

**SPECIAL CITY COUNCIL MEETING AND WORKSHOP**

**July 19, 2016**

**5:00 P.M.**

**A Special City Council Meeting was held on Tuesday, July 19, 2016, at 5:00 p.m. in the City Council Chambers located at 201 East Nash Street, Terrell, Texas with the following members present:**

**COUNCILMEMBER #1 DJ ORY  
COUNCILMEMBER #2 TOMMY SPENCER  
COUNCILMEMBER #3 SANDRA WILSON  
COUNCILMEMBER #4 CHARLES WHITAKER  
COUNCILMEMBER #5 TIM ROYSE**

**1. Call to order.**

Mayor DJ Ory called the meeting to order.

**2. Invocation.**

Deputy Mayor Pro Tem Charles Whitaker gave the opening prayer and led the Pledge of Allegiance.

**3. Discuss Resolution No. 828; A Resolution Of The City Council Of The City Of Terrell, Texas, Authorizing The Creation Of The North Central Texas Regional 9 -1-1 Emergency Communications District.**

Jody Lay, Police Chief, and Mark Poindexter, Fire Chief for Rockwall, presented to Council for Discussion Resolution No. 828; A Resolution Of The City Council Of The City Of Terrell, Texas, Authorizing The Creation Of The North Central Texas Regional 9 -1-1 Emergency Communications District.

**4. Discuss Interlocal Agreement Between The City of Terrell and Dallas DOGRRR For Transfer of Surplus Property.**

Jason Renfro, Animal Control Supervisor, presented to Council for Discussion Interlocal Agreement Between The City of Terrell and Dallas DOGRRR For Transfer of Surplus Property.

**5. Discuss Terrell Economic Development Corporation Incentive for R & R Design.**

Danny Booth, President, Terrell Economic Development Corporation presented to Council for Discussion Terrell Economic Development Corporation Incentive for R & R Design.

**6. Discuss Approval of Construction Plat for Crossroads at Terrell Phase 1B.**

Steve Rogers, City Engineer, presented to Council for Discussion Approval of Construction Plat for Crossroads at Terrell Phase 1B.

**16. Adjourn into Executive Session in Accordance with Section 551 of the Texas Government Code to discuss the following:**

**a. Section 551.087 - Deliberation Regarding Economic Development Negotiations.**

**17. Reconvene into Regular Session and Consider Action, if any, on Items Discussed in Executive Session.**

Mayor Pro Tem Sandra Wilson Made a Motion to Approve Resolution 830. Deputy Mayor Pro Tem Charles Whitaker seconded the motion. Ayes - All. Nays - None.

**RESOLUTION NUMBER NO. 830  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL  
AUTHORIZING A PARTNERSHIP WITH  
CROSS ROADS AT TERRELL 2015 LP**

**WHEREAS**, the City of Terrell recognizes its role in establishing programs for economic development, supporting job creation and promoting the construction of public infrastructure; and

**WHEREAS**, the City of Terrell wishes to establish a program under the provisions of Chapter 380 of the Texas Local Government Code to reimburse Company for certain infrastructure expenses from new property and sales taxes generated on the Retail Property and to incentivize development through the rebate of certain sales taxes, and;

**WHEREAS**, the Terrell Economic Development Corporation serves to promote job creation in the City of Terrell by facilitating new and expanding employers; and

**WHEREAS**, on November 20, 2007, the Terrell City Council approved Ordinance No. 2355 establishing Tax Increment Financing (TIF) Reinvestment Zone Number One, City of Terrell, Texas (TIF District), in accordance with the Tax Increment Financing Act, as amended (V.C.T.A., Tax Code, Chapter 311, hereafter the "Act") to promote development in the TIF District through the use of tax increment financing; and

**WHEREAS**, on the 16<sup>th</sup> day of September 2008, the City of Terrell and Kaufman County entered into a TIF Agreement defining the contribution of both the City and the County to the TIF District; and

**WHEREAS**, the Terrell City Council, pursuant to Ordinance No. 2384, approved on September 23, 2008, authorized the final TIF District Project Plan and Reinvestment Zone Financing Plan; and

**WHEREAS**, the Board of Directors of the Power Center recognizes the importance of its role in local economic development; and

**WHEREAS**, in accordance with the provisions of Chapter 380 and Chapter 381 of the Texas Local Government Code, the City of Terrell and Kaufman County executed an Power Center Agreement regarding the Power Center on September 6, 2013; and

**WHEREAS**, the infrastructure proposed shall be constructed within the Power Center in compliance with the September 6, 2013, Interlocal Agreement with Kaufman County; and

**WHEREAS**, the Cross Roads at Terrell 2015 LP, a Texas Limited Partnership, hereinafter referred to as "Company" proposes a Mixed Use Development inclusive of a +/- 76 acre development as shown on Exhibit "A" Retail Property contained within a +/- 255 acre tract as shown on Exhibit "B" Complete Tract, including retail uses on the Retail Property, residential development on the 255 acres and new public infrastructure as described on Exhibit "C" Site Infrastructure; and

**WHEREAS**, the TIF Board of Directors, the Power Center Board of Directors and the Terrell Economic Development Corporation Board of Directors supported by affirmative action at their respective meetings on July 18, 2016, a partnership with Company for roadways, utilities, drainage and other public infrastructure in order to support economic development in the City of Terrell; and

**WHEREAS**, the City of Terrell has concluded and hereby finds that this Development Agreement for a Retail Center supports economic development, promotes new construction, attracts additional consumers to Kaufman County, increases commercial activity, generates new tax revenue for Kaufman County jurisdictions, achieves the City of Terrell goals for economic development, meets the requirements of applicable State Law, and is in the best interests of the City of Terrell and the TEDC;

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:**

- Section 1. That the City Council authorizes reimbursement to Company the funds generated from the new one (1) cent sales taxes rebated to the City of Terrell by the Texas State Comptroller for a period of fifteen (15) years.
- Section 2. That the City Council authorizes reimbursement to Company the funds generated from the new one half (1/2) cent sales taxes rebated to the Terrell Economic Development Corporation through the City of Terrell by the Texas State Comptroller for a period of fifteen (15) years for the actual

cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C..

Section 3. That the City Council authorizes creation of a sub-account for and reimbursement to Company of the new incremental property tax funds generated from the Power Center Agreement by the Mixed Use Development for the duration of the Power Center for the actual cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C.

Section 4. That the City Council authorizes creation of a sub-account for and reimbursement to Company of the new incremental property tax funds generated from the TIF District Agreement by the Mixed Use Development for the duration of the TIF District for the actual cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C.

Section 5 That the City Council authorizes establishing a County Road 305 Fund, depositing an amount not to exceed \$250,000.00 into the County Road 305 Fund from the City Stormwater Fund, depositing an amount not to exceed \$250,000.00 into the County Road 305 Fund from the Terrell Economic Development Corporation and utilizing such funds to make drainage, safety and roadway improvements as necessary to support the Retail Center.

Section 6. That the City Council authorizes a Terrell Economic Development Corporation Infrastructure Grant to the owner/operator of a theater entertainment complex to be built in the Retail Center in an amount not to exceed 1,000,000.00.

Section 7: That the City Council authorizes the City Manager to negotiate and the Mayor to execute an Economic Development Agreement with Company consistent with this Resolution, including exclusions from City Development Related Fees as consistent with the City Economic Development Policy.

Section 8. This Resolution shall take effective immediately.

**PASSED AND APPROVED** by the City Council of the City of Terrell, Texas, on this 19<sup>th</sup> day of July, 2016.

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D.J. ORY, MAYOR

ATTEST:

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JOHN ROUNSAVALL, CITY SECRETARY

Exhibit "A"  
Retail Property

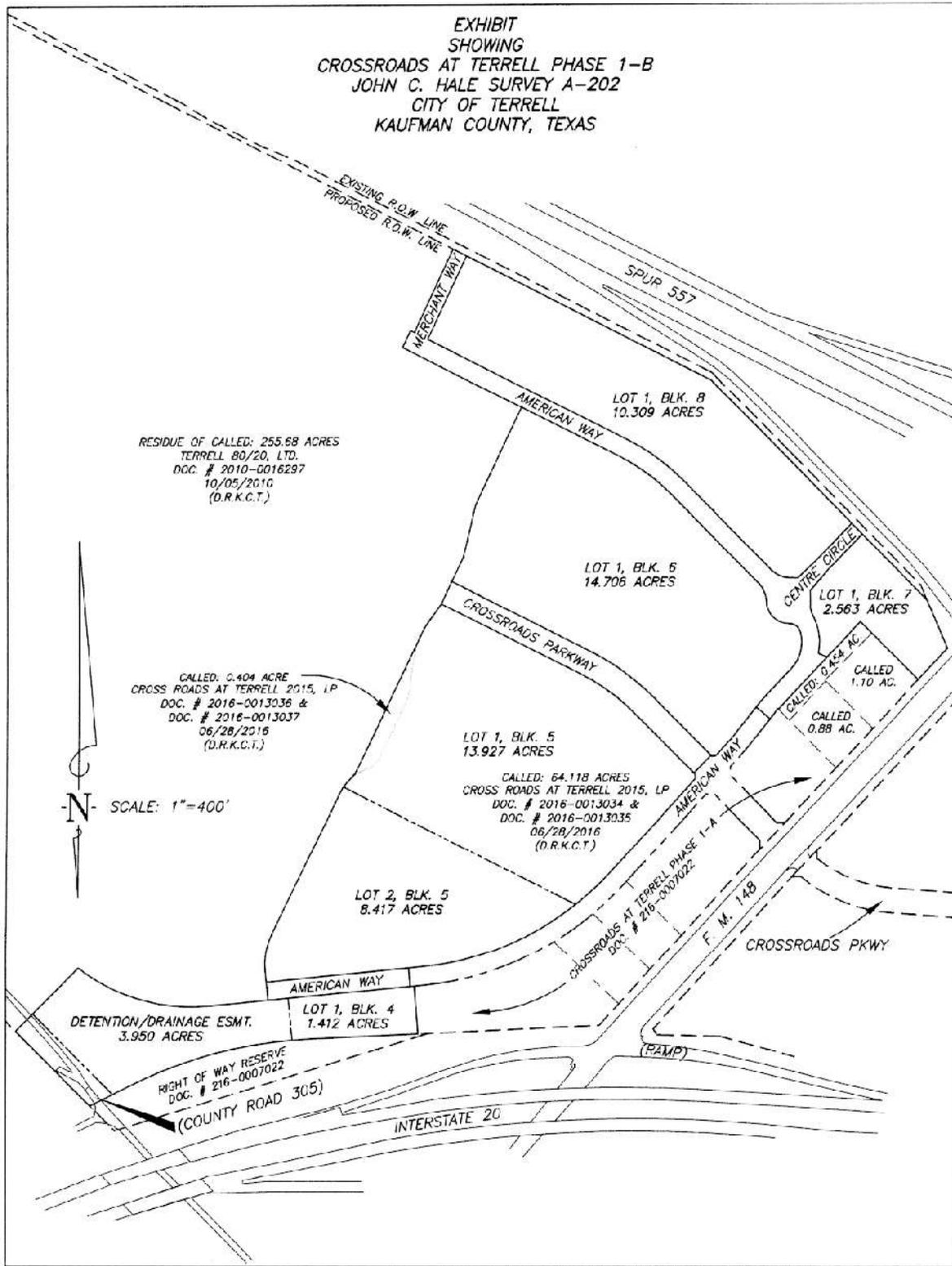


Exhibit "B"  
Complete Tract

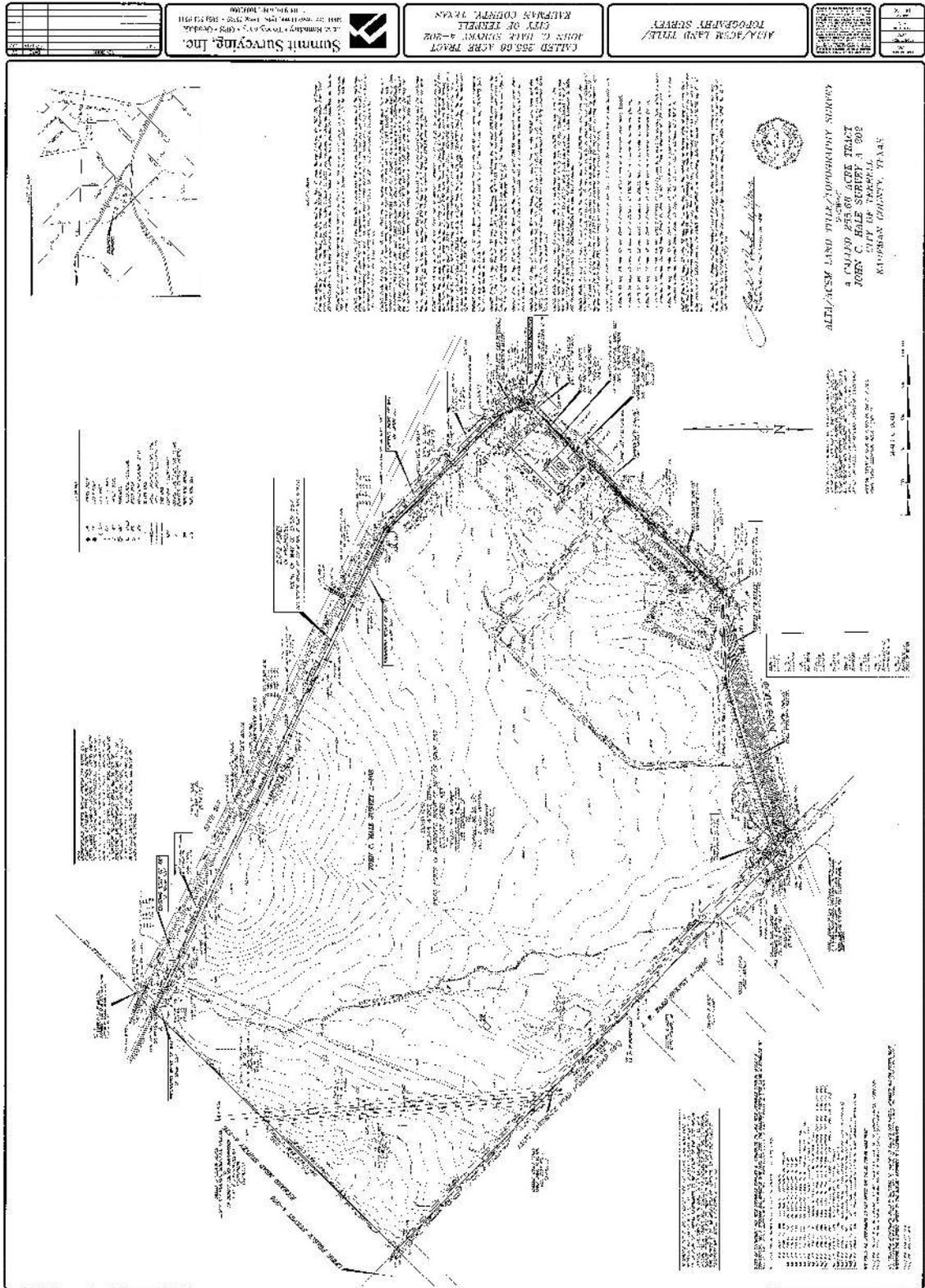


Exhibit "C"  
Site Infrastructure

**CROSSROADS AT TERRELL**  
**NWC OF I-20 & FM 148, TERRELL, TEXAS**

***Retail Property Infrastructure Development Budget***

	<b>Estimated Reimbursable</b>
<b>On-Site &amp; Off-Site Hard Costs Incurred By Developer</b>	
Contractor General Conditions	\$1,127,000
Erosion Control & Sediment Costs	\$320,000
Earthwork & Demolition	\$2,136,000
Paving for Crossroads Parkway & American Way	\$2,230,075
Water & Sewer System	\$1,361,000
Stormwater Drainage System	\$2,600,000
Oncor Electric, Atmos Gas and AT&T Telco Infrastructure	\$650,000
Landscaping & Site Furnishing	\$1,360,000
Street & Site Lighting	\$100,000
Water Purchased for Development Work	\$120,000
Miscellaneous Infrastructure Costs	\$650,000
<b><i>Total On-Site &amp; Off-Site Hard Costs</i></b>	<b>\$12,654,075</b>
<b>Soft Costs Incurred by Developer</b>	
Wetlands Mitigation Consulting & Final Permit Cost	\$200,000
Bank & Financing Fees for Construction Loan Origination	\$480,000
Construction Loan Interest Carry Cost to Developer	\$460,000
Surveying, Environmental, Engineering & Landscaping Design Fee	\$825,000
Construction Management	\$500,000
City Inspection Fees Paid by Developer	\$0
Impact Fees by Paid by Developer	\$0
Zoning	\$10,000
Platting	\$55,000
Geotechnical Investigations & Materials Testing Reports	\$300,000
Traffic Impact Analysis	\$50,000
Development Fee on Hard Costs	\$454,793
<b><i>Total Soft Costs</i></b>	<b>\$3,334,793</b>
<b>Estimated Total Cost Excluding Land Donations and Finance Cost</b>	<b>\$15,988,868</b>

**7. Discuss Options for New City Logo.**

Mike Sims, Assistant City Manager, and Lisa Johnson, Public Information, Marketing, and Communications Coordinator, presented to Council for Discussion Options for New City Logo. Jack Jones, Representing Terrell Economic Development Corporation, spoke in support of the Terrell Economic Development Corporation Logo. Council debated the logo.

**8. Discuss Resolution No. 829; A Resolution Of The City Council Of The City Of Terrell, Texas, Authorizing The Award Of Bid For Project 16 -01 Street Maintenance Rehab Project And Authorizing Award Of Bid For Project 16 -10a 2016 FEMA Street Repairs Project; Authorizing The City Manager Or His Designee To Facilitate Contract Management Guidelines.**

Mike Sims, Assistant City Engineer, and Glenn Caldwell, Director of Public Services, presented to Council for Discussion Resolution No. 829; A Resolution Of The City Council Of The City Of Terrell, Texas, Authorizing The Award Of Bid For Project 16 -01 Street Maintenance Rehab Project And Authorizing Award Of Bid For Project 16 -10a 2016 FEMA Street Repairs Project; Authorizing The City Manager Or His Designee To Facilitate Contract Management Guidelines.

**9. Discuss Award of Bid for Project 16-04, Demolition of the 9th Street Elevated Storage Tank.**

Steve Rogers, City Engineer, and Derek Chaney, Representing Birkhoff, Hendricks & Carter, LLP., presented to Council for Discussion Award of Bid for Project 16-04, Demolition of the 9th Street Elevated Storage Tank.

**10. Discuss Revision to Interlocal Agreement with Lakes Regional MHMR for the City of Terrell and the Terrell Economic Development Corporation.**

Steve Rogers, City Engineer, presented to Council for Discussion Revision to Interlocal Agreement with Lakes Regional MHMR for the City of Terrell and the Terrell Economic Development Corporation.

**11. Discuss Award of Bid for Project 16-05 for Drainage and Parking Improvements at Lakes Regional MHMR.**

Steve Rogers, City Engineer, and Frank Stephens Representing Schaumburg & Polk, Inc., presented to Council for Discussion Award of Bid for Project 16-05 for Drainage and Parking Improvements at Lakes Regional MHMR.

**12. Discuss Amendment to Professional Services Contract for Project 16-05 for Drainage and Paving Improvements at Lakes Regional MHMR.**

Steve Rogers, City Engineer, presented to Council for Discussion Amendment to Professional Services Contract for Project 16-05 for Drainage and Paving Improvements at Lakes Regional MHMR.

**13. Discuss Award of Bid for Project 16-06 to Construct Water and Wastewater Mains in the Area of S. Rockwall and S. Medora Streets near Baker Street.**

Steve Rogers, City Engineer, and Tyler Creamer Representing Hayter Engineering Inc. presented to Council for Discussion Award of Bid for Project 16-06 to Construct Water and Wastewater Mains in the Area of S. Rockwall and S. Medora Streets near Baker Street.

**14. Discuss Award of Bid for Project 16-12 for Water and Sewer Repairs at Various Locations 2016.**

Steve Rogers, City Engineer, presented to Council for Discussion Award of Bid for Project 16-12 for Water and Sewer Repairs at Various Locations 2016.

**15. Discuss Park Board Appointments.**

Council Passed this Item.

**18. Adjourn.**

There were no other matters discussed or acted on at this meeting.

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**DJ Ory, Mayor**

**Attest:**

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**John Rounsavall, City Secretary**