

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



MONDAY, JUNE 15, 2020

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, June 15, 2020 at 6:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

- 1.1 **IN ACCORDANCE WITH ORDER OF THE OFFICE OF THE GOVERNOR ISSUED MARCH 16, 2020, THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, WILL CONDUCT THE MEETING SCHEDULED FOR JUNE 15, 2020, 6:00 P.M., AT 401 MARKET STREET, TOMBALL, TEXAS, 77375. IN ORDER TO ADVANCE THE PUBLIC HEALTH GOAL OF LIMITING FACE-TO-FACE MEETINGS (ALSO CALLED "SOCIAL DISTANCING") TO SLOW THE SPREAD OF THE CORONAVIRUS (COVID-19), THERE WILL BE LIMITED PUBLIC ACCESS TO THE LOCATION DESCRIBED ABOVE. THIS MEETING AGENDA AND THE AGENDA PACKET ARE POSTED ONLINE AT <https://tomballtx.gov/Archive.aspx?AMID=38>; A RECORDING OF THE MEETING WILL BE MADE AND WILL BE AVAILABLE TO THE PUBLIC IN ACCORDANCE WITH THE OPEN MEETINGS ACT UPON WRITTEN REQUEST.**

The public toll-free dial-in numbers to participate in the telephonic meeting are any one of the following (dial by your location): +1 312 626 6799 US (Chicago); +1 646 876 9923 US (New York); +1 301 715 8592 US; +1 346 248 7799 US (Houston); +1 408 638 0968 US (San Jose); +1 669 900 6833 US (San Jose); or +1 253 215 8782 US (Tahoma) - Meeting ID: 941 4970 1688. The

public will be permitted to offer public comments telephonically, as provided by the agenda and as permitted by the presiding officer during the meeting.

2.0 Invocation

- Led by Pastor Greg Sipe – Church 1:37

3.0 Pledges to U.S. and Texas Flags

4.0 Public Comments and Receipt of Petitions *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.]*

5.0 Reports and Announcements

- **Tomball City Pool – 2020 Swim Season** - Jerry Matheson Park Pool will operate with normal hours through August 16. The pool will be open on Saturday and Sunday only on the weekends of August 22-23 and August 29-30. The pool will be closed every Monday during swim season 2020, except July 4th, and Labor Day (September 7). Normal pool hours are: Tuesday – Friday: 10 a.m.-6 p.m. and Saturday & Sunday: 12 p.m.-8 p.m.
- **TOMBALL KID'S CLUB – Activities:** June 23, 25, 30 and July 2, 7, 9, 14, 16, 21, 23, 28, and 30 from 10:30 a.m. to 12:30 p.m., at **Juergens Park**
- June 27, 2020 – **Beat the Heat** at the Depot – a Swim Safe Forever Northwest Houston Chapter Event
- July 4, 2020 – **July Fourth Fireworks Display – FM 2920 at SH 249, 9:30 p.m.; Musical Presentation on FM 95.3** beginning at 8:30 p.m.
- July 11, 2020 – **2nd Saturday at the Depot – Movie Only**, beginning at 8:30 p.m.
- August 7, 2020 – **Tomball Night**, a Greater Tomball Area Chamber of Commerce Event
- Reports by City staff and members of council about items of community interest on which no action will be taken:

6.0 Approve the Minutes of the June 1, 2020 Regular Tomball City Council Meeting

7.0 New Business:

- 7.1 Conduct Public Hearing to Receive Input from Members of the Public on the Proposal to Reauthorize Its Tax Abatement Guidelines and Criteria
- 7.2 Approve Request by The Tomball Rotary Club for City Support and In-Kind Services for the Big Show at the Depot & 51st Anniversary Fish Fry at the Tomball Depot, to be Held on Saturday, November 7, 2020, from 4:00 p.m. to 9:00 p.m.
- 7.3 Approve Resolution No. 2020-17, a Resolution of the City Council of the City of Tomball, Texas, Approving the First Amendment to the Development Agreement

- relating to the Raburn Reserve Public Improvement District Project
- 7.4 Discussion and Possible Action regarding Chesmar Homes' Bonded Public Improvement District Proposal (TPID 11)
- 7.5 Receive the Tomball Economic Development Corporation (TEDC) 2019-2020 Annual Report
- 7.6 Appoint/Reappoint Members to the Tomball Economic Development Corporation Board of Directors for Terms Expired as of May 31, 2020
- 7.7 Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Houston Poly Bag I, Ltd., to Make Direct Incentives to or Expenditures for the Creation or Retention of Primary Jobs associated with the Expansion and Development of Its Current Facility located at 11726 Holderrieth Rd., Tomball, Texas 77375. The Estimated Amount of Expenditures for such Project is an Amount Not to Exceed \$84,894.00.
- 7.8 Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Wildcat PPE, LLC, to Make Direct Incentives to or Expenditures for the Creation or Retention of Primary Jobs associated with the Relocation and Development of Its Corporate Headquarters to be located at 14430 Medical Complex Drive, Tomball, Texas 77377. The Estimated Amount of Expenditures for such Project is an Amount Not to \$250,000.00.
- 7.9 Consideration to approve **Zoning Case P20-079**: Request by the City of Tomball to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.66 acres out of 2.135 acres of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District. The property is generally located on the west side of the Burlington Northern Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas.
- Conduct Public Hearing on **Zoning Case P20-079**
 - Adopt, on First Reading, Ordinance No. 2020-10, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by changing the zoning district classification of approximately 1.66 acres out of 2.135 of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District, said property being generally located on the west side of the BNSF Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas; providing for the amendment of the official zoning map of the city; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.
- 7.10 Award Contract for E&P Project 2019-10040 to PM Construction & Rehab, LLC., in the Amount of \$400,605.00, for the Sanitary Sewer Rehabilitation Project
- 8.0 Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the 11th day of June 2020 by 5:00 p.m., and remained posted for at least 72 continuous hours proceeding the scheduled time of said meeting.

Doris Speer

Doris Speer
City Secretary, TRMC

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

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

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2020

Topic:

- Led by Pastor Greg Sipe – Church 1:37

Background:

Origination:

Recommendation:

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

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

- **Tomball City Pool – 2020 Swim Season** - Jerry Matheson Park Pool will operate with normal hours through August 16. The pool will be open on Saturday and Sunday only on the weekends of August 22-23 and August 29-30. The pool will be closed every Monday during swim season 2020, except July 4th, and Labor Day (September 7). Normal pool hours are: Tuesday – Friday: 10 a.m.-6 p.m. and Saturday & Sunday: 12 p.m.-8 p.m.
- **TOMBALL KID'S CLUB – Activities:** June 23, 25, 30 and July 2, 7, 9, 14, 16, 21, 23, 28, and 30 from 10:30 a.m. to 12:30 p.m., at **Juergens Park**
- June 27, 2020 – **Beat the Heat** at the Depot – a Swim Safe Forever Northwest Houston Chapter Event
- July 4, 2020 – **July Fourth Fireworks Display – FM 2920 at SH 249, 9:30 p.m.; Musical Presentation on FM 95.3** beginning at 8:30 p.m.
- July 11, 2020 – **2nd Saturday at the Depot – Movie Only**, beginning at 8:30 p.m.
- August 7, 2020 – **Tomball Night**, a Greater Tomball Area Chamber of Commerce Event
- Reports by City staff and members of council about items of community interest on which no action will be taken:

Background:

Origination:

Various

Recommendation:

N/A

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

City Secretary

ACTION TAKEN

Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1 st ☐ 2 nd	

ATTACHMENTS:

Beat the Heat!



Swim Safe Forever- Northwest Houston

Beat the Heat!

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2020

Topic:
Approve the Minutes of the June 1, 2020 Regular Tomball City Council Meeting

Background:

Origination:
City Secretary

Recommendation:
Approve

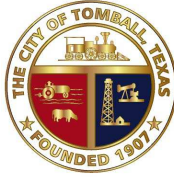
Party(ies) responsible for placing this item on agenda:
City Secretary

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Draft Minutes of the June 1, 2020 Regular Tomball City Council Meeting

MINUTES OF REGULAR CITY COUNCIL MEETING CITY OF TOMBALL, TEXAS



**MONDAY, JUNE 1, 2020
6:00 P.M.**

The City Council of the City of Tomball, Texas, conducted the meeting scheduled for June 1, 2020, 6:00 p.m., at 401 Market Street, Tomball, Texas, 77375, via video/telephone conference (Zoom).

- 1.0 Mayor Fagan called the meeting to order at 6:03 p.m., having established a quorum. Mayor Fagan read a statement regarding the process for the conduct of the meeting via Zoom and telephone. Members present (in person):

Councilman Ford
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Klein Quinn

Others present:

City Manager – Robert Hauck (in person)
Assistant City Manager – David Esquivel (in person)
City Secretary – Doris Speer (in person)
City Attorney – Loren B. Smith (via video)
Legal Secretary-Olson & Olson – Layla Walker (via video)
Fire Chief – Randy Parr (via video)
Marketing Director – Mike Baxter (via video)
Finance Director – Glenn Windsor (via video)
Director of Community Development – Craig Meyers (via video)
Assistant City Secretary – Tracy Garcia (via video)
Police Officer-Investigations – Cleo Thomas (in person)

- 2.0 The invocation was led by Pastor Billy Schiel – Bayou City Fellowship (via video).
- 3.0 Pledges to U. S. and Texas Flags were led by Randy Parr.

4.0 The following public comments were received.

Craig Bogner - Expressed his appreciation for the City's continued
8627 Hufsmith, 77375 support of the GTACC's annual Tomball Night and
requested approval and support for this year's event.

5.0 Reports and Announcements:

- **Tomball City Pool – 2020 Swim Season** - Jerry Matheson Park Pool will reopen on June 2 and will operate with normal hours through August 16. The pool will be open on Saturday and Sunday only on the weekends of August 22-23 and August 29-30. The pool will be closed every Monday during swim season 2020, except July 4th, and Labor Day (September 7). Normal pool hours are: Tuesday – Friday: 10 a.m.-6 p.m. and Saturday & Sunday: 12 p.m.-8 p.m.
- **TOMBALL KID'S CLUB – Activities:** June 23, 25, 30 and July 2, 7, 9, 14, 16, 21, 23, 28, and 30 from 10:30 a.m. to 12:30 p.m., at **Juergens Park**
- June 27, 2020 – **Beat the Heat** at the Depot – a Swim Safe Forever Northwest Houston Chapter Event
- July 4, 2020 – **July Fourth Fireworks Display – FM 2920 at SH 249, 9:30 p.m.; Musical Presentation on FM 95.3** beginning at 8:30 p.m.
- July 11, 2020 – **2nd Saturday at the Depot – Movie Only**, beginning at 8:30 p.m.
- Reports by City staff and members of council about items of community interest on which no action will be taken:

6.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Minutes of the May 18, 2020 Regular Tomball City Council Meeting

Motion carried unanimously.

7.0 New Business:

7.1 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve Resolution No. 2020-14, a Resolution of the City Council of the City of Tomball, Texas, Supporting the 48th Annual Tomball Night and Parade, to be Held in Tomball on Friday, August 7, 2020

Motion carried unanimously.

7.2 Motion was made by Councilman Townsend, second by Councilman Stoll, to reappoint Darrell Roquemore to Position 2 and to appoint Tana Ross to Position 5, of the Planning and Zoning Commission, for new terms expiring June 1, 2023.

Motion carried unanimously.

Darrell Roquemore is reappointed to Position 2
Tana Ross is appointed to Position 5.

- 7.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve Resale Deed for Property acquired by Foreclosure Tax Sale in Cause No. 1998-27999, styled *City of Tomball vs. City of Tomball*, HCAD Account No. 035-281-004-0019, to Jeremy Langston, in the Amount of \$5,290.61.

Motion carried unanimously.

- 7.4 Executive Session: The City Council recessed at 6:18 p.m., to meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.074 – Personnel Matters: Deliberation of the Appointment, Employment, and Duties of a Public Officer or Employee, to wit: Chief of Police.

Upon reconvening into the regular Council meeting at 6:42 p.m., the following items were considered:

- 7.5 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Employment and Appointment of Jeffrey Bert as Chief of Police by the City Manager, Pursuant to Section 7.03 of the City Charter.

Motion carried unanimously.

- 8.0 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to adjourn.

Motion carried unanimously.

Meeting adjourned at 6:46 p.m.

PASSED AND APPROVED this the 15th day of June 2020.

Doris Speer, TRMC, MMC
City Secretary

Gretchen Fagan
Mayor

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2020

Topic:

Conduct Public Hearing to Receive Input from Members of the Public on the Proposal to Reauthorize Its Tax Abatement Guidelines and Criteria

Background:

HB3143 extended the tax abatement program for another ten years and added additional public hearing and noticing requirements. Chapter 312 of the Tax Code requires that Tomball hold a Public Hearing a minimum of 30 days prior to Council's consideration to reauthorize Tomball's Tax Abatement Guidelines and Criteria.

Under HB3143, the appraisal district is now required to submit a report to the comptroller’s office for each of the three years following the expiration of an abatement agreement, showing the appraised value of the property that was subject to the agreement. This requirement is effective only for those agreements that expired on or after Sept. 1, 2019.

Origination:

Recommendation:

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

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Notice of Public Hearing - Tax Abatement Guidelines and Criteria
Draft 2020 Tax Abatement Policy - Attorney Reviewed

**NOTICE OF PUBLIC HEARING
at the
TOMBALL CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



**MONDAY, JUNE 15, 2020
6:00 P.M.**

Notice is hereby given:

**The City Council will hold a Public Hearing to Receive Input from
Members of the Public on the Proposal to Reauthorize Its Tax
Abatement Guidelines and Criteria on the 15th day of June 2020 at
6:00 p.m. at the Tomball City Hall 401 Market Street, Tomball,
Texas, 77375.**

CERTIFICATION

I hereby certify that the above notice of meetings was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 28th day of May 2020 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Doris Speer
Doris Speer, City Secretary, TRMC, MMC

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CITY OF TOMBALL, TEXAS

TAX ABATEMENT POLICY



AUGUST 6, ~~2018~~

2020

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TAX ABATEMENT GUIDELINES SUMMARY

TERMS	Up to 100% abatement for a period not to exceed 10 years. Each project is reviewed on a case-by-case basis. The amount of the abatement will be determined based on the merits of the project, including, but not limited to, location of the project, its size, total capital investment value, the number of temporary and permanent jobs created, the costs and benefits for the City, and the project's impact on Tomball's economy.
FACILITIES THAT QUALIFY	Corporate Headquarters Facility Manufacturing Facility Research Facility Regional Distribution Facility Regional Service Facility Regional Entertainment/Tourism Facility Other Basic Industry Facilities
AUTHORIZED INVESTMENTS	New Facilities Expansions
ABATED	Modernizations
ECONOMIC CRITERIA	Buildings, structures, fixed machinery, equipment, personal property, site improvements, and related office space New business: Minimum two million dollar (\$2,000,000) investment; create a minimum of twenty-five (25) jobs. Expansions: Minimum one million dollar (\$1,000,000) investment; must prevent the loss of payroll or retain, increase, or create payroll on a permanent basis in the City of Tomball.

CITY OF TOMBALL, TEXAS TAX ABATEMENT POLICY

SECTION 1: GENERAL PURPOSE AND OBJECTIVES

The City of Tomball is committed both to the promotion of high quality development within the City and to the improvement in the quality of life of its citizens. In order to meet these goals, the City will, on a case-by-case basis, give consideration to providing tax abatement within designated reinvestment zones as stimulation for economic development in the City. Texas Tax Code Chapter 311. The purpose of this tax abatement policy is to encourage the growth and establishment of industry and commercial enterprise in the City. Growth is measured by the capital investment in the City for buildings, machinery, and other capital goods that increases the Tomball workforce.

The City of Tomball will consider tax abatement for qualified business and property owners in accordance with the procedures and criteria outlined in this document. Nothing herein shall imply or suggest that the City is under any obligation to provide any incentive to any applicant. All applications shall be considered on a case-by-case basis.

All applications for tax abatement must be for commercial and/or industrial improvements. Tax abatement is available for both new facilities and for the expansion and modernization of existing facilities. No residential developments will be considered for tax abatement. Tax abatement will not be ordinarily considered for projects that would be developed without such incentives unless it is demonstrated that higher development standards or other community development goals will be achieved through the use of abatement.

SECTION 2: DEFINITIONS

- (a) **Abatement** means the full or partial exemption from ad valorem taxes of certain new improvements of real and/or personal property in a reinvestment zone designated for economic development purposes.
- (b) **Agreement** means a contractual agreement between the City of Tomball and a property owner and/or lessee for the purpose of tax abatement.
- (c) **Base Year Value** means the assessed value of eligible property on January 1 preceding the execution of the Agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the Agreement.
- (d) **Corporate Headquarters Facility** means the facility or portion of a facility where corporate staff employees are physically employed and where the majority of the company's financial, personnel, legal, planning or other headquarters related functions are handled either on a national, regional or division basis.
- (e) **Deferred Maintenance** means improvements necessary for continued operations, which do not improve productivity or alter the process technology.

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018~~ ~~AUGUST 6,~~

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- (f) **Economic life** means the number of years a property improvement is expected to be in service in a facility. Provided, however, that in no circumstance shall the number of years exceed the depreciation allowance specified in the United States Internal Revenue Code.
- (g) **Effective Date of Abatement** means the first (1st) day of January immediately following the date the Agreement is approved by the City Council of Tomball or at any other date specifically authorized by City Council.
- (h) **Eligible Jurisdiction** means the City of Tomball, Harris County and any school district or college district which levies ad valorem taxes upon, and provides services to, property located within the proposed or existing reinvestment zone.
- (i) **Expansion** means the addition of buildings, structures, fixed machinery, equipment, and personal property for the purpose of increasing production capacity.
- (j) **Facility** means property improvements completed or in the process of construction which together comprise an integral whole.
- (k) **Manufacturing Facility** means buildings, structures, fixed machinery, equipment and personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (l) **Modernization** means the upgrading of existing facilities, which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation; modernization may result from the construction, alternation, or installation of buildings, structures, fixed machinery, equipment and personal property. It shall not be for the purpose of reconditioning, refurbishing or repairing.
- (m) **New Facility** means a property, previously undeveloped, that is placed into service by means other than or in conjunction with expansion or modernization.
- (n) **New Machinery and Equipment** means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure or permanently resides in the City of Tomball.
- (o) **Other Basic Industry Facility** means buildings and structures including fixed machinery, equipment, and personal property not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside the City of Tomball and result in the creation of new permanent jobs and bring new wealth in to the City.
- (p) **Real Property:** The land on which a facility is placed.
- (q) **Regional Distribution Facility** means buildings and structures including fixed machinery, equipment, and personal property used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility, from which a

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018~~ ~~AUGUST 6,~~

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majority of revenues generated by the activity at the facility are derived from outside the City of Tomball.

- (r) **Regional Entertainment/Tourism Facility** means buildings and structures, including fixed machinery, equipment, and personal property used or to be used to provide entertainment and/or tourism related services, from which a majority of revenues generated by activity at the facility are derived from outside the City of Tomball.
- (s) **Regional Service Facility** means buildings and structures, including fixed machinery, equipment, and personal property used or to be used to provide a service, from which a majority of revenues generated by activity at the facility are derived from outside the City of Tomball.
- (t) **Research Facility** means buildings and structures, including fixed machinery, equipment, and personal property used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

SECTION 3: GUIDELINES AND CRITERIA

Minimum Standards for Tax Abatement

- (a) The project shall not have any negative environmental impacts on the community (e.g., significant pollution or hazardous waste).
- (b) The project should stimulate local employment and/or commercial activity and benefit existing business and not compete with existing businesses to the extent of being a detriment to the local economy as a whole.
- (c) **New Facilities:** The project will establish and maintain at least twenty-five (25) jobs in the City of Tomball and have a minimum capital investment of two million (\$2,000,000). *(The acquisition cost of the real property is not included in the project investment).*
- (d) **Expansion/Modernization:** The project must prevent the loss of payroll or retain, increase or create payroll on a permanent basis in the City of Tomball and have a minimum capital investment of one million (\$1,000,000). *(The acquisition cost of the real property is not included in the project investment).*
- (e) The City of Tomball may consider tax abatement for an investment less than the minimum amount required based upon City evaluation of economic development factors, including but not limited to:
 - (a) the location of taxable inventory on the property;
 - (b) the amount of sales tax that the project will generate for the City.
- (f) Tax abatement may only be granted for the additional tax value resulting from any of the following:
 - (a) construction of a new facility of any type as herein defined;

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018, AUGUST 6,~~

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- (b) expansion of existing facilities of any type as herein defined; or
- (c) modernization of existing facilities of any type as herein defined.
- (g) The project should have high visibility and image impact, or be a significantly higher level of development quality.
- (h) The project will serve as a catalyst or magnet to attract or retain other high quality industrial/business development.
- (i) The project will not solely and primarily have the effect of transferring employment from one part of the city to another.
- (j) The development must conform to the City's zoning ordinance.
- (k) The costs of city services required for the development should not exceed the amount of taxes generated if abatement is provided.

SECTION 4: ABATEMENT AUTHORIZED

- (a) **Authorized Tax Abatement Categories.** A facility may be eligible for tax abatement if it is a:

- Corporate Headquarters Facility
- Manufacturing Facility
- Research Facility
- Regional Distribution Facility
- Regional Service Facility
- Regional Entertainment/Tourism Facility, or
- Other Basic Industry Facility

- (b) **Authorized Date:** A facility shall be eligible for tax abatement if it has applied for such abatement prior to the commencement of construction.
- (c) **Creation of New Value:** Abatement may only be granted for the additional value of eligible property improvement made subsequent to and in an abatement agreement between the City of Tomball and the property owner and/or lessee, subject to such limitations as the City Council may require.
- (d) **Eligible Property:** Abatement may be extended to the value of buildings, structures, fixed machinery, equipment, personal property, site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility. The value of all property shall be the appraised value for each year, as finally determined by the applicable appraisal district.
- (e) **Ineligible Property:** The following types of property shall be generally be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings; and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018, AUGUST 6,~~

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accommodations; deferred maintenance investments; property to be rented or leased except as provided below; improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gases, which are not integral to the operation of the facility; property which has an economic life of less than fifteen (15) years; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated or directed by a political subdivision of the State of Texas, or any property exempted by local, state or federal law; and property owned or leased by a member of city council or a member of a zoning or planning commission of the City.

- (f) Leased Facilities:** If a leased facility is granted abatement, the agreement shall be executed with the lessor and the lessee.
- (g) Value and Term of Abatement:** Abatement shall be granted effective with the January 1 valuation date immediately following the date of execution of the agreement or at such other date specifically authorized by City Council. The value of the abatement will be determined based on the merits of the project, including, but not limited to, total capital investment value and added employment. Up to one hundred percent of the value of new eligible properties may be abated for a total term of abatement not to exceed ten years. However, a project must provide an extraordinary economic benefit to the City to be considered for one hundred percent abatement.

If a modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit (s).

- (h) Taxability:** From the execution of the abatement to the end of the agreement, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section 4(e) shall be fully taxable;
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable; and,
 - (3) The additional value of new eligible property shall be taxable at the end of any abatement period.

SECTION 5: APPLICATION

- (a)** Any present or potential owner of taxable property in the City of Tomball may request the creation of a reinvestment zone or tax abatement by filing a written application with the City Secretary of the City of Tomball.
- (b)** The application shall consist of a completed application form accompanied by: a general description of the project/new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a list of the estimated value of

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018, AUGUST 6,~~

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inventory and the location where the inventory will be stored; the projected employment number at the proposed facility and the estimated average salary; the estimated amount of annual sales subject to State Sales & Use Tax; a map and property description; and a time schedule for undertaking and completing the proposed improvements. The applicant shall also include information pertaining to the reasons the abatement is necessary in order to have the project undertaken in the City of Tomball. In the case of modernization, a statement of the assessed value of the facility separately stated for real and personal property shall be given for the tax year immediately preceding the application. The application form may require such financial and other information as the Tomball City Council deems appropriate for evaluating the financial capacity and other factors of the applicant.

- (c) The applicant must certify that the applicant does not employ nor will it employ any undocumented workers (an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or, authorized under law to be employed in that manner in the United States). The applicant must agree that if it is convicted of a violation under 8 U.S.C. Section 1324a(f) after receiving a tax abatement, applicant shall repay the amount of the tax abatement with interest, at the rate of 12% per annum, within 120 days after the City notifies the applicant of the violation. The City shall have the authority to bring a civil action to recover any amounts which the applicant must repay the City under this provision, and in such action may recover court costs and reasonable attorneys' fees.
- (d) The City of Tomball may request additional information as deemed appropriate for evaluating the financial capacity of the applicant and compatibility of the proposed improvements with these guidelines and criteria.
- (e) Upon receipt of a completed application, the Mayor of the City of Tomball shall notify in writing the presiding officer of the governing body of each eligible jurisdiction.
- (f) After receipt of a completed application, the City Council through its City Manager shall determine whether the application qualifies for abatement under the terms of these guidelines and criteria.
- (g) The City Manager shall prepare a fiscal impact analysis setting out the impact of the proposed reinvestment zone and tax abatement. The impact analysis study shall include, but not limited to, an estimate of the economic effect of the creation of the zone and the abatement of taxes and the benefit to the City of Tomball and the property to the included in the zone. The cost of city services to the development should not exceed the amount of taxes generated by the development
- (h) The City Council shall not establish a reinvestment zone or enter into an abatement agreement if it finds that the request for the abatement was filed after the commencement of construction, alteration, or installation of improvements related to a proposed new facility, expansion, or modernization. An applicant is ineligible for abatement if a decision to commence a new facility, expansion or modernization in the City of Tomball has been formally announced on or before the date of adoption of these guidelines.

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SECTION 6: PUBLIC HEARING AND APPROVAL

- (a) The City Council may not adopt an ordinance designating a reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. TEXAS TAX CODE § 312.201. Notice of the hearing must be published at least 7 days before the hearing in a newspaper of general circulation in the City. Id. The presiding officers of eligible jurisdictions shall ~~be~~ notified in writing at least 7 days prior to the hearing. Id.

- ~~(b) Prior to entering into an tax abatement agreement, the City Council, may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the agreement. Before the governing body City Council of a taxing unit may adopt, amend, repeal, or reauthorize guidelines and criteria, the body City Council must hold a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization at which members of the public are given the opportunity to be heard.~~

- ~~(c) The agreements that are being considered must be published at least 30 days before the scheduled meeting date. The publication must include the name of the owner, the name/location of the reinvestment zone where the property will be, the nature of the improvements or repairs covered by the proposed agreement, and the estimated cost of the improvements or repair.~~

- ~~(d) The City of Tomball will post the current version of the guidelines of the tax abatement.~~

~~(b)~~

- ~~(e)~~ ~~(e)~~ In order to enter into a tax abatement agreement, the City Council must find that the terms of the proposed agreement meet these GUIDELINES AND CRITERIA and that:

- (1) There will be no substantial adverse effect on the provision of the City of Tomball's services or tax base; and
- (2) The planned use of the property will not constitute a hazard to public safety, health or morals.

SECTION 7: AGREEMENT

- (a) After approval of a tax abatement application within a designated reinvestment zone, the Tomball City Council shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required, which shall include:

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year;
- (3) The commencement date and the termination date of abatement;
- (4) The proposed use of the facility, nature of construction, time schedule for

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018 AUGUST 6,~~

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completion of the project, map, property description and improvement list;

- (5) The contractual obligation in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment, or other provisions that may be required for uniformity or compliance with state law;
- (6) Amount of investment, increase in assessed value and average number of job involved; and
- (7) A requirement that the applicant annually submit to the City, a January employee count of the abated facility which corresponds to the employment counts reported in the facility's Employer's Quarterly Report to the Texas Workforce Commission, and a separate notarized letter certifying the number of jobs created

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CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018, AUGUST 6,~~

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or retained as a direct result of the abated improvements and the number of employees in other facilities located within the City of Tomball. Submission shall be used to determine abatement eligibility for that year and shall be subject to audit if requested by the governing body. Failure to submit may result in the ineligibility to receive an abatement for that year and the termination of the tax abatement agreement and subject any abated taxes to recapture pursuant to Section 8 hereof.

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Such agreement shall normally be executed within 60 days after the applicant has forwarded all necessary information and documentation to the Tomball City Council.

- (b) The City Council may impose any other conditions in a tax abatement agreement that the City Council deems necessary to promote the purpose of these guidelines.

SECTION 8: RECAPTURE

- (a) In the event that the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster for a period of one (1) year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer produces. The taxes otherwise abated for that calendar year shall be paid to the City of Tomball within sixty (60) days from the date of termination.
- (b) Should the City Council determine that the company or individual is in default according to the terms and conditions of its agreement, the City of Tomball shall notify the company or individual in writing at the address stated in the agreement, and if such is not cured within sixty (60) days from the date of such notice (the Cure Period), then the agreement may be terminated.
- (c) In the event that the company or individual allows its ad valorem taxes owed the City of Tomball to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or violates any of the terms and conditions of the abatement agreement and fails to cure during the Cure Period, then the City may terminate the agreement and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

SECTION 9: ADMINISTRATION

- (a) Each year, the company or individual receiving abatement shall furnish the Chief Appraiser and the City of Tomball with such information as may be necessary for the abatement.
- (b) The agreement shall stipulate that employees and/or designated representatives of the City of Tomball will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-

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CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018~~ ~~AUGUST 6,~~

four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

~~(e)~~(b) Upon completion of construction, the jurisdiction which created the zone shall annually evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations of the agreement to the City of Tomball and its attorney.

~~(d)~~(c) All documents related to tax abatements, including the annual certifications, will be kept on file with the City Secretary.

SECTION 10: ASSIGNMENT

An abatement may be assigned by the holder to a new owner or lessee of the same facility with the written consent of the Tomball City Council, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignees are indebted to the City of Tomball for ad valorem taxes or other obligations.

SECTION 11: CONFIDENTIALITY OF PROPRIETARY INFORMATION

Subject to the provisions and limitations of Chapter 552 of the Texas Government Code, information that is provided to the City of Tomball in connection with an application or request for the creation of a reinvestment zone for the purposes of tax abatement in accordance with the above criteria and guidelines and which describes the specific process or business activities to be conducted or equipment or other property to be located on the property for which the tax abatement is sought is confidential and not subject to public disclosure until the tax abatement agreement is executed. Texas Tax Code § 312.003. The information in the custody of the City of Tomball after the agreement is executed will be treated as confidential to the extent allowed by law.

SECTION 12: SUNSET PROVISION

These GUIDELINES AND CRITERIA are effective upon the date of their adoption and will remain in force for two (2) years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the Tomball City Council to determine whether the goals have been achieved. Based on that review, the GUIDELINES AND CRITERIA will be modified, renewed or eliminated.

CITY OF TOMBALL TAX ABATEMENT POLICY ~~AUGUST 8, 2018~~ ~~AUGUST 6,~~

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Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Approve Request by The Tomball Rotary Club for City Support and In-Kind Services for the Big Show at the Depot & 51st Anniversary Fish Fry at the Tomball Depot, to be Held on Saturday, November 7, 2020, from 4:00 p.m. to 9:00 p.m.

Background:

Big Show at the Depot & 51st Anniversary Fish Fry Overview

For 51 years, the Tomball Rotary Club has held our annual Fish Fry supporting the Rotary Club's efforts to provide scholarships for local students and grants for local charities, and fund various service projects in which Rotarians participate throughout the year. The event has always included a fish dinner, musical entertainment, and our annual Gold Ticket raffle which features a Grand Prize that is typically a car/truck.

This year, in celebration of our 51st year of providing this family-oriented event, and in an effort to increase our fundraising capabilities, we are augmenting our event to include an expanded concert over previous years' entertainment. To facilitate the event, we've expanded the time to open our gates at 3 p.m. (music to begin at 4 p.m.) and stop our event at our around 9:30 p.m. (published time 9 p.m.).

This year's theme has been titled **The Big Show at the Depot** to express our updated format.

Entertainment

The Big Show at the Depot is featuring an entertainment lineup that is central to the event rather than a side benefit. We have booked two musical performers including: Roger Creager & Cory Morrow, Texas Country Music Legends.

The stage location will be where it was last year with City of Tomball requirements but we are anticipating that the best location is facing south within and along the northern perimeter along Market Street (backstage entrance would be close to the green room location, view would be most unobstructed by trees, etc).

Emcee

This year's event is hosted by KHOU-11 Great Day Houston co-host Cristina Kooker.

Food Options

As our gates are opening at 3 p.m. and our Fish Dinner is still being served beginning at 4 p.m., Main Street Crossing will provide beverage options (beer, wine, and non-alcoholic drinks).

Setup/Teardown

Stage and facility setup will begin late Friday evening and early Saturday morning. Perimeter fence, sound and light crews, and food trucks will begin to setup later Saturday morning, along with Rotary event staff. Teardown of all will begin Saturday night after event has ended, and continue Sunday morning as required.

Parking

Free remote parking will be available at/near HCA Healthcare Houston Tomball Hospital, and transportation shuttles will provide transportation to/from event main gate (located on Walnut St/Market St area). Shuttles will run from 12:30 p.m. until 30 minutes after concert has ended (or when last guest is transported).

Emergency & Security Services

We will determine the appropriate number of personnel with City of Tomball at our various planning meetings and pay for uniformed law enforcement officers for security, as well as EMS and/or TFD for emergency first aid needs.

Restrooms & Sanitation

We will determine (with City of Tomball) appropriate expectations for restroom facilities (in addition to Depot restrooms) and secure rental facilities to park within event barrier for patrons' needs. We will also work with City of Tomball Public Works to determine final count and position of waste disposal/recycling collection. Rotary event staff will be available as volunteers to assist City Public Works with debris collection and waste disposal as necessary.

Ticketing

All ticketholders will be directed to our Ticket Booth by our main point of entry to exchange tickets for wrist bands allowing unlimited entry/re-entry. Kids under 12 will be admitted FREE when accompanied by a paid ticket-holding parent. For security, event containment, and access control, there will be a perimeter fence with controlled gate access for security and ticket value purposes, that essentially borders the event site (from railroad at Market Street, southwest to corner of Market & Walnut St, turning southeast down Walnut St to Fannin St, turning Northeast along Fannin St back to the railroad, with a service entrance (for other vendors) at Depot St, and vendor/staff parking on Fannin St near the railroad.

The main gate will be located somewhere near the corner of Market St and Walnut St (depending upon final site planning with city) most likely along Walnut St near the fountain/splash pad area. Side re-entry gates will be located at two locations (one near the depot on Market St, and another near the gazebo along Fannin St). All gates will be staffed with Rotary event staff checking for wristbands and assisted by a uniformed officer within sight.

Kids Activities

There will be an inflatable kids' play area where younger guests may play during musical acts. Security will be placed nearby for keeping watch on children's areas in addition to signage asking parents to watch children at play.

Seating

Concert patrons will be encouraged to bring personal lawn chairs for seating. There will be one tent with table/chair seating to accommodate some guests.

Expectations of Crowd/Economic Impact

We expect to sell approximately 3,000-4,000 tickets for our event. Anyone who walks up to the event who wish to buy a ticket may do so and enter. For those who attend only a portion of our event or those who walk up but do not wish to purchase a ticket, we will direct them to depot-area restaurants for dinner or music-listening options. We will require that Market St running northeast from Walnut St to Elm St and around the corner to the alley entrance be blocked to vehicle traffic; also Walnut St from Market St running south to Fannin St; and Fannin St from Walnut St running northeast to the end, creating a pedestrian perimeter around the event. We have partnered with Main Street Crossing to help facilitate alcohol service and online ticket sales for our event, in addition to providing green room setup and facilitation of our acts awaiting their turn on stage.

Our goal is to attempt to partner with as many local and depot-area businesses as possible for any/all services we are providing our guests. After all, it's about building a community event! We anticipate many concert-goers will visit local establishments around the Depot area, before, during, and after the concert (Fire Ant Brewing, The Empty Glass, Ever-Bellies, Nonnie's, Market Street Café, etc).

Origination:

Denise Fiore

Recommendation:

Approve

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

Denise Fiore

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Big Show at Depot Proposal

Rotary Map

Big Show at the Depot Application

Big Show at the Depot & 51st Anniversary Fish Fry Overview

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Expectations of Crowd/Economic Impact

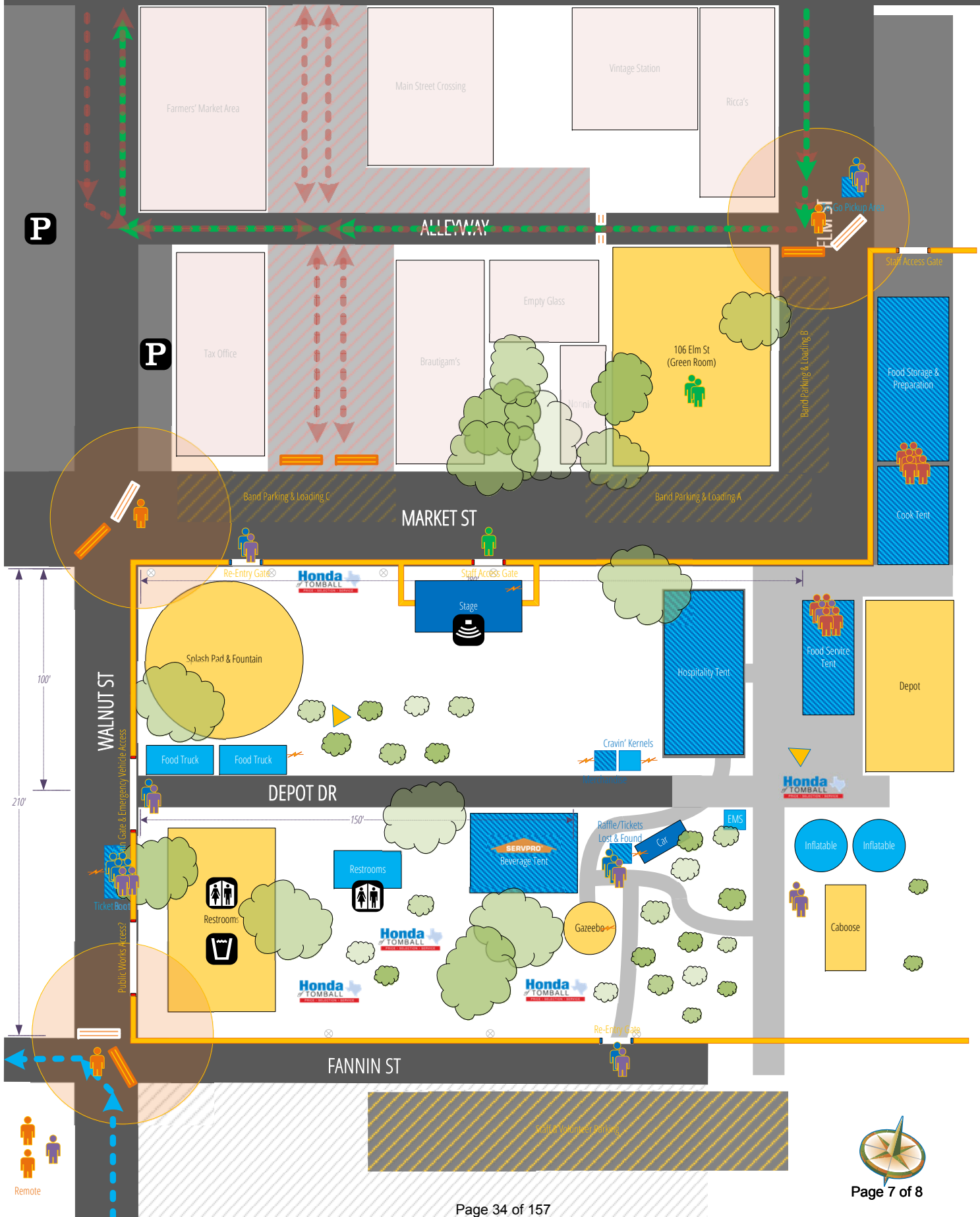
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MAIN ST (FM 2920)





SPECIAL EVENT APPLICATION

CITY OF TOMBALL, TEXAS | 401 Market Street | Tomball, Texas 77375 | 281-351-5484

An application to stage an event within the City of Tomball shall be filed with the Community Events Coordinator at least 180 days prior to the event. This application is not to be construed as authorizing or agreeing to any event until formally approved by Tomball City Council.

Date: 1/14/20 Is this event Co-City sponsored? Yes ☐ No ☒

Request for permission to use a public venue for the following type of event (please check one):

Festival ☐ Community Event ☐ Arts & Crafts Event ☐ Music Event ☒ Other (specify) ☐

1. Event title: Big Show at the Depot + Fish Fry
2. Sponsoring entity: Tomball Rotary Club
3. Is this organization based in Tomball: Yes ☒ No ☐
4. Is this organization non-profit ☒ or for-profit ☐ *Attach 501 (c) (3) tax exemption if applicable
5. Contact: Russel Blue or Catey Baillio Phone: 281-755-9978 or 832-205-0207
6. Contact address: PO Box 594 Tomball, TX 77377
7. Contact email: russelblue@yahoo.com + catey@sttomball.com
8. Event date: 4/18/20
9. Event times: Start 4pm Finish 9pm Set-up 4/17-4/18 Breakdown after 9pm
10. Is this event for charity? Yes ☒ No ☐
11. If yes, what charity? Tomball Rotary Club Tax ID 27-4719115
12. If yes, what percentage of net proceeds will be donated to the charity?
13. On-site contact: Catey Baillio Mobile Phone: 832-205-0207
14. Estimated number of attendees: 2500-3000
15. Detailed site map in attached: Yes ☒ No ☐
16. Is this event open to the public: Yes ☒ No ☐
17. Admission fee: \$ 50 Free ☐
18. Time at which event staff will begin to arrive: 7am
19. The applicant will defend and hold harmless the City of Tomball from all claims, demands, actions or causes of action, of whatsoever nature or character, arising out of or by reason of the conduct of the activity authorized by such application including attorney fees and expenses.
Initial CB
20. The applicant will provide proof of general liability insurance for the event naming the City of Tomball as additional insured.
Initial CB
21. Name of insurance carrier: Lexington Insurance Co.
22. Organization has secured date with the Public Works Dept. and has paid deposit. NO

Signature: [Signature]

FOR OFFICIAL USE - Fee required: Yes ☐ No ☐ Amount Due: \$

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Approve Resolution No. 2020-17, a Resolution of the City Council of the City of Tomball, Texas, Approving the First Amendment to the Development Agreement relating to the Raburn Reserve Public Improvement District Project

Background:

Resolution No. 2019-40, approved by City Council on October 7, 2019, approved a Development Agreement relating to the Raburn Reserve Public Improvement District Project (TPID 10).

Resolution 2020-17 amends the previously approved Development Agreement by amending the Phase A Public Improvement Financing Date to be no later than November 1, 2020. The "Phase A Public Improvement Financing Date" means the date the City approves a bond purchase agreement and sells the first series of PID Bonds for Phase A of the Property. The original date was set to no later than March 1, 2020.

Origination:

HT Raburn Reserve Development L.P.

Recommendation:

Approve Resolution No. 2020-17

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

Craig T. Meyers, Community Development Director

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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ATTACHMENTS:

Resolution 2020-17

RESOLUTION NO. 2020-17

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TOMBALL, TEXAS APPROVING THE FIRST AMENDMENT TO THE
DEVELOPMENT AGREEMENT RELATING TO THE RABURN
RESERVE PUBLIC IMPROVEMENT DISTRICT PROJECT**

* * * * *

WHEREAS, Hines Acquisitions, LLC a Texas limited liability company (the “Developer”) plans to develop, in phases, approximately 105 acres of real property within the City of Tomball (the “Property”); and

WHEREAS, in order to finance the Public Improvements, the City Council created a public improvement district (the “PID”) coterminous with the boundaries of the Property in accordance with Chapter 372, Texas Local Government Code, as amended; and

WHEREAS, the City and the Developer desire to amend the development agreement (the “Development Agreement”) that sets forth the agreement between the parties with respect to development of the Property, the Public Improvements and the levy of assessments in the PID;

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

SECTION 1. The recitals set forth in the preamble of this Resolution are true and correct in all material respects.

SECTION 2. The City Council of the City approves the first amendment of the Development Agreement by and between the City and the Developer in substantially the form attached hereto as Exhibit A, with such changes as may be approved by the City Manager, and the City Manager is hereby authorized to execute such Development Agreement and the City Secretary may attest such signature.

SECTION 3. It is hereby found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

PRESENTED AND PASSED on this the ____ day of _____, 2020, by a vote of __ayes
and __ nays at a regular meeting of the City Council of the City of Tomball, Texas.

Gretchen Fagan
Mayor

ATTEST:

Doris Speer
City Secretary

EXHIBIT A

FIRST AMENDMENT TO RABURN RESERVE DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO RABURN RESERVE DEVELOPMENT AGREEMENT (this “First Amendment”) is made by and between the City of Tomball, Texas, a Texas home-rule municipality (the “City”) and HT Raburn Reserve Development L.P., a Texas limited partnership (the “Developer”) to be effective _____, 2020 (the “Effective Date”).

RECITALS:

WHEREAS, the City and Developer are sometimes individually referred to as a “Party” and collectively as the “Parties”; and

WHEREAS, the City and the Developer entered into that certain Raburn Reserve Development Agreement (the “Agreement”) relating to the development of certain real property within the corporate limits of the City; and

WHEREAS, the recitals contained in this First Amendment: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this First Amendment; and (c) reflect the final intent of the Parties with regard to the subject matter of this First Amendment; and

WHEREAS, the Parties acknowledge and agree that, except to the extent amended herein, all provisions and terms contained in the Agreement remain in full force and effect; and

WHEREAS, the City Council passed and approved the Agreement on October 7, 2019; and

WHEREAS, the Parties desire to amend the Agreement again as set forth herein; and

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this First Amendment, and for good and valuable consideration the receipt and adequacy of which are acknowledged and agreed, the Parties agree as follows:

1. Defined Terms. All capitalized terms used in this First Amendment, to the extent not otherwise expressly defined herein, shall have the meanings ascribed to them in the Agreement.

2. Amendment to Definition of Public Improvement Financing Date. The definition of Phase A Public Improvement Financing Date on Page 5 of the Agreement shall be amended again to read as follows:

“Phase A Public Improvement Financing Date” means the date the City approves a bond purchase agreement and sells the first series of PID Bonds for Phase A of the Property, such date to be no later than November 1, 2020 for Phase A, which date may be extended by written agreement of the Developer and the City.”

3. Miscellaneous.

(a) This First Amendment amends the Agreement in no other manner except as expressly set forth herein. Except as amended herein, the terms, provisions, agreements, covenants and conditions of the Agreement shall continue in full force and effect. In the event of a conflict between this First Amendment and the Agreement, the terms of this First Amendment shall control.

(b) This First Amendment together with the Agreement shall constitute the entire agreement between the Parties and supersedes all prior agreements and understandings, whether oral or written, concerning the subject matter of this First Amendment and the Agreement. This First Amendment and the Agreement shall not be modified or amended except in writing signed by the Parties.

(c) If any provision of this First Amendment is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this First Amendment; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the Parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this First Amendment shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

(d) This First Amendment may be executed in one (1) or more counterparts, each of which when taken together shall constitute one and the same instrument.

(e) The City represents and warrants that the individual executing this First Amendment on behalf of the City has been duly authorized to do so. Developer represents and warrants that this First Amendment has been approved by appropriate action of Developer, and that each individual executing this First Amendment on behalf of Developer has been duly authorized to do so.

[SIGNATURES TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the Effective Date.

HT RABURN RESERVE DEVELOPMENT LP

By: HT Raburn Reserve Development LLC, its general partner

By: HT Raburn Reserve LP, its sole member

By: Hines Raburn Reserve LLC, its general partner

By: Hines Raburn Reserve Associates LP, its sole member

By: Hines Investment Management Holdings Limited Partnership,
its general partner

By: HIMH GP LLC, its general partner

By: Hines Real Estate Holdings Limited
Partnership, its sole member

By: JCH Investments, Inc.,
its general partner

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2020 by _____, as _____, a Texas partnership on behalf of said company.

Notary Public, State of Texas

CITY OF TOMBALL

By: _____

Name: _____

Title: City Manager

ATTEST:

City Secretary

Regular City Council
Agenda Item
Data Sheet

Meeting Date: June 15, 2020

Topic:
Discussion and Possible Action regarding Chesmar Homes' Bonded Public Improvement District Proposal (TPID 11)

Background:
Chesmar Homes is pursuing an approximate 95 acre development between Theis Lane and Holderrieth Road, to the west of the M121 West Drainage Channel. As part of their due diligence, they are seeking City Council feedback and possible action on their bonded Public Improvement District proposal.

Origination:
Chesmar Homes, LLC

Recommendation:

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

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Chesmar PID Presentation

Wood Leaf Reserve A Subdivision of 95 Acres In Tomball, TX

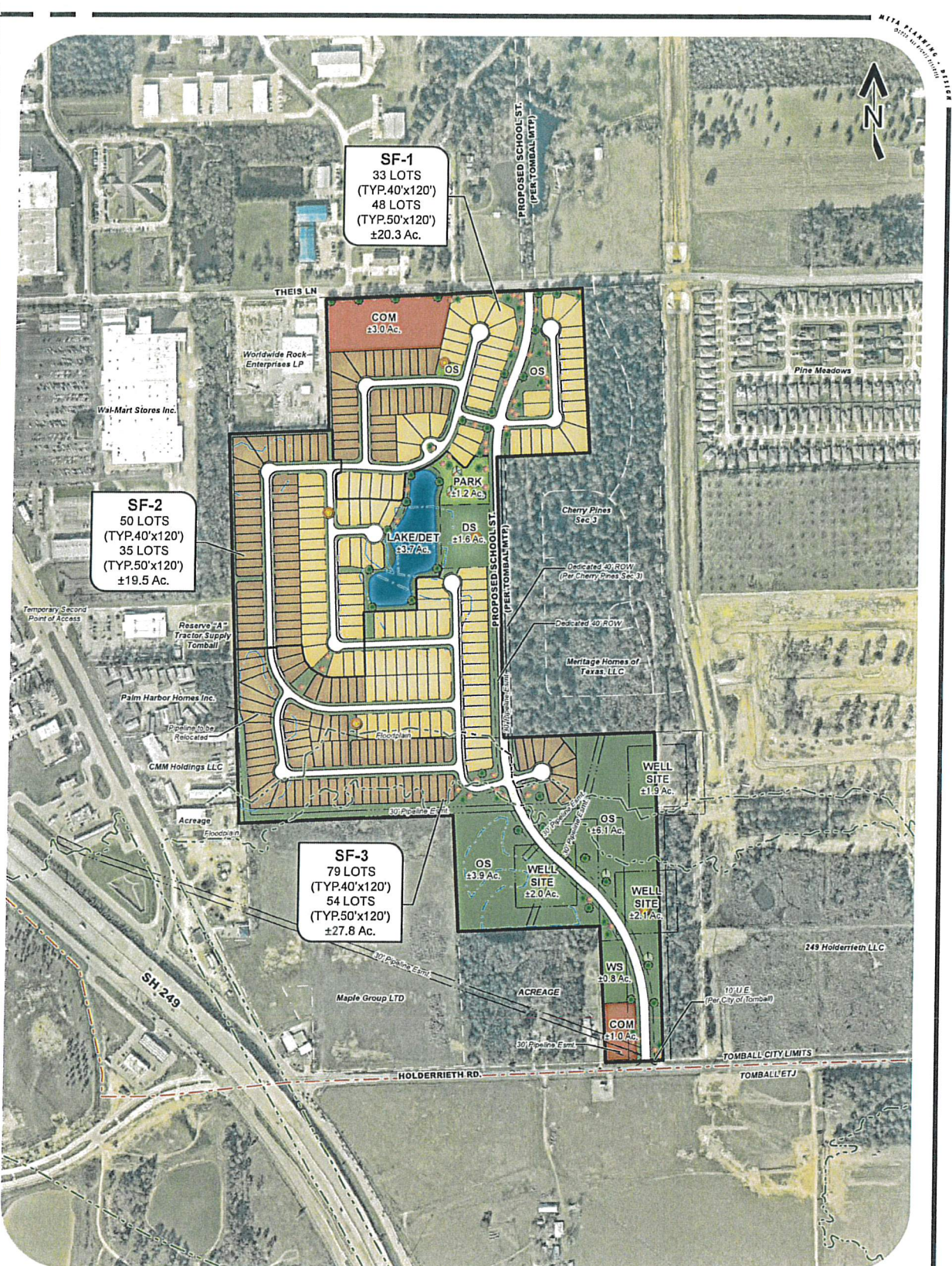
Chesmar Homes, LLC. is proposing the creation of a bonded Public Improvement District ("PID") to assist in the financing of the development of 95 Acres located between Theiss Lane and Holdereith Road in the City of Tomball, Texas.

The proposed PID will be created within the following parameters:

Issuer:	City of Tomball, Texas (the "City")
Not to Exceed Par Amount:	\$8,000,000 in aggregate bond par
Equivalent Tax Rate:	Projected at 0.70 but not to exceed 0.80 per \$100 of finished home value and fixed thereafter
Bond Issuance Structure:	Phased over time, approximately two (2) bond issues for water, sewer and paving public infrastructure.
Bond Amortization:	30 years from individual bond delivery date of the first improvement area
Bond Call Feature	10-year par call from date of issuance
Bond Denominations:	\$100,000
Bond Restrictions:	Offered only to Institutional or Accredited Investors
Capitalized Interest:	Not to exceed 36 months on each bond issue
Debt Service Reserve Fund:	Fully funded, reasonably required debt service fund (typically 100% max annual)
Estimated Bond Value to Lien:	3:1 upon initial debt to lot value, with remaining leverage applied to reimbursement agreement which will later be monetized through "B" bond
Projected 30 yr Annual Installment:	40' Lot \$1,750 50' Lot \$1,925
Authorizing Code:	Chapter 372, Texas Local Government Code

Project Summary: As delineated on the following land plan for the project, the 95 acres will be subdivided into:

162	40 x 120 SF Residential Lots
137	50 x 120 SF Residential Lots
4.0	Acres Commercial Use (not included in PID)
5.9	Acres of Detention (if offsite detention not available)
11	Acres Open Space
3.7	Acres Amenity Lake (Detention if needed)
1.2	Acres Park Space



LOT SUMMARY

40'x120'	162 LOTS	54%
50'x120'	137 LOTS	46%

TOTAL 299 LOTS

POSSIBLE WETLANDS

APPROXIMATE WELL LOCATION

a schematic development plan for
HOLDERRIETH TRACT
 ±95.4 ACRES OF LAND
 prepared for
CHESMAR HOMES



24275 Katy Freeway, Ste. 200
 Katy, Texas 77494
 Tel: 281-810-1422

SCALE
 0 100 200 300

MTA-62001
 MAY 28, 2020

THIS DRAWING IS A GRAPHIC REPRESENTATION FOR PRESENTATION PURPOSES ONLY AND IS NOT FOR CONSTRUCTION OR CONSTRUCTION PURPOSES. SAID DRAWING IS A SCANNED IMAGE ONLY AND IS SUBJECT TO CHANGE WITHOUT NOTICE. META PLANNING + DESIGN MAY OR MAY NOT INTEGRATE ADDITIONAL INFORMATION PROVIDED BY OTHER CONSULTANTS INCLUDING BUT NOT LIMITED TO THE TOPICS OF ENGINEERING AND DRAINAGE, FLOODPLAIN, AND/OR ENVIRONMENTAL ISSUES AS THEY RELATE TO THIS DRAWING. NO WARRANTIES, EXPRESSED OR IMPLIED, CONCERNING THE PHYSICAL DESIGN, LOCATION, AND CHARACTER OF THE FACILITIES SHOWN ON THIS MAP ARE INTENDED. ADDITIONALLY, NO WARRANTY IS MADE TO THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.

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Developer / Builder: Chesmar Homes, LLC., a Texas Limited Liability Company, was founded in Houston in 2005 and currently has ongoing operations in Houston, San Antonio, Austin and Dallas. In 2019 Chesmar had over 1,500 sales across the four markets and has become a top 20 builder in the Houston market with over 700 sales and 600 closings in 2019.

Chesmar is currently building in 20 communities in the Houston area including the master-planned communities of Woodforest, Northgrove, The Groves, Sienna Plantation, Bridgeland, Harmony Village, and Cross Creek Ranch.

Other Builders: TBD

Chesmar Product: The proposed product lines for Wood Leaf Reserve are Chesmar's 4500 Series (The Metro Collection) built on 40 x 120 Lots and the 3700 Series (The Americana) built on 50 x 120 Lots with projected average sales prices of \$250,000 and \$275,000 respectively.

The 4500 Series is a 30 ft slab with plans from 1,518 SF to 2,630 SF while the 3700 Series features 35 and 40 wide slabs from 1,760 SF to 2,662 SF. Both series are built to the Environments for Living® Diamond and Certified Green Standards with Heating and Cooling Energy Use and Comfort Guarantee, Double-pane LoE insulated vinyl windows, tech shield, full sod in front and back yard, covered porch options, granite counter tops, satin nickel designer light fixtures and GE appliances.

4500 Series
(40' Lot)
Plan 4552 – San Francisco



Master-Planned Communities

- Elyson
- The Groves
- Dellrose
- NorthGrove
- Woodforest

Collection Highlights

- 5' garage storage option
- Covered porches and patios
- Two-story family rooms
- Oversized closets
- Carved niches



3700 Series
(50' Lot)
Plan 3770 – Pendleton



Master-Planned Communities

- Sienna
- Meridiana
- Elyson
- Cross Creek Ranch
- Jordan Ranch
- Lago Mar

Collection Highlights

- 5' garage storage option
- 3-car garage option
- Covered porches and patios
- Raised ceilings
- Designer finishes
- Oversized closets



Public Improvement District:

For Wood Leaf Reserve to be financially feasible, Chesmar is proposing the creation of a Bonded Public Improvement District. Of the items that PID Project proceeds may fund, the following items are those that may be considered eligible in the development of Wood Leaf Reserve:

- Landscaping
- Fountains, Distinctive Lighting and signs
- Acquiring, constructing, improving, widening, narrowing, or rerouting sidewalks, streets/roadways or rights-of-way
- Acquisition, construction, or improvements of water, wastewater or drainage improvements
- Establishment or improvement of parks
- Acquisition, by purchase or otherwise, of real property in connection with an authorized improvement
- Special supplemental services for improvement and promotion of the district
- Payment of expenses incurred in the establishment, administration and operation of the district.

As reflected in the following summary of Development Costs, Chesmar will only be seeking PID financing of just over half of the eligible costs in order to keep the equivalent tax rate at or around 0.70 per \$100 of the projected home values in the community.

With a PID assessment that is equivalent to 0.70, the tax rate for residents of Wood Leaf Reserve is expected to be an estimated total tax burden of 3.15 per \$100 of assessed value which will be very competitive compared to the immediate market area.

26	TOMBALL ISD	1.2900
40	HARRIS COUNTY	0.4071
41	HARRIS CO FLOOD CNTRL	0.0279
42	PORT OF HOUSTON AUTHY	0.0107
43	HARRIS CO HOSP DIST	0.1659
44	HARRIS CO EDUC DEPT	0.0050
45	LONE STAR COLLEGE SYS	0.1078
83	CITY OF TOMBALL	0.3415
679	HC EMERG SERV DIST 8	0.0967
	PID EQUIVALENT TAX RATE	0.7000
	PROJECTED TOTAL	3.1527

Wood Leaf Reserve
A Proposed Subdivision of 95 Acres
in Tomball, TX.

Estimated Project Development Cost

Description			Total Cost	Proposed PID Funding
	Acres		95.00	
	40s		166	
	50s		132	
Estimated Development Costs				
Soft Cost:				
General Plan	7,500	1 LS	7,500	
Preliminary Plat	10,000	4 Sections	40,000	
Final Plat and Recordation	15,000	4 Sections	60,000	
Drainage Study	25,000	1 LS	25,000	25,000
Detention Engineering			177,525	177,525
WS&D Engineering			546,540	546,540
Paving Engineering			454,380	454,380
Surveying / Topo			20,000	
Geotechnical Investigation			20,000	
Development Fee	1,000	298 Lots	298,000	
Permits / Impact Fees	7,700	45 Acres	346,500	
Interest			0	
Property Taxes			577,686	
HOA Advances			30,000	
Legal Fees			15,000	
LOC Fees / Road Bond			0	
Subtotal - Soft Cost			\$ 2,618,131	\$ 1,203,445
Hard Cost:				
Site Work		0	0	
Environmental		50,000	50,000	
Clearing & Grubbing	4,105	2,053	390,000	390,000
Detention Pond	8,353	3,581	793,500	793,500
WS&D Construction	49,851	21,371	3,643,600	3,236,211
WWTP - MUD		0	0	
Lift Station - MUD		0	0	
Paving	41,445	17,767	3,029,200	
Construction Testing		0	122,514	
Lot Staking		100	29,800	
Lot Borings			22,350	
Gas / Electric		500	149,000	
Landscape & Irrigation		2,500	745,000	
Entry Monuments & Hardscape			0	
Parks & Rec Center			0	
Amenity Lake	150,000		150,000	
Site Maintenance / SWPPP		25,000	100,000	
Miscellaneous			40,000	
Cost Escalation			0	
Contingency			1,188,309	
PID Receivable				
Subtotal - Hard Cost			\$ 10,453,273	\$ 4,419,711
Total Acquisition and Development			\$ 18,137,704	\$ 5,623,156
Cost per Lot			\$ 60,865	\$ 18,870
Eligible for PID Funding			\$ 9,059,745	\$ 5,623,156

Items Eligible for Reimbursement by PID. Actual funding for each item will be adjusted based on the actual cost and will total the full amount of project funds generated by the PID within the project parameters for assessments and equivalent tax rate.

PID Proforma for Woods Leaf Reserve:

The attached presentation was prepared by FMSbonds, Inc. within the project parameters discussed above. In summary the projections provide for two bond sales with total Bond Par Value totaling \$7,170,000 amortized over 30 years of which \$5,623,156 is available for the Project Fund.

Exhibit 1

Overview of Preliminary PID Bond Structure

City of Tomball, Texas
Special Assessment Revenue Bonds
(Theis Road Public Improvement District)

Estimated Sources and Uses of Funds ¹

Estimated Delivery Date	11/30/2020	3/31/2023
SOURCES OF FUNDS		
Bond Par		
Total Sources of Funds	Improvement Area #1 Bonds \$ 4,365,000.00 \$ 4,365,000.00	Improvement Area #1-B Bonds \$ 2,805,000.00 \$ 2,805,000.00
		Total
		\$ 7,170,000.00
		\$ 7,170,000.00
USES OF FUNDS		
Project Fund		
Capitalized Interest Fund ²	\$ 3,263,356.25	\$ 5,623,156.25
Debt Service Reserve Fund ³	382,543.75	382,543.75
Costs of Issuance Fund ⁴	296,250.00	489,000.00
Underwriter's Discount	261,900.00	430,200.00
Underwriter's Counsel Fee	87,300.00	143,400.00
Administrative Fund ⁵	43,650.00	71,700.00
	30,000.00	30,000.00
Total Uses of Funds	\$ 4,365,000.00	\$ 2,805,000.00

Notes:

1. Preliminary and subject to change. Rates based on current market conditions and estimated credit spreads. No assumptions have been made regarding future interest rates. All rates are for discussion purposes only and are preliminary and subject to change.
2. Capitalized interest through September 1, 2022. No capitalized interest on the "B" bond.
3. Assumes 100% of maximum annual debt service for both bonds.
4. Estimated at 6.0% of bond par. Preliminary and subject to change.
5. Estimated and subject to City and PID Administrator review.

City of Tomball, Texas
Special Assessment Revenue Bonds
(Theis Road Public Improvement District)

Improvement Area Development Assumptions ¹

Lot Type	Number of Lots	Developer Lot Value	Appraisal Lot Value ²	Total Net Lot Value ³	Value to Lien Limit ⁴	Maximum Bond Par ⁵	Est. Home Value	Total Improvement Area Value	Equivalent Tax Rate ⁶	Maximum Annual Installment
Improvement Area #1										
40'	166	\$ 44,000	\$ 39,600	\$ 6,573,600	3.0 : 1.0	\$ 2,191,200	\$ 250,000	\$ 41,500,000	\$ 0.700000	\$ 290,500
50'	132	\$ 55,000	\$ 49,500	\$ 6,534,000	3.0 : 1.0	\$ 2,178,000	\$ 275,000	\$ 36,300,000	\$ 0.700000	\$ 254,100
Total / Average	298	\$ 48,872	\$ 43,985	\$ 13,107,600	3.0 : 1.0	\$ 4,369,200	\$ 261,074	\$ 77,800,000	\$ 0.700000	\$ 544,600

Notes:

1. Preliminary and subject to change. Lot and home numbers and pricing provided by the Developer.
2. Assumes a 10% discount to Developer lot values.
3. Based on appraisal lot value.
4. Value to Lien limit is subject to approval by the City.
5. Represents the limit of bond par that would be issued assuming the Value to Lien limit.
6. Subject to approval by the City.

City of Tomball, Texas
Special Assessment Revenue Bonds
(Theis Road Public Improvement District)

Financing Structure Assumptions ¹

Assumption Description	Improvement Area #1 Bond	Improvement Area #1-B Bond
Estimated Delivery Date ²	11/30/2020	3/31/2023
First Interest Payment Date	3/1/2021	9/1/2023
Capitalized Interest Through	9/1/2022	N/A
Maximum Effective Tax Rate	\$0.7000	\$0.7000
Value to Lien Threshold	3.0 : 1.0	3.0 : 1.0
Estimated Bond Rate ³	5.0000%	5.0000%
Debt Service Reserve Fund Sizing ⁴	100% MADS	100% MADS
Additional Interest Reserve Rate	0.500%	0.500%
Fund Additional Interest To ⁵	Continuous	Continuous
First Year PID Administrative Fee	\$30,000	N/A
Annual PID Administrative Fee Escalator	2.000%	N/A
Costs of Issuance	(% of Bond Par)	6.000%
Underwriter's Discount	(% of Bond Par)	2.000%
Underwriter's Counsel Fee	(% of Bond Par)	1.000%

Notes:

1. Preliminary and subject to change. Assumptions are for illustrative and discussion purposes only.
2. Delivery dates are estimated.
3. Rates based on current market conditions and estimated credit spreads. No assumptions have been made regarding future interest rates. All rates are for discussion and illustration purposes only and are subject to change.
4. Debt service reserve funds sized to 100% maximum annual debt service.
5. Traditional requirement is 5.5% of outstanding par value but assumed to continuously fund for modeling purposes.

Prepared By: FMSbonds, Inc.

City of Tomball, Texas
Special Assessment Revenue Bonds
(Theirs Road Public Improvement District)

Estimated Net Debt Service / Requirements - Improvement Area No. 1¹

Maturity	Maximum Annual Installments ²	Principal	Interest Rate ³	Interest	Debt Service	Capitalized Interest ⁴	Debt Service Reserve Fund ⁵	Net Debt Service ⁶	Additional Interest ⁷	PID Admin Fee ⁸	Net Annual Requirements ⁹	Remaining Annual Installments ¹⁰
9/1/2020	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9/1/2021	-	-	5.000%	164,294	164,294	(164,294)	-	-	-	-	-	-
9/1/2022	544,600	-	5.000%	218,250	218,250	(218,250)	-	-	21,825	30,600	52,425	492,175
9/1/2023	544,600	75,000	5.000%	218,250	218,250	-	-	293,250	21,825	31,212	346,287	198,313
9/1/2024	544,600	80,000	5.000%	214,500	294,500	-	-	294,500	21,450	31,836	347,786	196,814
9/1/2025	544,600	85,000	5.000%	210,500	295,500	-	-	295,500	21,050	32,473	349,023	195,577
9/1/2026	544,600	90,000	5.000%	206,250	296,250	-	-	296,250	20,625	33,122	349,997	194,603
9/1/2027	544,600	90,000	5.000%	201,750	291,750	-	-	291,750	20,175	33,785	345,710	198,890
9/1/2028	544,600	95,000	5.000%	197,250	292,250	-	-	292,250	19,725	34,461	346,436	198,164
9/1/2029	544,600	100,000	5.000%	192,500	292,500	-	-	292,500	19,250	35,150	346,900	197,700
9/1/2030	544,600	105,000	5.000%	187,500	292,500	-	-	292,500	18,750	35,853	347,103	197,497
9/1/2031	544,600	110,000	5.000%	182,250	292,250	-	-	292,250	18,225	36,570	347,045	197,555
9/1/2032	544,600	115,000	5.000%	176,750	291,750	-	-	291,750	17,675	37,301	346,726	197,874
9/1/2033	544,600	120,000	5.000%	171,000	291,000	-	-	291,000	17,100	38,047	346,147	198,453
9/1/2034	544,600	130,000	5.000%	165,000	295,000	-	-	295,000	16,500	38,808	350,308	194,292
9/1/2035	544,600	135,000	5.000%	158,500	293,500	-	-	293,500	15,850	39,584	348,934	195,666
9/1/2036	544,600	140,000	5.000%	151,750	291,750	-	-	291,750	15,175	40,376	347,301	197,299
9/1/2037	544,600	150,000	5.000%	144,750	294,750	-	-	294,750	14,475	41,184	350,409	194,191
9/1/2038	544,600	155,000	5.000%	137,250	292,250	-	-	292,250	13,725	42,007	347,982	196,618
9/1/2039	544,600	160,000	5.000%	129,500	289,500	-	-	289,500	12,950	42,847	345,297	199,303
9/1/2040	544,600	170,000	5.000%	121,500	291,500	-	-	291,500	12,150	43,704	347,354	197,246
9/1/2041	544,600	180,000	5.000%	113,000	293,000	-	-	293,000	11,300	44,578	348,878	195,722
9/1/2042	544,600	190,000	5.000%	104,000	294,000	-	-	294,000	10,400	45,470	349,870	194,730
9/1/2043	544,600	195,000	5.000%	94,500	289,500	-	-	289,500	9,450	46,379	345,329	199,271
9/1/2044	544,600	205,000	5.000%	84,750	289,750	-	-	289,750	8,475	47,307	345,532	199,068
9/1/2045	544,600	220,000	5.000%	74,500	294,500	-	-	294,500	7,450	48,253	350,203	194,397
9/1/2046	544,600	230,000	5.000%	63,500	293,500	-	-	293,500	6,350	49,218	349,068	195,532
9/1/2047	544,600	240,000	5.000%	52,000	292,000	-	-	292,000	5,200	50,203	347,403	197,197
9/1/2048	544,600	255,000	5.000%	40,000	295,000	-	-	295,000	4,000	51,207	350,207	194,393
9/1/2049	544,600	265,000	5.000%	27,250	292,250	-	-	292,250	2,725	52,231	347,206	197,394
9/1/2050	544,600	280,000	5.000%	14,000	294,000	-	(296,250)	(2,250)	1,400	53,275	348,675	195,925
	\$ 15,793,400	\$ 4,365,000		\$ 4,216,794	\$ 8,581,794	\$ (382,544)	\$ (296,250)	\$ 7,903,000	\$ 405,250	\$ 1,187,042	\$ 9,791,542	\$ 6,001,858

Notes:

- Preliminary and subject to change.
- Based on values provided by the Developer, assumes an equivalent tax rate of \$0.70 and is subject to approval by the City.
- Rates based on current market conditions and estimated credit spreads. All rates are for discussion and illustration purposes only and are preliminary and subject to change.
- Capitalized interest through 9/1/2022.
- Sized to 100% of maximum annual debt service.
- Net of capitalized interest and debt service reserve fund release at maturity.
- Assumes 0.50% of outstanding bond par. Sized as a continuous fund for conservative modeling purposes. Standard funding requirement is 5.5% of outstanding par value. No collections available for January 2021.
- Assumes 2.0% annual escalation factor. First year fee is paid at bond closing (See: Sources and Uses). No collections available for January 2021.
- Net of capitalized interest but does not include release of debt service reserve fund at maturity.
- Represents the residual of the maximum annual installments available at the maximum equivalent tax rate.

Prepared By: FMSBonds, Inc.

City of Tomball, Texas
Special Assessment Revenue Bonds
(This Road Public Improvement District)

Estimated Net Debt Service / Requirements - Improvement Area No. 1-B¹

Maturity	IA1 Remaining Annual Installments ²	Principal	Interest Rate ³	Interest	Debt Service	Capitalized Interest ⁴	Debt Service Reserve Fund ⁵	Net Debt Service ⁶	Additional Interest ⁷	PID Admin Fee ⁸	Net Annual Requirements ⁹	Remaining Annual Installments ^{9,10}
9/1/2020	-	-	-	-	-	-	-	-	-	-	-	-
9/1/2021	-	-	-	-	-	-	-	-	-	-	-	-
9/1/2022	-	-	-	-	-	-	-	-	-	-	-	-
9/1/2023	\$ 198,313	\$ 120,000	5.000%	\$ 58,827	\$ 178,827	\$ -	\$ -	\$ 178,827	\$ 14,025	\$ -	\$ 192,852	\$ 5,461
9/1/2024	196,814	45,000	5.000%	134,250	179,250	-	-	179,250	13,425	-	192,675	4,139
9/1/2025	195,577	45,000	5.000%	132,000	177,000	-	-	177,000	13,200	-	190,200	5,377
9/1/2026	194,603	50,000	5.000%	129,750	179,750	-	-	179,750	12,975	-	192,725	1,878
9/1/2027	198,890	55,000	5.000%	127,250	182,250	-	-	182,250	12,725	-	194,975	3,915
9/1/2028	198,164	60,000	5.000%	124,500	184,500	-	-	184,500	12,450	-	196,950	1,214
9/1/2029	197,700	60,000	5.000%	121,500	181,500	-	-	181,500	12,150	-	193,650	4,050
9/1/2030	197,497	65,000	5.000%	118,500	183,500	-	-	183,500	11,850	-	195,350	2,147
9/1/2031	197,555	70,000	5.000%	115,250	185,250	-	-	185,250	11,525	-	196,775	780
9/1/2032	197,874	70,000	5.000%	111,750	181,750	-	-	181,750	11,175	-	192,925	4,949
9/1/2033	198,453	75,000	5.000%	108,250	183,250	-	-	183,250	10,825	-	194,075	4,378
9/1/2034	194,292	75,000	5.000%	104,500	179,500	-	-	179,500	10,450	-	189,950	4,342
9/1/2035	195,666	80,000	5.000%	100,750	180,750	-	-	180,750	10,075	-	190,825	4,841
9/1/2036	197,299	85,000	5.000%	96,750	181,750	-	-	181,750	9,675	-	191,425	5,874
9/1/2037	194,191	90,000	5.000%	92,500	182,500	-	-	182,500	9,250	-	191,750	2,441
9/1/2038	196,618	95,000	5.000%	88,000	183,000	-	-	183,000	8,800	-	191,800	4,818
9/1/2039	199,303	105,000	5.000%	83,250	188,250	-	-	188,250	8,325	-	196,575	2,728
9/1/2040	197,246	110,000	5.000%	78,000	188,000	-	-	188,000	7,800	-	195,800	1,446
9/1/2041	195,722	110,000	5.000%	72,500	182,500	-	-	182,500	7,250	-	189,750	5,972
9/1/2042	194,730	120,000	5.000%	67,000	187,000	-	-	187,000	6,700	-	193,700	1,030
9/1/2043	199,271	130,000	5.000%	61,000	191,000	-	-	191,000	6,100	-	197,100	2,171
9/1/2044	199,068	135,000	5.000%	54,500	189,500	-	-	189,500	5,450	-	194,950	4,118
9/1/2045	194,397	140,000	5.000%	47,750	187,750	-	-	187,750	4,775	-	192,525	1,872
9/1/2046	195,532	145,000	5.000%	40,750	185,750	-	-	185,750	4,075	-	189,825	5,707
9/1/2047	197,197	155,000	5.000%	33,500	188,500	-	-	188,500	3,350	-	191,850	5,347
9/1/2048	194,393	160,000	5.000%	25,750	185,750	-	-	185,750	2,575	-	188,325	6,068
9/1/2049	197,394	175,000	5.000%	17,750	192,750	-	-	192,750	1,775	-	194,525	2,869
9/1/2050	195,925	180,000	5.000%	9,000	189,000	-	(192,750)	(3,750)	900	-	189,900	6,025
	\$ 5,509,683	\$ 2,805,000		\$ 2,355,077	\$ 5,160,077	\$ -	\$ (192,750)	\$ 4,967,327	\$ 243,650	\$ -	\$ 5,403,727	\$ 105,956

Notes:

- Preliminary and subject to change.
- Represents the residual of the maximum annual installments available at the maximum equivalent tax rate, net of Improvement Area No 1 bond requirements.
- Rates based on current market conditions and estimated credit spreads. All rates are for discussion and illustration purposes only and are preliminary and subject to change.
- No capitalized interest on the "B" bond.
- Sized to 100% of maximum annual debt service.
- Net of debt service reserve fund release at maturity.
- Assumes 0.50% of outstanding bond par. Sized as a continuous fund for conservative modeling purposes. Standard funding requirement is 5.5% of outstanding par value.
- Administrative expenses are covered by the original bond offering.
- Does not include release of debt service reserve fund at maturity.
- For bond sizing only. The issuance of the "B" bond extinguishes the reimbursement agreement.

Prepared By: FMSbonds, Inc.

City of Tomball, Texas
Special Assessment Revenue Bonds
(This Road Public Improvement District)

Estimated Absorption and District Value ¹

Period	40' Lot Deliveries @ \$44,000	50' Lot Deliveries @ \$55,000	Total Lot Value Added	40' Home Completions ² @ \$250,000	50' Home Completions ² @ \$275,000	Total Net Home Value Added ³	Cumulative Development Value	Max Bond Par Based on 3:1 Y/L ⁴
1/31/2021	-	-	-	-	-	-	-	-
2/28/2021	-	-	-	-	-	-	-	-
3/31/2021	-	-	-	-	-	-	-	-
4/30/2021	-	-	-	-	-	-	-	-
5/31/2021	-	-	-	-	-	-	-	-
6/30/2021	-	-	-	-	-	-	-	-
7/31/2021	3	2	242,000	-	-	-	242,000	80,667
8/31/2021	3	2	242,000	-	-	-	484,000	161,333
9/30/2021	3	3	397,000	-	-	-	781,000	260,333
10/31/2021	3	2	242,000	-	-	-	1,023,000	341,000
11/30/2021	3	2	242,000	-	-	-	1,265,000	421,667
12/31/2021	3	3	397,000	-	-	-	1,562,000	520,667
1/31/2022	3	2	242,000	3	2	1,058,000	2,862,000	954,000
2/28/2022	3	2	242,000	3	2	1,058,000	4,162,000	1,387,333
3/31/2022	3	3	397,000	3	3	1,278,000	5,462,000	1,912,333
4/30/2022	3	2	242,000	3	2	1,058,000	6,762,000	2,345,667
5/31/2022	3	2	242,000	3	2	1,058,000	8,062,000	2,779,000
6/30/2022	3	3	397,000	3	3	1,278,000	9,362,000	3,212,333
7/31/2022	3	2	242,000	3	2	1,058,000	10,662,000	3,645,667
8/31/2022	3	3	397,000	3	3	1,278,000	11,962,000	4,079,000
9/30/2022	3	2	242,000	3	2	1,058,000	13,262,000	4,512,333
10/31/2022	3	3	397,000	3	3	1,278,000	14,562,000	4,945,667
11/30/2022	3	2	242,000	3	2	1,058,000	15,862,000	5,379,000
12/31/2022	3	3	397,000	3	3	1,278,000	17,162,000	5,812,333
1/31/2023	3	2	242,000	3	2	1,058,000	18,462,000	6,245,667
2/28/2023	3	3	397,000	3	3	1,278,000	19,762,000	6,679,000
3/31/2023	3	2	242,000	3	2	1,058,000	21,062,000	7,112,333
4/30/2023	3	3	397,000	3	3	1,278,000	22,362,000	7,545,667
5/31/2023	3	2	242,000	3	2	1,058,000	23,662,000	7,979,000
6/30/2023	3	3	397,000	3	3	1,278,000	24,962,000	8,412,333
7/31/2023	3	2	242,000	3	2	1,058,000	26,262,000	8,845,667
8/31/2023	3	3	397,000	3	3	1,278,000	27,562,000	9,279,000
9/30/2023	3	2	242,000	3	2	1,058,000	28,862,000	9,712,333
10/31/2023	3	3	397,000	3	3	1,278,000	30,162,000	10,145,667
11/30/2023	3	2	242,000	3	2	1,058,000	31,462,000	10,579,000
12/31/2023	3	3	397,000	3	3	1,278,000	32,762,000	11,012,333
1/31/2024	3	2	242,000	3	2	1,058,000	34,062,000	11,445,667
2/28/2024	3	3	397,000	3	3	1,278,000	35,362,000	11,879,000
3/31/2024	3	2	242,000	3	2	1,058,000	36,662,000	12,312,333
4/30/2024	3	3	397,000	3	3	1,278,000	37,962,000	12,745,667
5/31/2024	3	2	242,000	3	2	1,058,000	39,262,000	13,179,000
6/30/2024	3	3	397,000	3	3	1,278,000	40,562,000	13,612,333
7/31/2024	3	2	242,000	3	2	1,058,000	41,862,000	14,045,667
8/31/2024	3	3	397,000	3	3	1,278,000	43,162,000	14,479,000
9/30/2024	3	2	242,000	3	2	1,058,000	44,462,000	14,912,333
10/31/2024	3	3	397,000	3	3	1,278,000	45,762,000	15,345,667
11/30/2024	3	2	242,000	3	2	1,058,000	47,062,000	15,779,000
12/31/2024	3	3	397,000	3	3	1,278,000	48,362,000	16,212,333
1/31/2025	3	2	242,000	3	2	1,058,000	49,662,000	16,645,667
2/28/2025	3	3	397,000	3	3	1,278,000	50,962,000	17,079,000
3/31/2025	3	2	242,000	3	2	1,058,000	52,262,000	17,512,333
4/30/2025	3	3	397,000	3	3	1,278,000	53,562,000	17,945,667
5/31/2025	3	2	242,000	3	2	1,058,000	54,862,000	18,379,000
6/30/2025	3	3	397,000	3	3	1,278,000	56,162,000	18,812,333
7/31/2025	3	2	242,000	3	2	1,058,000	57,462,000	19,245,667
8/31/2025	3	3	397,000	3	3	1,278,000	58,762,000	19,679,000
9/30/2025	3	2	242,000	3	2	1,058,000	60,062,000	20,112,333
10/31/2025	3	3	397,000	3	3	1,278,000	61,362,000	20,545,667
11/30/2025	3	2	242,000	3	2	1,058,000	62,662,000	20,979,000
12/31/2025	3	3	397,000	3	3	1,278,000	63,962,000	21,412,333
1/31/2026	3	2	242,000	3	2	1,058,000	65,262,000	21,845,667
2/28/2026	3	3	397,000	3	3	1,278,000	66,562,000	22,279,000
3/31/2026	1	2	155,000	3	2	1,058,000	67,862,000	22,712,333
4/30/2026	-	-	-	3	3	1,278,000	69,162,000	23,145,667
5/31/2026	-	-	-	3	2	1,058,000	70,462,000	23,579,000
6/30/2026	-	-	-	3	3	1,278,000	71,762,000	24,012,333
7/31/2026	-	-	-	3	2	1,058,000	73,062,000	24,445,667
8/31/2026	-	-	-	3	3	1,278,000	74,362,000	24,879,000
9/30/2026	-	-	-	3	2	1,058,000	75,662,000	25,312,333
10/31/2026	-	-	-	3	3	1,278,000	76,962,000	25,745,667
11/30/2026	-	-	-	3	2	1,058,000	78,262,000	26,179,000
12/31/2026	-	-	-	3	3	1,278,000	79,562,000	26,612,333
Total	166	132	14,564,000	166	132	8,216,000	77,862,000	25,933,333

Notes:
1. Preliminary and subject to change. Lot and home numbers, pricing and absorption provided by the Developer.
2. Assumes homes are built approximately six months after lot deliveries.
3. Net of lot values.
4. Does not assume home value appreciation. Values and timing are estimated. For illustration purposes only and values are intended to highlight when the Improvement Area No. 1 "B" bond may be issued based on a 3:1 Value to Lien limit when including all outstanding bond par.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Receive the Tomball Economic Development Corporation (TEDC) 2019-2020 Annual Report

Background:

The Bylaws of the Tomball Economic Development Corporation (TEDC) require that an annual status report outlining the activities of the Corporation in carrying out its Strategic Work Plan be submitted to City Council for review.

In addition to the Annual Report, the TEDC is including an overview "By the Numbers" of the Corporation's impact over the past five years.

Origination:

Tomball Economic Development Corporation Board of Directors

Recommendation:

As per the TEDC Bylaws, this annual report is for review by the City Council. No action is required.

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation.

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

TEDC Annual Report 2019-2020

By the Numbers



2019-2020 ANNUAL REPORT

BOARD OF DIRECTORS



Gretchen Fagan, President
Mayor, City of Tomball



Steven Vaughan
Vice-President



William E. Sumner
Secretary



Richard Bruce
Treasurer



Chad Degges
Tomball City Council



Will Benson



Clete Jaeger

STAFF



Kelly Violette
CECd, PCED, AICP
Executive Director



Tiffani Wooten, CECD
Assistant Director



Tori Gleason
Administrative Assistant

The Tomball Economic Development Corporation (TEDC) is a non-profit organization formed in 1994, after citizen approval of the 4B Economic Development Tax. The TEDC is a legal entity with the statutory authority to spend economic development sales tax dollars. Tomball's total City sales tax rate is 2¢, with 0.5¢ allocated for the reduction in property tax and 0.5¢ allocated for economic development.

The Corporation is city-chartered and governed by a seven member, City Council appointed, board of directors. Annual sales tax revenue of the Corporation have grown steadily from approximately \$800,000 in the 1994-1995 fiscal year (first full year) to \$4 million currently.

The Corporation's funds are reinvested into the Tomball community as qualifying companies receive financial assistance in the form of cash grants to defray the costs of purchasing land, buildings, equipment, and improvements for relocation or expansion in the City of Tomball. The TEDC works to bring new, quality businesses and manufacturing to Tomball while still supporting the high-tech corporate industry and family owned and operated businesses. The Corporation's ultimate goal is to create primary jobs that infuse new dollars into the local economy by creating or selling products or services that are ultimately used locally or exported to regional, statewide, national, or international markets.

MISSION

To promote economic development in the City of Tomball through the attraction of new business and industry and the retention of existing businesses by providing the resources that enable and advance the general well-being of the community.

VISION

Tomball is the community of choice, providing opportunities for commercial and industrial development that enable business owners and residents to benefit from Tomball's dynamic economy, strong labor force, and unmatched living and working environment.

It is my pleasure to present to you, on behalf of the Board of Directors and staff of the Tomball Economic Development Corporation, our 2019-2020 Annual Report. The past year has been highlighted by growth, new ventures, and planning for future opportunities. Yet, our optimism is tempered by the sudden and unexpected challenges of COVID-19.

The economic disruption caused by COVID-19 has undoubtedly impacted our businesses, employees, and communities. Our staff has remained committed to serving local businesses by providing recommendations on new and untapped resources, business planning and technical assistance, and advocating for additional state and federal resources.

We immediately began collaborating with the Greater Tomball Area Chamber of Commerce, City of Tomball, and regional and state economic and workforce partners to ensure a quick flow of information during this rapidly evolving situation.

We created an aptly named website, www.TomballTogether.com, to deliver information and resources in a single location. We've utilized social media, electronic surveys, and newsletters to reach local businesses. We've assisted companies that have stepped up to address the shortages of hand sanitizer and personal protective equipment by providing locations, referrals, and contacts for business and job opportunities.

In addition to providing resources for today, we are looking forward to tomorrow. We're evaluating and implementing recovery strategies, innovation problem solving, financial resources, and best practices as we emerge from this crisis. Tomball's strong, unified culture has been on display during these difficult times and through this spirit, our robust economy will return.

We're in this together, supporting our businesses, our partners, and our community. I am honored to lead this organization and proud of our accomplishments this year. Tomball is well-positioned for a solid rebound from COVID-19 and the TEDC is prepared to lead that progress. We are Tomball Together.

Sincerely,



Kelly Violette, CEcD, PCED, AICP
Executive Director

OPERATING REVENUE

(FY 2020 Adopted)



Beginning Fund Balance
\$23,113,049



Sales Tax
\$4,000,000



Interest Income
\$425,000



Total Available Resources
\$27,543,549

EXPENDITURES



Administrative
\$543,022



Indirect Economic Development Expenses
\$712,700



City Debt Service
\$1,125,685



Grants, Loans, & Other Expenditures
\$5,045,000



Total Expenditures
\$7,426,407



Ending Fund Balance
\$20,117,142

STRATEGIC WORK PLAN OUTLINES TEDC GOALS FOR 2019-20

Working with consulting firm Opportunity Strategies, the TEDC Board of Directors and Staff designed a strategic plan to prioritize actions for the organization. Five strategic goals establish the TEDC's plan for 2019-20. Measures were created to build upon the TEDC's focal points: attracting new business and industry, promoting business retention and expansion, and coordinating economic development efforts.

1

Attraction and Recruitment

Recruit and Secure New Businesses and Industry That are a Good Fit for Tomball

The TEDC utilized target industry data, trade missions, incentive packages, and marketing strategies to attract companies to Tomball in 2019. The Tomball Business & Technology Park continues to thrive with 82% of the Park sold or under contract, approaching the goal of 90%.

2

Targeted Development Opportunities

Identify Quality Commercial and Mixed-Use Opportunities

To identify the next phase of growth in Tomball, the TEDC explored public/private partnerships for mixed-use development. Additionally, the TEDC targeted infrastructure improvements to advance economic development and attract innovative businesses to Tomball.

3

Development/Redevelopment of Old Town

Encourage Quality Investment in Tomball's Old Town

TEDC is working hard on downtown development projects that promote retail in Old Town. The Old Town Façade Improvement Grant Program was launched by the TEDC to enhance the overall commercial character of the heart of Tomball. The TEDC is also assisting in the promotion and development of a Texas Railroad Heritage Museum on the edge of Old Town.

4

Innovation and Entrepreneurship

Evaluate Creating a Culinary Incubator Space to Support Emerging Entrepreneurs

Striving to support local food entrepreneurs, the TEDC continues to explore a commercial kitchen feasibility study. TEDC staff attended summits and visited commercial kitchens for ideas on how the project may work in Tomball. The TEDC is exploring potential partnerships with the Tomball Farmers Market and Lone Star College-Tomball.

5

Business Retention and Expansion

Continually Engage and Assist Tomball Businesses

Partnering with the City, Chamber, local schools, and industry, the TEDC developed new workforce development opportunities to aid local businesses. Additionally, the TEDC expanded the Economic Outlook Luncheon, Business Roundtables and other events to assist businesses. TEDC staff continually visited local companies to explore new methods to help businesses grow.

2019-2020	EXISTING JOBS	NEW JOBS	TOTAL CAPITAL INVESTMENT	TEDC INVESTMENT
CENTURY HYDRAULICS	9	5	\$623,971	\$44,543
TEXAS RAILROADING (TRHM)	0	0		\$10,000
ASPEN PUMPS	0	10	\$80,000	\$5,720
PHILLIPS CLEANING SERVICES	0	5	\$1,030,000	\$26,313
BJ SERVICES	240	75	\$450,472	\$91,316
JDR CABLE SYSTEMS INC.	0	20	\$9,250,000	\$135,591
TURNSTONE TEXAS GROUP, LLP	0	45	\$8,200,000	\$73,200
AMERICAN NATIONAL CARBIDE	30	24	\$1,500,000	\$36,000
BJ SERVICES, LLC	0	15	\$100,000	\$57,100
TOTALS	279	199	\$21,234,443	\$479,783

BUSINESSES IMPROVEMENT GRANT (BIG)

 **33** Businesses were assisted in 2019-2020

 **TEDC Investment**
\$346,427

 **Façade Improvements**
\$131,150

 **Landscaping Improvements**
\$197,119

 **Property Improvements**
\$902,523

 **Signage Improvements**
\$66,177

 **Total Project Capital Investment** **\$1,457,086**

OLD TOWN FAÇADE IMPROVEMENT GRANT (FIG)

 **Project Totals**
\$186,193

 **TEDC Grant Totals**
\$93,051



TOMBALL BUSINESS & TECHNOLOGY PARK

Expansion and improvement again highlighted the year for the Tomball Business & Technology Park. Projects constructed in 2019 covered nearly 30 acres of the 99.5-acre Park, bringing the total of lots sold or under contract to 82%.

Recruited to Tomball by TEDC, Hoelscher Weatherstrip Manufacturing began building their new headquarters in the Park in early 2019. The company is constructed a 193,000-square-foot office and warehouse facility to house their operations and 120 employees. The facility officially opened in April 2020.

To welcome the growing number of visitors and tenants to the Park, TEDC completed construction of entryway monuments. The monuments are designed as a strong, stable structure with a modern look, mimicking the Park it underscores.





The TEDC unveiled the Old Town Façade Improvement Grant (FIG) Program with Tomball's unique character in mind. The FIG program offers matching funds to assist commercial renovations in the Old Town Business District, such as major façade rehabilitation, architectural and structural repairs and ADA compliance improvements.

The FIG Program evolved as a compliment to the existing Business Improvement Grant (BIG) Program. The BIG program offers matching grant funds to assist with exterior commercial renovations in the City of Tomball, such as façade, landscaping, property and signage improvements.

AFTER



BIG COUNTRY MAINTENANCE, LLC

The TEDC is venturing toward creating a culinary incubator to support food entrepreneurs, moving the TEDC closer to achieving one of its innovation and entrepreneurship elements of the 2019-2020 Strategic Work Plan.

A TEDC-led group traveled to the 2019 Food Incubation Summit in Austin where food entrepreneurs from around the country shared their experiences, providing valuable information that Tomball can use to launch its culinary incubator. The TEDC is exploring how partnerships with existing organizations and local culinary entrepreneurs can advance the project.

Lone Star College-Tomball President, Dr. Lee Ann Nutt joined TEDC Executive Director, Kelly Violette and Administrative Assistant, Tori Gleason at the summit. LSC-Tomball, along with the Tomball Farmers Market and Tomball ISD, are TEDC partners expected to play critical roles in bringing a commercial kitchen to Tomball.





The brand-new Tomball Innovation Lab is another element of the innovation and entrepreneurship platform involving various Tomball organizations. The Tomball Innovation Lab assists local inventors, artists, entrepreneurs, and other creatives to design and produce a wide range of projects.

The TEDC partnered with the Harris County Public Library, LSC-Tomball, and Harris County Precinct 4 to launch the Tomball Innovation Lab in January at LSC-Tomball. Also participating as community partners on the project are Greater Tomball Area Chamber of Commerce, Tomball ISD, HCA Houston Healthcare Tomball, and the City of Tomball.



BUSINESS ROUNDTABLES

The Tomball Business Roundtable continued as a popular quarterly venue to assemble business and community leaders for important discussions on economic and business issues. Roundtable topics included organizational culture, developing a trained workforce, and the new Tomball ISD Academy of Energy and International Business. Founded in 2018, the Business Roundtable is a collaborative partnership between the TEDC and the Greater Tomball Area Chamber of Commerce.

BAKER HUGHES STEM CAMPS

The TEDC, Baker Hughes, and Tomball Independent School District partnered for a pair of Science, Technology, Engineering, and Mathematics (STEM) camps. Held at Baker Hughes' state-of-the-art Western Hemisphere Education Center in Tomball, the camps helped students learn about the energy industry and hear from Baker Hughes employees about their work to produce safer, cleaner and more efficient technology for people and the planet while also giving the students insight to the companies that exist in their own community.



ECONOMIC OUTLOOK LUNCHEON

The 11th Annual Economic Outlook Luncheon gathered city leaders and local stakeholders for an update on the region's economic position. Jesse Thompson, Senior Business Economist at the Houston Branch of the Federal Reserve Bank of Dallas, favorably compared the regional economy to the national economy. The TEDC hosts the luncheon to coordinate economic development efforts with business, industry, and city leaders, which is an element of the TEDC strategic plan.

JOB FAIR

Building on the success of the inaugural Job Fair in 2019, the TEDC partnered with Tomball Memorial High School to showcase opportunities to hundreds of students seeking employment and real-world experience. Students visited with employers looking to fill full and part-time positions. For students not looking for immediate job openings, the fair was a chance to discover future career paths in Tomball.



CONFERENCES

TEDC Staff attends several conferences yearly in an effort to showcase Tomball's successful business climate and make important connections. Two of the largest conferences being the ICSC Red River States Conference and Deal Making event hosted by the International Council of Shopping Centers (ICSC) that has a focus on retailers and developers looking to expand in the Texas region and the Gulf Coast Advanced Manufacturing Conference that provides insight from industry executives, entrepreneurs, and educators from across the Houston region and beyond explain what is next in the world of advanced manufacturing.

BOATMAN CONSTRUCTION EARNS SBDC AWARD

Tomball-based Boatman Construction earned the Lone Star College-Small Business Development Center's 2019 Small Business of the Year. Boatman Construction took home top honors in the Family-Owned Small Business category. TEDC Executive Director, Kelly Violette presented the award to the father and son team, Shane D. Boatman and Shane B. Boatman.



A focus on expanding digital communications and marketing has helped the TEDC better engage a growing audience. A fresh logo, quarterly newsletters, and an emerging website improves TEDC's visual and digital presence.

A bold, modern "Tomball" logo symbolizes the resolute city the TEDC represents. Red remains the powerful color synonymous with Tomball, while a more contemporary design rejuvenates the logo. A silhouette of Texas is brandished inside a map pin, indicating that Tomball is on full display, thanks in part to the vibrant Texas economy.



TOMBALL ECONOMIC DEVELOPMENT UPDATE

1st-3rd 2019

Business SPOTLIGHT

BOATMAN CONSTRUCTION LLC

BUSINESS SPOTLIGHT: BOATMAN CONSTRUCTION

THE COMPANY'S SUCCESS IN TOMBALL HAS RECENTLY RECEIVED MORE RECOGNITION. THE LOUISIANA COLLEGE SMALL BUSINESS DEVELOPMENT CENTER PRESENTED ITS 2019 SMALL BUSINESS OF THE YEAR AWARDS ON NOVEMBER 15TH. BOATMAN CONSTRUCTION TOOK HOME TOP HONORS IN THE FAMILY-OWNED CATEGORY. FOR A COMPANY LESS THAN FOUR YEARS OLD, THIS WAS A NOTABLE ACHIEVEMENT!

[CLICK TO READ OUR STORY](#)

Now HIRING?

CHECK OUT THE EVENTS WE HAVE TO OFFER BELOW

UPCOMING JOB & CAREER FAIR (DATE)

[REGISTER HERE](#)

ANNUAL ECONOMIC OUTLOOK LUNCHEON

CAREER FAIR

APRIL 22, 2020
1000 A.M. - 1:00 P.M.

THIS EVENT IS FREE OF CHARGE AND OPEN TO THE COMMUNITY IF YOU ARE A BUSINESS THAT WOULD LIKE TO REGISTER TO PARTICIPATE IN THE CAREER FAIR, PLEASE SEE THE REGISTER HERE BUTTON ABOVE OR CLICK ON THE CAREER FAIR AD.

Youth INITIATIVE

TEDC BUILDS WORKFORCE PIPELINE THROUGH PARTNERSHIP EVENTS

TOMBALL ISD RECOGNIZES THE IMPORTANCE OF CONNECTING EDUCATION AND INDUSTRY. THE OPPORTUNITY PROVIDED BY SAUER HUGHES IS EXACTLY THE TYPE OF EXPERIENCE WE WANT FOR OUR STUDENTS. JENNIFER ADAMS, DIRECTOR OF SCIENCE AND ROBOTICS FOR TOMBALL ISD

[CLICK TO READ MORE](#)

Now Grant OPPORTUNITY

TEDC LAUNCHES NEW OLD TOWN FACADE IMPROVEMENT GRANT PROGRAM

OLD TOWN TOMBALL WAS MADE TO OFFER IN THE WAY OF HISTORY, CHARACTER, AND ACCESSIBILITY. THIS PROGRAM IS THE NEXT STEP TOWARD ENSURING THAT OLD TOWN TOMBALL CONTINUES TO THRIVE AS A HUB FOR RESIDENTS AND VISITORS Alike. - KELLY VIOLETTE, EXECUTIVE DIRECTOR FOR TOMBALL EDC

[CLICK TO READ MORE](#) [CLICK FOR GUIDELINES, CRITERIA & APPLICATION](#)

Tomball Economic Development Update

The weather is HOT and so is BUSINESS in Tomball!

BUSINESS SPOTLIGHT

CENTURY HYDRAULICS LLC

[CLICK HERE TO READ](#)

Events

Upcoming Events

11th Annual Economic Outlook Luncheon - June 27, 2019

ECONOMIC OUTLOOK LUNCHEON

Thursday, June 27, 2019
11:30 AM - 1:00 PM
Lone Star College - Tomball
Newfoundland Conference Center
30000 Tomball Parkway
Tomball, Texas 77375

[Click Here to Save](#)

Past Events

June 4, 2019 - Tomball Business Roundtable
May 20, 2019 - TEDC and Lone Star Annual Job Fair

New Residential Updates

[Click here for more](#)

- Copper Cove
- Timber Trails
- Grand Junction
- Cherry Pines

New Construction Updates

[Click here for more](#)

- Wahlstrom Weatherstrip Manufacturing
- Wickup Industrial Warehouse
- Dixie Investments, Inc.
- Industrial Reserve, LLC

Tomball Economic Development Corporation Staff

Kelly Vilette, CEO, AIC, PHD, Executive Director

Robert Mueller, EDC, Assistant Director

Tori Shivers, Administrative Assistant

About Us

The Tomball Economic Development Corporation (TEDC) is a non-profit Public Corporation created pursuant to the Texas Development Corporation Act of 1979. The TEDC was formed in November 1999, after the citizens of Tomball voted to pass a 1/2 cent sales tax dedicated to economic development. The TEDC is governed by a seven-member Board of Directors appointed by the Tomball City Council.

For more information visit us at www.tomballeconomic.org or contact us at 281-401-4286

[Facebook](#) [Twitter](#) [LinkedIn](#) [Instagram](#)

The Tomball Economic Development Update, launched in the summer of 2019, is key in communication efforts. The quarterly e-newsletter delivers important information to TEDC stakeholders, such as new businesses, workforce development, regional economic outlook, and event recaps. More than 400 people receive the TEDC newsletter in their inbox.

The TEDC was honored with a trio of awards recognizing the organization's professionalism and achievements.

The International Economic Development Council (IEDC) recognized the Tomball EDC for its 2018 Annual Report with a Silver Excellence in Economic Development Award. TEDC staff accepted the award at the IEDC Annual Conference in Indianapolis, Indiana. IEDC's Excellence in Economic Development Awards recognize the world's best economic development programs and partnerships, including marketing materials, along with the year's most influential leaders.

The Texas Economic Development Council (Texas EDC) honored the TEDC with a Community Economic Development Award (CEDA) at the Texas EDC's Annual Conference. CEDA Merit Recognition was awarded for the TEDC's efforts in recruiting Hoelscher Weatherstrip Manufacturing to the Tomball Business & Technology Park.

The TEDC was also named a recipient of the Texas EDC's annual Economic Excellence Recognition program. The Economic Excellence Recognition program is awarded to economic development organizations that meet a desired threshold of professionalism.



TEDC staff continues to advance their professional development as leaders in the economic development field. Over the past year, TEDC Executive Director, Kelly Violette and Assistant Director, Tiffani Wooten worked on their Certified Economic Developer (CEcD) recertification from the International Economic Development Council. CEcD certification is the leading designation for economic development professionals.



INTERNATIONAL
ECONOMIC DEVELOPMENT
COUNCIL

The Power of Knowledge and Leadership

Additionally, staff participated in the Community Development Institute (CDI) Texas held at Lone Star College. CDI Texas provides practical, interactive, and comprehensive training to meet needs of economic development professionals. Administrative Assistant, Victoria Gleason completed Year Two of the three-year curriculum while Wooten attended the Advanced CDI program.



Tomball TOGETHER



ECONOMIC DEVELOPMENT CORPORATION

281.401.4086 • 29201 QUINN ROAD, SUITE B • TOMBALL, TX 77375

tomballtxedc.org

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ECONOMIC DEVELOPMENT CORPORATION

BY THE NUMBERS

PROJECT GRANTS

2015-2016

6

2016-2017

5

2017-2018

4

2018-2019

8

2019-2020

9

PROJECT GRANT INVESTMENTS

TOTAL CAPITAL INVESTMENT

<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
\$16.2M	\$30.9M	\$9.3M	\$24M	\$21.3M

TEDC INVESTMENT

<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
\$516,161	\$150,881	\$206,509	\$671,259	\$479,783

JOBS CREATED/RETAINED

2015-2016

120

2016-2017

172

2017-2018

256/72

2018-2019

158/163

2019-2020

199/279

BRE VISITS

2015-2016

36

2016-2017

35

2017-2018

32

2018-2019

42

2019-2020

33

BIG IMPROVEMENTS

TOTAL CAPITAL INVESTMENT

<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
\$597,000	\$1.5M	\$683,099	\$549,134	\$1.M

TEDC INVESTMENT

<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>
\$116,000	\$273,043	\$163,527	\$146,901	\$346,427

FIG IMPROVEMENTS

TOTAL CAPITAL INVESTMENT

2019-2020

\$186,193

TEDC INVESTMENT

2019-2020

\$93,051

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Appoint/Reappoint Members to the Tomball Economic Development Corporation Board of Directors for Terms Expired as of May 31, 2020

Background:

The Tomball Economic Development Corporation Board terms for Richard Bruce, Bill Sumner Jr., Will Benson, and Clete Jaeger are due for appointment/reappointment. Each member has indicated a desire to continue serving on the TEDC.

I would like to recommend the reappointment of the existing Board members. Nominations will also be accepted at the Council meeting.

Origination:

Mayor Fagan

Recommendation:

N/A

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

Doris Speer

ACTION TAKEN		
Approval	Readings Passed	Other
☐ Yes ☐ No	☐ 1 st ☐ 2 nd	

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Houston Poly Bag I, Ltd., to Make Direct Incentives to or Expenditures for the Creation or Retention of Primary Jobs associated with the Expansion and Development of Its Current Facility located at 11726 Holderrieth Rd., Tomball, Texas 77375. The Estimated Amount of Expenditures for such Project is an Amount Not to Exceed \$84,894.00.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project." At its meeting on May 28, 2020, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with Houston Poly Bag I, Ltd for the creation or retention of primary jobs associated with the expansion and development of its current facility.

As a matter of information, TEDC Board Member Bill Sumner Jr. filed a conflict of interest affidavit on this item prior to the meeting and abstained from voting on this matter.

The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

William "Wes" E. Sumner, III, General Manager, Houston Poly Bag I, LTD

Recommendation:

Approve, as a Project of the Corporation, the Performance Agreement with Houston Poly Bag I, LTD

Funding:

Yes

Account Number: Project grants

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
--	--	-------

ATTACHMENTS:

Cover Memo

Request Letter

TEDC Performance Agreement

Economic Impact Analysis



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: June 15, 2020

SUBJECT: Houston Poly Bag I, Ltd.

ITEM TYPE: Action

Houston Poly Bag I, Ltd. (HPB) is a custom manufacturer of polyethylene products used for packaging, including bags, films, sheeting, and liners. HPB has been in business since 1979 and is located within a 50,000 square foot facility at 11726 Holderrieth Rd., Tomball, Texas 77375.

As per the attached grant funding request letter from William E. Sumner, III, General Manager of HPB, the company has introduced a new line of compostable and biodegradable flexible packaging products and is at a point where it needs to expand its operations once again.

HPB proposes to expand its operations by constructing a 41,000 square foot building addition, adding 5 multi-layer extrusion machines, and increasing its office space from 2,200 square feet to 6,600 square feet. In addition, the company plans to start recycling its scrap post-production waste for in house use to put back in as material for blown film.

The company currently employs 71 people and plans to add 10 new positions in conjunction with this expansion.

The estimated capital investment of this project is \$6,744,000.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the 5-year net benefit of this project on the City of Tomball is \$282,979. The proposed incentive is \$84,894, based upon 30% of the five-year net benefit.



Houston Poly Bag I, Ltd.

11726 Holderrieth Road
Tomball, Texas 77375
WES SUMNER, GM

Telephone (800) 992-7659 (281) 351-1726
Fax (800) 446-9329 (281) 351-9329

May 18, 2020

Ms. Kelly Violette,

Houston Poly Bag is requesting funding help from the TEDC to assist with our proposed expansion. HPB has a new product line of Home Compostable, commercially compostable, soil biodegradable, and or marine biodegradable. This has led to our 10th extrusion line which was running January of 2019 that TEDC partnered with HPB. Thank goodness the TEDC grant process shows how a little bit can make our need to expand to an 11th extrusion system producing 5,000,000 pounds a year of environmentally friendly packaging film. In addition, we need to start recycling our scrap production for in house use to put back in as material for blown film. The recycled estimate is 3,000,000 pounds a year of our scrap from the production process. HPB expects about another 41,000 square feet of manufacturing space along with our office growing from @ 2,200 to 6,600 sqft. This would be at our property located at 11726 Holderrieth Road in the City of Tomball.

Our Plant has been here in Tomball 34 Years and we a blessed to have the opportunity to expand our building and add new equipment. We are in development talks with major brands and have film being trialed for packaging items like frozen vegetables, a layer of film for packaging single use health and beauty, layers of film for packaging dry pouches and coffee to name a few applications.

As I write this letter HPB employees 71 people and we anticipate hiring an additional 10 people in conjunction with this project. Revenues of \$35,000,000 going to over \$100,000,000 when completely equipped with an additional 5 multi-layer extrusion systems.

Hopefully the TEDC will help fund this project in partnership with Houston Poly Bag.

If you need any further information, please contact me at the number below.

Regards,

William E Sumner III

William E. Sumner, III
General Manager
NAICS Code 326111
281-351-1726
Houston Poly Bag I, Ltd.
wsumner@houstonpolybag.com

AGREEMENT

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

This Agreement (the “Agreement”) is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to the Development Corporation Act, now Chapter 501 et seq of the Texas Local Government Code, located in Harris County, Texas (the “TEDC”), and **Houston Poly Bag I, Ltd.** (the “Company”), 11726 Holderrieth Road, Tomball, Texas 77375.

WITNESSETH:

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

WHEREAS, the Company owns a 5-acre tract of land within the City, located at 11726 Holderrieth Road, Tomball, Texas 77375 (the “Property”), and more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, the Company plans to expand its current operations at the Property, and as part of the process, plans to expend a minimum of Six Million Dollars (\$6,000,000,) to construct a 41,000 square foot building addition and make other capital improvements (the “Improvements”) more particularly described in Exhibit “B” attached hereto and made a part hereof; and

WHEREAS, the Company also proposes to maintain the current seventy-one (71) jobs at the Property and create ten (10) new employment positions in conjunction with the expansion of its business operations at the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Eighty-Four Thousand, Eight Hundred Ninety-Four Dollars (\$84,894.00) to assist in the construction of the Improvements, the retention of seventy-one (71) full-time jobs, and the addition of the ten (10) new full-time jobs at the Property; and

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

WHEREAS, this expenditure is found by the Board of Directors of the TEDC to be required or suitable for the promotion and development of new or expanded business enterprises at the Property; and

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

1.

The Company covenants and agrees that it will construct the Improvements and operate and maintain the proposed business on the property for a term of at least five (5) years, and will for such term, except as provided by paragraph 4 hereof, maintain seventy-one (71) employees and create ten (10) new jobs on the Property.

2.

The Company also covenants and agrees that construction of the Improvements, the addition of the ten (10) new employees, and obtaining all necessary occupancy permits from the

City shall occur within twenty-four (24) months from the Effective Date of this Agreement. Extensions of these deadlines, due to any extenuating circumstance or uncontrollable delay, may be granted at the sole discretion of the Board of Directors of the TEDC.

3.

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

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company the sum of Eighty-Four Thousand, Eight Hundred Ninety-Four Dollars (\$84,894.00) to fund a portion of the cost of the Improvements, the retention of seventy-one (71) full-time jobs, and the addition of the ten (10) new employees to the Company's business operations on the property. The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Improvements to the Property; (b) proof that the Company has retained and added the number of employees indicated above to its business operations on the Property, as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service Form 941; (c) verification from the City acknowledging that all necessary plats, plans, and specifications have been received, reviewed, and approved; (d) certification that the Improvements have been constructed in accordance with the approved plans and specifications; and, (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have

been paid and any and all liens and claims regarding such work have been released. In the event the number of jobs originally projected is not met, the amount of the funding provided to the Company by the TEDC will be reduced on a pro rata basis to reflect the actual number of jobs at the time of the request for disbursement of funds.

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}\%$ per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}\%$ per annum, within 120 days after the TEDC notifies the Company of the violation.

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

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

6.

Personal Liability of Public Officials: To the extent permitted by law, no director, officer, employee or agent of the TEDC, and no officer, employee or agent of the City of

Tomball, shall be personally responsible for any liability arising under or growing out of this Agreement.

7.

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

8.

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

If to City:

Tomball Economic Development Corporation
401 W. Market Street
Tomball, Texas 77375
Attn: President, Board of Directors

If to Company:

Houston Poly Bag I, Ltd.
11726 Holderrieth Road,
Tomball, Texas 77375
Attn: William E. Sumner, III, General Manager

9.

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

10.

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

11.

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

12.

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

13.

In the event any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporation, or circumstance, shall be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the validity of the remaining parts of this Agreement shall not be affected thereby.

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2020 (the “Effective Date”).

HOUSTON POLY BAG I, LTD

By: _____
Name: William E. Sumner III
Title: General Manager

ATTEST:

By: _____
Name: Tiffani Wooten
Title: Assistant Director

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____
Name: Gretchen Fagan
Title: President, Board of Directors

ATTEST:

By: _____
Name: Steven Vaughan
Title: Vice President, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____
2020, by William E. Sumner, III, General Manager of Houston Poly Bag I, Ltd. for and on behalf
of said company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the _____ day of _____
2020, by _____, President of the Board of Directors of the Tomball Economic
Development Corporation, for and on behalf of said Corporation.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

Exhibit "A"

Legal Description of Property

HOUSTON POLY BAG PLAT, BEING A 5 ACRE TRACT IN THE C.N. PILLOT SURVEY,
ABSTRACT NO. 632, IN TOMBALL, HARRIS COUNTY, TEXAS, RECORDED IN VOL. 335,
PG. 108.

Exhibit “A”

Description of Improvements

Constructing a 41,000 sq. ft. building addition, adding 5 multi-layered extrusion machines, and increasing its office space from 2,200 square feet to 6,600 square feet.

EXECUTIVE SUMMARY

A REPORT OF THE ECONOMIC IMPACT OF HOUSTON POLY BAG I, LTD. EXPANSION IN TOMBALL, TX

May 22, 2020

Prepared by:
Tomball Economic Development Corporation
29201 Quinn Rd., Suite B
Tomball, Texas 77375



Prepared using Total Impact



PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model is a customized software program licensed to the Tomball Economic Development Corporation. The model includes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in Tomball Economic Development Corporation's Total Impact User Guide.

The analysis relies on prospective estimates of business activity that may not be realized. Tomball Economic Development Corporation made reasonable efforts to ensure that the project-specific data entered into the Total Impact model reflects realistic estimates of future activity.

No warranty or representation is made by Tomball Economic Development Corporation or Impact DataSource that any of the estimates or results contained in this study will actually be achieved.



CONTENTS

Economic Impact

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Methodology

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Introduction

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

Description of the Project

Houston Poly Bag I, Ltd. (HPB) is a custom manufacturer of polyethylene products used for packaging, including bags, films, sheeting, and liners. HPB has been in business since 1979 and is located within a 50,000 square foot facility at 11726 Holderrieth Rd., Tomball, Texas 77375. HPB proposes to expand its operations by constructing a 41,000 square foot building addition, adding 5 multi-layer extrusion machines, and increasing its office space from 2,200 square feet to 6,600 square feet. This project is to increase the manufacturing of compostable and biodegradable flexible packaging. In addition, the company plans to start recycling its scrap post-production waste for in house use to put back in as material for blown film. The company currently employs 71 people and plans to add 10 new positions in conjunction with this expansion.

Existing & Expanded Operations

The Project under analysis represents the expansion of an existing company in the City of Tomball. The existing operations currently support 71.0 direct jobs in the community and 78.5 indirect and induced jobs. The direct workers earn \$40,000 per year and the company supports \$0.6 million per year in taxable sales and spending in the community. Additionally, the company supports taxable property valued at \$3.9 million annually.

The table below illustrates the company's economic impact over the next 10 years - including both the existing and expanded operations.

Table 1. Economic Impact of Existing and Expanded Operations Over the Next 10 Years

	Existing Operations	Expansion	Existing & Expanded Ops
Jobs			
Direct	71.0	10.0	81.0
Indirect & Induced	78.5	11.0	89.5
Total	149.5	21.0	170.5
Salaries			
Direct	\$31,097,207	\$5,274,860	\$36,372,067
Indirect & Induced	\$33,202,487	\$5,631,969	\$38,834,456
Total	\$64,299,694	\$10,906,829	\$75,206,523
Taxable Sales			
Direct	\$4,890,560	\$2,713,333	\$7,603,893
Indirect & Induced	\$896,467	\$152,063	\$1,048,530
Total	\$5,787,027	\$2,865,396	\$8,652,423

The table below illustrates the company's fiscal impact - the net benefits for local taxing districts - over the next 10 years - including both the existing and expanded operations.

Table 2. Fiscal Impact of Existing and Expanded Operations Over the Next 10 Years

	Net Benefits		
	Existing Operations	Expansion	Existing & Expanded Ops
City of Tomball	\$201,556	\$526,040	\$727,596

The remainder of this report will focus on only the economic and fiscal impact associated with the expanded operations.

Economic Impact Overview

The Project's operations will support employment and other economic impacts in the community. The 10.0 workers directly employed by the Project will earn approximately \$55,000 per year on average over the next 10 years. This direct activity will support 11.0 indirect and induced workers in the community earning \$53,000 on average over the next 10 years. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$10.9 million over the next 10 years.

On average, the Project will generate \$4.0 million in direct economic output over the next 10 years. Spin-off businesses in the community will produce \$2.7 million in economic output per year as a result of the Project. In total, the Project will support \$6.7 million in economic output per year on average. Economic output is the value of goods and services produced in the economy and can be thought of as revenues for businesses. The economic output calculations in this report were estimated using the RIMS II economic impact model and the Project's employment estimates.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the community, the Project is estimated to support approximately \$2.9 million in taxable sales over the next 10 years.

Table 3. Economic Impact Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of permanent direct, indirect, and induced jobs to be created	10.0	11.0	21.0
Salaries to be paid to direct, indirect, and induced workers	\$5,274,860	\$5,631,969	\$10,906,829
Economic output generated by direct, indirect, and induced activity	\$40,016,791	\$27,047,349	\$67,064,140
Taxable sales and purchases expected in the City	\$2,713,333	\$152,063	\$2,865,396

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

Table 4. Population Impacts Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	0.3	0.3	0.6
Number of new residents in the City	0.8	0.7	1.5
Number of new residential properties to be built in the City	0.1	0.0	0.1
Number of new students expected to attend local school district	0.2	0.1	0.3

The Project is estimated to support an average of approximately \$9.3 million in new non-residential taxable property each year over the next 10 years. The taxable value of property supported by the Project over the 10-year period is shown in the following table.

Table 5. Value of Taxable Property Supported by the Project Over the Next 10 Years

Year	New Residential Property	The Project's Property				Subtotal Nonresidential Property	Total Residential & Nonresidential Property
		Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories		
1	\$21,340	\$0	\$4,144,000	\$2,600,000	\$3,000,000	\$9,744,000	\$9,765,340
2	\$21,767	\$0	\$4,226,880	\$2,340,000	\$3,060,000	\$9,626,880	\$9,648,647
3	\$22,202	\$0	\$4,311,418	\$2,080,000	\$3,121,200	\$9,512,618	\$9,534,820
4	\$22,646	\$0	\$4,397,646	\$1,820,000	\$3,183,624	\$9,401,270	\$9,423,916
5	\$23,099	\$0	\$4,485,599	\$1,560,000	\$3,247,296	\$9,292,895	\$9,315,994
6	\$23,561	\$0	\$4,575,311	\$1,300,000	\$3,312,242	\$9,187,553	\$9,211,114
7	\$24,032	\$0	\$4,666,817	\$1,040,000	\$3,378,487	\$9,085,304	\$9,109,337
8	\$24,513	\$0	\$4,760,153	\$780,000	\$3,446,057	\$8,986,210	\$9,010,723
9	\$25,003	\$0	\$4,855,356	\$520,000	\$3,514,978	\$8,890,335	\$8,915,338
10	\$25,503	\$0	\$4,952,464	\$520,000	\$3,585,278	\$9,057,741	\$9,083,245

The taxable value of residential property represents the value of properties that may be constructed as a result of new workers moving to the community.

This analysis assumes the residential real property appreciation rate to be 2.0% per year. The Project's real property is assumed to appreciate at a rate of 2.0% per year. The analysis assumes the Project's furniture, fixtures, and equipment will depreciate over time according to the depreciation schedule shown in Appendix A.

Temporary Construction Impact

The Project will include an initial period of construction where \$4.1 million will be spent to construct new buildings and other real property improvements. It is assumed that 50.0% of the construction expenditure will be spent on materials and 50.0% on labor. The temporary construction activity will support temporary economic impacts in the community in the form of temporary construction employment and sales for local construction firms.

Table 6. Spending and Estimated Direct Employment Impact of Project-Related Construction Activity

	Amount
Total construction expenditure	\$4,144,000
Materials	\$2,072,000
Labor	\$2,072,000
Temporary Construction Workers Supported (Average Earnings = \$51,300)	40.4

The following table presents the temporary economic impacts resulting from the construction.

Table 7. Temporary Economic Impact of Project-Related Construction Activity

	Direct	Indirect & Induced	Total
Number of temporary direct, indirect, and induced job years to be supported*	40.4	30.1	70.5
Salaries to be paid to direct, indirect, and induced workers	\$2,072,000	\$1,082,413	\$3,154,413
Revenues or sales for businesses related to construction	\$4,144,000	\$3,685,259	\$7,829,259

* A job year is defined as full employment for one person for 2080 hours in a 12-month span.

Sales tax calculations related to construction activity are presented in the following table. The sales tax revenue generated from construction-period taxable spending is included in the fiscal impact for affected districts in Year 1 of this analysis.

Table 8. Construction-Related Taxable Spending

	Estimate
Expenditure for Materials	\$2,072,000
Percent of Materials subject to local tax	50.0%
<u>Subtotal Taxable Materials</u>	<u>\$1,036,000</u>
Expenditure for Labor / Paid to construction workers	\$2,072,000
Percent of gross earnings spent on taxable goods and services	24.0%
Percent of taxable spending done locally	10.0%
<u>Subtotal Taxable Construction Worker Spending</u>	<u>\$49,728</u>
Expenditure for Furniture, Fixtures, & Equipment (FF&E)	\$2,600,000
Percent of FF&E subject to local tax	10.0%
<u>Subtotal Taxable FF&E Purchases</u>	<u>\$260,000</u>
<u>Total Construction-Related Taxable Spending</u>	<u>\$1,345,728</u>

The above construction analysis focuses on the impact resulting from the Project's construction investments identified in Year 1. If construction will be phased in over several years or an expansion is planned in a later year, parallel calculations will be performed for those years.

Fiscal Impact Overview

The Project will generate additional benefits and costs for the City. Overall, the City will receive approximately \$526,000 in net benefits over the 10-year period. The table below displays the estimated additional benefits, costs, and net benefits to be received by the City over the next 10 years of the Project. Appendix C contains the year-by-year calculations.

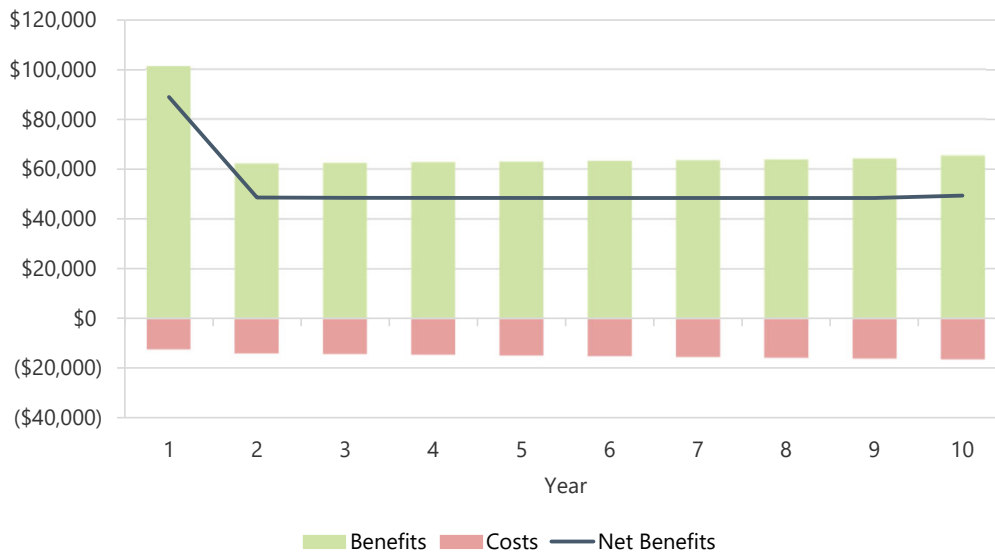
Table 9. City of Tomball: Benefits, Costs, and Net Benefits Over the Next 10 Years

	Amount
Sales Taxes	\$57,308
Property Taxes - Project	\$316,818
Property Taxes - New Residential	\$798
Utility Revenue	\$116,636
Utility Franchise Fees	\$144,655
Building Permits and Fees	\$13,422
Hotel Occupancy Taxes	\$4,574
Miscellaneous Taxes & User Fees	\$18,712
<u>Subtotal Benefits</u>	<u>\$672,923</u>
Cost of Providing Municipal Services	(\$24,415)
Cost of Providing Utility Services	(\$122,468)
<u>Subtotal Costs</u>	<u>(\$146,883)</u>
Net Benefits	\$526,040
<i>Present Value (5% discount rate)</i>	<i>\$413,384</i>

Table 10. Year-by-Year Benefits, Costs, and Net Benefits for the City of Tomball

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$101,230	(\$12,234)	\$88,996	\$88,996
2	\$62,389	(\$13,804)	\$48,585	\$137,581
3	\$62,594	(\$14,080)	\$48,515	\$186,095
4	\$62,822	(\$14,361)	\$48,461	\$234,556
5	\$63,072	(\$14,649)	\$48,423	\$282,979
6	\$63,345	(\$14,941)	\$48,403	\$331,383
7	\$63,641	(\$15,240)	\$48,401	\$379,784
8	\$63,961	(\$15,545)	\$48,416	\$428,200
9	\$64,306	(\$15,856)	\$48,450	\$476,650
10	\$65,563	(\$16,173)	\$49,390	\$526,040
Total	\$672,923	(\$146,883)	\$526,040	

Figure 1. Annual Fiscal Net Benefits for the City of Tomball



Impact from Project and Workers

The City will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 10 years are shown below for these two categories.

Table 11: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$51,418	\$5,890	\$57,308
Real Property Taxes	\$154,937	\$0	\$154,937
FF&E Property Taxes	\$49,716	\$0	\$49,716
Inventory Property Taxes	\$112,165	\$0	\$112,165
New Residential Property Taxes	\$0	\$798	\$798
Utility Revenue	\$107,209	\$9,427	\$116,636
Utility Franchise Fees	\$144,037	\$618	\$144,655
Building Permits and Fees	\$13,422	\$0	\$13,422
Hotel Occupancy Taxes	\$4,574	\$0	\$4,574
Miscellaneous Taxes & User Fees	\$16,247	\$2,465	\$18,712
Subtotal Benefits	\$653,725	\$19,198	\$672,923
Cost of Providing Municipal Services	(\$21,205)	(\$3,210)	(\$24,415)
Cost of Providing Utility Services	(\$112,569)	(\$9,899)	(\$122,468)
Subtotal Costs	(\$133,774)	(\$13,109)	(\$146,883)
Net Benefits	\$519,951	\$6,089	\$526,040
<i>Percent of Total Net Benefits</i>	<i>98.8%</i>	<i>1.2%</i>	

Non-Tax Incentives

At the request of the firm, The City of Tomball may consider abating taxes on the firm's property. The table below identifies the type of firm property for which the city may consider abating taxes.

Table 16. Incentives Under Consideration

Year	Enter Incentive Description
1	\$84,894
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$84,894

These financial incentives may be considered an investment in the Project made by the EDC and/or City. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it will receive as a result of the Project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return, and payback period.

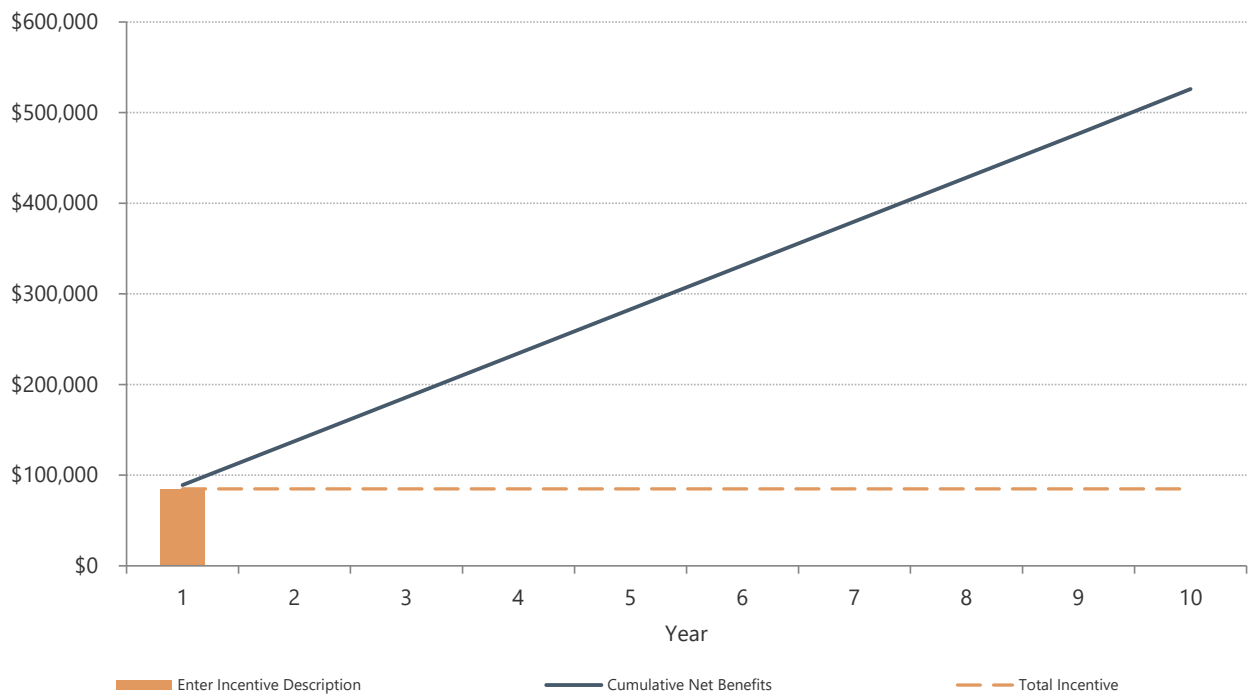
Table 17. Analysis of Incentives

Total Non-Tax Incentive	\$84,894
Incentive Per Job	\$8,489
Rate of Return - 5 Years	66.7%
Rate of Return - 10 Years	62.0%
Payback period (years)	1.0

Note: The Rate of Return and Payback Period are calculated based on the sum of annual incentives, not the present value of the incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the City. The intersection indicates the length of time until the incentives are paid back.

Figure 2. Incentives Under Consideration



Overview of Methodology

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

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

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

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

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

326110 Plastics packaging materials and unlaminated film and sheet manufactu	City	County
Employment Multiplier (Type II Direct Effect)	2.1054	3.1977
Earnings Multiplier (Type II Direct Effect)	2.0677	3.1226

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

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

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

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

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

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

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

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

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced.

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

AFFIDAVIT OF CONFLICT OF INTEREST

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Bill Sumner, Jr., as a member of the Tomball Economic Development Corporation, make this affidavit and hereby on oath state the following: I, and/or a person or persons related to me in the first degree by either affinity or consanguinity, have a substantial interest in a business entity that would be peculiarly affected by a vote or decision of the Tomball Economic Development Corporation as those terms are defined in Chapter 171 of the Local Government Code.

Date of Meeting: May 28, 2020

Agenda Item Number: 5.4

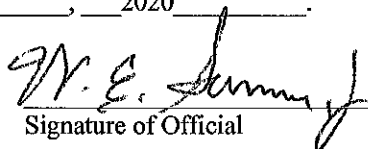
The Business Entity is : 5.4 Consideration and possible action by Tomball EDC to approve, as a project of the Corporation, an agreement with Houston Poly Bag I, Ltd to make direct incentives to or expenditures for the creation or retention of primary jobs associated with the expansion and development of its current facility located at 11726 Holderrieth Rd., Tomball, Texas 77375. The estimated amount of expenditures for such project is \$84,894.00.

I have a substantial interest in this business entity for the following reasons: (check all which are applicable)

- ☐ Ownership of 10% or more of the voting stock or shares of the business entity.
- ☐ Ownership of 10% or \$15,000 or more of the fair market value of the business entity.
- ☐ Funds received from the business entity exceed 10% of my gross income for the previous year.
- ☐ Real property is involved and I have an equitable or legal ownership with a fair market value of at least \$2,500.
- ☐ I have a vested interest in the decision made by the City Council.
- ☒ a person who is related to me within the first degree of consanguinity (blood) or affinity (marriage) has a substantial interest in the involved real property or business entity. I have also checked which of the above types of interest my relative has in item.

Upon the filing of this affidavit with the Official Record Keeper of the City, I affirm that I will abstain from voting on any decision involving this business entity and from any further participation on this matter whatsoever.

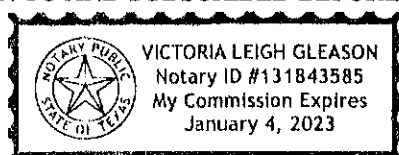
Signed this 28th day of May, 2020.

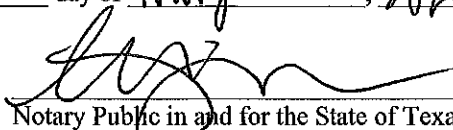

Signature of Official

TEDC Board Member
Title

BEFORE ME, the undersigned authority, this day personally appeared Bill Sumner Jr. and on oath stated that the facts hereinabove stated are true to the best of their knowledge or belief.

SWORN TO AND SUBSCRIBED BEFORE ME on this 28th day of May, 2020.




Notary Public in and for the State of Texas

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Consideration and Possible Action to Approve, as a Project of the Tomball Economic Development Corporation, an Agreement with Wildcat PPE, LLC, to Make Direct Incentives to or Expenditures for the Creation or Retention of Primary Jobs associated with the Relocation and Development of Its Corporate Headquarters to be located at 14430 Medical Complex Drive, Tomball, Texas 77377. The Estimated Amount of Expenditures for such Project is an Amount Not to \$250,000.00.

Background:

All expenditures of the Tomball Economic Development Corporation (TEDC) sales tax revenue must first be approved as a "Project." At its meeting on May 28, 2020, the TEDC Board of Directors did take formal action to approve, as a Project of the TEDC, an agreement with Wildcat PPE, LLC for the creation or retention of primary jobs associated with the relocation and development of its corporate headquarters.

As a matter of information, TEDC Board Member Will Benson filed a conflict of interest affidavit on this item prior to the meeting and abstained from voting on this matter.

The Tomball City Council has final approval authority over all projects and agreements of the TEDC.

Origination:

Jason Arcemont, Managing Partner/CFO, Wildcat PPE, LLC.

Recommendation:

Approve, as a Project of the Corporation, the Performance Agreement with Wildcat PPE, LLC

Funding:

Yes

Account Number:Project Grants

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

Kelly Violette, Executive Director, Tomball Economic Development Corporation

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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ATTACHMENTS:

Cover Memo

Request Letter

TEDC Performance Agreement

Economic Impact Analysis



TO: Honorable Mayor and City Council

FROM: Kelly Violette
Executive Director

MEETING DATE: June 15, 2020

SUBJECT: Wildcat PPE, LLC

ITEM TYPE: Action

Wildcat PPE, a spinoff of Wildcat Cable, started producing personal protective equipment (PPE) in response to COVID-19.

Wildcat Cable quickly shifted its operations in order to manufacture hospital gowns and other PPE specifically designed for first responders in their existing facility located at 26980 Decker Prairie-Rosehill Rd, Magnolia, TX 77355. However, the company has received orders for nearly 10 million isolation gowns to be fulfilled over the next six months.

In order to meet the demand for their products, Wildcat PPE desires to lease three buildings totaling 103,000 square feet in the Tomball Industrial Crossing Park located at 14430 Medical Complex Drive. The buildings are currently shell spaces and will require interior build-out. The estimated capital investment for the project is \$4 - \$5 million.

Wildcat PPE plans to hire up to 600 employees within the first year of moving to Tomball and anticipates hiring an additional 400 employees by the end of the 3rd year.

An economic impact analysis is included with the agreement to show the impact of this project on Tomball's economy. Per the analysis, the estimated 5-year net benefit of this project is \$5.2 million. The proposed incentive is \$250,000, based upon \$250 per job created in Tomball.

May 12, 2020

Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, TX 77375

Kelly:

I hope this letter finds you doing well. First and foremost, we would like to thank the Tomball Economic Development Corporation for all of the help and guidance that you have given Wildcat PPE. We are all extremely excited about our business and are confident that we have found a great partner in TEDC to help with our future here in the Tomball Community.

The purpose of this letter is manifold: first, we would like to tell you our incredible story; next we would like to demonstrate our dedication to this amazing community; and lastly we would like to humbly see if there is anything that the TEDC can do to help us solidify our roots in Tomball by providing much needed economic assistance.

Our Story

Wildcat Cable Solutions is the result of the effort and vision of John Houston, Kirk French, John Fleming and Jason Arcemont. Since opening its doors in 2018, Wildcat has made a name for itself in the Custom Electric Cable and Mobile Transportation Industries. Prior to March of this year, Wildcat was on track to have a record year within its respective industries. Everything changed on March 13th when Governor Abbot declared a State of Disaster to protect the health and welfare of Texans in regards to COVID-19.

John Houston, Kirk French, John Fleming and Jason Arcemont are no strangers to adversity, nor are they strangers to helping in causes that they believe in. Just as an example, Jason Arcemont ran across the entire state of Texas to raise awareness for human trafficking. Seeing a potential shortage of much needed medical supplies, these four visionaries put their collective heads together to come up with a way to alleviate the issues our country is facing.

Wildcat Cable Solutions is a subsidiary of a larger entity, Python Holdings, LLC, that contains seven other companies within its portfolio. Jason and John Fleming are majority stakeholders in Python Holdings and realized that they could leverage the resources, including the facilities, that are currently going unused due to the pandemic. John Houston is the President of Wildcat Cable Solutions and specializes in manufacturing, having an MBA from Rice University as well as being a Six Sigma Black Belt. With these resources, all three Gentlemen knew that not only did they have the ability, they had a duty to help.

Out of all of this Wildcat PPE was born. Wildcat realized that it had a facility and the resources to begin mass production of hospital gowns of various kinds as well as other PPE specifically designed for first responders. What we did not realize was the incredible demand for our product. With one social post, we received orders to make over 1.3 million gowns from multiple hospitals within the community who are in desperate need. That was just our first week! In the last five weeks we have already sold out our current and *anticipated* capacity for the next year with every hospital in the region. What is even more incredible is that we are only scratching the surface of what is needed.

Our Commitment to Tomball

Wildcat is ready and willing to step up our manufacturing and deliver these much-needed gowns to our communities and we would like for the hub of our manufacturing efforts to be centered in Tomball. Our current facility is located just outside of Tomball, off of Decker Prairie – Rosehill Rd and we are in the process of signing a lease for a 103,000 SF facility in Tomball. This facility will serve as our main manufacturing facility as well as our corporate offices and bring up to 1,000 jobs to the area. Tomball will be at the forefront of the movement to bring PPE manufacturing back to the United States!

What Wildcat Needs and How Tomball Economic Development Corporation Can Help

Needless to say, this endeavor is a massive undertaking that is very capital intensive. The buildout alone on the facility in Tomball is estimated to cost more than \$3,000,000. This does not include the necessary equipment needed to manufacture the products. Wildcat is estimating that we will spend at least \$5,000,000 on manufacturing equipment alone. We will have to hire and onboard up to 1,000 new employees in the coming months and train them in our processes. There are also countless "soft" costs associated with this undertaking that are much more difficult to quantify, yet no less critical.

We are excited about the future and are looking for a city partner who is just as excited as we are! We respectfully request that you consider Wildcat PPE for available grant funding, tax abatements or any other assistance options that may be available. We look forward to hearing from you and are looking forward to making Tomball our home!

Regards,

A handwritten signature in black ink, appearing to read 'Jason Arcemont', with a stylized flourish at the end.

Jason Arcemont
Wildcat PPE
Managing Partner and Chief Financial Officer
26980 Decker Prairie Rosehill Rd.
Magnolia, TX 77355

AGREEMENT

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

This Agreement (the “Agreement”) is made and entered into by and between the **Tomball Economic Development Corporation**, an industrial development corporation created pursuant to the Development Corporation Act, now Chapter 501 et seq of the Texas Local Government Code, located in Harris County, Texas (the “TEDC”), and **Wildcat PPE, LLC** (the “Company”), 26980 Decker Prairie Rosehill Rd., Magnolia, TX 77355.

WITNESSETH:

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

WHEREAS, the Company proposes to lease three buildings totaling 103,000 square-foot in the Tomball Crossing Business Park located at 14430 Medical Complex Drive, Tomball, Texas 77377 (the “Property”), and more particularly described in Exhibit “A,” attached hereto and made a part hereof; and

WHEREAS, the Company, currently located at 26980 Decker Prairie-Rosehill Rd., Magnolia, TX 77355, proposes to open its corporate headquarters at the Property, and as part of the process, plans to make capital investments including building improvements, fixed machinery and equipment and tangible personal property in an amount equal to at least Four Million Dollars (\$4,000,000), as are necessary to occupy the Property; and

WHEREAS, the Company also proposes to create one thousand (1,000) new full-time employment positions in Tomball in conjunction with the opening of its business operations to the Property; and

WHEREAS, the TEDC agrees to provide to the Company the sum of Two Hundred and Fifty Thousand Dollars (\$250,000) to assist in the construction of the Improvements, the creation of one thousand (1,000) new employment positions at the Property; and

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

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

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

1.

Except as provided by paragraph 4, the Company covenants and agrees that it will operate and maintain the proposed business for a term of at least five (5) years and will maintain one thousand (1,000) full-time employees on the Property.

2.

The construction of the Improvements, and the creation of one thousand (1,000) new jobs, and the obtaining of all necessary occupancy permits from the City must occur within eighteen (18) months from the Effective Date of this Agreement. Extensions of these deadlines

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

3.

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

4.

In consideration of the Company's representations, promises, and covenants, TEDC agrees to grant to the Company Two Hundred and Fifty Thousand Dollars (\$250,000) to fund a portion of the cost of the Improvements and the addition of one thousand (1,000) new jobs to the Tomball operation. The TEDC agrees to distribute such funds to the Company within thirty (30) days of receipt of a letter from the Company requesting such payment, which letter shall also include: (a) a copy of the City's occupancy permit for the Improvements to the Property, if applicable; (b) proof that the company has added the number of employees indicated above to the Tomball operation as evidenced by copies of Texas Workforce Commission form C-3 or Internal Revenue Service form 941; (c) a letter from the City acknowledging that all necessary plats, plans, and specifications have been received, reviewed, and approved; (d) certification that the Improvements have been constructed in accordance with the approved plans and specifications; (e) an affidavit stating that all contractors and subcontractors providing work and/or materials in the construction of the Improvements have been paid and any and all liens and claims regarding such work have been released; and (f) Proof of payment to all contractors and subcontractors providing work and/or materials in the construction of the Improvements,

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

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

5.

It is understood and agreed by the parties that, in the event of a default by the Company on any of its obligations under this Agreement, the Company shall reimburse the TEDC the full amount paid to the Company by the TEDC, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}\%$ per annum, within 120 days after the TEDC notifies the Company of the default. It is further understood and agreed by the parties that if the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the Company will reimburse the TEDC the full amount paid to the Company, with interest at the rate equal to the 90-day Treasury Bill plus $\frac{1}{2}\%$ per annum, within 120 days after the TEDC notifies the Company of the violation.

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

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

6.

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

7.

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

8.

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

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

If to Company: Wildcat PPE, LLC
26980 Decker Prairie-Rosehill Rd.
Magnolia, TX 77355
Attn: Jason Arcemont, Managing Partner/CFO

9.

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

10.

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

11.

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

12.

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

13.

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

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

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the parties on this _____ day of _____ 2020 (the “Effective Date”).

Aspen Pumps Inc

By: _____

Name: Jason Arcemont

Title: Managing Partner/CFO

ATTEST:

By: _____

Name: _____

Title: _____

TOMBALL ECONOMIC DEVELOPMENT CORPORATION

By: _____

Name: Gretchen Fagan

Title: President, Board of Directors

ATTEST:

By: _____

Name: Bill Sumner Jr.

Title: Secretary, Board of Directors

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2020, by Jason Arcemont, the Managing Partner/CFO of Wildcat PPE, LLC, for and on behalf of
said company.

Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

ACKNOWLEDGMENT

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on the ____ day of _____
2020, Gretchen Fagan, President of the Board of Directors of the Tomball Economic
Development Corporation, for and on behalf of said Corporation.

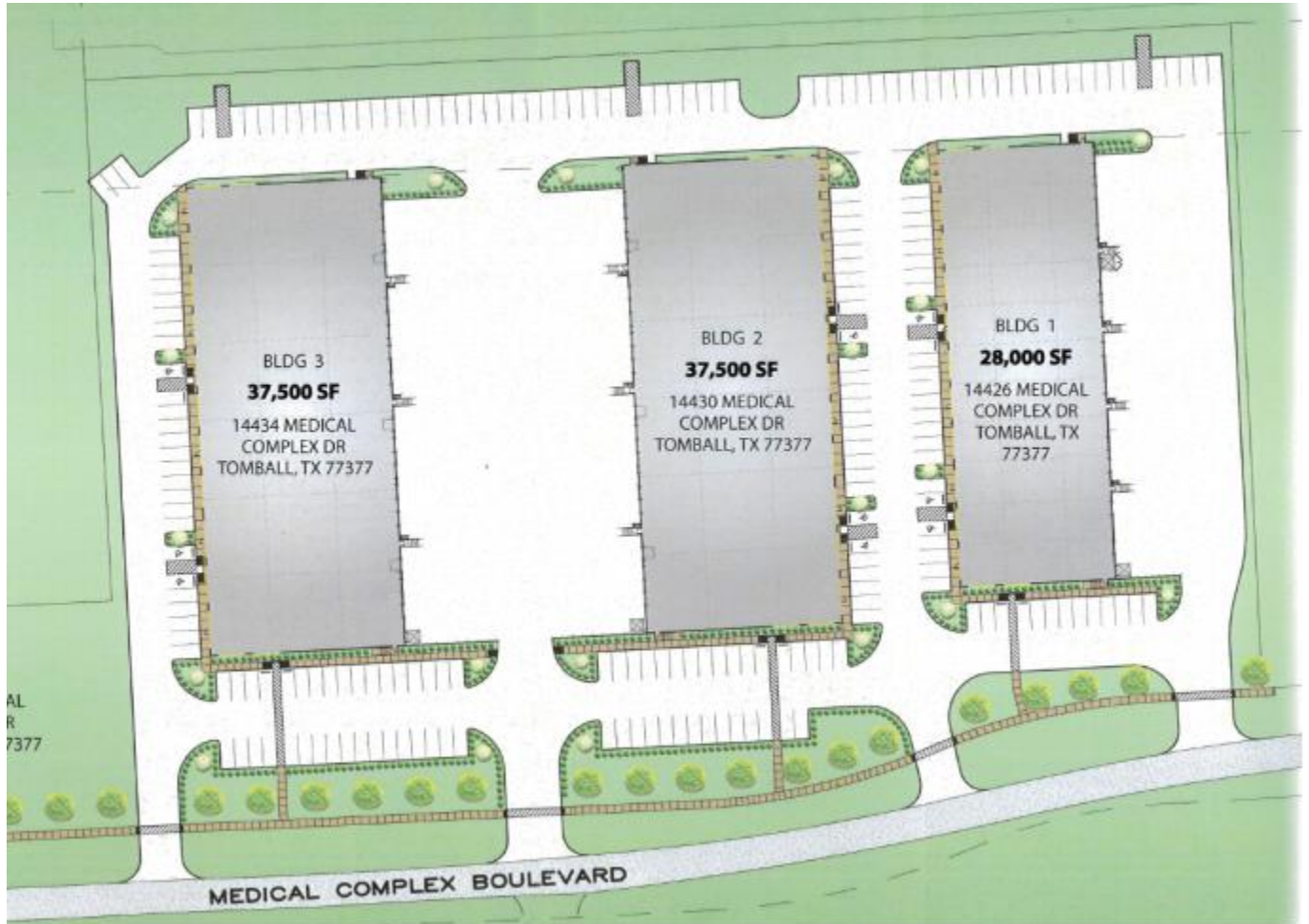
Notary Public in and for the State of Texas

My Commission Expires: _____

(SEAL)

Exhibit A
Description of Property

Tomball Crossing Business Park
14430 Medical Complex Drive, Tomball, Texas 77377



EXECUTIVE SUMMARY

A REPORT OF THE ECONOMIC IMPACT OF WILDCAT PPE, LLC IN TOMBALL, TX

May 21, 2020

Prepared by:

Tomball Economic Development Corporation

29201 Quinn Rd., Suite B

Tomball, Texas 77375



Prepared using Total Impact



PURPOSE & LIMITATIONS

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

The Total Impact model is a customized software program licensed to the Tomball Economic Development Corporation. The model includes estimates, assumptions, and other information developed by Impact DataSource from its independent research effort detailed in Tomball Economic Development Corporation's Total Impact User Guide.

The analysis relies on prospective estimates of business activity that may not be realized. Tomball Economic Development Corporation made reasonable efforts to ensure that the project-specific data entered into the Total Impact model reflects realistic estimates of future activity.

No warranty or representation is made by Tomball Economic Development Corporation or Impact DataSource that any of the estimates or results contained in this study will actually be achieved.



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Introduction

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

Description of the Project

Wildcat PPE, LLC manufactures Medical Personal Protective Equipment (PPE) sourced and manufactured exclusively in the United States. With the incredible shortage of PPE due to the outbreak of COVID-19, Wildcat PPE's explosive growth has resulted in the need for a larger facility. The company desires to lease three buildings totaling 103,000 square feet at 14430 Medical Complex Drive in Tomball. With this new facility, the company intends to implement state of the art manufacturing processes and provide up to 1,000 jobs for the Tomball community.

Economic Impact Overview

The Project's operations will support employment and other economic impacts in the community. The 1,000.0 workers directly employed by the Project will earn approximately \$38,000 per year on average over the next 10 years. This direct activity will support 409.2 indirect and induced workers in the community earning \$51,000 on average over the next 10 years. The total additional payroll or workers' earnings associated with the Project is estimated to be approximately \$564.6 million over the next 10 years.

On average, the Project will generate \$205.1 million in direct economic output over the next 10 years. Spin-off businesses in the community will produce \$84.9 million in economic output per year as a result of the Project. In total, the Project will support \$290.0 million in economic output per year on average. Economic output is the value of goods and services produced in the economy and can be thought of as revenues for businesses. The economic output calculations in this report were estimated using the RIMS II economic impact model and the Project's employment estimates.

Accounting for various taxable sales and purchases, including activity associated with the Project, worker spending, and visitors' spending in the community, the Project is estimated to support approximately \$565.4 million in taxable sales over the next 10 years.

Table 1. Economic Impact Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of permanent direct, indirect, and induced jobs to be created	1,000.0	409.2	1,409.2
Salaries to be paid to direct, indirect, and induced workers	\$365,670,235	\$198,924,608	\$564,594,843
Economic output generated by direct, indirect, and induced activity	\$2,051,038,823	\$849,130,073	\$2,900,168,896
Taxable sales and purchases expected in the City	\$559,626,300	\$5,768,814	\$565,395,114

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

Table 2. Population Impacts Over the Next 10 Years

	Direct	Indirect & Induced	Total
Number of direct, indirect, and induced workers who will move to the City	10.0	4.1	14.1
Number of new residents in the City	26.0	10.6	36.6
Number of new residential properties to be built in the City	0.1	0.0	0.1
Number of new students expected to attend local school district	5.0	2.1	7.1

The Project is estimated to support an average of approximately \$2.5 million in new non-residential taxable property each year over the next 10 years. The taxable value of property supported by the Project over the 10-year period is shown in the following table.

Table 3. Value of Taxable Property Supported by the Project Over the Next 10 Years

Year	New Residential Property	The Project's Property				Subtotal Nonresidential Property	Total Residential & Nonresidential Property
		Land	Buildings & Other Real Prop. Improvements	Furniture, Fixtures, & Equipment	Inventories		
1	\$21,340	\$0	\$625,000	\$1,500,000	\$250,000	\$2,375,000	\$2,396,340
2	\$21,767	\$0	\$809,375	\$1,750,000	\$255,000	\$2,814,375	\$2,836,142
3	\$22,202	\$0	\$825,563	\$1,760,000	\$260,100	\$2,845,663	\$2,867,865
4	\$22,646	\$0	\$842,074	\$1,750,000	\$265,302	\$2,857,376	\$2,880,022
5	\$23,099	\$0	\$858,915	\$1,720,000	\$270,608	\$2,849,523	\$2,872,622
6	\$23,561	\$0	\$876,094	\$1,470,000	\$276,020	\$2,622,114	\$2,645,675
7	\$24,032	\$0	\$893,615	\$1,220,000	\$281,541	\$2,395,156	\$2,419,188
8	\$24,513	\$0	\$911,488	\$970,000	\$287,171	\$2,168,659	\$2,193,172
9	\$25,003	\$0	\$929,717	\$720,000	\$292,915	\$1,942,632	\$1,967,636
10	\$25,503	\$0	\$948,312	\$620,000	\$298,773	\$1,867,085	\$1,892,588

The taxable value of residential property represents the value of properties that may be constructed as a result of new workers moving to the community.

This analysis assumes the residential real property appreciation rate to be 2.0% per year. The Project's real property is assumed to appreciate at a rate of 2.0% per year. The analysis assumes the Project's furniture, fixtures, and equipment will depreciate over time according to the depreciation schedule shown in Appendix A.

Fiscal Impact Overview

The Project will generate additional benefits and costs for the City. Overall, the City will receive approximately \$10,927,200 in net benefits over the 10-year period. The table below displays the estimated additional benefits, costs, and net benefits to be received by the City over the next 10 years of the Project. Appendix C contains the year-by-year calculations.

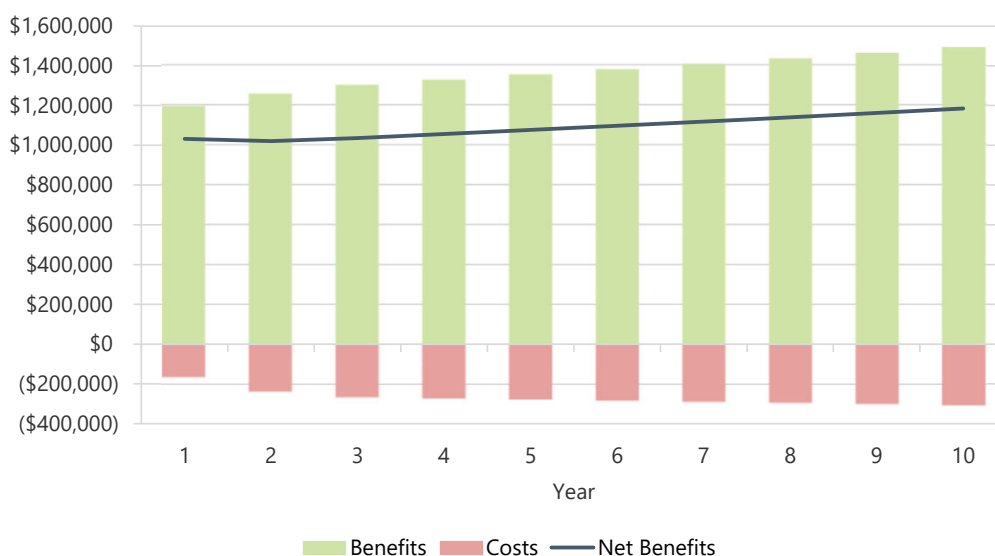
Table 4. City of Tomball: Benefits, Costs, and Net Benefits Over the Next 10 Years

	Amount
Sales Taxes	\$11,307,902
Property Taxes - Project	\$84,468
Property Taxes - New Residential	\$798
Utility Revenue	\$487,460
Utility Franchise Fees	\$50,328
Building Permits and Fees	\$11,543
Hotel Occupancy Taxes	\$4,851
Miscellaneous Taxes & User Fees	\$1,665,979
<u>Subtotal Benefits</u>	<u>\$13,613,329</u>
Cost of Providing Municipal Services	(\$2,174,263)
Cost of Providing Utility Services	(\$511,833)
<u>Subtotal Costs</u>	<u>(\$2,686,096)</u>
Net Benefits	\$10,927,233
<i>Present Value (5% discount rate)</i>	<i>\$8,380,226</i>

Table 5. Year-by-Year Benefits, Costs, and Net Benefits for the City of Tomball

Year	Benefits	Costs	Net Benefits	Cumulative Net Benefits
1	\$1,196,285	(\$163,923)	\$1,032,362	\$1,032,362
2	\$1,258,436	(\$237,524)	\$1,020,912	\$2,053,274
3	\$1,302,163	(\$266,184)	\$1,035,979	\$3,089,253
4	\$1,328,075	(\$271,508)	\$1,056,567	\$4,145,820
5	\$1,354,440	(\$276,938)	\$1,077,502	\$5,223,322
6	\$1,380,186	(\$282,477)	\$1,097,709	\$6,321,031
7	\$1,406,875	(\$288,126)	\$1,118,749	\$7,439,780
8	\$1,434,118	(\$293,889)	\$1,140,230	\$8,580,010
9	\$1,461,927	(\$299,766)	\$1,162,160	\$9,742,170
10	\$1,490,824	(\$305,762)	\$1,185,063	\$10,927,233
Total	\$13,613,329	(\$2,686,096)	\$10,927,233	

Figure 1. Annual Fiscal Net Benefits for the City of Tomball



Impact from Project and Workers

The City will receive benefits from the activity, spending, and investments associated with (1) the Project and (2) the workers. These benefits, associated costs, and resulting net benefits for the next 10 years are shown below for these two categories.

Table 6: Net Benefits to the City from the Project and Workers

	The Project	Workers	Total
Sales Taxes	\$10,980,437	\$327,465	\$11,307,902
Real Property Taxes	\$29,092	\$0	\$29,092
FF&E Property Taxes	\$46,028	\$0	\$46,028
Inventory Property Taxes	\$9,347	\$0	\$9,347
New Residential Property Taxes	\$0	\$798	\$798
Utility Revenue	\$269,363	\$218,097	\$487,460
Utility Franchise Fees	\$36,034	\$14,294	\$50,328
Building Permits and Fees	\$11,543	\$0	\$11,543
Hotel Occupancy Taxes	\$4,851	\$0	\$4,851
Miscellaneous Taxes & User Fees	\$1,608,949	\$57,030	\$1,665,979
Subtotal Benefits	\$12,995,645	\$617,684	\$13,613,329
Cost of Providing Municipal Services	(\$2,099,992)	(\$74,271)	(\$2,174,263)
Cost of Providing Utility Services	(\$282,831)	(\$229,002)	(\$511,833)
Subtotal Costs	(\$2,382,823)	(\$303,273)	(\$2,686,096)
Net Benefits	\$10,612,822	\$314,411	\$10,927,233
<i>Percent of Total Net Benefits</i>	<i>97.1%</i>	<i>2.9%</i>	

Non-Tax Incentives

At the request of the firm, The City of Tomball may consider abating taxes on the firm's property. The table below identifies the type of firm property for which the city may consider abating taxes.

Table 11. Incentives Under Consideration

Year	Enter Incentive Description
1	\$150,000
2	\$75,000
3	\$25,000
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$250,000

These financial incentives may be considered an investment in the Project made by the EDC and/or City. Four calculations analyzing possible investments were made:

1. Net Benefits - detailed above
2. Present Value of Net Benefits - detailed above
3. Rate of Return on Investment - discussed and detailed below
4. Payback Period - discussed and detailed below

The rate of return on investment calculates the average annual rate of return to the city, treating the incentives as the initial investment and the net benefits to the city as the return on investment. The payback period is the number of years that it will take the city to recover the cost of incentives from the additional revenues that it will receive as a result of the Project.

The table below shows an analysis of these incentives, including a calculation of incentives per job, rate of return, and payback period.

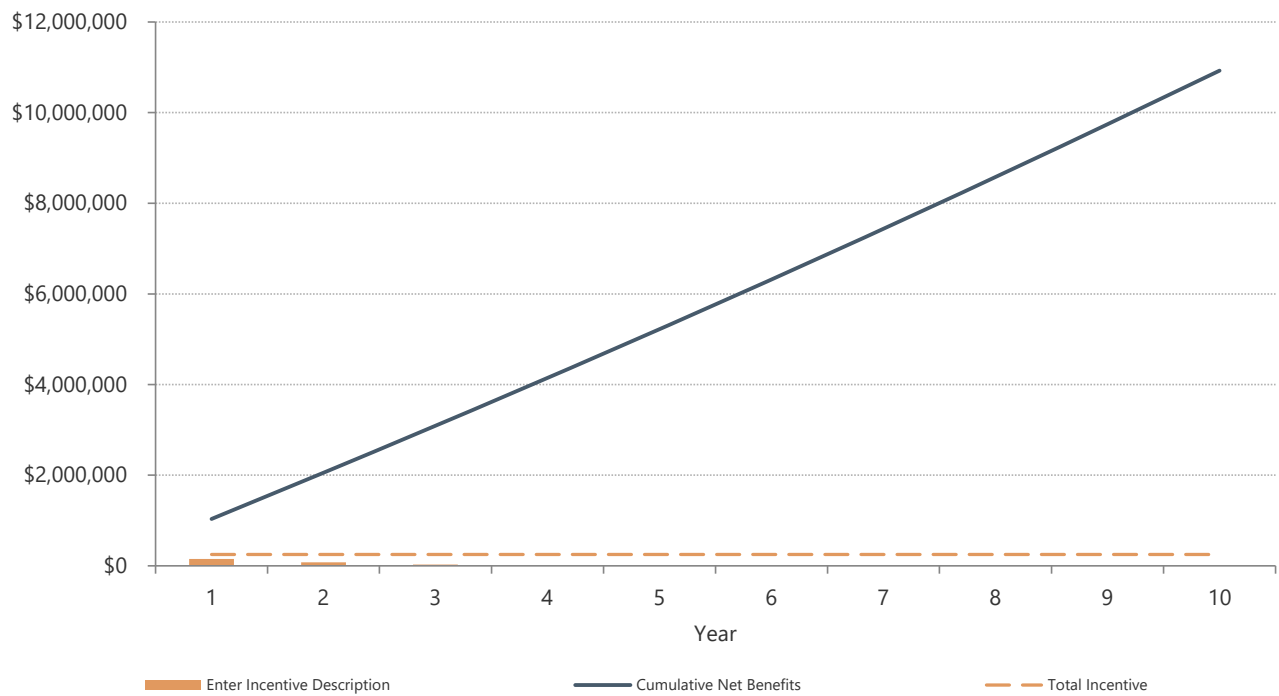
Table 12. Analysis of Incentives

Total Non-Tax Incentive	\$250,000
Incentive Per Job	\$250
Rate of Return - 5 Years	417.9%
Rate of Return - 10 Years	437.1%
Payback period (years)	0.2

Note: The Rate of Return and Payback Period are calculated based on the sum of annual incentives, not the present value of the incentives.

The graph below depicts the total incentives currently under consideration versus the cumulative net benefits to the City. The intersection indicates the length of time until the incentives are paid back.

Figure 2. Incentives Under Consideration



Overview of Methodology

This report presents the results of an analysis undertaken by the Tomball Economic Development Corporation using Total Impact, an economic and fiscal impact analysis tool developed and supported by the Austin, TX based economic consulting firm, Impact DataSource.

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

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

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

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

313300 Textile and fabric finishing and fabric coating mills		City	County
Employment Multiplier	(Type II Direct Effect)	1.4092	1.8135
Earnings Multiplier	(Type II Direct Effect)	1.5440	2.0815

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

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

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

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

Additionally, this analysis sought to estimate the additional expenditures faced by the city and county to provide services to new households and new businesses. A marginal cost approach was used to calculate these additional costs. This approach relies on two assumptions:

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

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

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

According to the Texas Education Agency, any property added to local tax rolls, and the local taxes that this generates, reduces the amount of state funding equivalent to local taxes collected for maintenance and operations. The school district retains local taxes received for debt services and the corresponding state funding is not reduced.

However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenues for the school district are calculated in this analysis.

About Impact DataSource

Impact DataSource is an Austin economic consulting, research, and analysis firm founded in 1993. The firm has conducted over 2,500 economic impact analyses of firms, projects, and activities in most industry groups in Texas and more than 30 other states.

AFFIDAVIT OF CONFLICT OF INTEREST

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Will Benson, as a member of the Tomball Economic Development Corporation, make this affidavit and hereby on oath state the following: I, and/or a person or persons related to me in the first degree by either affinity or consanguinity, have a substantial interest in a business entity that would be peculiarly affected by a vote or decision of the Tomball Economic Development Corporation as those terms are defined in Chapter 171 of the Local Government Code.

Date of Meeting: May 28, 2020

Agenda Item Number: 5.5

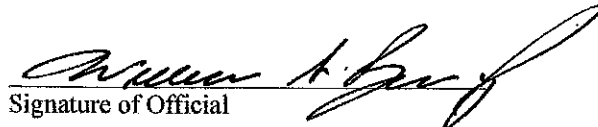
The Business Entity is : 5.5 Consideration and possible action by Tomball EDC to approve, as a project of the Corporation, an agreement with Wildcat PPE, LLC to make direct incentives to or expenditures for, the creation or retention of primary jobs associated with the relocation and development of its corporate headquarters to be located at 14430 Medical Complex Drive, Tomball, Texas 77377. The estimated amount of expenditures for such Project is \$250,000.00.

I have a substantial interest in this business entity for the following reasons: (check all which are applicable)

- ☐ Ownership of 10% or more of the voting stock or shares of the business entity.
- ☐ Ownership of 10% or \$15,000 or more of the fair market value of the business entity.
- ☐ Funds received from the business entity exceed 10% of my gross income for the previous year.
- ☐ Real property is involved and I have an equitable or legal ownership with a fair market value of at least \$2,500.
- ☐ I have a vested interest in the decision made by the City Council.
- ☒ a person who is related to me within the first degree of consanguinity (blood) or affinity (marriage) has a substantial interest in the involved real property or business entity. I have also checked which of the above types of interest my relative has in item.

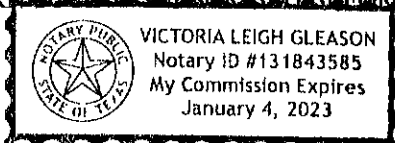
Upon the filing of this affidavit with the Official Record Keeper of the City, I affirm that I will abstain from voting on any decision involving this business entity and from any further participation on this matter whatsoever.

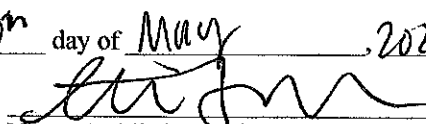
Signed this 28th day of May, 2020.


Signature of Official
TEDC Board Member
Title

BEFORE ME, the undersigned authority, this day personally appeared Will Benson and on oath stated that the facts hereinabove stated are true to the best of their knowledge or belief.

SWORN TO AND SUBSCRIBED BEFORE ME on this 28th day of May, 2020.




Notary Public in and for the State of Texas
Page 141 of 157 Page 26 of 26

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Consideration to approve **Zoning Case P20-079**: Request by the City of Tomball to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.66 acres out of 2.135 acres of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District. The property is generally located on the west side of the Burlington Northern Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas.

- Conduct Public Hearing on **Zoning Case P20-079**
- Adopt, on First Reading, Ordinance No. 2020-10, an Ordinance of the City of Tomball, Texas, amending Chapter 50 (Zoning) of the Tomball Code of Ordinances by changing the zoning district classification of approximately 1.66 acres out of 2.135 of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District, said property being generally located on the west side of the BNSF Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas; providing for the amendment of the official zoning map of the city; providing for severability; providing for a penalty of an amount not to exceed \$2,000 for each day of violation of any provision hereof, making findings of fact; and providing for other related matters.

Background:

On Monday June 8, 2020, after conducting a Public Hearing, the Planning & Zoning Commission recommended approval of the rezoning request with a 5-0 vote.

Origination:

City of Tomball

Recommendation:

Approval

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

Craig T. Meyers, Community Development Director

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
--	--	-------

ATTACHMENTS:

Ordinance No. 2020-10
Notice of Public Hearing
Property Owner Notification
Staff Report

ORDINANCE NO. 2020-10

AN ORDINANCE OF THE CITY OF TOMBALL, TEXAS, AMENDING CHAPTER 50 (ZONING) OF THE TOMBALL CODE OF ORDINANCES BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF APPROXIMATELY 1.66 ACRES OUT OF 2.135 OF LAND LEGALLY DESCRIBED AS LOT 1 BLOCK 1 CITY OF TOMBALL RAILROAD MUSEUM, FROM THE SINGLE-FAMILY 6 DISTRICT TO THE OLD TOWN & MIXED USE DISTRICT, SAID PROPERTY BEING GENERALLY LOCATED ON THE WEST SIDE OF THE BNSF RAILROAD AND THE EAST SIDE OF THE ELM STREET RIGHT-OF-WAY, WITHIN THE CITY OF TOMBALL, HARRIS COUNTY, TEXAS; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP OF THE CITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY OF AN AMOUNT NOT TO EXCEED \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF, MAKING FINDINGS OF FACT; AND PROVIDING FOR OTHER RELATED MATTERS.

* * * * *

Whereas, the City of Tomball has requested that approximately 1.66 acres out of 2.135 acres of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, generally located on the west side of the BNSF Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas, (the "Property"), be rezoned; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within two hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

Whereas, the public hearing was held before the Planning & Zoning Commission at least forty (40) calendar days after the City's receipt of the requested rezoning; and

Whereas, the Planning & Zoning Commission recommended in its final report that City Council approve the requested rezoning of Old Town & Mixed Use District; and

Whereas, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested rezoning, the City Council held the public hearing for the requested rezoning and the City Council considered the final report of the Planning & Zoning Commission; and

Whereas, the City Council deems it appropriate to grant the requested rezoning.

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

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

Section 2. The zoning classification of the Property is hereby changed from the Single-Family 6 to the Old Town & Mixed Use District subject to the regulations, restrictions, and conditions hereafter set forth.

Section 3. The Official Zoning Map of the City of Tomball, Texas shall be revised and amended to show the designation of the Property as Old Town & Mixed Use District, with the appropriate reference thereon to the number and effective date of this Ordinance and a brief description of the nature of the change.

Section 4. This Ordinance shall in no manner amend, change, supplement, or revise any provision of any ordinance of the City of Tomball, save and except the change in zoning classification for the Property to the Old Town & Mixed Use District as described above.

Section 5. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of Tomball, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed \$2,000. Each day of violation shall constitute a separate offense.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 15TH DAY OF JUNE 2020.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGES	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN QUINN	_____

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 6TH DAY OF JULY 2020.

COUNCILMAN FORD	_____
-----------------	-------

COUNCILMAN STOLL _____
COUNCILMAN DEGGES _____
COUNCILMAN TOWNSEND _____
COUNCILMAN QUINN _____

Gretchen Fagan, Mayor

ATTEST:

Doris Speer, City Secretary

**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL
PLANNING & ZONING COMMISSION (P&Z)
JUNE 8, 2020
&
CITY COUNCIL
JUNE 15, 2020**



Notice is Hereby Given that a Public Hearing will be held by the P&Z of the City of Tomball on **Monday, June 8, 2020, at 6:00 P.M.**, and by the City Council of the City of Tomball on **Monday, June 15, 2020, at 6:00 P.M.** at City Hall, 401 Market Street, Tomball Texas. On such dates, the P&Z and City Council will consider the following:

Zoning Case P20-079: Request by the City of Tomball to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.66 acres out of 2.135 acres of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District. The property is generally located on the west side of the Burlington Northern Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas.

At the public hearings, parties of interest and citizens will have the opportunity to be heard. All citizens of the City of Tomball, and any other interested parties, are invited to attend. Applications are available for public inspection Monday through Friday, except holidays, at the Public Works Building, located at 501 James Street, Tomball, TX 77375. Further information may be obtained by contacting the City Planner, Amelia Lindley, at (281) 290-1410 or at alindley@tomballtx.gov.

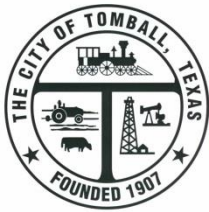
C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the **4th** day of **June 2020** by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Amelia Lindley

Amelia Lindley
City Planner

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.tomballtx.gov.



Notice of Public Hearing

YOU ARE INVITED TO ATTEND the Public Hearing before the **PLANNING & ZONING COMMISSION** and **CITY COUNCIL** of the City of Tomball regarding the following item:

CASE NUMBER: P20-079

APPLICANT/OWNER: The City of Tomball

LOCATION: Generally located on the west side of the Burlington Northern Railroad and the east side of the Elm Street right-of-way, within the City of Tomball, Harris County, Texas.

PROPOSAL: A Re-Zoning to amend Chapter 50 (Zoning) of the Tomball Code of Ordinances by rezoning approximately 1.66 acres out of 2.135 acres of land legally described as Lot 1 Block 1 City of Tomball Railroad Museum, from the Single-Family 6 District to the Old Town & Mixed Use District.

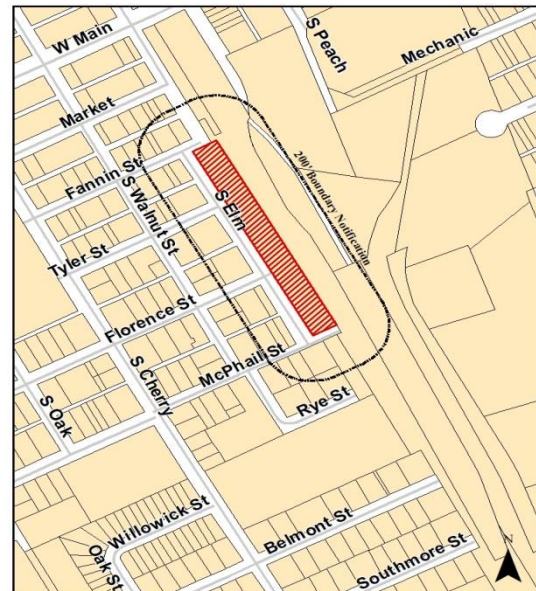
CONTACT: Amelia Lindley, City Planner

PHONE: (281) 290-1410

E-MAIL: alindley@tomballtx.gov

Interested parties may contact the City of Tomball between 8:00 a.m. and 5:00 p.m. Monday through Friday for further information. The application is available for public review Monday through Friday, except holidays, between the hours of 8:00 a.m. and 5:00 p.m. in the Community Development Department office, located at 501 James Street, Tomball, TX 77375. The staff report will be available no later than 4:00 p.m. on the Friday preceding the meeting.

This notice is being mailed to all owners of real property within 200 feet of the request as such ownership appears on the last approved Harris County Appraisal District tax roll.

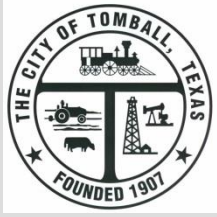


**Planning & Zoning Commission
Public Hearing:
Monday, June 8, 2020 6:00 PM**

**City Council Public Hearing:
*Monday, June 15, 2020 6:00 PM**

**The Public Hearings will be held in the
City Council Chambers, City Hall
401 Market Street, Tomball, Texas**

*Should the Planning & Zoning Commission vote to table the recommendation on the case, the date and time of a future meeting will be specified and the City Council will not review the subject case until such a recommendation is forwarded to the City Council by the Planning & Zoning Commission.



Rezoning Staff Report

Planning & Zoning Commission Public Hearing Date: June 8, 2020
City Council Public Hearing Date: June 15, 2020

Rezoning Case: P20-079
Property Owner(s): City of Tomball
Applicant(s): City of Tomball
Legal Description: Lot 1 Block 1 City of Tomball Railroad Museum
Location: West side of the BNSF Railroad and the east side of the Elm Street right-of-way (Exhibit "A")
Area: 1.66 acres out of 2.135 acres
Comp Plan Designation: Old Town (Exhibit "B")
Present Zoning and Use: Single-Family 6 and Old Town & Mixed Use District (Exhibit "C") / Undeveloped (Exhibit "D")
Proposed Use(s): Texas Railroading Heritage Museum
Request: Rezone a portion of the property from the Single-Family 6 District to the Old Town & Mixed Use District

Adjacent Zoning & Land Uses:

North: Old Town & Mixed Use District / Tomball Depot Park

South: Single-Family 6 District / Single-family residences

West: Single-Family 6 District / Single-family residences

East: Light Industrial District / BNSF Railroad

BACKGROUND

City Staff began discussions with the Texas Railroading Heritage Museum in 2016 regarding the development of a museum adjacent to the Tomball Depot.

ANALYSIS

The property is currently split zoned. The northern portion of the property from Fannin Street to Tyler Street is zoned Old Town & Mixed Use District, while the remaining property south of Tyler Street to McPhail Street is zoned Single-Family 6 District. Surrounding properties are zoned Single-Family 6 District, Old Town & Mixed Use District and Light Industrial District.

Surrounding land uses in the area are single-family residences, the Tomball Depot, and the BNSF Railroad. The proposed museum will create an addition to the Tomball Depot park and will be well screened from adjacent residential property owners.

According to Section 50-79, the purpose of the Old Town & Mixed Use District is “to provide a zoning mechanism for a variety of uses in the original town site and those areas that have a diverse mixture of uses. The nature of the area, therefore, is a mixture of retail, commercial and other nonresidential uses, along with single-family homes and multiple-family uses.”

The property, and most surrounding properties, are designated as Old Town by the Comprehensive Plan’s Future Land Use Map. This category consists of downtown and surrounding neighborhoods. According to the Comprehensive Plan, “old town is intended to be highly walkable and promotes a distinct sense of place”. Appropriate land use types “should consist of a mix of residential, office, retail, entertainment, restaurants, and public facilities. Secondary uses include bed and breakfast lodging, live-work buildings, places of assembly or event venues and home professions”. The proposed rezoning, and proposed land use, is appropriate with the Future Land Use designation.

PUBLIC COMMENT

Property owners within 200 feet of the project site were mailed notification of this proposal on May 22, 2020. A Notice of Public Hearing was published in the paper on May 27, 2020. Any public comment forms will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

RECOMMENDATION

Based on the findings outlined in the analysis section of this staff report, City staff recommends approval of Zoning Case P20-079.

EXHIBITS

- A. Aerial Photo
- B. Comprehensive Plan
- C. Zoning Map
- D. Site Photos

Exhibit "A"
Aerial Photo

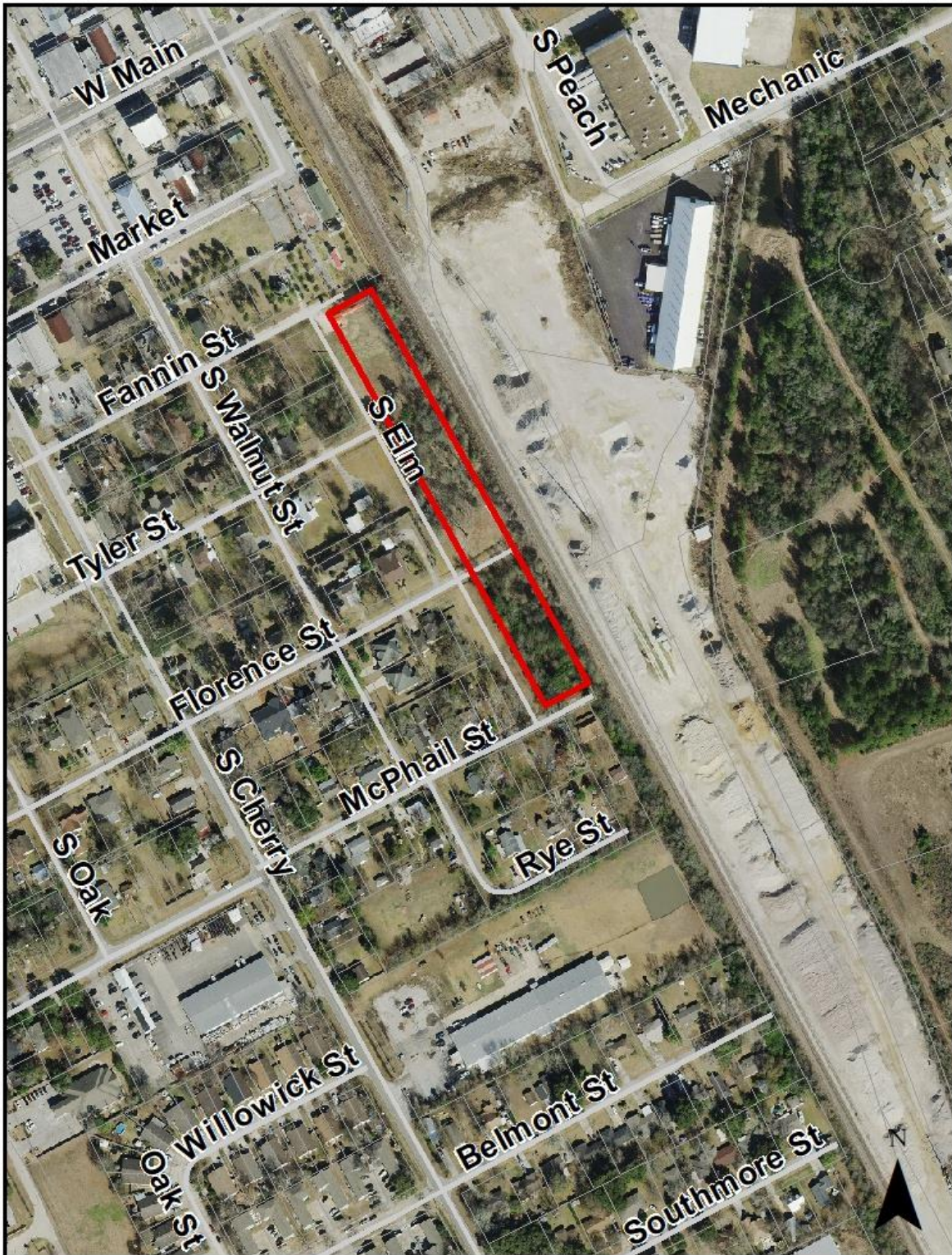
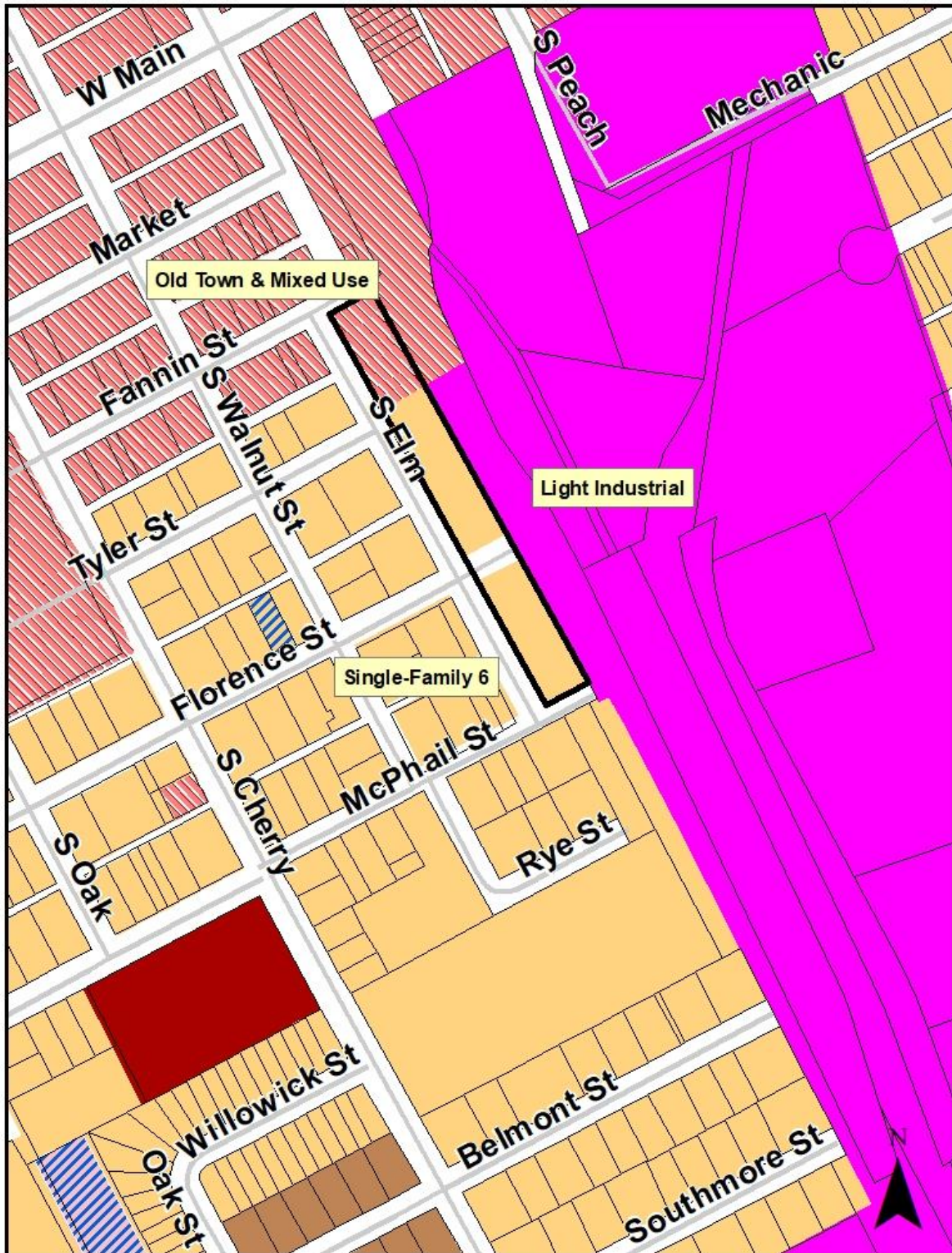


Exhibit "B"
Comprehensive Plan



Exhibit "C"
Zoning Map



**Exhibit “D”
Site Photos**



End of McPhail Street



End of Florence Street



End of Tyler Street



End of Fannin Street

Regular City Council

Agenda Item

Data Sheet

Meeting Date: June 15, 2020

Topic:

Award Contract for E&P Project 2019-10040 to PM Construction & Rehab, LLC., in the Amount of \$400,605.00, for the Sanitary Sewer Rehabilitation Project

Background:

Following recommendations from the Wastewater Master Plan completed in 2017, staff contracted with Oller Engineering, Inc. to complete an inspection of the North Sanitary Sewer Basin #5. Following the inspection, the need for rehabilitation of certain areas of the collection lines was determined and design plans were completed by our consultant.

In order to obtain the most favorable pricing, sealed bids were solicited and a total of six (6) bids were received. After review of all the bids and qualifications, PM Construction & Rehab, LLC. was determined to be the responsive lowest bidder.

Staff is recommending awarding the construction contract to PM Construction& Rehab, LLC for a total amount of \$400,605.00.

Origination:

Public Works Department

Recommendation:

Public Works staff recommends award of the construction contract to PM Construction & Rehab, LLC. in the amount of \$400,605.00.

Funding:

Yes

Account Number:400-614-6409

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

Beth Jones, Public Works Department

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Engineers Recommendation

Bid Tabulation



Beth Jones, PE
Public Works Director
City of Tomball
501 James Street
Tomball TX, 77375

RE: City of Tomball Sanitary Sewer Rehabilitation Project Bidding (Bid No. 2020-08); Engineer's Recommendation

Dear Mrs. Jones,

Based on the bids received on May 28, 2020 for the scope of work identified in the above referenced project, including qualification references and financial statements as provided by the bidders, it is the recommendation of Oller Engineering, Inc. that the City of Tomball award the project to PM Construction and Rehab, LLC for a base bid of \$400,605.00.

Oller Engineering, Inc. has based their recommendation on information as provided in the bidders' bid documents as well as through additional follow-up research. Oller Engineering, Inc. has contacted the three (3) lower bidders' references, specifically regarding projects of similar scopes of work and overall construction costs, as well as investigated the financial statements of the low bidders. All the low bidders had positive references, with previous Clients reporting no issues with understanding scopes of work; no issues with scheduling and deadlines; and no issues with excessive/extensive change orders. PM Construction and Rehab, LLC. has both current and previous executed contracts with the City of Houston for projects of similar scopes of work and has completed the previous contracts without any issues. Additionally, PM Construction and Rehab, LLC. currently has a contract with the City of Houston for sanitary sewer rehabilitation and repair work on an "as needed" or "word order" basis. Other references for PM Construction and Rehab, LLC. have noted the company as one of the top rehabilitation contractors in the Houston area.

Should the City have any questions or concerns regarding Oller Engineering, Inc.'s recommendation, please do not hesitate to let myself or Mr. Oller know.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Darby Adams', is written over a blue circular stamp.

Darby Adams, EIT
Project Engineer
Oller Engineering, Inc.



CITY OF TOMBALL
SANITARY SEWER REHABILITATION PROJECT
BID NO. 2020-09
PROJECT NO. 2019-10041
Bid Date: May 28th, 2:30 PM

RANK (based on cost):			6		2		3		1		4		5	
Item No. - Description			T. Construction, LLC.		Barclays Premier Utility Services, LLC.		Texas Pride Utilities, LLC.		PM Construction and Rehab, LLC dba IPR South Central		Vortex Services, LLC.		Lopez Utilities Contractor	
	Unit	Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1 Mobilization/Demobilization, includes all pre-construction tasks and coordination to begin work and leave job site (cannot exceed 5% of total base bid)	LS	1	\$ 60,000.00	\$ 60,000.00	\$ 25,000.00	\$ 25,000.00	\$ 20,000.00	\$ 20,000.00	\$ 9,500.00	\$ 9,500.00	\$ 30,000.00	\$ 30,000.00	\$ 35,000.00	\$ 35,000.00
2 8" PVC Pipe, including all labor, equipment to install, connect and test pipe as specified per lineal foot	LF	40	\$ 200.00	\$ 8,000.00	\$ 50.00	\$ 2,000.00	\$ 100.00	\$ 4,000.00	\$ 100.00	\$ 4,000.00	\$ 135.00	\$ 5,400.00	\$ 180.00	\$ 7,200.00
3 2,274 LF of 12" Static Pipe Bursting with HDPE Pipe, including all labor, equipment to install, connect and test pipe as specified per job	JOB	1	\$ 368,250.00	\$ 368,250.00	\$ 238,770.00	\$ 238,770.00	\$ 250,000.00	\$ 250,000.00	\$ 170,550.00	\$ 170,550.00	\$ 216,030.00	\$ 216,030.00	\$ 397,950.00	\$ 397,950.00
4 1,352 LF of 12" Pipe Bursting (method as proposed by Contractor) with HDPE Pipe, including all labor, equipment to install, connect and test pipe as specified per job	JOB	1	\$ 169,000.00	\$ 169,000.00	\$ 141,960.00	\$ 141,960.00	\$ 155,000.00	\$ 155,000.00	\$ 67,600.00	\$ 67,600.00	\$ 113,568.00	\$ 113,568.00	\$ 148,720.00	\$ 148,720.00
5 747 LF of 18" Static Pipe Bursting with HDPE Pipe, including all labor and equipment to install, connect and test pipe as specified per job	JOB	1	\$ 495,895.00	\$ 495,895.00	\$ 104,480.00	\$ 104,480.00	\$ 135,000.00	\$ 135,000.00	\$ 63,495.00	\$ 63,495.00	\$ 235,305.00	\$ 235,305.00	\$ 280,125.00	\$ 280,125.00
6 Service Line Reconnections, including all labor, materials and equipment to connect as specified per each	EA	3	\$ 3,945.00	\$ 11,835.00	\$ 1,200.00	\$ 3,600.00	\$ 1,500.00	\$ 4,500.00	\$ 1,500.00	\$ 4,500.00	\$ 1,200.00	\$ 3,600.00	\$ 1,200.00	\$ 3,600.00
7 Trenching System, including all labor and equipment as specified per lineal foot	LF	12	\$ 150.00	\$ 1,800.00	\$ 5.00	\$ 60.00	\$ 400.00	\$ 4,800.00	\$ 280.00	\$ 3,360.00	\$ 600.00	\$ 7,200.00	\$ 25.00	\$ 300.00
8 5-foot Diameter Precast Manhole Section, including all labor and equipment to install, testing, as specified per lineal foot in depth	LF	9	\$ 1,125.00	\$ 10,125.00	\$ 5,000.00	\$ 45,000.00	\$ 2,000.00	\$ 18,000.00	\$ 850.00	\$ 7,650.00	\$ 1,400.00	\$ 12,600.00	\$ 850.00	\$ 7,650.00
9 5-foot Diameter Cone Manhole Section, including all labor and equipment to install as specified per each	EA	1	\$ 2,200.00	\$ 2,200.00	\$ 5,000.00	\$ 5,000.00	\$ 4,600.00	\$ 4,600.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 3,500.00	\$ 3,500.00
10 Manhole Grade Ring Section, including all labor equipment to install as specified per each	EA	1	\$ 175.00	\$ 175.00	\$ 250.00	\$ 250.00	\$ 1,200.00	\$ 1,200.00	\$ 400.00	\$ 400.00	\$ 350.00	\$ 350.00	\$ 600.00	\$ 600.00
11 Manhole Frame and Cover, including all labor and equipment to install as specified per each	EA	1	\$ 850.00	\$ 850.00	\$ 350.00	\$ 350.00	\$ 1,200.00	\$ 1,200.00	\$ 500.00	\$ 500.00	\$ 900.00	\$ 900.00	\$ 850.00	\$ 850.00
12 Manhole Sealant, including all labor, materials and equipment to coat manholes as specified per each	EA	5	\$ 4,175.00	\$ 20,875.00	\$ 4,200.00	\$ 21,000.00	\$ 2,800.00	\$ 14,000.00	\$ 2,500.00	\$ 12,500.00	\$ 3,200.00	\$ 16,000.00	\$ 2,500.00	\$ 12,500.00
13 Ground Water Control, including all labor and equipment as specified to complete job	JOB	1	\$ 42,000.00	\$ 42,000.00	\$ 1,000.00	\$ 1,000.00	\$ 32,000.00	\$ 32,000.00	\$ 10,000.00	\$ 10,000.00	\$ 14,000.00	\$ 14,000.00	\$ 8,000.00	\$ 8,000.00
14 Sodding as needed, including all labor, materials and equipment as specified to complete job	JOB	1	\$ 2,800.00	\$ 2,800.00	\$ 1,200.00	\$ 1,200.00	\$ 8,000.00	\$ 8,000.00	\$ 2,000.00	\$ 2,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
15 Pavement Repair for concrete areas as needed and as approved, including all labor, materials and equipment as specified to complete per square yard	SY	340	\$ 75.00	\$ 25,500.00	\$ 15.00	\$ 5,100.00	\$ 85.00	\$ 28,900.00	\$ 90.00	\$ 30,600.00	\$ 310.00	\$ 105,400.00	\$ 180.00	\$ 61,200.00
16 Pavement Repair for asphalt areas as needed and as approved, including all labor, materials and equipment as specified to complete per square yard	SY	150	\$ 64.00	\$ 9,600.00	\$ 15.00	\$ 2,250.00	\$ 50.00	\$ 7,500.00	\$ 85.00	\$ 12,750.00	\$ 180.00	\$ 27,000.00	\$ 120.00	\$ 18,000.00
17 3,626 LF of 12" Static Pipe Bursting with fusible PVC Pipe, including all labor, equipment to install, connect and test pipe as specified per job	JOB	1	\$ 725,095.00	\$ 725,095.00	\$ 507,640.00	\$ 507,640.00	\$ 405,000.00	\$ 405,000.00	\$ 572,255.32	\$ 572,255.32	N/A		\$ 696,192.00	\$ 696,192.00
18 747 LF of 18" Static Pipe Bursting with fusible PVC Pipe, including all labor and equipment to install, connect and test pipe as specified per job	JOB	1	\$ 515,525.00	\$ 515,525.00	\$ 145,665.00	\$ 145,665.00	\$ 135,000.00	\$ 135,000.00	147652.02	\$ 147,652.02	N/A		\$ 295,065.00	\$ 295,065.00
TOTAL BASE BID (EXCLUSIVE OF 17 and 18)			\$ 1,228,905.00		\$ 597,020.00		\$ 688,700.00		\$ 400,605.00		\$ 798,553.00		\$ 995,195.00	
TOTAL ALT BID (EXCLUSIVE OF 3,4,5)			\$ 1,436,380.00		\$ 765,115.00		\$ 688,700.00		\$ 818,867.34		N/A		* \$ 1,159,657.00	

*costs for items 3, 4, and 5
were accounted by bidder on a
LF basis not a JOB basis

*Bidder did not tabulate the
ADJUSTED BASE BID + ALT. BID
total correctly on bid form