall be the responsibility of the BORROWER. In the event that unforeseen conditions are discovered during the project implementation, the LENDER reserves the right to revise the Cleanup Plan and Project Documents.
32. **Administrative Cost Prohibition.** BORROWER is prohibited from using Loan Funds for administrative costs. Administrative costs include BORROWER loan administration, overhead, and all indirect costs not directly related to the cleanup, including those in the form of salaries, benefits, contractual costs, supplies, and data processing charges for loan administration and overhead costs. Prohibited administrative costs are included in this Loan Agreement as described in Attachment G, incorporated herein. (See also applicable OMB Circular A-122 listed in http://www.whitehouse.gov/omb/circulars/a122/a122_2004.html).
33. **Permits, licenses, inspections.** The BORROWER shall be responsible for obtaining all permits, licenses, approvals, certifications and inspections required by Federal, state or local law and to maintain such permits, licenses, approvals, certifications and inspections in current status during the term of this Agreement that may not be an eligible expense for reimbursement under the terms of the BCRLF.
34. **Site Access.** The BORROWER agrees to provide the LENDER or LENDER's representatives and the Agency Project Manager access to the site from date of execution of this Loan Agreement to completion of all cleanup actions. In the event BORROWER does not complete the cleanup, the LENDER will access the site, ensure that the site is secure and poses no immediate threat to human health and the environment, and notify EPA and TCEQ.
35. **Project Completion.** The BORROWER agrees to:
 - A. Begin the project within sixty-days (60) of this Loan Agreement and will complete all work in a timely manner in accordance with the Project Documents and Approved Budget unless otherwise approved in writing by the LENDER.
 - B. Provide documents and other technical reports relative to the cleanup to the LENDER and Agency Project Manager to confirm completion of and closeout of the cleanup action. The final closeout report shall document completed cleanup goals in compliance with the work plan, actions taken, institutional controls used (if any), resources committed, problems encountered if any cleanup goals achieved, acreage cleaned up, challenges encountered within two months of project completion
 - C. Perform all of its obligations and agreements under this Loan Agreement, the Note and the Deed of Trust securing same, and any other agreements or instruments to which the BORROWER is a party and which relate to this Loan or to the Project.
 - D. The BORROWER agrees that it shall obtain a "Certification of Completion" from the TCEQ for the Property and submit a copy to the LENDER prior to final closeout of the project.

- E. The BORROWER agrees to submit annual Financial Status reports to the LENDER during the project, as well as a final Financial Status Report within 90 days of project completion, using such form(s) as designated by LENDER.
36. **Indemnification.** Throughout the term of this Agreement, the BORROWER agrees to protect, indemnify, defend and hold harmless, the LENDER, its officers, administrators, agents, servants, employees, Agency Project Manager, local partners and all other persons or legal entities to whom the LENDER may be liable from, for or against any and all claims, demands, suits, losses, damages, judgments, costs and expenses, whether direct, indirect or consequential and including, but not limited to, all fees, expenses and charges of attorneys and other professionals, court costs, and other fees and expenses for bodily injury, including death, personal injury and property damage, arising out of or in connection with the performance of any work or any responsibility or obligation of the BORROWER as provided herein and caused in whole or in part by any act, error, or omission of the BORROWER, its agents, servants, employees or assigns.
37. **Signage.** The BORROWER agrees to erect a sign(s) on the Property stating that the project is being financed in part by a USEPA Brownfields Loan and in cooperation with the City of Texarkana and the TCEQ. Associated required signage must include contact for obtaining information on activities being conducted at the site and for reporting suspected criminal activities, Davis-Bacon Compliance, Health & Safety rules. Any sign(s) erected on the Project Site shall comply with all requirements of the state and local law applicable to on premise outdoor advertising.
38. **Waste.** The BORROWER shall not demolish any part of the buildings or structures located on the Property or commit any waste except as provided in the Project Documents without the prior written consent of the LENDER.
39. **Waivers.** Any forbearance by the LENDER with respect to any of the terms and conditions of this Agreement or the Promissory Note shall in no way constitute a waiver of any of the LENDER's rights or privileges granted hereunder.

VIII. EVENTS OF DEFAULT

40. The BORROWER shall be deemed to be in default under this Loan Agreement upon the occurrence of any or more of the following events:
- A. **Assignment.** The BORROWER assigns this Agreement, the Note, or any Loan Funds advanced hereunder or any interest herein to a third party, or, if the Property or any interest therein is conveyed, assigned or otherwise transferred without the prior written consent of the LENDER;
- B. **False Warranty.** Any representation or warranty made herein or in any report, certificate, financial statement or other instrument furnished in connection with this Agreement or the Loan Documents shall prove to be false in any material respect;
- C. **Repayment.** The BORROWER fails to pay any principal amount, fee or interest on the indebtedness to the LENDER after the same shall become due and payable and such failure continues beyond ten (10) business days;
- D. **Failure to Perform.** The BORROWER defaults by failing to perform a term or condition of the Agreement, and fails to correct the default within a period of time specified in a written default notice sent by certified mail, return receipt requested, from

the LENDER to the BORROWER. The LENDER may at its discretion extend the time period for correction of the default;

- E. **Bankruptcy.** Any proceeding involving the BORROWER or the Property, commenced under any bankruptcy or reorganization arrangement, probate, insolvency, readjustment of debt, dissolution or liquidation law of the United States, or any state, but if such proceedings are instituted, no event of default shall be deemed to have occurred hereunder unless the BORROWER either approves, consents to, or acquiesces in such proceedings, or such proceedings are dismissed within sixty (60) days of filing;

Receivership. An order, judgment or decree is entered, without the application, approval or consent of the BORROWER, by any court of competent jurisdiction approving the appointment of a receiver, trustee or liquidator of the BORROWER of all or a substantial part of its assets, and such order, judgment or decree shall continue in effect for a period of sixty (60) days.

In event of default or the BORROWER does not complete the cleanup, the LENDER will access the site, ensure that the site is secure and poses no immediate threat to human health and the environment, and notify the USEPA and the Agency Project Manager. In this event, the LENDER may: (a) terminate the Agreement; (b) increase the interest rate to ten (10) percent and make the entire outstanding principal and interest immediately due and payable; and (c) institute an action to recover damages against the BORROWER to the full extent of the law. The BORROWER hereby expressly waives any presentment, demand, protest, or notice of any kind.

IX. REPORTING, ADMINISTRATIVE RECORDS AND AUDITS

41. **Reporting.** The BORROWER agrees to provide quarterly reports in a form provided by the LENDER beginning the first quarter after the Closing Date, and, by the 15th of the month following the close of the quarter thereafter until the end of the Loan Period. The report shall contain quantitative and qualitative information related to the progress or completion of the Project and the budget; the progress and completion of the associated development, the numbers of jobs created or retained resulting from the development; the amount of property taxes paid on the site, and other information as required by the LENDER.
42. **Records Retention.** The BORROWER agrees to prepare financial and programmatic records pertaining to all matters relative to this Agreement in accordance with generally accepted accounting principles and procedures and to retain all project environmental records and supporting documentation for a minimum of three (3) years following completion of the cleanup, or upon repayment of the loan made through this Agreement, or three (3) years from the making of this record, whichever occurs last. The BORROWER shall obtain written approval from the LENDER prior to destroying any records, except records subject to audit findings shall be retained an additional three (3) years after such findings have been resolved. The LENDER may require in writing that particular records be retained by the BORROWER beyond the above period(s). The Borrower shall allow the Lender to access records relating to the loan to authorized representatives of the Federal Government.
43. **Financial Information Reporting.** The BORROWER's accounting system or financial reporting system shall:
 - A. Track the use of Loan Proceeds by eligible site-specific Project Costs.
 - B. Identify the expenditure of Loan Proceeds and all matching funds for the cleanup

portion of the Project and for the associated development project.

C. Maintain financial and Project records that segregate expenditures based on federal or non- federal sources of funds.

D. Submit annual financial statement information in a form acceptable to the LENDER.

44. **Project Information.** The BORROWER agrees that it shall maintain Project information including properly executed contracts, invoices, correspondence and other documents sufficient to evidence in proper detail the nature and propriety of the cleanup and expenditures of Loan Proceeds.

45. **Monitoring/Audit.** The BORROWER agrees to permit the LENDER or its designated representative(s) to inspect and/or audit its records and books relative to this Agreement at any time during normal business hours and under reasonable circumstances and to copy any information the LENDER desires relevant to this Agreement. Except in the case of an emergency, the LENDER shall endeavor to provide notice to the BORROWER prior to the execution of this provision.

Or, upon request of the LENDER, and at no cost to LENDER, the BORROWER agrees to deliver the records or have the records delivered to the LENDER or its designated representative at an address designated by such party. If the LENDER or its representative finds that the records delivered by the BORROWER are incomplete, the BORROWER agrees to pay the LENDER or its representative's costs (including but not limited to, payment for time expended, payment of copy costs, and reimbursement for travel expenses to the BORROWER'S office or other location where the books or records are located) to audit or retrieve the complete records. In addition, the BORROWER agrees that Loan-related documents are subject to records access provisions of 40 CFR Parts 30 and 31 as applicable. In addition, the USEPA and authorized representatives of the Comptroller General shall have access to all loan-related documents. The LENDER shall provide notice to the BORROWER prior to execution of this provision.

X. MISCELLANEOUS

46. **Assignment.** The BORROWER shall not assign or attempt to assign directly or indirectly any of its rights under this Agreement, or under any instrument referred to herein, without the prior written consent of the LENDER. The BORROWER shall not assign all or any portion of the Property made the subject of this Agreement without the prior written consent of the LENDER.

47. **Parties to Contract.** The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Agreement is not intended to create or vest any rights in any third party or to create any third-party beneficiaries.

48. **Amendments.** All amendments to this Agreement shall be in writing and signed by both parties hereto, and may not be supplemented or amended through the introduction of parol evidence.

49. **Performance.** It is expressly understood that a failure or delay on the part of the BORROWER in the performance, in whole or in part, or any of the terms of this Agreement, if such failure is attributable to an act of God, fire, flood, riot, insurrection, embargo, emergency or governmental orders, pandemic, regulations, priority, or other limitations or restrictions, or other similar unforeseen causes beyond the reasonable control

Contract No: _____
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of such party, the failure or delay shall not constitute a breach or default under this Agreement however, the BORROWER shall use its best effort to insure that the Project is completed in a reasonable time without unnecessary delay.

50. **Failure of Parties.** No failure of either party to exercise any power or right given it hereunder or to insist on strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of the other party's right to demand at any time exact compliance with the terms hereof.
51. **Representatives.** All notices, requests, instructions or other documents to be given hereunder to either party by the other shall be in writing and delivered personally or sent by certified or registered mail, postage prepaid, to the addresses set forth in this Agreement. Any such notice, request, instruction or other document shall be conclusively deemed to have been received and be effective on the date on which personally delivered or, if sent by certified or registered mail, return receipt requested, on the day mailed to the parties as follows:

TO THE LENDER:

City of Texarkana
Planning and Community Development
P.O. Box 1967
220 Texas Blvd., 4th Floor
Texarkana, Texas 75504

TO THE BORROWER:

Texarkana Renewal Properties, LLC.
105 Olive Street, Apt G
Texarkana, AR 71854

Or, to such other address as a party may subsequently specify in writing to the other party.

52. This Agreement and all covenants, agreements, representations and warranties made herein shall survive the execution of this Agreement and shall continue in full force and effect so long as the Loan Obligation is outstanding and unpaid.
53. If any provision or item of this Agreement is held invalid, such invalidity shall not affect other provisions or items of this Agreement that can be given effect without the invalid provisions or items, and to this end, the provisions of this Agreement are hereby declared severable.
54. Except for any exhibits, attachments, or other documents as may be affixed hereto, made a part hereof, and properly identified herewith, this Agreement constitutes the entire contract between the parties, and shall not be otherwise affected by any other purported undertaking, whether written or oral.
55. The BORROWER understands and agrees that any use of the Property or any activity thereon which is inconsistent with the foregoing provisions is expressly prohibited.
56. Except for applicable provisions of federal law and regulations, this Agreement and any action brought under this Agreement shall be governed by and constructed in accordance with the laws of the State of Texas.

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Properties, LLC

IN WITNESS HEREOF, the undersigned representative of the BORROWER and of the LENDER certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such party to this document, as of the day and year first written above.

BORROWER:

Texarkana Renewal Properties, LLC

By _____
David Peavy, Sole Member

Date _____

LENDER:

City of Texarkana, Texas

By _____
Shirley Jaster, City Manager

Date _____

APPROVED AS TO FORM:

By: _____

Date: _____

Attachment: 2020-051 ATTH 09 Texarkana Renewal Properties Agreement v2clean agrmt ExA ExBfinal (2270 : 2020-051 RES Auth CM to enter

LIST OF ATTACHMENTS

ATTACHMENT A: Property Legal Descriptions

ATTACHMENT B: Eligible and Ineligible Costs and Activities

ATTACHMENT C: Promissory Note

ATTACHMENT D: Security Agreement

ATTACHMENT E: Consent the City of Texarkana To Guarantee

ATTACHMENT F: Collateral

ATTACHMENT G: EPA Revolving Loan Fund (RLF) Terms and Conditions

ATTACHMENT H: Request for Disbursement

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ATTACHMENT A Property Legal Descriptions

Texarkana National Bank Building

Site Address: 100 W. Broad Street, Texarkana, TX

Bowie County Texas Assessor's Office: PIDN: 7939; Long Account Number
03840009700

Property Description: CITY/TRIGGS ADDN LOTS 4-6, 2020-1368 02/10/20, BLK/TRACT 21,
0.22 ACRES

(Attach tax information showing Texarkana Renewal Properties, LLC ownership)

And

Parking Garage Property

Site Address: 217-223 Pine Street, Texarkana, TX

Bowie County Texas Assessor's Office: PIDN: 7937; Long Account Number
03840009300

Property Description: CITY/TRIGGS ADDN LOTS 1 & 2, 2020-1370 02/10/20, BLK/TRACT 21,
0.32 ACRES

(Attach tax information showing Texarkana Renewal Properties, LLC ownership)

Contract No: _____ DRAFT 05/19/2020 Texarkana Renewal Properties, LLC

Property Account Report

BOWIE CENTRAL APPRAISAL DISTRICT
Date Updated: Friday, March 27, 2020

Appraisal Year: 2020
Account Number: 03840009700 (7939-1/11950)

Owner Info

Owner Name	TEXARKANA RENEWAL PROPERTIES LLC
Mailing Address	105 OLIVE ST TEXARKANA, AR 71854
Situs Address	100 W BROAD TEXARKANA
Legal Description	CITY/TRIGGS ADDN LOTS 4 5 6 2020-1368 02/10/20 BLK/TRACT 21 0.22 ACRES

Account Info

Deed Date	2/10/2020
Owner Percentage	100.0%
Exemptions	
Deed Vol/Page	2020/1368
Last Date To Protest	5/3/2020

Property Value Information

Land	19,500
Improvements	358,606
Personal	
Mineral	
Market Value	378,106
Ag Market	
Ag Productivity	
Timber Market	
Timber Productivity	
Productivity Loss	
Homesite Cap Loss	
Appraised Value	378,106

Current Year Jurisdiction Values

Code	Jurisdiction Name	Appraised	Exemptions	Taxable
	BOWIE COUNTY T2	378,106		378,106
	TEXARKANA CITY T2	378,106		378,106
	TEXARKANA ISD	378,106		378,106
	TEXARKANA COLLEGE	378,106		378,106
	BOWIE APPRAISAL DIS	378,106		378,106

Contract No: _____ DRAFT 05/19/2020 Texarkana Renewal Properties, LLC

Address Correction Pending – should be 217 – 223 Pine

Property Account ReportBOWIE CENTRAL APPRAISAL DISTRICT
Date Updated: Friday, March 27, 2020Appraisal Year: 2020
Account Number: 03840009300 (7937-1/11950)**Owner Info**

Owner Name	TEXARKANA RENEWAL PROPERTIES LLC
Mailing Address	105 OLIVE ST TEXARKANA, AR 71854
Situs Address	201 PINE ST TEXARKANA
Legal Description	CITY/TRIGGS ADDN LOTS 1 2 2020--1370 02/10/20 BLK/TRACT 21 0.32 ACRES

Account Info

Deed Date	2/10/2020
Owner Percentage	100.0%
Exemptions	
Deed Vol/Page	2020/1370
Last Date To Protest	5/3/2020

Property Value Information

Land	14,000
Improvements	68,665
Personal	
Mineral	
Market Value	82,665
Ag Market	
Ag Productivity	
Timber Market	
Timber Productivity	
Productivity Loss	
Homesite Cap Loss	
Appraised Value	82,665

Current Year Jurisdiction Values

Code	Jurisdiction Name	Appraised	Exemptions	Taxable
	BOWIE COUNTY T2	82,665		82,665
	TEXARKANA CITY T2	82,665		82,665
	TEXARKANA ISD	82,665		82,665
	TEXARKANA COLLEGE	82,665		82,665
	BOWIE APPRAISAL DIS	82,665		82,665

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Contract No: _____ DRAFT 05/19/2020 Texarkana Renewal Properties, LLC

Land Sketch

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Attachment: 2020-051 ATTH 09 Texarkana Renewal Properties Agreement v2clean agrmt ExA ExBfinal (2270 : 2020-051 RES Auth CM to enter

ATTACHMENT B

Eligible and Ineligible Costs and Activities

Costs incurred prior to the execution of a loan or subgrant could be eligible costs if they meet all the criteria of eligible costs listed below. These would include eligible costs incurred while conducting pre-award eligible activities necessary to satisfy VCP or RLF requirements. Such eligible costs could also be counted toward the 20% cost share required for the loan or subgrant award.

Borrowers may fund the following activities with BRLF cleanup funds:

1. Limited site characterization including confirming the effectiveness of the proposed cleanup design or the effectiveness of a cleanup once an action has been completed
2. Developing a Quality Assurance Project Plan (QAPP) as required by Part 31 and Part 30 regulations. The specific requirement for a QAPP is outlined in U.S. EPA Order 53601.1, April 1984, as amended on May 5, 2000;
3. Using a portion of a loan or subgrant to purchase environmental insurance for the site. The loan or subgrant may not be used to purchase insurance intended to provide coverage for any of the Ineligible Uses under Section C, and;
4. Conducting the voluntary remediation work identified in a Texas Commission on Environmental Quality (TCEQ)-approved Response Action Plan (RAP) or Corrective Action Plan (CAP). The RAP and/or CAP will specify all activities necessary to complete a cleanup protective of human health and the environment, together with a cost estimate for conducting the work.

Following are examples of common eligible project costs if they are part of an approved VCP agreement. Such costs include, but are not limited to:

1. Installation of fences, warning signs, or other security or site control precautions;
2. Installation of drainage controls;
3. Stabilization of berms, dikes or impoundments; or drainage or closing of lagoons;
4. Capping of contaminated soils;
5. Using chemicals and other materials to retard the spread of the release or mitigate its effects;
6. Excavation, consolidation or removal of contaminated soils;
7. Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants or contaminants, including petroleum;
8. Removal of source materials, including free product recovery;
9. Containment, treatment or disposal of hazardous materials and petroleum contamination;
10. Site monitoring activities, including sampling and analysis, that are reasonable and necessary during the cleanup process, including determination of the effectiveness of a cleanup;
11. Limited site characterization activities that are reasonable, necessary and incidental to the cleanup process, such as sampling to confirm the effectiveness of the proposed cleanup design or the effectiveness of a cleanup once an action has been completed; and
12. Costs associated with meeting public participation, worker health and safety, and

programmatic management requirements.

Following are examples of known ineligible project costs. Such costs include, but are not limited to:

1. Environmental assessment activities including Phase I and Phase II Environmental Site Assessments
2. Monitoring and data collection for permit compliance required under other federal and state laws, unless such a permit is required as a component of the cleanup action;
3. Construction, demolition, and development activities that are not integral to the cleanup actions (e.g., marketing of property or construction of a new non-cleanup facility);
4. Job training unrelated to performing a specific cleanup at a site covered by a loan or subgrant;
5. Payment of a penalty or fine;
6. To pay a federal cost share requirement (for example, a cost-share required by another Federal grant) unless there is specific statutory authority;
7. To pay for a response cost at a brownfields site for which the recipient of the grant or loan is potentially liable under CERCLA § 107;
8. To pay a cost of compliance with any federal law, excluding the cost of compliance with laws applicable to the cleanup;
9. Unallowable costs (e.g., lobbying and fund raising) under applicable OMB Circulars; and,
10. Repairing or improving public or private drinking water supplies that have deteriorated through ordinary use.

Under CERCLA § 104(k)(4)(B), administrative costs are prohibited costs under this agreement. Prohibited administrative costs include all indirect costs under applicable OMB Circulars incurred by the CAR and subgrantees.

Prohibited administrative costs for the borrower (including those in the form of salaries, benefits, contractual costs, supplies, and data processing charges) are those incurred for loan administration and overhead costs. Direct costs for loan administration are ineligible even if the borrower is required to carry out the activity under the loan agreement.

Ineligible loan administration costs include expenses for:

1. Preparation of applications for loans and loan agreements;
2. Preparing revisions and changes in the budget, workplans, and other documents required under the loan agreement;
3. Maintaining and operating financial management and personnel systems;
4. Preparing payment requests and handling payments; and
5. Audits.

Overhead costs by the borrower that do not directly clean up brownfields site contamination or comply with laws applicable to the cleanup are ineligible administrative costs. Examples of overhead costs that would be ineligible in loans include expenses for:

1. Salaries, benefits and other compensation for persons who are not directly engaged in the cleanup of the site (e.g., marketing and human resource personnel);
2. Facility costs such as depreciation, utilities, and rent on the borrower's administrative offices;

3. Supplies and equipment not used directly for cleanup at the site;
4. Costs included by the borrower for procurement are eligible only if the procurement contract is for services or products that are direct costs for performing the cleanup, for insurance costs, or for maintenance of institutional controls; and
5. Direct costs by the borrower for progress reporting to the lender are eligible programmatic costs.

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Attachment: 2020-051 ATTH 09 Texarkana Renewal Properties Agreement v2clean agrmt ExA ExBfinal (2270 : 2020-051 RES Auth CM to enter

ATTACHMENT C Promissory Note

Date: _____

The undersigned Texarkana Renewal Properties, LLC ("Borrower") agrees to pay to The City of Texarkana "Lender"), as follows:

1. Promise to Pay

For value received, Borrower promises to pay to LENDER the principal amount of FOUR HUNDRED THOUSAND and No/Dollars (\$400,000.00) plus interest on the principal utilizing the 10-year Treasury Rate (currently 0.73%), plus 1%, adjustable every 5 years (1.73%)

2. Payment of Amount Due.

A. Initial Interest Payment

On NA, the Borrower shall pay to LENDER the then accrued interest.

Payment. No interest or principal payments shall be due and payable in the first year of the Loan. Interest only shall be paid annually in years two (2) and three (3) with the payment due and payable on the 1st day of the month following the expiration of 24 months and 36 months of the Loan Term respectively. Thereafter, the principal and interest shall be due and payable in annual installments in years four (4) through twelve (12) based on a 9 year amortization, utilizing the 10-year Treasury Rate (currently 0.73%), plus 1%, adjustable every 5 years, as a non-assumable loan. Payments of FORTY-EIGHT THOUSAND THREE HUNDRED AND SEVENTY-SIX DOLLARS AND 77/100 (\$48,376.77) will commence on the first day of the month following the expiration of the fourth year of the Loan Term, with a like payment being made annually on the same day of each year, with the balance of all outstanding principal and interest being due and payable on the first day of the month following the Twelfth (12th) year of the Loan Term. Notwithstanding the above, in the event there is a default in this Agreement any amounts due, including principal and interest, shall immediately be due and payable in full.

B. Additional Payments

Borrower may prepay all or any portion of the Amount Due at any time.

C. Payment Procedure

Each payment shall be by check payable to the order of LENDER. Each payment shall be delivered to LENDER on or before 5:00 p.m. (Central time) on the Due Date.

D. Application of Payment

The amount of each payment shall be applied in the following order: (i) to accrued interest; (ii) to any permitted delinquency or late charges; (iii) to Collection Costs;

and (iv) the balance, if any, to reduce the principal amount.

3. **Loan Agreement and Collateral**

This Note is executed in accordance with the closing of a Loan Agreement between the Borrower and LENDER. In addition, this Note is secured by Collateral in accordance with various Related Documents, including the Deed of Trust and Personal Guaranty executed of like date, executed by the Borrower or others. Rights and obligations with respect to the Collateral and rights to accelerate the Amount Due under this Note are stated in such Loan Agreement and the Related Documents. The term "Collateral" as used in this Note shall mean any funds, guarantees, or other property or rights of any nature which may have been, are, or subsequently may be, provided as security for the Amount Due. The words "Related Documents" mean and include, without limitation, all other promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other instruments, agreements, and documents, now or subsequently existing, executed in connection with this Note or the Loan Agreement.

4. **Delinquency Charge**

If a payment is not paid in full within 15 calendar days of the Due Date, then the payment is delinquent. If a payment is delinquent, then Borrower agrees to pay a delinquency charge equal to the lesser of \$100 or 5% of the unpaid amount of each payment. Delinquency charges shall be immediately due and payable. Each delinquency charge constitutes an advance to Borrower by LENDER and shall be added to the principal amount at the time the delinquency charge is incurred. The Borrower understands that the right of LENDER to assess the delinquency charge set forth in this Section is in addition to, and not exclusive of, any right of LENDER (i) to declare this Note in default, or (ii) to enforce any other right available to LENDER at law, in equity, or by agreement.

5. **Default**

LENDER, at its option, may declare this Note in default and declare the entire amount of unpaid principal, plus accrued interest, as immediately due and payable if (i) Borrower is in default under any term of this Note; (ii) acceleration is permitted under the terms of the Loan Agreement or any Related Document referred to above; (iii) the Borrower does not pay any payment in full by the Due Date or other charge or expense when due; (iv) the prospect of payment, performance, or realization of Collateral is significantly impaired; or (v) the Borrower transfers, sells or assigns the Collateral or this Note without the prior written consent of Lender.

6. **Payment of Costs and Expenses**

The Borrower agrees to pay all costs and expenses incurred by LENDER (i) in any suit or proceeding to enforce this Note, (ii) in any suit or proceeding in which LENDER is a party and all or any portion of the Collateral is the subject matter of the suit or proceeding, (iii) in making or attempting to make collection of delinquent payments or curing any default of any debt or obligation described in this Note, (v) in any settlement negotiations, or (vi) in searching or abstracting records ("Collection Costs"). The phrase "costs and expenses" is defined to include, without limitation, attorney fees and fees of experts. The phrase "suit or proceeding" is defined to include, without limitation, administrative, arbitration, negotiation, trial, and appellate proceedings. Collection Costs constitute an advance to Borrower by LENDER and shall be added to the principal amount at the time the Collection Costs are incurred.

7. Waiver

Borrower waives presentment, notice of dishonor, and protest.

8. Governing Law, Jurisdiction, and Venue

This Note shall be construed and interpreted in accordance with the laws of the State of Texas. The courts of Texas shall have exclusive jurisdiction, and Ada County is the proper venue.

BORROWER:

Texarkana Renewal Properties, LLC

By _____ Date _____
David Peavy, Sole Member

ATTACHMENT D Security Agreement

1. BASIC PROVISIONS AND DEFINITIONS

The following basic provisions and definitions shall be construed in conjunction with, and limited by, the provisions of this Agreement.

1.1 Lender

The City of Texarkana., whose current address is P.O. Box 1967, 220 Texas Blvd., 4th Floor, Texarkana, Texas 75504

1.2 Borrower

The "Borrower" is Texarkana Renewal Properties, LLC whose current address is 105 Olive Street, Apt G., Texarkana, AR 71854.

1.3 Promissory Note

The "Promissory Note" is a note in the amount of FOUR HUNDRED THOUSAND Dollars (\$400,000) executed by Borrower with final payment due of any outstanding balance.

1.4 Obligations Secured

This Agreement secures the following debts and obligations ("Obligations"): (i) The payment, interest, and other obligations set forth in the Promissory Note, (ii) The payment of all such additional sums as may be loaned or advanced by the Lender to the Borrower for any purpose, together with the payment, interest and other obligations set forth in any notes, drafts or instruments representing such additional sums. It is understood that the making of such additional loans or advances is optional with the Lender, (iii) The payment and performance by the Borrower of the payment and other terms and conditions of this Agreement and the Related Documents, (iv) The payment of all costs, expenses, and other sums advanced or incurred by the Lender in accordance with this Agreement that are payable by the Borrower, (v) Interest payments as set forth in this Agreement, and (vi) The additional obligations set forth on the attached Additional Obligations Rider, if any.

1.5 Related Documents

The words "Related Documents" mean and include, without limitation, all promissory notes, credit agreements, loan agreements, guarantees, security agreements, mortgages, deeds of trust, and all other instruments, agreements, and documents, now or subsequently existing, executed in connection with the Promissory Note or this Agreement.

1.6 General Definitions

Terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Texas Uniform Commercial Code.

2. GRANT OF SECURITY

2.1 Grant. As security for the payment and performance of the Obligations, Borrower does hereby GRANT to Lender a security interest in the property particularly described on Attachment F attached ("Collateral").

2.2 Perfection of Security Interest

The Borrower covenants and agrees as follows:

- a. Borrower shall promptly cause this Agreement and financing statements to be recorded and rerecorded, registered and re-registered, filed and re-filed at such times and places as may be required by law or deemed advisable by Lender to create, preserve or protect the lien upon all or any part of the Collateral.
- b. Borrower shall from time to time do and cause to be done all such other things as may be reasonably required by Lender or required by law, including all things which may from time to time be necessary under the Texas Uniform Commercial Code, to create, perfect, preserve and protect the lien upon the Collateral.
- c. Borrower shall promptly reimburse Lender for any expenses relating to the perfection and the continuation of the perfection of Lender security interest in the Collateral.
- d. Borrower shall promptly notify Lender in writing of any changes in the name of the grantor, including without limitation, any changes in the assumed business name of the Borrower.
- e. Borrower hereby irrevocably appoints Lender as Borrower's attorney-in-fact to execute, acknowledge and deliver all such instruments on behalf of Borrower which Borrower fails or refuses to so do.

2.3 Borrower's Right to Possession

Until default, Borrower may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Borrower's right to possession and beneficial use shall not apply to any Collateral where possession of the Collateral by Lender is required by law to perfect Lender security interest in such Collateral. If Lender at any time has possession of any Collateral, whether before or after an Event of Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Borrower shall request or at Lender, in Lender sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Borrower shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the Collateral.

2.4 Expenditures by the City of Texarkana, Texas

If not discharged or paid when due, Lender may (but shall not be obligated to) discharge or pay any amounts required to be discharged or paid by Borrower under this Agreement, including without limitation all taxes, liens, security interests, encumbrances, and other claims, at any time levied or placed on the Collateral. Lender also may (but shall not be obligated to) pay all costs for insuring, maintaining, and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Borrower. All such expenses shall become a part of the indebtedness and, at Lender's option, will (a) be payable on demand, (b) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (i) the term of any applicable insurance policy or (ii) the remaining term of the Note, or (c) be treated as a balloon payment which will be due and payable at the Note's maturity. This Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon the occurrence of an Event of Default.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER.

The Borrower represents and warrants to, and covenants with, Lender as follows:

3.1 Title

Except as expressly stated otherwise in this Agreement, (i) the Borrower holds good and marketable title to the collateral, free and clear of all liens and encumbrances except for the lien of this Agreement, and (ii) no financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement. The Borrower will warrant and defend Lender's interest in the Collateral from all claims and demands, and will give such assurances and perform such acts as may be necessary to perfect or confirm the priority of Lender's interest created by this Agreement.

3.2 Payment and Performance of Debts and Obligations

The Borrower shall promptly pay, observe, and discharge the Obligations.

3.3 No Violation

The execution and delivery of this Agreement will not violate any law or agreement-governing Borrower or to which Borrower is a party.

3.4 Enforceability of Collateral

To the extent the Collateral consists of accounts, contract rights, chattel paper, or general intangibles, the Collateral is enforceable in accordance with its terms, is genuine, and complies with applicable laws concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral.

3.5 Removal of Collateral

Borrower shall keep the Collateral (or to the extent the Collateral consists of intangible property such as accounts, the records concerning the Collateral) at Borrower's address shown above, or at such other locations as are acceptable to Lender. Some or all of the Collateral may be located at the real property described above. Except in the ordinary course of its business, including the sales of inventory, Borrower shall not remove the Collateral from its existing locations without the prior written consent of Lender. To the extent that the Collateral consists of vehicles, or other titled property, Borrower shall not take or permit any action which would require registration of the vehicles outside the State of Texas, without the prior written consent of Lender.

3.6 Transactions Involving Collateral

Except for inventory sold or accounts collected in the ordinary course of Borrower's business, Borrower shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Borrower shall not pledge, mortgage, encumber, or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Borrower shall immediately deliver any such proceeds to Lender.

3.7 Maintenance and Inspection of Collateral

Borrower shall maintain all tangible Collateral in good condition and repair. Borrower will not commit or permit damage to or destruction of the Collateral or any part of the Collateral. Lender and its designated representatives and agents shall have the right at all reasonable times to examine,

inspect, and audit the Collateral wherever located. Borrower shall immediately notify Lender of all cases involving the return, rejection, repossession, loss or damage of or to any Collateral; of any request for credit or adjustment or of any other dispute arising with respect to the Collateral; and generally of all happenings and events affecting the Collateral or the value or the amount of the Collateral.

3.8 Taxes, Assessments and Liens

Borrower will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the indebtedness, or upon any of the other Related Documents. Borrower may withhold any such payment or may elect to contest any lien if Borrower is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender interest in the Collateral is not jeopardized in Lender sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Borrower shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, reasonable attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Borrower shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Borrower shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

3.9 Compliance with Governmental Requirements

Borrower shall comply promptly with all laws, ordinances, and regulations of all governmental authorities applicable to the production, disposition, or use of the Collateral. Borrower may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender interest in the Collateral, in Lender opinion, is not jeopardized.

3.10 Hazardous Substances

Borrower represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any hazardous waste or substance, as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. The representations and warranties contained in this Section are based on Borrower's due diligence in investigating the Collateral for hazardous wastes and substances. Borrower hereby (a) releases and waives any future claims against Lender for indemnity or contribution in the event Borrower becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify shall survive the payment of the indebtedness and the satisfaction of this Agreement.

3.11 Maintenance of Casualty Insurance

Borrower shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverage's and basis reasonably acceptable to Lender and issued by a

company or companies reasonably acceptable to Lender. Borrower, upon request of Lender will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverage's will not be cancelled or diminished without at least ten (10) days' prior written notice to Lender. In connection with all policies covering assets in which Lender holds or is offered a security interest, Borrower will provide Lender with such loss payable or other endorsements as Lender may require. If Borrower at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance, as Lender deems appropriate, including if it so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

3.12 Application of Insurance Proceeds

Borrower shall promptly notify Lender of any loss or damage to the Collateral. Lender may make proof of loss if Borrower fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditure, pay or reimburse Borrower from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the indebtedness, and shall pay the balance to Borrower. Any proceeds which have not been disbursed within six (6) months after their receipt and which Borrower has not committed to the repair or restoration of the Collateral shall be used to prepay the indebtedness.

3.13 Insurance Reserves

Lender may require Borrower to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created bimonthly payments from Borrower of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Borrower shall upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account, which Lender may satisfy by payment of the insurance premiums required to be paid by Borrower as they become due. Lender does not hold the reserve funds in trust for Borrower, and Lender is not the agent of Borrower for payment of the insurance premiums required to be paid by Borrower. The responsibility for the payment of premiums shall remain Borrower's sole responsibility.

3.14 Insurance Reports

Borrower, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (a) the name of the insurer; (b) the risks insured; (c) the amount of the policy; (d) the property insured; (e) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (f) the expiration date of the policy. In addition, Borrower shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

3.15 Defense of Collateral

Borrower will, at its own expense, appear in and defend any action or proceeding that (i) might affect Lender security or the rights or powers of Lender, or (ii) purports to affect any of the Collateral.

3.16 Inspections

Lender and Lender agents are authorized at any reasonable time to inspect the Collateral and perform any of the acts Lender is authorized to perform under the terms of this Agreement.

3.17 Waiver of Offset

All sums payable by Borrower under this Agreement shall be paid without notice, demand, counterclaim, set off, deduction or defense and without abatement, suspension, deferment, diminution or reduction. The Obligations shall in no way be released, discharged or otherwise affected (except as expressly provided in this Agreement) by reason of (i) any damage to or destruction of, or any condemnation or similar taking of all or any portion of, the Collateral, (ii) any restriction or prevention of, or interference with, any use of all or any portion of the Collateral, (iii) any title defect or encumbrance, (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Lender, or any action taken with respect to this Agreement by any trustee or receiver of Lender, or by any court, in any such proceeding, (v) any claim which Borrower has or might have against Lender, (vi) any default or failure on the part of Lender to perform or comply with any of the terms of this Agreement or of any other agreement with Borrower, or (vii) any other occurrence whether similar or dissimilar to the foregoing. Except as expressly provided in this Agreement, Borrower waives all rights now or subsequently conferred by statute or otherwise to any abatement, suspension, deferment, diminution or reduction of any Obligation secured by this Agreement.

3.18 Business Purpose

The loan evidenced by the Promissory Note and secured by this Agreement is a business and commercial loan transacted solely for the purpose of carrying on Borrower's business.

4. EVENTS OF DEFAULT

The occurrence of any one of the following shall constitute an event of default under this Agreement:

4.1 Default on Obligations

Borrower fails to strictly comply with the payment or other terms and conditions of this Agreement, the Promissory Note, the Related Documents, or any other Obligation secured by this Agreement.

4.2 False Statement

Any representation or disclosure made to Lender by the Borrower or any guarantor of any liability or obligation secured by this Agreement proves to be false or misleading as of the date the representation or disclosure is made, irrespective of whether the representation or disclosure appears in this Agreement.

4.3 Defective Collateralization

This Agreement or any of the Related Documents ceases to be in full force and effect (including failure of any collateral documents to create a valid and perfected security interest or lien) at any time and for any reason.

4.4 Events Regarding Guarantor

Any guarantor of any of the Obligations secured by this Agreement (i) revokes or attempts to revoke such guarantee, (ii) fails to strictly comply with the payment or other terms and conditions of the guaranty, or (iii) suffers a material adverse change in financial status or condition.

4.5 Change in Financial Status

The Borrower suffers a material change in financial status and fails to provide Lender with adequate assurance that the debts and obligations secured by this Agreement will be paid or performed when due.

4.6 Transfer/Assignment

The Borrower transfers or assigns the Collateral or Note without the prior written consent of Lender.

4.7 Insolvency or Creditor Proceedings

- a. Borrower (i) files a voluntary petition in bankruptcy, (ii) is adjudicated bankrupt or insolvent, (iii) files any petition or answer seeking or acquiescing in any arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal, state, or local statute, law or regulation, (iv) seeks, consents to, or acquiesces in, the appointment of any trustee, receiver or liquidator of all or any part of the Collateral, (v) makes any general assignment for the benefit of creditors, or (vi) admits in writing Borrower's inability to pay Borrower's debts generally as the debts become due.
- b. A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Borrower seeking any relief under any present or future federal, state or local statute, law, or regulation relating to bankruptcy, insolvency, or other relief for debtors and such order, judgment or decree shall remain un-vacated and un-stayed for an aggregate of thirty (30) days (irrespective of whether such days are consecutive) from the appointment.
- c. A trustee, receiver, or liquidator of all or any part of the Collateral is appointed with or without the consent of the Borrower and such appointment is un-vacated and un-stayed for an aggregate of thirty (30) days (irrespective of whether such days are consecutive) from the appointment.

4.8 Attachment of Collateral

A writ of execution or attachment (or similar process) is issued or levied against all or any portion of the Collateral or any judgment involving monetary damages is entered against the Borrower which becomes a lien on all or any portion of the Collateral and such execution, attachment (or similar process), or judgment is not released, bonded, satisfied, vacated or stayed within thirty (30) days after the earlier of the relevant issuance, levy or entry of judgment (irrespective of whether such days are consecutive).

5. REMEDIES ON DEFAULT

Upon the occurrence of any event of default, Lender shall have all of the rights and remedies available at law or in equity, including, without limitation, the following:

5.1 Accelerate Payment Obligations

Lender may accelerate and declare all payment Obligations secured by this Agreement as immediately due and payable without any presentment, demand, protest, or notice of any kind.

5.2 Accelerate Other Obligations

Lender may accelerate and require the performance and observance of all non-payment Obligations secured by this Agreement.

5.3 Assemble Collateral

Lender may require Borrower to deliver to Lender all or any portion of the Collateral and all certificates of title and other documents relating to the Collateral. Lender may require Borrower to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Borrower to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Borrower agrees Lender may take such other goods, provided that Lender

makes reasonable efforts to return them to Borrower after repossession.

5.4 Sell Collateral

Lender may sell, lease, transfer all or any portion of the Collateral separately from or together with the remaining Collateral either as one unit or in such separate units as Lender selects. In the event of any sale of the Collateral, Lender will give to the Borrower reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition is to be made. The Borrower agrees that the requirement of reasonable notice is met if notice is delivered in accordance with Section 6.1 at least five (5) business days before the time of the scheduled sale or other disposition.

5.5 Appoint Receiver

To the extent permitted by applicable law, Lender shall have the following rights and remedies regarding the appointment of a receiver: (a) Lender may have a receiver appointed as a matter of right, (b) the receiver may be an employee of Lender and may serve without bond, and (c) all fees of the receiver and the receiver's attorney shall become part of the indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

5.6 Collect Revenues; Apply Accounts

Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in its discretion transfer any Collateral into its own name or that of its nominee and receive the payments, rents, income, and revenues there from and hold the same as security for the Obligations or apply it to payment of the Obligations in such order of preference as Lender may determine. If the Collateral consists in part of accounts, general intangibles, insurance policies, instruments, chattel paper, choices of action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not indebtedness or Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Borrower, receive, open and dispose of mail addressed to Borrower; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

5.7 Uniform Commercial Code

Lender shall be entitled to all of the remedies available to a secured party under the Texas Uniform Commercial Code.

5.8 Remedies Cumulative

No remedy available to Lender is intended to be exclusive of any other remedy, but shall be cumulative and in addition to the other remedies available to Lender. Such remedies may be enforced irrespective of whether some or all of the debts and obligations secured by this Agreement may now or subsequently be otherwise secured by mortgage, deed of trust, pledge, lien, assignment, or otherwise.

5.9 Deficiency Judgment

The Borrower hereby expressly consents to a deficiency judgment for any Obligation secured by this Agreement, which is not paid or satisfied by the sale of the Collateral.

6. GENERAL PROVISIONS

6.1 Notices

All notices, claims, requests and other communications ("Notices") under this Agreement shall be in writing, and shall be addressed or delivered to the relevant address set forth in Section 1 above, or at such other address as shall be given in writing by a party to the other. Notices delivered in person shall be deemed delivered on the date of delivery. Notices delivered by mail shall be deemed delivered on the date of delivery, refusal, or final notice indicated on the return receipt if deposited in the United States Mail, certified or registered, return receipt requested, with postage prepaid. All other Notices shall be deemed delivered on the date of receipt.

6.2 Power of Attorney

Borrower hereby appoints Lender as its true and lawful attorney-in-fact, irrevocably, with full power of substitution to do the following: (a) to demand, collect, receive, receipt for, sue and recover all sums of money or other property which may now or hereafter become due, owing or payable from the Collateral; (b) to execute, sign and endorse any and all claims, instruments, receipts, checks, drafts or warrants issued in payment for the Collateral; (c) to settle or compromise any and all claims arising under the Collateral, and, in the place and stead of Borrower, to execute and deliver its release and settlement for the claim; and (d) to file any claim or claims or to take any action or institute or take part in any proceedings, either in its own name or in the name of Borrower, or otherwise, which in the discretion of Lender may seem to be necessary or advisable. This power is given as security for the indebtedness, and the authority hereby conferred is and shall be irrevocable and shall remain in full force and effect until renounced by Lender.

6.3 Release, Modification, Additional Security, Consent.

Without affecting the liability of the Borrower, any guarantor, or any other person for the payment of any of the debts or obligations secured by this Agreement, Lender may from time to time and without notice to Borrower, any guarantors, or other persons (i) release any person liable for the payment of any debt or obligation, (ii) extend or modify the terms of payment of any debt or obligation, (iii) accept additional real or personal property of any kind as security, or alter, substitute or release any property securing any debt or obligation, (iv) Lender all or any part of the Collateral, or (v) subordinate this Agreement.

6.4 Indemnification

The Borrower shall indemnify, defend and hold Lender harmless from all claims or liabilities of any nature, whether arising at law or in equity, (including attorney fees and costs) directly or indirectly relating to (i) any lawsuit or proceeding concerning this Agreement or the Collateral, or (ii) the operation, management, or use of, or act or inaction taken regarding, all or any portion of the Collateral.

6.5 Payment of Costs and Expenses

The Borrower agrees to pay all costs and expenses incurred by Lender (i) in any suit to foreclose this Agreement, (ii) in any suit or proceeding in which Lender appears to defend or protect the lien of this Agreement, (iii) in any suit or proceeding in which Lender is a party and all or any portion of the Collateral is the subject matter of the suit or proceeding, (iv) in making or attempting to make collection of delinquent payments or curing any default of any debt or obligation secured by this Agreement, (v) in any settlement negotiations, or (vi) in searching or abstracting records ("Collection Costs"). The phrase "costs and expenses" is defined to include, without limitation, attorney fees and fees of experts. The phrase "suit or proceeding" is defined to include, without limitation, administrative, arbitration, negotiation, trial, and appellate proceedings.

6.6 Interest

Except as otherwise provided in this Agreement, all payments becoming due under, or secured by, this Agreement shall bear interest at the under, or secured by, this Agreement shall bear interest at the **annual percentage rate of 1.73%**. Interest shall be calculated from the due date until paid. Interest shall continue to accrue after default under this Agreement. It is the intent of the Borrower and Lender in the execution of this Agreement to contract in strict compliance with the usury laws, if any, of the State of Texas. The Borrower and Lender stipulate and agree that none of the terms and provisions contained in the Agreement shall be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of Texas. Borrower or any guarantor, endorser or other party liable for the payment of the debts or obligations secured by this Agreement shall not be liable for unearned interest under the debts or obligations secured by this Agreement at a rate in excess of the maximum interest that may be lawfully charged under the laws of the State of Texas. The provisions of this Section shall control over all other provisions of the Promissory Note and any other instrument executed in connection with this Agreement, which may be in apparent conflict. If a court of competent jurisdiction shall make a final determination that the performance of any provision of the debts or obligations secured by this Agreement shall result in a payment of an amount for such use, forbearance or detention in excess of such rate, then (i) such provision shall be deemed to be appropriately modified to the extent necessary to reduce such rate, and (ii) any such excess amounts previously received shall be deemed to have been applied to the redemption at par of a like principal amount.

6.7 Governing Law, Jurisdiction, and Venue

This Agreement shall be construed and interpreted in accordance with the laws of the State of Texas. The parties agree that the courts of Texas shall have exclusive jurisdiction and agree that Bowie County is the proper venue.

6.8 Time of the Essence

Time is of the essence with respect to the obligations to be performed under this Agreement.

6.9 Nonwaiver of Remedies

The failure or neglect of a party to enforce any remedy available by reason of the failure of the other party to observe or perform a term or condition set forth in this Agreement shall not constitute a waiver of such term or condition. A waiver by a party (i) shall not affect any term or condition other than the one specified in such waiver, and (ii) shall waive a specified term or condition only for the time and in a manner specifically stated in the waiver.

6.10 Successors and Assigns

Subject to any express provisions in this Agreement regarding restrictions on transfers or assignments, this Agreement shall be binding upon and inure to the benefit of the parties and their respective successors, assigns, heirs, and personal representatives.

6.11 Severability

The invalidity of any portion of this Agreement, as determined by a court of competent jurisdiction, shall not affect the validity of any other portion of this Agreement.

6.12 Joint and Several

To the extent that more than one individual or person constitutes the Borrower, the representations, warranties, covenants, debts, and Obligations secured by this Agreement shall be joint and several representations, warranties, covenants, debts, and Obligations of such individuals and persons.

6.13 Captions

Captions used in this Agreement are for convenience only and shall not limit, modify, or affect the interpretation of this Agreement.

SIGNATURE (S) OF THE BORROWER:

Texarkana Renewal Properties, LLC

By _____
David Peavy, Sole Member

Date

DRAFT

DRAFT

STATE OF TEXAS

COUNTY OF BOWIE

GUARANTY AGREEMENT

FOR VALUE RECEIVED, and in consideration of the City of Texarkana, Texas (hereinafter called LENDER) extending credit to **Texarkana Renewal Properties, LLC.**, hereinafter called BORROWER (whether one or more), this Guaranty is given by the undersigned, hereinafter called GUARANTOR, whether one or more.

1. **Obligation.** GUARANTOR unconditionally, and jointly and severally as principal, guarantees to LENDER and LENDER's successors and assigns, the prompt payment to LENDER at maturity of the following described indebtedness, with all renewals, extensions, modifications, including all obligations related to said indebtedness, described as follows, to-wit:

That certain Brownsfield Revolving Loan Fund Loan Agreement of even date herewith executed by BORROWER payable to the Order of LENDER in the original principal sum of **Four Hundred Thousand and No/100 (\$400,000.00) for property located at 217-219 Pine Street, Texarkana, Texas**, with interest thereon, together with all attorneys' fees, costs, and expenses of collection incurred by LENDER in connection with any matter covered by this guaranty, and all attorneys' fees, costs, and expenses incurred by LENDER in connection with the enforcement of any obligation of any GUARANTOR hereunder.

2. **Term.** The joint and several liability of GUARANTOR shall continue until payment is made of every obligation of BORROWER now due or hereafter to become due relative to the above described indebtedness, and until payment is made of any loss or damage incurred by LENDER with respect to any matter covered by this guaranty.

3. **Consent to LENDER's Acts.** GUARANTOR jointly and severally consents, without affecting any of GUARANTOR'S liability to LENDER hereunder, that LENDER may, without notice to or consent of GUARANTOR, upon such terms as it may deem advisable: (a) extend, in whole or in part, by renewal or otherwise, the time of payment of any indebtedness owing by BORROWER to LENDER, or held by LENDER as security for any such indebtedness; (b) release, surrender, exchange, substitute, modify, impair, or extend the period of duration, or the time for performance or payment, of any collateral securing any indebtedness of BORROWER to LENDER; (c) settle or compromise any claim of LENDER against BORROWER, or against any other person, firm or corporation, whose obligation is held by LENDER as collateral security for any indebtedness of BORROWER to LENDER; and (d) release, in whole or in part, any of GUARANTOR'S or any number of GUARANTORS, or reach any settlement, accommodation, or compromise with any one or more (but less than all) of GUARANTORS. GUARANTOR jointly and severally hereby ratifies and affirms any such extension, renewal, release, surrender, exchange, substitution, modification, impairment, settlement, accommodation, or compromise; and all such actions shall be binding upon GUARANTOR jointly and severally, and

GUARANTOR hereby waives all defenses, counterclaims, or offsets which GUARANTOR jointly and severally might have by reason thereof.

4. **Waiver.** GUARANTOR jointly and severally waives: (a) notice of acceptance of this guaranty by LENDER; (b) presentment, notice of presentment, demand for payment, protest, notice of protest, notice of dishonor, notice of intent to accelerate maturity, and notice of acceleration of maturity, of any of BORROWER indebtedness, and of the obligation of any person, firm or corporation, held by LENDER as collateral security for any of BORROWER's indebtedness; (c) notice of the failure of any person, firm, or corporation to pay to LENDER any indebtedness held by LENDER as collateral security for any indebtedness of BORROWER; (d) notice of the death, or termination of the liability hereunder for future indebtedness, of any of the GUARANTORS; and (e) all defenses, offsets, and counterclaims which GUARANTOR may at any time have to any claim of LENDER against BORROWER.

5. **BORROWER Change or Enforceability.** Should the status of BORROWER change (including, without limitation, by the incorporation of an operation owned by a BORROWER, the dissolution of a corporate BORROWER, the adjudication of mental incapacity of a BORROWER and appointment of a guardian therefor, or any other alteration of status, similar or dissimilar to any such listed example), this GUARANTY shall continue and also cover the indebtedness (then existing or thereafter arising) of the successor to such BORROWER in the new status, according to the terms hereof guaranteeing the indebtedness of the BORROWER. If any or all of the indebtedness cannot, for any reason, be enforced or becomes unenforceable, in whole or in part, against BORROWER (or any one of BORROWER), such fact shall not, in any manner, affect the liability GUARANTOR hereunder, but such liability shall remain and continue as to the entire indebtedness as if it had been fully enforceable against BORROWER.

6. **Representations by GUARANTOR.** GUARANTOR represents that, at the time of the execution and delivery of this guaranty, nothing exists to impair the effectiveness of the liability of GUARANTOR to LENDER hereunder, or to stop this GUARANTY from becoming immediately effective as the sole agreement between GUARANTOR and LENDER with respect to guaranteeing BORROWER's indebtedness to LENDER.

7. **Remedies.** LENDER may at its option proceed in the first instance against GUARANTOR, or if more than one guarantor, jointly and severally, or any one or more of them, to collect any indebtedness covered by this guaranty, without first proceeding against BORROWER; or any other person, firm, or corporation, and without first resorting to any property at any time held by LENDER as collateral security.

8. **Modification.** The whole of this guaranty is herein set forth, and there is no verbal or other written agreement, and no understanding or custom affecting the terms hereof. This guaranty can be modified only by a written instrument signed by the party to be charged therewith.

9. **Benefit.** This guaranty is delivered and made in, and shall be construed pursuant to the laws of, the State of Texas, and is binding upon GUARANTOR and her legal representatives, and shall inure to the benefit of LENDER, its successors and assigns. It is performable in Bowie County, Texas.

IN WITNESS WHEREOF, GUARANTOR has signed this GUARANTY on the 8th day of June, 2020.

David Peavy, Individually

DRAFT

Attachment: 2020-051 ATTH 12 Guaranty \$400000final (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)

ATTACHMENT E

Consent of TEXARKANA RENEWAL PROPERTIES, LLC to Guarantee

(1) RESOLVED, that the members of this Limited Liability Corporation named below, or any one of them, or their, or any one of their, duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this corporation to execute and deliver to the City of Texarkana, Texas (hereinafter called Lender), as the case may be, in the form required by Lender, the following documents: (a) Guaranty for payment of a Note evidencing an indebtedness to said Lender in a sum not to exceed in principle amount FOUR HUNDRED THOUSAND Dollars (\$400,000), maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by Lender; (b) any other instruments or agreements of this corporation which may be required by Lender in connection with such loans, renewals, and/or extensions.

(2) FURTHER RESOLVED, that the aforesaid members or any one of them, or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge, or hypothecation from time to time with Lender of any or all assets of this company to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this corporation and under its corporate seal or otherwise, any instruments or agreements deemed necessary or proper by Lender, in respect of the collateral securing any indebtedness of this corporation;

(3) FURTHER RESOLVED, that any indebtedness heretofore contracted and any contracts or agreements heretofore made with Lender on behalf of this corporation, and all acts of officers or agents of this corporation in connection with said indebtedness or said contracts or agreements, are hereby ratified and confirmed;

(4) FURTHER RESOLVED, that the members referred to in the foregoing resolutions are as follows:

Texarkana Renewal Properties, LLC

By _____
David Peavy, Sole Member

Date

Attachment: 2020-051 ATTH 13 Ex F - H (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)

(5) FURTHER RESOLVED, that Lender is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution regularly presented to and adopted by the members of the Texarkana Renewal Properties, LLC, at a meeting duly called and held at _____ on the _____ day of _____, at which a quorum was present and voted, and that such resolution is duly recorded in the minutes of this company; that the members named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective members set after their respective names; and that the signatures set opposite their respective names are their true and genuine signatures.

Texarkana Renewal Properties, LLC

By _____ Date _____
David Peavy, Sole Member

ATTACHMENT F Collateral

The word “collateral” means the following described property of Grantor:

COLLATERAL TO BE DETERMINED AND ADDED

Including all inventory, accounts, general intangibles, equipment, and fixtures, together with the following specifically described property:

1. All attachments, accessions, accessories, tools, parts, supplies, increases, and additions to and all replacements of and substitutions for any property described above.
2. All products and produce of any of the property described in this collateral section.
3. All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of sale, lease, or other disposition of any of the property described in this collateral section.
4. All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this collateral section.
5. All records and data relating to any of the property described in this collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of grantor's right, title, and interest in and to all computer software required to utilize, crate, maintain, and process any such records or data on electronic media.

Attachment: 2020-051 ATTH 13 Ex F - H (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)

ATTACHMENT G
EPA Revolving Loan Fund (RLF) Terms and Conditions

DRAFT

Attachment: 2020-051 ATTH 13 Ex F - H (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)

ATTACHMENT H Request for Disbursement

Brownfields Revolving Loan Fund Request for Disbursement

Instructions: This Disbursement Request Form should be used for all disbursements on RLF Loan projects. It is to be completed by the RLF Loan Recipient and submitted with each payment request, accompanied with the Eligible Expenses Tracking Spreadsheet and supporting information (bill or invoice).

Project Name: _____

Program Site
Number: _____

Loan Recipient: _____

Contact Person: _____

Mailing Address: _____

Phone Number: _____

Email: _____

Loan Recipient's Authorized Representative: _____

Authorized Representative's Phone Number: _____

Invoice Number: _____ Date: _____

Description of work for which claim is being made (service, fees, etc.):

Original Loan Amount: \$ _____

Amount of Request \$ _____

Cumulative Costs Incurred to Date (Including Request) \$ _____

Balance Remaining After Disbursements \$ _____

The undersigned hereby certifies that this Request is true and correct, that the claim underlying this Request is due in accordance with the Participant's Financial Assistance Agreement with the Authority, and that the services contained in such claim were procured in accordance with Indiana's public bidding laws and federal cross-cutting requirements (e.g., Davis-Bacon), if applicable.

AUTHORIZED REPRESENTATIVE SIGNATURE

Date

DRAFT

Attachment: 2020-051 ATTH 13 Ex F - H (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)

ELIGIBLE EXPENSES TRACKING SPREADSHEET												
City of Texarkana RLF Loan												
Loan Amount	\$650,000	Invoice Number:										
Cost Share Amount (20%)	\$130,000	Date:										
Total Amount:	\$780,000	Quarter Ending On:										
Eligible Expense Categories	RLF Loan Budget	Costs Incurred This Invoice					Cumulative Costs Incurred To-Date (including this reimbursement request)					Remaining Budgeted Funds
	Total	Hazardous %75		Petroleum %25		Hazardous %75		Petroleum %25		Total		
		Seeking Reimbursement	Covered as Cost Share	Seeking Reimbursement	Covered as Cost Share	RLF Reimbursement	Covered as Cost Share	RLF Reimbursement	Covered as Cost Share			
Programmatic Expenses	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	
Health & Safety Plan	\$2,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	
Quality Assurance Project Plan	\$5,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	
Cleanup Plan	\$15,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00	
Site Remediation	\$518,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$518,000.00	
Material Disposal	\$150,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$150,000.00	
Confirmation Sampling	\$65,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$65,000.00	
Site Closure Report	\$20,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,000.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Total Amount:	\$780,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$780,000.00	
Distribution Reimbursement		\$0.00			\$0.00	\$0.00			\$0.00		\$0.00	

ATTACHMENT E

Consent of TEXARKANA RENEWAL PROPERTIES, LLC to Guarantee

(1) RESOLVED, that the members of this Limited Liability Corporation named below, or any one of them, or their, or any one of their, duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this corporation to execute and deliver to the City of Texarkana, Texas (hereinafter called Lender), as the case may be, in the form required by Lender, the following documents: (a) Guaranty for payment of a Note evidencing an indebtedness to said Lender in a sum not to exceed in principle amount FOUR HUNDRED THOUSAND Dollars (\$400,000). maturing upon such date or dates and bearing interest at such rate or rates as may be prescribed by Lender; (b) any other instruments or agreements of this corporation which may be required by Lender in connection with such loans, renewals, and/or extensions.

(2) FURTHER RESOLVED, that the aforesaid members or any one of them, or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to the mortgage, pledge, or hypothecation from time to time with Lender of any or all assets of this company to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this corporation and under its corporate seal or otherwise, any instruments or agreements deemed necessary or proper by Lender, in respect of the collateral securing any indebtedness of this corporation;

(3) FURTHER RESOLVED, that any indebtedness heretofore contracted and any contracts or agreements heretofore made with Lender on behalf of this corporation, and all acts of officers or agents of this corporation in connection with said indebtedness or said contracts or agreements, are hereby ratified and confirmed;

(4) FURTHER RESOLVED, that the members referred to in the foregoing resolutions are as follows:

Texarkana Renewal Properties, LLC

By _____
David Peavy, Sole Member

Date

(5) FURTHER RESOLVED, that Lender is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.

CERTIFICATION

I HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution regularly presented to and adopted by the members of the Texarkana Renewal Properties, LLC, at a meeting duly called and held at _____ on the _____ day of _____ at which a quorum was present and voted, and that such resolution is duly recorded in the minutes of this company; that the members named in said resolution have been duly elected or appointed to, and are the present incumbents of, the respective members set after their respective names; and that the signatures set opposite their respective names are their true and genuine signatures.

Texarkana Renewal Properties, LLC

By _____
David Peavy, Sole Member

_____ Date

City of Texarkana, Texas
EPA Revolving Loan Program
RLF Committee Meeting
May 14, 2020, 3:30 p.m.
Via Zoom Meeting 94259526166

Members Present:

Diane Martin
Philip Mobley
Jerry Sparks
Millagros Serrano

City Staff Present:

David Orr
Kristen Peeples
Daphnea Ryan

Developer(s) Present:

David Peavy

The City of Texarkana, Texas presented one loan application for EPA Brownfields Revolving Loan Fund from Texarkana Renewal Properties, LLC. The loan is for environmental cleanup of the former Capital One/Texarkana National Bank Building located at 100 W. Broad Street, and the old parking garage and retail space located at 217-223 Pine Street for an initial loan in an amount not to exceed \$400,000. The developer is also requesting a City Façade loan of each building

Developer, Texarkana Renewal Properties, LLC, represented by David Peavy provided an overview of the planned project, answered questions, and exited the meeting. The Committee discussed the loan request, interest rate, other funding sources, and the applicant's proforma. Committee members acknowledged the health and safety benefit to the community to abate the exterior asbestos and remove the aging façade as the first phase. The committee agreed for a successful redevelopment the façade removal is needed prior to securing additional funding.

After full discussion, Dianne Martin made a motion to approve an EPA RLF loan up to \$400,000, a \$50,000 City Façade loan for the former Texarkana National Bank building, \$50,000 City Façade loan for the Parking Garage/Retail property, a \$5,000 City Façade Restoration and Improvement Grant for the former Texarkana National Bank building, and a \$5,000 City Façade Restoration and Improvement Grant for the Parking Garage/Retail property, all of which is contingent upon adherence to staff recommendations and terms outlined in Attachment I. The motion was seconded by Phillip Mobley and passed by unanimous vote.

Meeting adjourned at 4:44 p.m.

ATTACHMENT I

Texarkana Renewal Properties EPA & City RLF Application

Staff Recommendations

The developer is proposing a multiple phase approach for the redevelopment of this property that includes removal of the exterior façade and environmental cleanup as phase one. The phase one work will reveal the original brick façade to qualify for historic tax credits. Phase two will include actual construction work for the redevelopment of the property. Due to the complexity and multiple phasing of the development and financing plan, this loan is considered high risk. However, this development is important to the City's continued support of downtown revitalization efforts and the development is located in a federally qualified Opportunity Zone. Furthermore, the developer has a positive track record with other downtown properties. As a result, staff recommends approval with the following terms and conditions:

1. EPA Brownfields Cleanup loans up to \$400,000 for both the formerly Texarkana National Bank building and Parking Garage with a 12-year term. No interest for one year with interest only in years 2 and 3 with principle and interest due years 4-12. Interest rate will be set at the 10-year treasury rate plus 1%.
2. City Façade program loans for \$50,000 for the formerly Texarkana National Bank building and \$50,000 for the Parking Garage each with a 10-year term. No interest for one year with interest only in years 2 and 3 with principle and interest due years 4-10. Interest rate will be set at the 10-year treasury rate plus 1%.
3. City Façade Restoration and Improvement Grants of \$5,000 each for the formerly Texarkana National Bank building and Parking Garage provided the terms, conditions and match requirements of the program are met.
4. Developer will follow all applicable City Building Codes along with all EPA Brownfield Program terms and conditions. Developer will ensure work is protective of human health & the environment including but not limited to adherence to approved EPA cleanup plans, approved EPA closure reports and Davis-Bacon requirements.
5. For the EPA loan, the lender may withhold up to twenty percent (20%) of each payment requested as a retainage until any **EPA Agency or Lender required closure reports are received and approved by the Agency.**
6. Collaterally assign to the City real property located at 5305-5309 N. State Line Ave with a 1st lien position.
7. Developer provide additional letters of financial commitment and an updated proforma after Phase I work is completed and prior to Phase II beginning.

RESOLUTION NO. 2020-051

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEXARKANA, TEXAS, APPROVING SUPPORT OF THE TEXARKANA PROJECT TO REDEVELOP THE FORMER TEXARKANA NATIONAL BANK AND PARKING GARAGE PROPERTIES, AND APPROVING THE USE OF COMMITTED FUNDS TO ANY PERSON OR ENTITY ALLYING WITH TEXARKANA RENEWAL PROPERTIES, LLC FOR THE PROJECT, AND AUTHORIZING THE CITY MANAGER TO SIGN ANY AND ALL LOAN DOCUMENTS OR OTHER DOCUMENTS NECESSARY FOR THE PROJECT; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the redevelopment of these two properties are pivotal for downtown revitalization and increasing the tax base of the City of Texarkana, Texas, and

WHEREAS, grant funds and other non-general fund dollars are available for this project; and

WHEREAS, City staff and the RLF Loan Committee approved by unanimous vote an EPA Brownfields Revolving Loan Fund loan up to \$400,000, City Façade loans in the amount of \$50,000 for each property, and City Façade Restoration and Improvement Grants in the amount of \$5,000 for each property; and

WHEREAS, Texarkana Renewal Properties, LLC is preparing applications for tax credit opportunities and PACE loans; and

WHEREAS, the City Council intends by this resolution to affirm its approval and support of the redevelopment project, authorizing the City Manager to execute any and all loan documents or other documents necessary for the project.

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

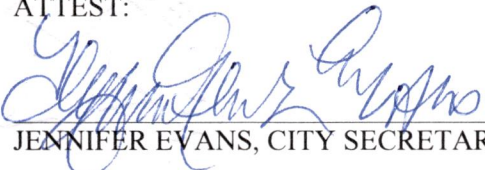
SECTION 1: The City Council affirms its approval and support of the project to redevelop the former Texarkana National Bank and Parking Garage properties.

SECTION 2: The City Council authorizes the City Manager to execute any and all loan documents or other documents necessary for the project.

SECTION 3: This Resolution shall be in full force and effect from and after its passage and approval.

PASSED AND APPROVED in Regular Council Session on this the **8th day of June, 2020.**

ATTEST:


JENNIFER EVANS, CITY SECRETARY


BOB BRUGGEMAN, MAYOR

7:21 p.m.

Attachment: 2020-051 RES Auth CM Agr for TNB & Park Gar signed (2270 : 2020-051 RES Auth CM to enter into loan agrmnts for former TNB)