



**Farmersville**  
DISCOVER A TEXAS TREASURE

**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE** August 17<sup>th</sup> , 2011  
**SUBJECT:** Public Hearing for 4A Budget and Goals 2011-2012

Open Public Hearing for Discussion:

Close Public Hearing:

1 **FARMERSVILLE**  
2 **ECONOMIC**  
3 **DEVELOPMENT**  
4 **NOTICE OF**  
5 **PUBLIC HEARING**  
6 **TO CONSIDER**  
7 **PROPOSED**  
8 **PROJECTS FOR**  
9 **FISCAL YEAR**  
10 **2011-2012**

are hereby notified of  
their right to appear  
and be heard on the  
matter. Opinions,  
objections and/or com-  
ments relative to this  
matter may be  
expressed in writing or  
in person at the hear-  
ing.

35-1t-51-124

11 Notice is hereby given  
12 that a public hearing  
13 will be held by the  
14 Farmersville  
15 Economic  
16 Development  
17 Corporation at the Best  
18 Community Center,  
19 154 S. Main Street, at  
20 12:00 p.m. on August  
21 17, 2011, to consider  
22 the following proposed  
23 projects for fiscal year  
24 2011-2012. **Projects:**  
25 **Infrastructure**  
26 **improvements for US**  
27 **Hwy 380/US Hwy 78;**  
28 **Regional Waste Water**  
29 **infrastructure design;**  
30 **Funding Collin**  
31 **College and/or City of**  
32 **Farmersville requests**  
33 **as they pertain to the**  
34 **new college campus;**  
35 **locate property for an**  
36 **EDC investment for**  
37 **future development;**  
38 **and assist the City of**  
39 **Farmersville to update**  
40 **the Comprehensive**  
41 **Master Plan.**  
42

43  
44 All interested citizens  
45 and property owners



TO: Economic Development Corporation  
FROM: Daphne Hamlin, Finance Director  
DATE: August 17th, 2011  
SUBJECT: Farmersville Economic Development Corporation 4A Budget and Goals  
2011-2012

**Action: Discuss, approve or disapprove Farmersville Economic  
Development Corporation 4A 2011-2012 Budget and Goals**

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION 4A  
2011-2012 BUDGET

REVENUE	PROPOSED 2010-2011 BUDGET	
Sales Tax	\$	125,000.00
Interest Earned	\$	2,200.00
<b>Total Revenue:</b>	<b>\$</b>	<b>127,200.00</b>
<b>Expenses</b>		
Administration	\$	5,000.00
Professional fees (PR Specialist)	\$	2,000.00
Meeting Expenses	\$	1,000.00
Dues/School/Travel	\$	500.00
Office Supplies	\$	200.00
Marketing/Promotion Expenses/Advertisement	\$	15,000.00
Sponsorship-NCCLP	\$	500.00
Collin College Sponsorship	\$	7,500.00
Legal	\$	2,500.00
<b>Total Expenses:</b>	<b>\$</b>	<b>34,200.00</b>
<b>Development</b>		
U.S. Highway 380 and State Highway 78	\$	50,000.00
Collin College Project (sewer/street/electric)	\$	100,000.00
NTMWD Regional Waste Water Treatment Plant	\$	150,000.00
Planning	\$	100,000.00
TIRZ Planning Analysis	\$	25,000.00
<b>Total Development Cost:</b>	<b>\$</b>	<b>425,000.00</b>
<b>Total Expenditures</b>	<b>\$</b>	<b>459,200.00</b>
<b>Revenue vs. Expenditures</b>	<b>\$</b>	<b>(332,000.00)</b>
<b>From Reserves</b>	<b>\$</b>	<b>332,000.00</b>
<b>Balance Budget</b>	<b>\$</b>	<b>-</b>

## 2011-2012 Goals and Specified Projects

### Goals:

- A.) Create a business atmosphere in Farmersville that supports:
  - 1. Retention and expansion of existing business,
  - 2. Attracting new or relocating businesses that will increase the quantity and quality of primary jobs,
  - 3. Working with regional coalitions to address infrastructure, transportation, education and quality of life issues,
  - 4. Recruiting at least one new employer per year.
- B.) Improve communication with the community and communicate accomplishments of the Economic Development Board by submitting press releases.
- C.) Expedite the expansion of U.S Highway 380 and State Highway 78 by partnering with the City of Farmersville in order to enhance the crossroad status of the City
- D.) Partner with Collin College for a functional college by 2014.
- E.) Work with the City of Farmersville and NTMWD for a regional waste water treatment plant(WWTP)
- F.) Combine efforts with the City of Farmersville on comprehensive planning issues.

### Projects: Specific funding activities to achieve stated goals:

- 1. Infrastructure improvements for US Highway 380 and State Highway 78.
- 2. Regional waste water infrastructure design.
- 3. Funding Collin College and/or City of Farmersville requests as they pertain to new college campus.
- 4. Locate property for an EDC investment for future projects.
- 5. Assist City of Farmersville in updating Cormprehensive Master Plan.
- 6. Assist City of Farmersville in creating a Tax Increment Reinvestment Zone (TIRZ)



**Farmersville**  
DISCOVER A TEXAS TREASURE

**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17th, 2011  
**SUBJECT:** Receive report on status of the State Highway 380

Receive report on status of the State Highway 380 reconstruction project from Lake Lavon to the Collin/Hunt County Line. Report presented by John Hudspeth, Texas Department of Transportation (TXDOT).



**Farmersville**  
DISCOVER A TEXAS TREASURE

**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17th, 2011  
**SUBJECT:** Façade Grant

Review and possible action on Façade Grant Application and Program

FARMERSVILLE BUSINESS IMPROVEMENT GRANT APPLICATION

Date of Application

07-14-11, 2011

Applicant

Name: PETE CAMPBELL

Business Name: FARMERSVILLE GARDEN & HARDWARE

Business Street Address: 210 SOUTH MAIN ST.

City: FARMERSVILLE State: TX Zip Code: 75442

Telephone: 972-784-7261 Cell Phone: 214-683-4478

Email Address: PETE-CAMPBELL@SBCGLOBAL.NET

Business Owner (if different than above):

Name: SAME

Business Name: \_\_\_\_\_

Business Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Telephone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Property Owner (if different than above):

Name: SAME

Business Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Telephone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Email \_\_\_\_\_

Attach Copy of signed lease (if applicable).

The business must be within the City of Farmersville to be eligible for the Grant.

The Grant is limited to the following types of improvements: Façade or other approved external building improvements.

The Grant award is limited to a maximum of *1. 25,000*

**A 50% cash match of the grant is required.**

Attach documentation of proof of available 50% cash grant match (loan application, letter from bank, copy of savings account or other account document showing funds available).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Describe the type of improvement FACADE UPGRADE ; NEW  
FRONT SIDING, WINDOWS, DOORS, AWNING  
LIGHTS, PAINTING

Attach set of site plans drawn to scale and before photos. Note final plans drawn to scale will be required prior to final approval.

Attach 3 estimates of the total cost of improvements (from 3 separate contractor/suppliers)

Attach verification of City Zoning (letter from City).

**To the best of our knowledge the above information is accurate as provided:**

Applicant:

Name (please print carefully): WM (PETE) CAMPBELL

Signature: *WM Campbell* Date: 7-14-11, 2010

Building Owner Approval of Application:

Name (please print carefully): SAME

Signature: \_\_\_\_\_ Date: \_\_\_\_\_, 2010

Please see the Checklist and Policy and Guidelines for other required documents to be included with your application.

June 15, 2011

Alvarez Construction Co.

(214) 491-8872

Farmersville, Texas

Disassemble existing siding, fix and reinforce 2x6 frames.

Install 7 new windows unit  $\frac{3}{4}$  inch, thick low E bronze over clear.

Install 4 new doors with hardware.

Put hardy board siding 8inch on front wall 22high by 115 long.

Build awning with 2x6 yellow pine wood 4x5x85 with metal roof.

7 Industrial gooseneck lights above the awning.

6 lights "can type" underneath it the awning.

2 GFCI plugs underneath it the awning.

Painting includes, front wall doors, trim and awning.

Materials: \$27,430

Labor: \$19,950

Total: \$47,380

This estimate will not include H.V.A.C. red metal tank.

Project time: 5 weeks.

Warranty on materials 2 years and labor 1 year.

These prices are good for 90 days from this date.

6/10/11

Martinez and Sons

Contractors

(214) 681-0900

Garland, Tx

To whom it may concern:

This estimate is regarding the renovation of the property located at 210 s. Main in Farmersville, Texas.

1. Demo existing siding windows and doors
2. Install new siding.
3. Install new windows and doors.
4. Install 7 gooseneck type lights.
5. Metal roof canopy with wood frame.
6. 2 GFCI plugs and 6 lights underneath it.
7. Front wall, awning doors and trim will be painting with color of your choice.

Labor: \$20,200

Materials: \$31,000

Total: \$51,200

6/09/2011

210 S. Main

Farmersville, Tx.

Demolition siding, fix all the frame imperfections.

Install siding on the front wall 115x22.

Build and install new awning dimensions 4x5x85 with metal roof and 6 lights flush can type.

7 lights antique design above awning.

2 GFCI plugs, under awning.

Paint work just include awning, trim, front wall and doors.

Labor: \$23,500

Materials: \$30,900

Total: \$54,400

Frame time from beginning to end 7 weeks.

Feel free to contact me at:

Los Pinos Co.

(214) 681-9506

Dallas, Tx.



**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17th, 2011  
**SUBJECT:** Discussion on Tax Increment Financing (TIRZ)

Consider, discuss and act upon Tax Increment Financing (TIRZ) presented by Craig Farmer from Freese & Nichols.

# **Tax Increment Financing**

**Economic Development: Are You on the  
Right Road?  
Richardson, Texas  
May 30, 2008**

**Prepared by:**

**Jeff Moore**

**Brown & Hofmeister, L.L.P.  
740 East Campbell Road, Suite 800  
Richardson, Texas 75081  
(214) 747-6100**

**IN GENERAL:**

**1. What is tax increment financing?**

Tax increment financing is a method cities can use to publicly finance structural improvements and infrastructure. Tax increment financing is authorized by chapter 311 of the Texas Tax Code. The “taxing unit’s tax increment”<sup>1</sup> is the amount of property taxes levied on property within a tax increment reinvestment zone (“TIRZ”), and collected by a participating taxing unit in a tax year on the “captured appraised value.”<sup>2</sup> The “captured appraised value” of real property taxable by a taxing unit for a year is the total appraised value of all real property taxable by the unit and located within a TIRZ for that year less the tax increment base of the unit.<sup>3</sup> The “tax increment base” of a taxing unit is the total appraised value of all real property taxable by the unit and located in the TIRZ for the year in which the zone was designated.<sup>4</sup>

**2. What are the steps for creating a tax increment financing reinvestment zone?**

The steps or procedures required to undertake a tax increment financing reinvestment zone (hereinafter referred to as a “TIRZ”) are as follows:

- (1) city initiates a TIRZ or city receives a petition for the creation of a TIRZ;
- (2) city prepares a preliminary reinvestment financing plan;<sup>5</sup>
- (3) city sends sixty (60) day notice to other ad valorem taxing units of the intent to create TIRZ and public hearing;<sup>6</sup>
- (4) other taxing units within fifteen (15) days must designate a representative to meet with the City to discuss the project plan and financing plan;<sup>7</sup>
- (5) city must conduct a formal presentation to each taxing unit;<sup>8</sup>
- (6) city holds a public hearing on the creation of the TIRZ;<sup>9</sup>
- (7) after the public hearing city council may designate an area as a TIRZ;<sup>10</sup>
- (8) city council must designate a board of directors for the TIRZ;<sup>11</sup>
- (9) board of directors prepare financing plan and project plan;<sup>12</sup>
- (10) after financing plan and project plan are approved, contract with each taxing unit with regard to the percentage of the increment dedicated to the tax increment financing fund;<sup>13</sup>

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<sup>1</sup> TEX. TAX CODE ANN. § 311.012(a).

<sup>2</sup> TEX. TAX CODE ANN. § 311.012(b).

<sup>3</sup> TEX. TAX CODE ANN. § 311.012(b).

<sup>4</sup> TEX. TAX CODE ANN. § 311.012(c).

<sup>5</sup> TEX. TAX CODE ANN. § 311.003(b).

<sup>6</sup> TEX. TAX CODE ANN. § 311.003(e).

<sup>7</sup> TEX. TAX CODE ANN. § 311.003(g).

<sup>8</sup> TEX. TAX CODE ANN. § 311.003(f).

<sup>9</sup> TEX. TAX CODE ANN. § 311.003(c).

<sup>10</sup> TEX. TAX CODE ANN. § 311.003(a).

<sup>11</sup> TEX. TAX CODE ANN. § 311.009(a).

<sup>12</sup> TEX. TAX CODE ANN. § 311.011.

<sup>13</sup> TEX. TAX CODE ANN. § 311.013.

- (11) once TIRZ is established, the board of directors must make recommendations to city council on the implementation of tax increment financing and agreements;<sup>14</sup>
- (12) city must submit annual report to chief executive officer of each taxing unit that levies taxes on property within TIRZ;<sup>15</sup> and
- (13) file an annual report with the State Comptroller's office.<sup>16</sup>

**3. What are the type of improvements which may be funded with the tax increment?**

The board of directors of a TIRZ may enter into an agreement to dedicate, pledge, or otherwise provide for the use of revenue in the tax increment fund to pay any "project costs" that benefit the reinvestment zone.<sup>17</sup> A city creating a reinvestment zone may issue tax increment bonds or notes, the proceeds of which may be used to pay TIRZ "project costs."<sup>18</sup> The term "project costs" is defined to mean the following:<sup>19</sup>

expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by the municipality or county establishing a reinvestment zone that are listed in the project plan as costs of public works or public improvements in the zone, plus other costs incidental to those expenditures and obligations. "Project costs" include: (A) capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures; and the actual costs of the acquisition of land and equipment and the clearing and grading of land; (B) financing costs, including all interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and any premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity; (C) real property assembly costs; (D) professional service costs, including those incurred for architectural, planning, engineering, and legal advice and services; (E) imputed administrative costs, including reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan; (F) relocation costs; (G) organizational costs, including the costs of conducting environmental impact studies or other studies, the cost of publicizing the creation of the zone, and the cost of implementing the project plan for the zone; (H) interest before and during construction and for one year after completion of construction, whether or not capitalized; (I) the cost of operating the reinvestment zone and project facilities; (J) the amount of any contributions made by the municipality or county from general revenue for the implementation of the project plan; and (K) payments made at the discretion of the governing body of the

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<sup>14</sup> TEX. TAX CODE ANN. § 311.010(a).

<sup>15</sup> TEX. TAX CODE ANN. § 311.016(a).

<sup>16</sup> TEX. TAX CODE ANN. § 311.016(b).

<sup>17</sup> TEX. TAX CODE ANN. § 311.010(b).

<sup>18</sup> TEX. TAX CODE ANN. § 311.015(a).

<sup>19</sup> TEX. TAX CODE ANN. § 311.002(1)(A)-(K).

municipality or county that the governing body finds necessary or convenient to the creation of the zone or to the implementation of the project plans for the zone.

#### **TAX INCREMENT FINANCING STEPS:**

##### **City Initiated TIRZ or Property Owner Petition Initiated TIRZ:**

#### **4. Can the city initiate a tax increment reinvestment zone (“TIRZ”)?**

The Texas Tax Code provides that a city or county may initiate a tax increment reinvestment zone.<sup>20</sup> City council is authorized to “designate a contiguous geographic area in the jurisdiction of the municipality . . . to be a reinvestment zone.”<sup>21</sup> Consequently, property that is only located within the city limits may be eligible for designation by a city as a TIRZ.<sup>22</sup>

#### **5. Can property owners petition the city for the creation of a TIRZ?**

The Texas Tax Code also provides that property owners may petition the city for the creation of a TIRZ. A proper petition must be submitted to city council by the owners of property constituting at least fifty percent (50%) of the appraised value of the property in the proposed TIRZ area according to the most recent certified appraisal roll for the county in which the area is located.<sup>23</sup>

##### **Preliminary Reinvestment Financing Plan:**

#### **6. When is city council required to prepare a preliminary reinvestment zone financing plan?**

The city council is required to prepare a preliminary reinvestment zone financing plan prior to the adoption of the ordinance creating the TIRZ. As soon as the plan is completed, a copy of the plan must be sent to the governing body of each taxing unit that levies taxes on real property in the proposed zone.<sup>24</sup> The final reinvestment zone financing plan for the TIRZ “must be as consistent as possible with the preliminary plans developed for the zone before the creation of the board.”<sup>25</sup>

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<sup>20</sup> TEX. TAX CODE ANN. § 311.003(a).

<sup>21</sup> TEX. TAX CODE ANN. § 311.003(a).

<sup>22</sup> This paper only addresses the ability of a municipality to create a tax increment reinvestment zone. *See*, Tex. H.B. 2120, 79<sup>th</sup> Leg., R.S. (2005) (providing authority for counties to create a tax increment reinvestment zone).

<sup>23</sup> TEX. TAX CODE ANN. § 311.005(a)(4).

<sup>24</sup> TEX. TAX CODE ANN. § 311.003(b).

<sup>25</sup> TEX. TAX CODE ANN. § 311.011(a).

**Notice of Public Hearing to Create TIRZ:**

7. **Must the city publish notice of the public hearing before adopting an ordinance establishing the reinvestment zone?**

Not later than the seventh (7<sup>th</sup>) day before the date of the public hearing, notice of the hearing must be published in a newspaper having general circulation in the city.<sup>26</sup>

8. **Must the city notify other property taxing units of the public hearing on the creation of the TIRZ?**

Not later than the 60th day before the date of the public hearing of the creation of the TIRZ, city council must notify in writing the governing body of each other taxing unit that levies real property taxes in the proposed TIRZ. The notice must inform the taxing entities of the city's intent to establish the zone.<sup>27</sup> The notice must contain a description of the proposed boundaries of the zone, the tentative plans for the development or redevelopment of the zone, and an estimate of the general impact of the proposed zone on property values and tax revenues. The notice may be given later than the 60th day before the date of the public hearing if the governing body of the county and school district that levies real property taxes in the proposed zone agrees to waive the requirement.

**Taxing Units Designation of Representative:**

9. **Are the other taxing units within a proposed TIRZ required to designate a representative to meet with the city to discuss the project plan, and reinvestment zone financing plan?**

Not later than the 15<sup>th</sup> day after the date on which the city provides notice of the proposed TIRZ, each taxing unit that levies real property taxes in the proposed reinvestment zone shall designate a representative to meet with city council to discuss the project plan and the reinvestment zone financing plan. The taxing unit shall notify city council of its designation.<sup>28</sup> At any time after the 15<sup>th</sup> day after the date on which the notice has been given to every taxing unit, city council may call a meeting of the representatives of the taxing units. Further, city council may call as many meetings as it considers necessary. Each representative shall be notified of each meeting in advance. At the meetings the city and the representatives of the other taxing units may discuss the boundaries of the zone, development in the zone, the tax increment that each taxing unit will contribute to the tax increment fund, the retention by a taxing unit of a portion of its tax increment, the exclusion of particular parcels of property from the TIRZ, the board of directors for the zone, and tax collection for the zone. On the motion of city council any other matter relevant to the proposed reinvestment zone may be discussed.

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<sup>26</sup> TEX. TAX CODE ANN. § 311.003(d).

<sup>27</sup> TEX. TAX CODE ANN. § 311.003(e).

<sup>28</sup> TEX. TAX CODE ANN. § 311.003(g).

**Formal Presentation:**

- 10. Is the city required to make a formal presentation to other taxing units that levy real property taxes in the proposed TIRZ?**

Prior to the designation of a TIRZ, city council is required to make a formal presentation to the county commissioners court, and school board of trustees that levies real property taxes in the proposed TIRZ. The presentation must include a description of the proposed boundaries of the zone, the tentative plans for the development or redevelopment of the zone, and an estimate of the general impact of the proposed zone on property values and tax revenues. The city is required to notify each other taxing unit that levies real property taxes in the proposed TIRZ of each presentation to be made to the county, or school district. Members of the governing body of each taxing unit that levies real property taxes in the proposed zone may attend a presentation. If agreed to by the municipalities, county, or school districts involved, the governing body of the municipality or county proposing to designate a reinvestment zone may make a single presentation to more than one municipal, county, or school district governing body.<sup>29</sup>

**Public Hearing on Creation of TIRZ:**

- 11. Is city council required to hold a public hearing before adopting an ordinance establishing the reinvestment zone?**

Before adopting an ordinance or order providing for a TIRZ, the city council must conduct a public hearing on the creation of the TIRZ, and its benefits to the city, and to property in the proposed zone. At the hearing an interested person may speak for or against the creation of the zone, its boundaries, or the concept of tax increment financing.<sup>30</sup>

**Creation of TIRZ:**

- 12. What are the criteria for city initiated TIRZ?**

City Council by ordinance may designate a contiguous geographic area in the city as a TIRZ to promote development or redevelopment of the area if city council determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future.<sup>31</sup> In addition, for city initiated TIRZ, the reinvestment zone area must meet one of the following three (3) criteria:

- (1) substantially arrest or impair the sound growth of the municipality or county creating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of: (A) a substantial number of

<sup>29</sup> TEX. TAX CODE ANN. § 311.003(f).

<sup>30</sup> TEX. TAX CODE ANN. § 311.003(c).

<sup>31</sup> TEX. TAX CODE ANN. § 311.003(a).

- substandard, slum, deteriorated, or deteriorating structures; (B) the predominance of defective or inadequate sidewalk or street layout; (C) faulty lot layout in relation to size, adequacy, accessibility, or usefulness; (D) unsanitary or unsafe conditions; (E) the deterioration of site or other improvements; (F) tax or special assessment delinquency exceeding the fair value of the land; (G) defective or unusual conditions of title; (H) conditions that endanger life or property by fire or other cause; or (I) structures, other than single-family residential structures, less than 10 percent of the square footage of which has been used for commercial, industrial, or residential purposes during the preceding 12 years, if the municipality has a population of 100,000 or more;
- (2) be predominantly open and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality or county; or
- (3) be in a federally assisted new community located in the municipality or county or in an area immediately adjacent to a federally assisted new community.<sup>32</sup>

Moreover, in 2007, the Texas Legislature amended the Tax Code to provide that if the proposed project plan for a TIRZ includes the use of land in the zone in connection with the operation of an existing or proposed regional commuter or mass transit rail system, or for a structure or facility that is necessary, useful, or beneficial to such a regional rail system, city council may designate such an area as a reinvestment zone.<sup>33</sup>

**13. What are the criteria for an area comprising a TIRZ petitioned for by the property owners?**

The Texas Tax Code provides in order to be designated as a TIRZ, an area must be an area described in a petition requesting that the area be designated as a reinvestment zone, if the petition is submitted to city council by the owners of property constituting at least 50 percent of the appraised value of the property in the area according to the most recent certified appraisal roll for the county in which the area is located.<sup>34</sup> Further, in a recent Texas Attorney General opinion, the Texas Attorney General also concluded a petitioned for TIRZ must also be in an area considered “unproductive, underdeveloped, or blighted” within the meaning of article VIII, section 1-g(b) of the Texas Constitution. An area that satisfies the criteria of section 311.005(a)(1), (a)(2), and (a)(3) [three (3) criteria listed above] comports with this constitutional requirement.<sup>35</sup>

**14. Is there a limitation on the percentage of property within a TIRZ which may be used for residential purposes?**

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<sup>32</sup> TEX. TAX CODE ANN. § 311.005(a)(1)-(3).

<sup>33</sup> TEX. TAX CODE ANN. § 311.005(a-1) (as added by Tex. H.B. 2092, 80<sup>th</sup> Leg., R.S. (2007)).

<sup>34</sup> TEX. TAX CODE ANN. § 311.005(a)(4).

<sup>35</sup> Tex. Att’y Gen. Op. No. JC-0152 (1999).

In city initiated TIRZ, a municipality may not create a reinvestment zone if more than ten percent (10%) of the property in the proposed zone, excluding property that is publicly owned, will be used for residential purposes.<sup>36</sup> Further, the city could not amend the boundaries of an existing TIRZ to include more than ten percent (10%) of which, excluding property dedicated to public use, is used for residential purposes.<sup>37</sup> The ten percent (10%) residential use limitation is not applicable to property owner initiated TIRZ.<sup>38</sup> Property is considered as residential property if it is occupied by a house having fewer than five (5) living units.<sup>39</sup>

**15. Is there a limitation on the percentage of appraised property values within the city which may comprise a TIRZ?**

A city is prohibited from creating a TIRZ if the total appraised value of taxable real property in the proposed TIRZ and in existing TIRZ exceeds fifteen percent (15%) of the total appraised value of taxable real property in the city and in industrial districts created by the city.<sup>40</sup> Also, city council could not amend the boundaries of an existing TIRZ to include more than fifteen percent (15%) of the total appraised value of taxable real property in the city, and in industrial districts created by the city.<sup>41</sup> The appraised values are determined according to the most recent appraisal rolls of the city.<sup>42</sup>

**16. Can the City amend the boundaries of a TIRZ?**

The boundaries of an existing TIRZ may be reduced or enlarged by city council by ordinance or resolution.<sup>43</sup> However, city council may not amend the boundaries of a TIRZ to include more than ten percent (10%) of which, excluding property dedicated to public use, is used for residential purposes.<sup>44</sup> The prohibition of ten percent (10%) of the property being used for residential purposes is not applicable to enlargement of a TIRZ by property owner petition.<sup>45</sup> In addition, city council could not amend the boundaries of an existing TIRZ to include more than fifteen percent (15%) of the total appraised value of taxable real property in the city, and in industrial districts created by the city.<sup>46</sup> And, city council may not amend the boundaries of an existing TIRZ if the new boundaries of the zone will contain more than fifteen percent (15%) of the total appraised value of real property taxable by a county or school district.<sup>47</sup>

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<sup>36</sup> TEX. TAX CODE ANN. § 311.006(a)(1).

<sup>37</sup> TEX. TAX CODE ANN. § 311.006(b).

<sup>38</sup> TEX. TAX CODE ANN. § 311.006(e).

<sup>39</sup> TEX. TAX CODE ANN. § 311.006(d).

<sup>40</sup> TEX. TAX CODE ANN. § 311.006(a)(2).

<sup>41</sup> TEX. TAX CODE ANN. § 311.006(b).

<sup>42</sup> TEX. TAX CODE ANN. § 311.006(d).

<sup>43</sup> TEX. TAX CODE ANN. § 311.007(a).

<sup>44</sup> TEX. TAX CODE ANN. § 311.006(b).

<sup>45</sup> TEX. TAX CODE ANN. § 311.007(b).

<sup>46</sup> TEX. TAX CODE ANN. § 311.006(b).

<sup>47</sup> TEX. TAX CODE ANN. § 311.006(c).

**17. Can property owners petition the city to enlarge an existing TIRZ?**

City Council may enlarge an existing TIRZ to include an area described in a petition requesting that the area be included in the TIRZ if the petition is submitted to city council by the owners of property constituting at least 50 percent of the appraised value of the property in the area according to the most recent certified appraisal roll for the county in which the area is located.<sup>48</sup>

**18. What are the requirements for an ordinance designating an area as a TIRZ?**

The Texas Tax Code provides that the ordinance designating an area as a reinvestment zone must contain the following information:<sup>49</sup>

- (1) describe the boundaries of the zone with sufficient definiteness to identify with ordinary and reasonable certainty the territory included within the TIRZ;
- (2) create a board of directors for the TIRZ and specify the number of directors of the board;
- (3) provide that the zone take effect immediately upon passage of the ordinance;
- (4) provide a date for termination of the TIRZ;
- (5) assign a name to the zone for identification, with the first zone created by the city designated as "Reinvestment Zone Number One, City (or Town) of (name of municipality)", and subsequently created zones assigned names in the same form numbered consecutively in the order of their creation;
- (6) establish a tax increment fund for the zone; and
- (7) contain findings that: (a) improvements in the zone will significantly enhance the value of all the taxable real property in the TIRZ and will be of general benefit to the municipality; and (b) the area meets the criteria for the creation of the TIRZ, as required by Section 311.005 of the Texas Tax Code. If the TIRZ is a petitioned for by the property owners, city council must specify in the ordinance that the TIRZ is designated pursuant to Section 311.005(a)(4) of the Texas Tax Code.<sup>50</sup>

**19. Can the city use tax increment funds outside the TIRZ?**

An agreement to implement the project plan and reinvestment zone financing plan may during the term of the agreement dedicate, pledge, or otherwise provide for the use of revenue in the tax

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<sup>48</sup> TEX. TAX CODE ANN. § 311.007(b).

<sup>49</sup> TEX. TAX CODE ANN. § 311.004(a)(1)-(7).

<sup>50</sup> TEX. TAX CODE ANN. § 311.004(c).

increment fund to pay any project costs that benefit the reinvestment zone.<sup>51</sup>

**Designate the Board of Directors of the TIRZ:**

**20. Does the City Council have to appoint a Board of Directors for the TIRZ?**

The Tax Code provides that when city council approves an ordinance designating an area as a reinvestment zone, the ordinance, in part, must include for the creation of a board of directors for the TIRZ, and specify the number of directors of the board, consistent with Sections 311.009 or 311.0091 of the Texas Tax Code.<sup>52</sup>

**21. What are the duties of the Board of Directors for the TIRZ?**

The Texas Tax Code provides that the board of directors of a reinvestment zone shall make recommendations to city council concerning the administration of the reinvestment zone. The city council by ordinance or resolution may authorize the board to exercise any of the municipality's powers with respect to the administration, management, or operation of the zone or the implementation of the project plan for the zone, except that the governing body may not authorize the board to: (1) issue bonds; (2) impose taxes or fees; (3) exercise the power of eminent domain; or (4) give final approval to the project plan.<sup>53</sup> Further, the board of directors of a TIRZ and city council that creates a reinvestment zone may each enter into agreements as the board or the governing body considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes.<sup>54</sup>

**22. Are there certain powers City Council cannot authorize the Board of Directors for the TIRZ to undertake?**

City Council is precluded from authorizing the Board of Directors for the TIRZ to issue bonds, impose taxes or fees, exercise the power of eminent domain; or give final approval to the project plan.<sup>55</sup>

**23. How many members serve on the Board of Directors of the TIRZ?**

If the property owners petitioned for the creation of the TIRZ, the board of directors of the zone consists of nine (9) members.<sup>56</sup> Further, each school district, county, or municipality, other than the municipality or county that created the TIRZ, that levies taxes on real property in the zone may appoint one (1) member of the board if the school district, county, or municipality has approved the payment of all or part of the tax increment produced by the unit. In addition, the

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<sup>51</sup> TEX. TAX CODE ANN. § 311.010(b).  
<sup>52</sup> TEX. TAX CODE ANN. § 311.004(a)(2).  
<sup>53</sup> TEX. TAX CODE ANN. § 311.010(a)(1)-(4).  
<sup>54</sup> TEX. TAX CODE ANN. § 311.010(b).  
<sup>55</sup> TEX. TAX CODE ANN. § 311.010(a)(1)-(4).  
<sup>56</sup> TEX. TAX CODE ANN. § 311.009(b).

member of the state senate in whose district the TIRZ is located is a member of the board, and the member of the state house of representatives in whose district the TIRZ is located is a member of the board, except that either may designate another individual to serve in the member's place at the pleasure of the member. If the TIRZ is located in more than one senate or house district, the senator or representative in whose district a larger portion of the TIRZ is located may serve or designate another individual to serve on the board. The remaining members of the board are appointed by the city council or county that created the TIRZ.

Excluding petitioned for zones, the Texas Tax Code provides that the board of directors of a reinvestment zone consists of at least five (5) and not more than fifteen (15) members, unless more than 15 members are required to satisfy the requirements of this subsection. The city may appoint not more than ten (10) directors to the board unless there are fewer than five (5) directors appointed by the other taxing units, and as long as the total membership does not exceed fifteen (15) members. The other taxing units, excluding the city, may appoint one member to the board. Further, a taxing unit may waive its right to appoint a director.

**24. How long a term does a Board of Directors serve?**

Members of the board are appointed for terms of two (2) years unless longer terms are provided under Article XI, Section 11, of the Texas Constitution. Terms of members may be staggered. A vacancy on the board is filled for the unexpired term by appointment of the governing body of the taxing unit that appointed the director who served in the vacant position.<sup>57</sup>

**25. What are the eligibility requirements to serve as a Board of Director of a TIRZ?**

To be eligible for appointment to a TIRZ an individual must be a qualified voter of the city or be at least eighteen (18) years of age and own real property within the zone, whether or not the individual resides within the municipality.<sup>58</sup> In a property owner petitioned for TIRZ, to be eligible for appointment to a TIRZ an individual must be at least eighteen (18) years of age and own real property in the zone or be an employee or agent of a person that owns real property in the zone.<sup>59</sup>

**26. Could a City Councilmember serve on the Board of Directors of a TIRZ?**

The Texas Tax Code provides that a member of the board of directors of a TIRZ is not a "public official" by virtue of that position.<sup>60</sup> Based upon this provision, the Texas Attorney General concluded, "a city council member is not prohibited from simultaneously serving as a member of the board of directors of a tax increment reinvestment zone created by his or her municipality under chapter 311 of the Tax Code."<sup>61</sup>

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<sup>57</sup> TEX. TAX CODE ANN. § 311.009(c)&(d).

<sup>58</sup> TEX. TAX CODE ANN. § 311.009(e)(1).

<sup>59</sup> TEX. TAX CODE ANN. § 311.009(e)(2).

<sup>60</sup> TEX. TAX CODE ANN. § 311.009(g)(1).

<sup>61</sup> Tex. Att'y Gen. Op. No. GA-0169 (2004) at 4.

**Project Plan and Reinvestment Zone Financing Plan:**

**27. What is the project plan?**

The project plan means the project plan for the development or redevelopment of a TIRZ, including all amendments of the project plan.<sup>62</sup>

**28. What is the reinvestment zone financing plan?**

The reinvestment zone financing plan is the financing plan for a reinvestment zone.<sup>63</sup>

**29. When must the project plan and the reinvestment zone financing plan be prepared?**

The board of directors of a TIRZ is required to prepare and adopt a project plan and a reinvestment zone financing plan for the zone and submit the plans to city council. The plans must be as consistent as possible with the preliminary plans developed for the TIRZ before the creation of the board.<sup>64</sup> The governing body of the municipality must approve a project plan or reinvestment zone financing plan after its adoption by the board of directors of the TIRZ. The approval must be by ordinance that finds that the plan is feasible and conforms to the master plan, if any, of the municipality.<sup>65</sup>

**30. What is required to be contained in the project plan?**

The Tax Code requires the project plan to contain at a minimum the following: (1) a map showing existing uses and conditions of real property in the TIRZ and a map showing proposed improvements to and proposed uses of that property; (2) proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances; (3) a list of estimated nonproject costs; and (4) a statement of a method of relocating persons to be displaced as a result of implementing the plan.<sup>66</sup>

**31. What is required to be contained in the reinvestment zone financing plan?**

The reinvestment zone financing plan must contain the following information: (1) a detailed list describing the estimated project costs of the TIRZ, including administrative expenses; (2) a statement listing the kind, number, and location of all proposed public works or public improvements in the zone; (3) an economic feasibility study; (4) the estimated amount of bonded indebtedness to be incurred; (5) the time when related costs or monetary obligations are to be incurred; (6) a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit that levies taxes on real

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<sup>62</sup> TEX. TAX CODE ANN. § 311.002(2).

<sup>63</sup> TEX. TAX CODE ANN. § 311.002(3).

<sup>64</sup> TEX. TAX CODE ANN. § 311.011(a).

<sup>65</sup> TEX. TAX CODE ANN. § 311.011(d).

<sup>66</sup> TEX. TAX CODE ANN. § 311.011(b).

property in the zone; (7) the current total appraised value of taxable real property in the zone; (8) the estimated captured appraised value of the zone during each year of its existence; and (9) the duration of the zone.<sup>67</sup>

**32. Can the city amend the project plan?**

The board of directors of the TIRZ may amend the project plan at any time. The amendment takes effect on approval by the city council. City council must approve by ordinance. If an amendment reduces or increases the geographic area of the TIRZ, increases the amount of bonded indebtedness to be incurred, increases or decreases the percentage of a tax increment to be contributed by a taxing unit, increases the total estimated project costs, or designates additional property in the zone to be acquired by the municipality, the approval must be by ordinance adopted after a public hearing consistent with the procedural requirements of Sections 311.003(c) and (d) of the Texas Tax Code.<sup>68</sup>

**33. Can you amend the project plan or reinvestment zone financing plan?**

A city can amend a project plan or financing plan. Further, the Texas Tax Code provides should the city amend or modify a project plan or a reinvestment zone financing plan, the city is required to deliver a copy of the amendment or modification to the State Comptroller's office before April 1 of the year following the year in which the plan was amended or modified.<sup>69</sup>

**34. Is the city required to file a report with the State Comptroller's office following the approval of a project plan or reinvestment zone financing plan?**

A municipality that approves a project plan or reinvestment zone financing plan is required to deliver to the State Comptroller's office before April 1 of the year following the year in which the plan is approved a report.<sup>70</sup> The report on the establishment and approval of the financing plan or project plan must contain the following information: (1) a general description of each zone, including: (A) the size of the zone; (B) the types of property located in the zone; (C) the duration of the zone; and (D) the guidelines and criteria established for the zone under Section 311.005 of the Texas Tax Code; (2) a copy of each project plan or reinvestment zone financing plan adopted; and (3) any other information required by the State Comptroller's office.<sup>71</sup>

**Contract Pledging Percentage of Increment to TIF Fund:**

**35. Are the other taxing units required to contribute tax increment revenues to tax increment fund?**

Not later than the 15<sup>th</sup> day after the date on which the city provides notice of the proposed TIRZ,

<sup>67</sup> TEX. TAX CODE ANN. § 311.011(c).

<sup>68</sup> TEX. TAX CODE ANN. § 311.011(e).

<sup>69</sup> TEX. TAX CODE ANN. § 311.019(c).

<sup>70</sup> TEX. TAX CODE ANN. § 311.019(b).

<sup>71</sup> TEX. TAX CODE ANN. § 311.019(b)(1)-(3).

each taxing unit that levies real property taxes in the proposed reinvestment zone shall designate a representative to meet with city council to discuss the project plan and the reinvestment zone financing plan.<sup>72</sup> At the meetings the city council and the representatives of the other taxing units may discuss the boundaries of the zone, development in the zone, the tax increment that each taxing unit will contribute to the tax increment fund, the retention by a taxing unit of a portion of its tax increment as permitted by Section 311.013 of the Texas Tax Code, the exclusion of particular parcels of property from the zone, the board of directors for the zone, and tax collection for the zone.

**36. What is the tax increment?**

The Texas Tax Code defines terms such as “tax increment base,” “captured appraised value,” and “taxing unit’s tax increment.” The amount of a “taxing unit’s tax increment” for a year is the amount of property taxes levied and collected by the unit for that year on the captured appraised value of real property taxable by the unit and located in the TIRZ.<sup>73</sup> The Tax Code defines the term “captured appraised value” of real property taxable by a taxing unit for a year as the total appraised value of all real property taxable by the unit and located in the TIRZ for that year less the tax increment base of the unit.<sup>74</sup> The “tax increment base” of a taxing unit is the total appraised value of all real property taxable by the unit and located in the TIRZ for the year in which the zone was designated.<sup>75</sup> For example, if the “tax increment base” for appraised values within the TIRZ is \$100,000.00, and after all improvements within the TIRZ increase the appraised values of the property to a total appraised value of \$1,000,000.00, the \$900,000.00 increase is considered the “captured appraised value.” The “taxing unit’s tax increment” is the amount of property taxes levied, and collected by the unit for that year on the \$900,000.00 captured appraised value. The other taxing units, excluding school districts, can agree to contribute the zero (0%) to one hundred percent (100%) of the taxing unit’s tax increment to the tax increment fund.

**Board of Directors Recommendations and Agreements:**

**37. Does the board of directors make recommendations to city council on implementation of the TIRZ?**

The Texas Tax Code provides that the board of directors of the TIRZ shall make recommendations to the city council concerning on the implementation of the TIRZ zone.<sup>76</sup> Further, the board of directors of the TIRZ and the city council may each enter into agreements as the board or the governing body considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes. An agreement may provide for the regulation or restriction of the use of land by imposing conditions, restrictions, or covenants that run with the land. An agreement may during the term of the agreement dedicate,

<sup>72</sup> TEX. TAX CODE ANN. § 311.003(g).

<sup>73</sup> TEX. TAX CODE ANN. § 311.012(a).

<sup>74</sup> TEX. TAX CODE ANN. § 311.012(b).

<sup>75</sup> TEX. TAX CODE ANN. § 311.012(c).

<sup>76</sup> TEX. TAX CODE ANN. § 311.010(a).

pledge, or otherwise provide for the use of revenue in the tax increment fund to pay any project costs that benefit the reinvestment zone.<sup>77</sup>

**Annual Report to Taxing Entities and State Comptroller's Office:**

**38. Must the city prepare a TIRZ annual report?**

The Texas Tax Code requires the city to prepare a TIRZ annual report.

**39. When must the city prepare the TIRZ annual report?**

The Texas Tax Code provides that on or before the 90th day following the end of the fiscal year of the city, city council shall submit to the chief executive officer of each taxing unit that levies property taxes on real property in TIRZ a report on the status of the zone.<sup>78</sup> Accordingly, if the city's fiscal year ends on September 30<sup>th</sup>, the annual report would be due at the end of December of each fiscal year.

**40. What must be contained in the TIRZ annual report?**

The Texas Tax Code provides that the TIRZ annual report must contain the following information: (1) the amount and source of revenue in the tax increment fund established for the zone; (2) the amount and purpose of expenditures from the fund; (3) the amount of principal and interest due on outstanding bonded indebtedness; (4) the tax increment base and current captured appraised value retained by the zone; and (5) the captured appraised value shared by the city and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the City Council.<sup>79</sup>

**41. Who must receive a copy of the TIRZ annual report?**

The TIRZ annual report should be submitted to the chief executive officer of each taxing unit that levies property taxes on real property in TIRZ.<sup>80</sup> In addition, the city shall deliver a copy of the TIRZ annual report to the State Comptroller's office.<sup>81</sup>

**Termination of a TIRZ:**

**42. When does a TIRZ terminate?**

A TIRZ terminates on the earlier of: (1) the termination date designated in the ordinance creating the zone or an earlier termination date designated by an ordinance adopted subsequent to the

<sup>77</sup> TEX. TAX CODE ANN. § 311.010(b).

<sup>78</sup> TEX. TAX CODE ANN. § 311.016(a).

<sup>79</sup> TEX. TAX CODE ANN. § 311.016(a)(1)-(5).

<sup>80</sup> TEX. TAX CODE ANN. § 311.016(a).

<sup>81</sup> TEX. TAX CODE ANN. § 311.016(b).

*Tax Increment Financing  
Richardson, Texas  
May 30, 2008*

ordinance creating the zone; or (2) the date on which all project costs, tax increment bonds, and interest on those bonds have been paid in full.<sup>82</sup>

**43. Can a city extend the TIRZ termination date?**

A city may by a subsequent ordinance provide for an earlier termination date.<sup>83</sup> Yet, the Texas Tax Code does not authorize the extension of the termination date of a reinvestment zone.<sup>84</sup>

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<sup>82</sup> TEX. TAX CODE ANN. § 311.017(a).

<sup>83</sup> TEX. TAX CODE ANN. § 311.017(a)(1).

<sup>84</sup> See, Tex. Att'y Gen. Op. No. GA-0276 (2004) (A home-rule city may not extend a Tax Code, chapter 311 reinvestment zone's termination date beyond the date provided in the ordinance designating the zone).



# Farmersville

DISCOVER A TEXAS TREASURE

**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17<sup>th</sup>, 2011  
**SUBJECT:** Texpool Authorized Representatives

Discuss, and act upon updating Texpool Authorized Representatives



# RESOLUTION AMENDING AUTHORIZED REPRESENTATIVES

WHEREAS, Farmersville Economic Development Corporation (4A)

(Participant Name & Location Number)

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

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

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

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by all remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

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

1. Name: Eddy Daniel Title: President  
 Phone/Fax/Email: 972-784-7777/fax 972-782-7721/eddy@DBIConsultants.com  
 Signature: \_\_\_\_\_

2. Name: Daphne Hamlin Title: Finance Director  
 Phone/Fax/Email: 972-782-6151/972-972-6604/d.hamlin@ci.farmersville.tx.us  
 Signature: \_\_\_\_\_

ORIGINALS REQUIRED

TEX – REP

3. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone/Fax/Email: \_\_\_\_\_  
Signature: \_\_\_\_\_

4. Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Phone/Fax/Email: \_\_\_\_\_  
Signature: \_\_\_\_\_

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

Name Daphne Hamlin

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

5. Name: Eddy Daniel Title: President  
Phone/Fax/Email: 972-784-7777/fax 972-782-7721/eddy@DBIConsultants.com

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

**NAME OF PARTICIPANT:** \_\_\_\_\_

**BY:** \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

**ATTEST:** \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

**This document supersedes all prior Authorized Representative designations.**



**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17th, 2011  
**SUBJECT:** Appoint Economic Development Board members for board meetings of Collin College, NTMWD, Collin County Area Realtors and Commissioner's Court.

Board members will review the attached schedule for all boards.



TO: Economic Development Corporation  
FROM: Daphne Hamlin, Finance Director  
DATE: August 17th, 2011  
SUBJECT: Items for payment

Review with possible action on items for payment

(1) Lunch

(2) City of Farmersville, \$2,740.91

\*Brown & Hofmeister \$480.00

\*AECOM \$1,660.91(final bill)

\*City of Farmersville \$600.00(accounting)



# Farmersville

Invoice No.

Jul-11

## INVOICE

**Customer**

Name Farmersville Economic Development Corp 4A  
 Address \_\_\_\_\_  
 City Farmersville State TX ZIP 75442  
 Phone \_\_\_\_\_

**Misc**

Date 8/8/2011  
 Order No. \_\_\_\_\_  
 Rep \_\_\_\_\_  
 FOB \_\_\_\_\_

Qty	Description	Unit Price	TOTAL
24	Invoice for Accounting Assitance for Budget Year 2010-2011 October 2010 thru July 2011 @ \$25.00/hr	\$ 25.00	\$ 600.00
SubTotal			\$ 600.00
Shipping			
<b>TOTAL</b>			<b>\$ 600.00</b>

**Payment**

Select One...

Comments \_\_\_\_\_  
 Name \_\_\_\_\_  
 CC # \_\_\_\_\_  
 Expires \_\_\_\_\_

Tax Rate(s)

\_\_\_\_\_  
 \_\_\_\_\_

# Brown & Hofmeister, L.L.P.

740 E. Campbell, Suite 800, Richardson, TX 75081

214-747-6100

Fax 214-747-6111

Tax ID No

75-2929278

July 10, 2011

Billed through June 30, 2011

Bill number - 0143-004 - 21920 MSH

Farmersville, City of  
205 S. Main Street  
Farmersville, Texas 75442

Attention: John Moran

In connection with City Council

Balance forward as of last billing cycle	\$1,395.00
Payments received since last bill	\$0.00
Net balance forward	\$1,395.00

## FOR PROFESSIONAL SERVICES RENDERED

06/01/11	ADL	Memo from Mayor Helmberger regarding Farmersville Market Center and EDC performance agreement.	0.1 hrs	4A
06/02/11	ADL	Memos from and to Mayor Helmberger regarding annexations and land swap with Collin College and memo to Edie Sims (.2); Memos to and from Mayor Helmberger regarding Farmersville Market Center (.2).	0.4 hrs	4A
06/08/11	ADL	Memos from and to Julie Gregory and Joe Helmberger regarding Farmersville Market Center (.3); Memos from Julie Gregory, Dayton Macatee, Joe Helmberger and Edie Sims regarding Farmersville Market Center (.2); Review and revise agreement for Farmersville Market Center and memo to Julie Gregory (.5); Telephone conference with Dayton Macatee and memo to Julie Gregory regarding attachments to Farmersville Market Center agreement (.2); Memo from Dayton Macatee and to Joe Helmberger regarding qualified expenditures for Farmersville Market Center agreement (.2).	1.4 hrs	4A
06/09/11	ADL	Memos from and to Joe Helmberger regarding 3-to-1 agreement, MuniCode and service marks (.4); Telephone conference with John Moran regarding agenda (.1); Review and revise 3-to-1 agreement and draft memo regarding revised agreement (.5); Memos from and to Scott Steenson regarding 3-to-1 agreement (.1); Memo from Edie Sims regarding 3-to-1 agreement (.1).	1.2 hrs	4A
06/10/11	ADL	Memo from Joe Helmberger regarding Farmersville Market Center agreement.	0.1 hrs	4A
06/13/11	ADL	Memo from Edie Sims regarding Council agenda items (.2); Memo from Edie Sims regarding alcoholic beverage	1.1 hrs	Adm

Daphne,  
This is paid by 4A  
Blw

61.34.6212  
Blw

AECOM Technical Services, Inc.  
16000 Dallas Parkway, Suite 350  
Dallas, TX 75248  
T 972.735.3001 [www.aecom.com](http://www.aecom.com)



July 8, 2011

Remittance Address: AECOM Technical Services, Inc.  
1178 Paysphere Circle  
Chicago, Illinois 60674

CITY OF FARMERSVILLE  
ATTN: BEN WHITE  
205 S MAIN STREET  
FARMERSVILLE, TX 75442

AECOM Job No.: 60181805  
Invoice No.: 37140988  
Bill No.: 9

INVOICE

FOR PROFESSIONAL SERVICES  
May 29, 2011 through July 1, 2011

Engineering Services for Farmersville US 380 Main Street Bridge in Farmersville, Texas

Task	Authorized Amount	Billed to Date	Previous Statement	Amount Due	Percent Complete
01.160 - Roadway	\$ 21,911.81	\$ 21,911.81	\$ 21,692.69	\$ 219.12	100%
01.161 - Drainage	\$ 20,202.72	\$ 20,202.72	\$ 20,000.69	\$ 202.03	100%
01.162 - Traffic	\$ 2,045.02	\$ 2,045.02	\$ 2,024.58	\$ 20.44	100%
01.163 - Miscellaneous	\$ 44,896.23	\$ 44,896.23	\$ 44,447.27	\$ 448.96	100%
01.170 - Bridge	\$ 36,185.71	\$ 36,185.71	\$ 35,823.85	\$ 361.86	100%
01.999 - ODC	\$ 817.00	\$ 817.00	\$ 408.50	\$ 408.50	100%

**TOTAL** **\$126,058.49** **\$126,058.49** **\$124,397.58** **\$1,660.91** **100%**  
**CITY OF FARMERSVILLE** **OPERATING ACCOUNT** **14478**

VEND: 11-4339 CHECK DATE: 7/24/2011 CHECK NO: 14478  
 DATE I.D. PO # DESCRIPTION AMOUNT  
 7/24/2011 9 AECOM TECHNICAL SERVICES, INC 1,660.91  
 FINAL BILL US 380 MAIN STREET BRIDGE DESIGN FUNDED BY4A

CHECK TOTAL 1,660.91



**TO:** Economic Development Corporation  
**FROM:** Daphne Hamlin, Finance Director  
**DATE:** August 17th 2011  
**SUBJECT:** July 2011 Financial Statements

4A Board will review July 2011 Financial Statements for possible approval

**Farmersville Economic Development Corp 4A**  
**July 2011**

<b>Statement Balance 07-01-2011</b>	<b>\$15,471.79</b>
<b>Deposits:</b>	
<b>Sales Tax:</b>	
<b>Cking Int .10%</b>	<b>\$1.32</b>
<b>CD Interest</b>	
<b>Transfer from Texpool</b>	<b>\$-</b>
<b>Transfer to Texpool</b>	
<b>Checks 1024</b>	<b>\$(80.50)</b>
	<hr/>
<b>Statement balance 07-31-2011</b>	<b>\$15,392.61</b>

**Outstanding Transactions**

<b>Sales Tax</b>	<b>\$10,371.91</b>
<b>Transfer from Texpool</b>	<b>\$50,000.00</b>
<b>CD Interest</b>	<b>\$184.93</b>
<b>Check 1023 City of Farmersville</b>	<b>\$(50,581.50)</b>
	<hr/>
<b>Balance 8-9-2011</b>	<b>\$25,367.95</b>
	<hr/>

Farmersville Economic Development Corporation  
 Cumulative Income Statement  
 For the 12 Months Ended, September 30, 2011

	FY10 Budget	October	November	December	January	February	March	April	May
<b>Beginning Bank Balance</b>		\$38,481.51	\$4,744.28	\$17,535.83	\$27,724.95	\$16,359.81	\$23,097.05	\$423.81	\$5,743.67
<b>Deposits</b>									
Sales Tax Collections	\$125,000.00	\$10,940.60	\$12,645.27	\$10,209.66	\$9,902.51	\$12,639.30	\$10,547.29	\$8,918.06	\$13,354.30
Interest Income cking	\$3,600.00	\$3.68	\$1.99	\$0.86	\$1.72	\$1.72	\$2.39	\$2.75	\$0.98
Misc (acct rec)(JD Russell loan)							\$5,500.00		
Transfer from Texpool to First Bank									
Transfer funds to CD									
Transfer to Texpool		\$(45,000.00)							
CD Interest Earned		\$318.49	\$222.95	\$184.93	\$191.10	\$191.10	\$172.60	\$191.10	\$184.93
<b>Total Revenue</b>	<b>\$128,600.00</b>	<b>\$4,744.28</b>	<b>\$17,614.49</b>	<b>\$27,931.28</b>	<b>\$37,820.28</b>	<b>\$29,191.93</b>	<b>\$39,319.33</b>	<b>\$9,535.72</b>	<b>\$19,283.88</b>
<b>Expenses:</b>									
Administration	\$7,000.00								
Profession Fee(PR Specialist)	\$1,750.00								
Meeting Expenses	\$750.00		\$78.65	\$71.32	\$86.25	\$98.54	\$78.77	\$79.81	\$80.50
Dues/School/Travel	\$500.00						\$79.00		
Office Supplies	\$200.00			\$135.01					
<b>Marketing/promotion Expenses</b>									
Marketing/Promotion Expenses/Advertising	\$12,500.00						\$1,000.00		
NCCLP	\$500.00								
Book of Business	\$3,500.00								
Collin College Sponsorship	\$5,000.00				\$5,500.00	\$375.00	\$510.00		\$975.00
Legal Service	\$500.00							\$150.00	
Farmersville Rotary									
<b>Total Expenditures</b>	<b>\$32,200.00</b>		<b>\$78.65</b>	<b>\$206.33</b>	<b>\$5,586.25</b>	<b>\$473.54</b>	<b>\$1,667.77</b>	<b>\$229.81</b>	<b>\$1,055.50</b>
<b>Directive Business Incentives</b>									
Highway 380/South Main Street Design	\$150,000.00				\$15,874.22	\$5,621.34	\$37,227.75	\$3,562.24	
Collin College Project	\$100,000.00								
NTMWD Regional WW Treatment	\$150,000.00								
Infrastructure Planning	\$25,000.00								
Planning Community Profile	\$5,000.00								
Community Profile	\$5,000.00								
Façade Grant Program	\$50,000.00								
<b>Total Development Cost</b>	<b>\$485,000.00</b>				<b>\$15,874.22</b>	<b>\$5,621.34</b>	<b>\$37,227.75</b>	<b>\$3,562.24</b>	<b>\$1,055.50</b>
<b>Total Expenditures</b>	<b>\$517,200.00</b>								
Revenue vs Expenditures	(\$388,600)								
From Reserves	\$388,600.00								
Balance Budget	\$-								
<b>Total Expenditures</b>			<b>\$78.65</b>	<b>\$206.33</b>	<b>\$21,460.47</b>	<b>\$6,094.88</b>	<b>\$38,895.52</b>	<b>\$3,792.05</b>	<b>\$1,055.60</b>
<b>Ending Bank Balance</b>		<b>\$4,744.28</b>	<b>\$17,535.83</b>	<b>\$27,724.95</b>	<b>\$16,359.81</b>	<b>\$23,097.05</b>	<b>\$423.81</b>	<b>\$5,743.67</b>	<b>\$18,228.38</b>
CD Investment		\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00	\$250,000.00
Texpool Balance		\$445,750.30	\$445,818.46	\$445,881.96	\$445,942.07	\$445,992.38	\$440,547.40	\$440,588.04	\$440,619.33
Interest Earned		\$69.31	\$68.16	\$93.50	\$60.11	\$50.31	\$55.02	\$40.64	\$31.29
<b>Total Available Funds</b>		<b>\$700,494.58</b>	<b>\$713,354.29</b>	<b>\$723,606.91</b>	<b>\$712,301.88</b>	<b>\$719,089.43</b>	<b>\$690,971.21</b>	<b>\$696,331.71</b>	<b>\$708,847.71</b>

Farmersville Economic Development Corporation  
 Cumulative Income Statement  
 For the 12 Months Ended, September 30, 2011

June	July	August	September	YTD
\$18,228.38	\$15,471.79			
\$9,655.07	\$10,371.91			\$109,183.97
\$1.52	\$1.32			\$18.93
	\$50,000.00			
\$191.10	\$184.93			\$(45,000.00)
\$28,076.07	\$76,029.95			\$2,033.23
				\$66,236.13
\$80.14	\$99.12			\$753.10
				\$135.01
				\$1,000.00
	\$975.00			\$5,500.00
\$80.14	\$1,074.12			\$7,388.11
\$12,524.14	\$49,587.88			\$124,397.57
\$12,524.14	\$49,587.88			\$125,453.07
\$12,604.28	\$50,662.00			\$27,840.33
\$15,471.79	\$25,367.95			
\$250,000.00	\$250,000.00			
\$440,648.05	\$390,672.93			
\$28.72	\$24.88			\$521.94
\$706,119.84	\$666,040.88			



TO: Economic Development Corporation  
FROM: Daphne Hamlin, Finance Director  
DATE: August 17th , 2011  
SUBJECT: Meeting minutes for July 20th, 2011

Discussion and possible action on July 20th, 2011 meeting minutes.

# FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION

## MINUTES

July 20th, 2011

The Farmersville Economic Development Corporation met in regular session on July 20<sup>th</sup>, 2011, at 12:05 p.m. at the City of Farmersville Best Center with the following members present: Eddy Daniel, Bob Collins, Stefanie Hurst, and Chris Lair. Staff members present were City Manager John Moran, Public Works Director Ben White, Mayor Joe Helmberger, and Finance Director Daphne Hamlin. Guests recognized were Guillermo Alvarez with Alvarez Construction Co., and Farmersville Grain & Hardware Store Owner Pete Campbell

### CALL TO ORDER

Eddy Daniel convened the meeting at 12:05 p.m. and announced that a quorum was present

### RECOGNITION OF CITIZENS/VISITORS

Guests recognized were Guillermo Alvarez with Alvarez Construction Co., and Farmersville Grain & Hardware Store Owner Pete Campbell

### RECEIVE REPORT ON STATUS OF STATE HIGHWAY 380 RECONSTRUCTION PROJECT FROM LAKE LAVON TO THE COLLIN/HUNT COUNTY LINE. REPORT PRESENTED BY BARRY HEARD AND BRANDON SPARKMAN, TEXAS DEPARTMENT OF TRANSPORTATION (TXDOT)

Brandon Sparkman and Barry Heard with TXDOT could not be present.

Ben White gave a brief update stating Phase III of the US State Highway 380 project was let on July 9<sup>th</sup>. City of Farmersville has scheduled to have all utility lines relocated within (6) months before TXDOT construction begins. Stefanie Hurst mentioned a safety concern regarding the concrete barrier along south side of US State Highway 380 in front of Advanced Fixtures. Ben White advised he would address her concern to project leader Brandon Sparkman.

### REVIEW AND POSSIBLE ACTION ON FAÇADE GRANT APPLICATION

A Façade Grant Application was received from the owner of Farmersville Grain & Hardware Pete Campbell. Guillermo Alvarez, Alvarez Construction Co. presented drawings and pictures to board members for the proposed enhancements to Farmersville Grain & Hardware.

Eddy Daniel informed Mr. Campbell and Mr. Alvarez that the board intends to modify the façade grant program and it would be in their best interest to wait until the modification is in place and resubmit application.

Eddy Daniel suggested the modification of the façade grant program from five (5) grant applicants per year at a match of up to \$10,000 per applicant to two (2) grant

applicants per year with a match of up to \$25,000 per applicant. Eddy stated the main reason for change is to generate interest in the program.

On a motion from Stefanie Hurst and a second from Chris Lair the Façade Grant Program was modified from five (5) grant applicants with up to a \$10,000 dollar match to, two (2) grant applicants with up to a \$25,000 match per year. Total grant funds available will be \$50,000 per fiscal year. Motion carried unanimously

Daphne Hamlin is to contact Mr. Campbell and Mr. Alvarez after the revisions are made and also post to the revised program on the City's website.

#### REVIEW AND SET THE 2011-2012 ECONOMIC DEVELOPMENT BUDGET AND GOALS

Board members discussed the budget and goals for 2011-2012. On a motion from Bob Collins and second from Stefanie Hurst, the Board approved the 2011-2012 Budget and Goals with revisions discussed. Motion carried unanimously. Attached is Exhibit (A) with the approved budget and goals.

#### DISCUSS AND APPOINT ECONOMIC DEVELOPMENT MEMBERS FOR BOARD MEETINGS OF COLLIN COLLEGE, NTMWD, COLLIN COUNTY AREA REALTORS AND THE COMMISSIONER'S COURT

The Board's schedule of the meetings for members to volunteer as follows:

NTMWD – Stefanie Hurst

Collin College – Bob Collins

Commission's Court – Eddy Daniel

Collin Co Area Realtor Meeting – Robbie Tedford

The Board will continue to review the schedule on a monthly basis.

#### ITEMS FOR PAYMENT APPROVED

A motion was made by Bob Collins and second by Chris Lair to approve the invoices as listed for payment. Motion carried unanimously.

#### FINANCIAL STATEMENTS FOR JUNE 2011

On a motion by Stefanie Hurst and a second by Chris Lair, the financials for June 2011 were approved. Motion carried unanimously.

#### MEETING MINUTES OF JUNE 15th 2011

On a motion by Stefanie Hurst and a second by Bob Collins, the Board approved the meeting minutes of June 15<sup>th</sup>, 2011. Motion carried unanimously.

#### DISCUSSION IN CONTEMPLATION OF PLACING ITEMS ON FUTURE AGENDA

- TIRZ discussions
- Farmersville Market Center payment
- Comprehensive plan

ADJOURNMENT

The Board adjourned at 1:37 p.m.

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Eddy Daniel, President

ATTEST:

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Stefanie Hurst, Secretary

FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION 4A  
2011-2012 BUDGET

REVENUE	PROPOSED 2010-2011 BUDGET	
Sales Tax	\$	125,000.00
Interest Earned	\$	2,200.00
<b>Total Revenue:</b>	<b>\$</b>	<b>127,200.00</b>
<b>Expenses</b>		
Administration	\$	5,000.00
Professional fees (PR Specialist)	\$	2,000.00
Meeting Expenses	\$	1,000.00
Dues/School/Travel	\$	500.00
Office Supplies	\$	200.00
Marketing/Promotion Expenses/Advertisement	\$	15,000.00
Sponsorship-NCCLP	\$	500.00
Collin College Sponsorship	\$	7,500.00
Legal	\$	2,500.00
<b>Total Expenses:</b>	<b>\$</b>	<b>34,200.00</b>
<b>Development</b>		
U.S. Highway 380 and State Highway 78	\$	50,000.00
Collin College Project (sewer/street/electric)	\$	100,000.00
NTMWD Regional Waste Water Treatment Plant	\$	150,000.00
Planning	\$	100,000.00
TIRZ Planning Analysis	\$	25,000.00
<b>Total Development Cost:</b>	<b>\$</b>	<b>425,000.00</b>
<b>Total Expenditures</b>	<b>\$</b>	<b>459,200.00</b>
<b>Revenue vs. Expenditures</b>	<b>\$</b>	<b>(332,000.00)</b>
<b>From Reserves</b>	<b>\$</b>	<b>332,000.00</b>
<b>Balance Budget</b>	<b>\$</b>	<b>-</b>

## 2011-2012 Goals and Specified Projects

### Goals:

- A.) Create a business atmosphere in Farmersville that supports:
  - 1. Retention and expansion of existing business,
  - 2. Attracting new or relocating businesses that will increase the quantity and quality of primary jobs,
  - 3. Working with regional coalitions to address infrastructure, transportation, education and quality of life issues,
  - 4. Recruiting at least one new employer per year.
- B.) Improve communication with the community and communicate accomplishments of the Economic Development Board by submitting press releases.
- C.) Expedite the expansion of U.S Highway 380 and State Highway 78 by partnering with the City of Farmersville in order to enhance the crossroad status of the City
- D.) Partner with Collin College for a functional college by 2014.
- E.) Work with the City of Farmersville and NTMWD for a regional waste water treatment plant(WWTP)
- F.) Combine efforts with the City of Farmersville on comprehensive planning issues.

### Projects: Specific funding activities to achieve stated goals:

- 1. Infrastructure improvements for US Highway 380 and State Highway 78.
- 2. Regional waste water infrastructure design.
- 3. Funding Collin College and/or City of Farmersville requests as they pertain to new college campus.
- 4. Locate property for an EDC investment for future projects.
- 5. Assist City of Farmersville in updating Comprehensive Master Plan.
- 6. Assist City of Farmersville in creating a Tax Increment Reinvestment Zone (TIRZ)