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**TIRZ #5 OLD CELINA LIMITED REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, SEPTEMBER 13, 2022
4:45 PM
AGENDA**

I. CALL TO ORDER:

II. MINUTES:

- A. Minutes of September 14, 2022 4:50 PM

III. ACTION ITEM:

- A. Consider and provide a recommendation concerning an agreement by and between the City of Celina and David Pettit Economic Development, LLC for tax increment reinvestment zone (TIRZ) consulting services for TIRZ #5 in the amount not to exceed \$38,000. (Stovall)
- B. Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone (TIRZ) #5 project expenditures; providing a severability clause; and providing an effective date. (Stovall)

IV. ADJOURNMENT:

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

The Board reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551. "I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time:

_____ at ____ p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."

Lauren Field, TRMC

City Secretary

Date Notice Removed



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**TIRZ #5 OLD CELINA LIMITED REGULAR MEETING
CELINA COUNCIL CHAMBERS
112 N. COLORADO ST.
TUESDAY, SEPTEMBER 14, 2021
4:50 PM
MINUTES**

I. CALL TO ORDER:

Attendee Name	Organization	Title	Status	Arrived
Sean Terry	City of Celina	Mayor	Present	
Jay Pierce	City of Celina	Place 2	Present	
Chad Anderson	City of Celina	Place 6	Absent	
Andy Hopkins	City of Celina	Place 3	Present	
Mindy Koehne	City of Celina	Place 5	Absent	
Justin Steiner	City of Celina	Place 1	Present	
Wendie Wigginton	City of Celina	Place 4	Present	

Mayor Sean Terry opened the meeting at 4:58 p.m.

II. MINUTES:

A. TIRZ #5 Old Celina Limited - Regular Meeting - Dec 13, 2016 4:30 PM

RESULT: ACCEPTED [UNANIMOUS]
MOVER: Andy Hopkins, Place 3
SECONDER: Jay Pierce, Place 2
AYES: Terry, Pierce, Hopkins, Steiner, Wigginton
ABSENT: Anderson, Koehne

III. ACTION :

- A.** Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone Number Five project expenditures; providing a severable clause; and providing an effective date. (Stovall)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Andy Hopkins, Place 3
SECONDER:	Wendie Wigginton, Place 4
AYES:	Terry, Pierce, Hopkins, Steiner, Wigginton
ABSENT:	Anderson, Koehne

IV. ADJURN:

There being no further comments, Mayor Terry adjourned the meeting at 4:59 p.m.

Chairman

Secretary

Date Minutes Approved



Administration
City of Celina, Texas

Memorandum

To: Tax Increment Reinvestment Zone #5 Board
From: Karla Stovall, Assistant City Manager
CC: Jason Laumer, City Manager
Date: September 13, 2022
Re: TIRZ #5 Agreement for Consulting Services

Action Requested:

Consider and provide a recommendation concerning an agreement by and between the City of Celina and David Pettit Economic Development, LLC for tax increment reinvestment zone (TIRZ) consulting services for TIRZ #5 in the amount not to exceed \$38,000. (Stovall)

Background Information:

On March 8, 2016 City Council approved Ordinance No. 2016-16 establishing Tax Increment Reinvestment Zone (TIRZ) #5. Old Celina, LTD, has recently met with Staff requesting changes be made to the Project and Finance Plan. Staff recommends an analysis and impact study be conducted to determine the outcome of the proposed changes.

Staff recommends utilizing the consulting services provided by David Pettit Economic Development, LLC, to conduct an analysis and impact study on the changes requested by the property owner.

All fees will be paid through TIRZ #5 credits.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

A lump sum fee of \$38,000 will be paid through TIRZ #5 credits.

Legal Review:

The City Attorney has reviewed the Agreement.

Supporting Documents:

Agreement by and between the City of Celina and David Pettit Economic Development, LLC

Staff Recommendation:

Staff recommends for approval.

August 10, 2022

Jason Laumer
City Manager
City of Celina
142 N. Ohio St
Celina, TX 75009

RE: Professional Services Proposal

Dear Mr. Laumer,

David Pettit Economic Development, LLC ("DPED") is pleased to provide this proposal for economic development professional services relating to the amendment of the City of Celina, Tax Increment Reinvestment Zone ("TIRZ") Number Five, in the City of Celina, Texas ("City").

The Project

It is our understanding that the City of Celina, Texas is interested in amending TIRZ #5 to revise development projections and extend the term, with the purpose of facilitating development.

The Assignment

Our work under this proposal would be to provide professional economic development services relating to amending a TIRZ, including amending the Project and Financing Plan.

The Team

We proposed working in a team organized as follows:

- You will be our point of contact and will provide overall direction to our team. You may also include other members of City staff with which we will meet regularly to review our progress and to get input and direction on our work.
- At this time, we do not anticipate the need for any additional consultants to accomplish the work described in this proposal.

Statutory Requirements

Chapter 311 of the Texas Tax Code outlines the various procedures for creating or amending a TIRZ. The amendment to the TIRZ ordinance is approved by the governing body of the municipality and establishes five key elements, including:

- Boundary;
- Term;
- TIRZ Board;
- City Participation; and
- Preliminary Amended Project and Financing Plan.

Before adopting an ordinance designating the amended reinvestment zone, the governing body of the municipality must hold a public hearing on the amendment of the zone and publish notice of the hearing not later than the seventh day before the public hearing. A final Amended Project and Financing Plan is subsequently approved by the TIRZ Board and then by the governing body of the municipality.

Scope of Services

Based on our conversations and our experience on previous projects, we propose the following scope of services for the proposed amended TIRZ. Our proposed scope of services is divided into separate tasks, each providing a description of the work to be performed and the key products resulting from the task.

Task 1

District Review

Our first step would be to collect and analyze available information within the TIRZ boundaries. This includes reviewing available development data; existing planning documents such as the comprehensive plan, land use plan, thoroughfare plan; physical information such as existing zoning and land use, existing and planned infrastructure, and topography; and property data such as ownership and tax values.

Task 2

Data Collection and Analysis

Based upon the boundaries agreed upon by the City, DPED would utilize a geographic information system (GIS) database to establish the existing values for land and improvements, ownership data, and current land use information. This will provide the baseline data for the analysis. Key products of this task would include TIRZ parcel data and accompanying maps in digital formats.

Task 3

Taxable Value Analysis

A taxable value review of similar developments would be conducted to establish conservative assumptions of future taxable value for development in the zone. DPED would work with City staff to develop projections for future land uses, and timing of proposed developments. This task will be the basis for developing a spreadsheet model of potential TIRZ increments, given a reasonable range of development assumptions and taxable values. Key products of this task would include a spreadsheet model with projections based upon the historical taxable value review, development projections and reasonable timing expectations.

Task 4

Develop Amended TIRZ Cash Flow Model

Based on the anticipated land uses and projections, DPED would develop a draft financing cash flow model (and supporting spreadsheets) for a various time periods. This model will allow the City, consultants and others to underwrite the proposed developments and test various scenarios for the eventual financing plan. Key products of this task would include excel spreadsheets of the Amended TIRZ Cash Flow Models with growth and development assumptions.

Task 5

Prepare an Amended Project and Financing Plan

DPED will develop the Finance Plan, Project Plan, and Detailed Description of the TIRZ, and other exhibits required for local government review and approval per the state legislative requirements. This work includes the written, graphic, and PowerPoint materials and exhibits, as well as support of the process. Backup materials such as spreadsheets and databases will also be products that support the plans. Key products would include an amended preliminary TIRZ Project and Financing Plan comprised of a legal description of the zone, proposed TIRZ projects, estimated project costs, term of the zone and a tax increment analysis.

Task 6

TIRZ Documentation Support

DPED will provide assistance with drafting necessary documents for amending the TIRZ including: 1) public hearing notices; 2) resolutions; 3) amendment ordinances; and 4) amended participation agreements. This can be a time-consuming process for City staff, however DPED's extensive experience in drafting these documents should help streamline the preparation of materials necessary for City Council consideration.

Fee for Services

Our fee for services relating to the scope of services would be a lump sum fee of \$38,000.

Fees would be charged monthly, subject to on-going progress on the work effort. Reimbursable expenses not to exceed \$500 (included in lump sum fee) would be charged to include out-of-pocket expenses incurred in the interest of the project at actual costs.

Changes of Scope and Additional Services

Minor additions to our scope will be treated as Additional Services. Work on Additional Services will not begin until authorized in writing by the Client.

Additional Services and Rates for Hourly Services

Additional Services shall be billed on an hourly not to exceed basis unless a fixed fee or other method of compensation is mutually agreed upon. Our current hourly rates are:

<u>Classification</u>	<u>Hourly Billing Rate</u>
David Pettit	\$325.00
Project Manager	\$250.00
Project Specialist	\$120.00
Planning Intern	\$100.00
Administrative	\$80.00

These rates apply for the current calendar year and are subject to revision on January 1, when they may be revised to reflect changes in staff salaries over the preceding year.

Term of Agreement

It is anticipated that the services covered in the proposal will be completed within twelve (12) month of the date services begin. This Agreement will terminate upon the earlier of completion of services or twelve (12) month from the date of this Agreement. Additionally, Client may terminate this Agreement for any reason upon thirty (30) days written notice to DPED and DPED will cease any and all work upon receipt of such notice, unless otherwise directed in the notice. In the event of a termination as described above, Client shall be responsible for the payment of the fees and expenses incurred by DPED pursuant to this agreement through the date of such termination.

Reimbursables

We propose to be reimbursed for out-of-pocket expenses incurred in the interest of the project at our actual cost. Reimbursable expenses include: our direct consultants and their expenses (to be reimbursed, all consultants and their bids must be approved in writing, in advance by the client); reproduction; long distance communication; document printing and delivery; document graphics and binding; delivery, postage and handling; travel time; special materials; photography; etc. (Reasonable backup will be available upon request.)

Invoices and Payments

Payment for services rendered is due within thirty (30) days of Client's next monthly billing cycle following receipt of invoice. In the event any invoices remain unpaid 45 days after the invoice date, we suspend work until we have been paid in full all amounts due for services and expenses. Amounts unpaid for more than 30 days after the due date may accrue interest at 10% per annum.

Confidentiality and Ownership of Documents

DPED shall keep confidential information and documents provided by the City confidential and shall not release them without the consent of the City. Upon completion of Services and payment of the Compensation owed, all documents created pursuant to this Agreement shall be the property of the City and shall be provided to the City by DPED.

Independent Contractor

DPED shall be fully responsible for its employees, including meeting all state and federal requirements for minimum wage, income tax withholding, workers' compensation, insurance, and all city, state, and federal requirements governing employer/employee relations. DPED hereby certifies that it shall be and is in compliance with all such regulations, laws and requirements.

Governing Law and Venue

This Agreement shall be governed by the laws of the State of Texas as to all matters, including but not limited to matters of validity, construction, effect and performance, without regard to conflict of law principles. All actions regarding this Agreement shall be in a court of competent subject matter jurisdiction in Collin County, Texas.

Suspension and Termination

If the project is suspended or abandoned, DPED will be compensated for all services billed prior to receipt of written notice by the Client. Services that are not billed or completed between billing periods and receipt of written notice will be reimbursed at DPED's standard hourly rates.

If the scope or schedule of the project should change beyond that to be reasonably expected due to the program changes, schedule or other reason, at their option, DPED may re-negotiate the aforementioned fees and scope of work. Any renegotiation of scope or fee will be in writing and subject to the signing of both parties.

Certifications

Guarantees and Warranties: We will not be required to execute any document that would result in our certifying, guaranteeing or warranting the existence of conditions whose existence we cannot ascertain.

Authorization to Proceed

Thank you again for this opportunity to work with you. Your signature below and the return of one copy to us for our file will confirm your approval and authorize us to proceed.

Insurance

DPED will provide proof of professional liability insurance (including errors and omissions) with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in the aggregate and excess/umbrella liability of \$1,000,000 per occurrence and \$2,000,000 in the aggregate to client. Additionally, DPED shall carry the following insurance coverages:

- (a) Worker's compensation insurance at the statutory limits and employer's liability insurance, with minimum limits of \$1,000,000.00/\$1,000,000.00/\$1,000,000.00; and
- (b) Comprehensive general liability insurance, with minimum limits of \$2,000,000.00 each occurrence and \$4,000,000.00 in aggregate; and
- (c) Comprehensive automobile liability insurance, with minimum limits of \$1,000,000.00 combined single limit each occurrence; and

DPED has previously provided, or concurrently with the execution of this agreement is providing, to Client a certificate of insurance issued to Client evidencing the foregoing insurance coverages and evidencing that Client and Client's lender, if any, are additional insured parties with respect to the insurance policies referred to in the foregoing subparagraphs (b) and (c).

Notices

Any notice required or permitted to be given to either party shall be deemed to be received by such party (a) three (3) days after deposit in the United States Registered or Certified Mail, Return Receipt Requested, or (b) one (1) business day after deposit with a nationally recognized overnight delivery service for next day delivery, or (c) upon personal delivery to the party to whom addressed provided that a receipt of such delivery is obtained, or (d) on the next business day after transmission by telecopy provided that a confirmation copy is concurrently deposited in United States Certified or Registered Mail, Return Receipt Requested, in any case addressed to the parties at the following addresses:

If to Client:

City of Celina
142 N. Ohio St
Celina, TX 75009
Attention: Jason Laumer, City Manager
Email: jlaumer@Celina-tx.gov

If to DPED:

David Pettit Economic Development, LLC.
306 West Seventh Street, Suite 602
Ft. Worth, TX 76102
Attention: David Pettit
Email: dpettit@dpedllc.com

or to the parties at such other addresses or telecopy numbers as they may designate by notice to the other party as herein provided.

SUMMARY

I hope this accurately outlines the professional services you anticipated. If you have any questions or concerns please do not hesitate to contact me at 817.439.9421.

Thank you for considering David Pettit Economic Development, LLC.

Sincerely,



David Pettit
Managing Member

If this agreement meets with your approval, please sign and return one executed copy to our office as notice to proceed.

AGREED TO AND ACCEPTED BY:

City of Celina, Texas

By: _____

Date: _____



Administration
City of Celina, Texas

Memorandum

To: **Tax Increment Reinvestment Zone #5 Board**
From: Karla Stovall, Assistant City Manager
CC: Jason Laumer, City Manager
Date: September 13, 2022
Re: TIRZ #5 Approval

Action Requested:

Consider and act on a resolution of the City of Celina, Texas, approving certain Tax Increment Reinvestment Zone (TIRZ) #5 project expenditures; providing a severability clause; and providing an effective date. (Stovall)

Background Information:

All project expenditures provided within the Resolution are authorized spending under Chapter 311 of the Texas Tax Code. This agenda item provides for City Council approval of the TIRZ Board's authorization.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the Resolution.

Supporting Documents:

TIRZ #5 Project Expenditure Approval Resolution

Staff Recommendation:

Staff recommends for approval.

RESOLUTION TIRZ #5

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, APPROVING CERTAIN PROJECT EXPENDITURES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, on March 8, 2016, pursuant to and as required by the Act, the governing body of the City (hereinafter referred to as the “City Council”) approved and adopted by Ordinance No. 2016-16, a Creation Ordinance *of Reinvestment Zone Number Five, City of Celina, Texas*, and

WHEREAS, on December 13, 2016, pursuant to and as required by the Act, the City Council approved and adopted by Ordinance No. 2016-82, a *Final Reinvestment Zone Financing Plan for Tax Increment Reinvestment Zone Number Five, City of Celina, Texas*, and a *Final Project Plan*, for a tax increment reinvestment zone containing 1,235.8 acres located within the City; and

WHEREAS, the Board of Directors of Reinvestment Zone Number Five, City of Celina, Texas, authorized through the passage of Reinvestment Zone Number Five Resolution on September 13, 2022, payment for certain expenditures for the consulting services to update the Project and Finance Plan with a cost not to exceed of \$38,000 directly related to facilitate development and encourage development within the zone; all of which the Board found were authorized expenditures under the Act; and

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

SECTION 1. The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. That the City Council hereby approves of expenditures approved by the Board of Directors of Reinvestment Zone Number Five, City of Celina, Texas, for certain expenditures of consulting services to update the Project and Finance Plan with a cost not to exceed of \$38,000, both directly related to facilitating and encouraging development within the Zone. The Board finds that such expenditures are authorized under the Act.

SECTION 3. That if any section, article paragraph, sentence, clause, phrase or word in this Resolution, or the application thereto to any persons or circumstances, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Resolution; and the City Council hereby declares it would have passed such remaining portions of this Resolution despite such invalidity, which remaining portions shall remain

in full force and effect.

SECTION 4. That this Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THIS THE 13th DAY OF SEPTEMBER 2022.

Sean Terry, Mayor

ATTEST:

Lauren Field, City Secretary