



TAX INCREMENT REINVESTMENT ZONE NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, March 08, 2021 at 4:00 PM

VIDEOCONFERENCE MEETING

This meeting will be held via videoconference and the public is encouraged and welcome to participate. Public comment may be given during the videoconference by joining the meeting using the information below. Public comment for this meeting may also be submitted to the City Secretary at acunningham@cityofdrippingsprings.com no later than 4:00 PM on the day the meeting will be held.

The TIRZ No. 1 & No. 2 Board respectfully requests that all microphones and webcams be disabled unless you are a member of the Board. City staff, consultants and presenters, please enable your microphone and webcam when presenting to the Commission.

Agenda

MEETING SPECIFIC VIDEOCONFERENCE INFORMATION

Join Zoom Meeting

<https://us02web.zoom.us/j/88195687143?pwd=dFBpZHIvbGxyRlFRY2tFYzNTb2NtQT09>

Meeting ID: 881 9568 7143

Passcode: 235783

Dial Toll Free:

888 475 4499 US Toll-free

877 853 5257 US Toll-free

Find your local number: <https://us02web.zoom.us/u/kdzj12wgJk>

Join by Skype for Business: <https://us02web.zoom.us/skype/88195687143>

CALL TO ORDER AND ROLL CALL

Board Members

Dave Edwards, Chair

Taline Manassian, Vice Chair

Missy Atwood

Dan O'Brien

John McIntosh

Walt Smith

Shannon O'Connor (Advisory Board Member)
Bob Richardson (Advisory Board Member)

City Staff, Consultants & Appointed/Elected Officials

City Administrator Michelle Fischer
City Attorney Laura Mueller
Finance Director Shawn Cox
City Secretary Andrea Cunningham
TIRZ Project Manager Keenan Smith
TIRZ Administrator Jon Snyder, P3 Works, LLC
TIRZ Consultant Darin Smith, EPS, Inc.
TIRZ Consultant Jim Adams, McCann Adams Studio

PRESENTATION OF CITIZENS

A member of the public who desires to address the Board regarding any item on an agenda for an open meeting may do so at presentation of citizens before an item or at a public hearing for an item during the Board's consideration of that item. Citizens wishing to discuss matters not contained with in the current agenda may do so, but only during the time allotted for presentation of citizens. Speakers are allowed two (2) minutes to speak during presentation of citizens or during each public hearing. Speakers may not cede or pool time. Members of the public requiring assistance of a translator will be given twice the amount of time as a member of the public who does not require the assistance of a translator to address the Board. It is the request of the Board that members of the public wishing to speak on item(s) on the agenda with a noticed Public Hearing hold their comments until the item(s) are presented for consideration. Speaker are encouraged to sign in. Anyone may request a copy of the City's policy on presentation of citizens for the City Secretary. By low no action may be taken during Presentation of Citizens.

MINUTES

- 1. Discuss and consider approval of the February 8, 2021 TIRZ No. 1 & No. 2 Board regular meeting minutes.**

BUSINESS

- 2. Update and possible action regarding the status of the Town Center Project Interlocal Agreements related to tasks, deliverables and deadlines.**
- 3. Update and discussion regarding TIRZ Priority Projects.**
 - a) Old Fitzhugh Road
 - b) Downtown Parking
 - c) Town Center
- 4. Discuss and consider possible action regarding Fiscal Year 2022 Budget requests related to Tax Increment Reinvestment Zones No. 1 and No. 2.**

EXECUTIVE SESSION

The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs has the right to adjourn into executive session at any time during the course of this meeting to discuss any matter as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real

Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development). The TIRZ No. 1 & No. 2 Board for the City of Drippings Springs may act upon any item listed in Executive Session in Open Session or move any item from Executive Session to Open Session for action.

- 5. Consultation with Legal Counsel and Deliberation of Real Property regarding legal issues related to Real Property for the Tax Increment Reinvestment Zone including the Town Center Project.** Consultation with City Attorney, 551.071; Deliberation of Real Property, 551.072

UPCOMING MEETINGS

TIRZ Board Meetings

April 12, 2021 at 4:00 p.m.

May 10, 2021 at 4:00 p.m.

June 14, 2021 at 4:00 p.m.

City Council Meetings

March 9, 2021 at 6:00 p.m.

March 13, 2021 at 6:00 p.m.

April 13, 2021 at 6:00 p.m.

April 20, 2021 at 6:00 p.m.

ADJOURN

TEXAS OPEN MEETINGS ACT PUBLIC NOTIFICATION & POSTING OF MEETING

All agenda items listed above are eligible for discussion and action unless otherwise specifically noted. This notice of meeting is posted in accordance with Chapter 551, Government Code, Vernon's Texas Codes. Annotated. In addition, the Board may consider a vote to excuse the absence of any Board Member for absence from this meeting.

Due to the Texas Governor Order, Hays County Order, City of Dripping Springs Disaster Declaration, and Center for Disease Control guidelines related to COVID-19, a quorum of this body could not be gathered in one place, and this meeting will be conducted through videoconferencing. Texas Government Code Sections 551.045; 551.125; and 551.127.

*I certify that this notice of meeting was posted at the City of Dripping Springs City Hall and website, www.cityofdrippingsprings.com, on **March 5, 2021 at 1:00 p.m.***

City Secretary

This facility is wheelchair accessible. Accessible parking spaces are available. Requests for auxiliary aids and services must be made 48 hours prior to this meeting by calling (512) 858-4725.



TAX INCREMENT REINVESTMENT ZONE NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, February 08, 2021 at 4:00 PM

MINUTES

MEETING SPECIFIC VIDEOCONFERENCE INFORMATION

Join Zoom Meeting

<https://us02web.zoom.us/j/81316705214?pwd=TIISUkpEOEpYeEd5ODh4VENFQktXQT09>

Meeting ID: 813 1670 5214

Passcode: 183408

Dial Toll Free:

877 853 5257 US Toll-free

888 475 4499 US Toll-free

Find your local number: <https://us02web.zoom.us/j/81316705214>

Join by Skype for Business: <https://us02web.zoom.us/j/81316705214>

CALL TO ORDER AND ROLL CALL

Board Members present were:

Dave Edwards, Chair

Taline Manassian, Vice Chair (arrived at 4:07 p.m.)

Missy Atwood (arrived at 4:30 p.m.)

John McIntosh

Dan O'Brien

Walt Smith

Bob Richardson (Advisory Board Member)

Board Member absent was:

Shannon O'Connor (Advisory Board Member)

Staff, Consultants & Appointed/Elected Officials present were:

City Administrator Michelle Fischer

City Attorney Laura Mueller

City Secretary Andrea Cunningham

Finance Director Shawn Cox

TIRZ Project Manager Keenan Smith

TIRZ Consultant Darin Smith, EPS, Inc.
Dripping Springs School Board Member Joanna Day

With a quorum of the Board present, Chair Edwards called the meeting to order at 4:04 p.m.

PRESENTATION OF CITIZENS

A member of the public who desires to address the Board regarding any item on an agenda for an open meeting may do so at presentation of citizens before an item or at a public hearing for an item during the Board's consideration of that item. Citizens wishing to discuss matters not contained with in the current agenda may do so, but only during the time allotted for presentation of citizens. Speakers are allowed two (2) minutes to speak during presentation of citizens or during each public hearing. Speakers may not cede or pool time. Members of the public requiring assistance of a translator will be given twice the amount of time as a member of the public who does not require the assistance of a translator to address the Board. It is the request of the Board that members of the public wishing to speak on item(s) on the agenda with a noticed Public Hearing hold their comments until the item(s) are presented for consideration. Speaker are encouraged to sign in. Anyone may request a copy of the City's policy on presentation of citizens for the City Secretary. By low no action may be taken during Presentation of Citizens.

No one spoke during Presentation of Citizens.

MINUTES

- 1. Discuss and consider approval of the December 14, 2020 TIRZ No. 1 & No. 2 Board corrected regular meeting minutes.**

A motion was made by Board Member Smith to approve the December 14, 2020 TIRZ No. 1 & No. 2 Board corrected regular meeting minutes. Board Member McIntosh seconded the motion which carried unanimously 5 to 0.

- 2. Discuss and consider approval of the January 11, 2021 TIRZ No. 1 & No. 2 regular meeting minutes.**

A motion was made by Board Member Smith to approve the January 11, 2021 TIRZ No. 1 & No. 2 regular meeting minutes with corrections to Board Member Smith's name throughout. Board Member Mcintosh seconded the motion which carried unanimously 5 to 0.

BUSINESS

- 3. Discuss and consider possible action regarding the Town Center Project Interlocal Agreements related to tasks, deliverables and deadlines.**

a) Real Estate Agreements

Laura Mueller and Vice Chair Manassian presented the item:

- DSISD agreement has been reviewed and revised and will go to City Council for consideration February 9th and any open issues will be discussed
- Items not specifically addressed in mediation will continued to be worked on with DSISD

- Working on finalization of the Library agreement with no issues

b) Infrastructure Cost Sharing Agreements

Vice Chair Manassian presented the item. Work on these agreements has started to pick up and originally the team wanted to present these with the real estate agreements. However, with issues related to the real estate agreement the team has decided to wait as to not waste dollars. The team is in a good place when ready to pick back up on these agreements. The first next step will be to get feedback from the Library, and then present that to the TIRZ Board.

c) Plan of Finance

Vice Chair Manassian presented the item. The agreement and plan is in place, but has not been papered yet.

4. Update and discussion regarding TIRZ Collections and Revenues.

Shawn Cox presented the item and reported that the city has not received Hays County funds as of yet.

Board Member Smith will follow up with Hays County and report back to the city.

Jon Snyder has spoken with the Hays County auditor and they will be issuing the funds subject to a true-up of credits and debits.

5. Discuss and consider recommendation regarding Professional Services Agreement and Proposal between the City of Dripping Springs and TJKM for Grant Writing Services related to the TIRZ Old Fitzhugh Road Project.

Keenan Smith presented the staff report which is on file. Aldo Fritz and Corey Peterson with TJKM introduced themselves and were available for questions.

A motion was made by Board Member O'Brien to recommend City Council approval of a Professional Services Agreement and Proposal between the City of Dripping Springs and TJKM for Grant Writing Services related to the TIRZ Old Fitzhugh Road Project. Board Member McIntosh seconded the motion which carried unanimously 5 to 0.

6. Update and discussion regarding TIRZ Priority Projects.

Keenan Smith presented the item.

a) Town Center

No update at this time. The project team is waiting on approval of the real estate agreements.

b) Old Fitzhugh Road – Update provided with Business Agenda Item 5.

c) Downtown Parking

The project team has issued the draft master plan and is conducting internal workshops.

d) Triangle – No updates, on hold due to FEMA and TxDOT.

EXECUTIVE SESSION

The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs has the right to adjourn into executive session at any time during the course of this meeting to discuss any matter as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development). The TIRZ No. 1 & No. 2 Board for the City of Drippings Springs may act upon any item listed in Executive Session in Open Session or move any item from Executive Session to Open Session for action.

The Board did not meet in Executive Session.

UPCOMING MEETINGS

TIRZ No. 1 & No. 2 Board Meetings

March 8, 2021 at 4:00 p.m.

April 12, 2021 at 4:00 p.m.

May 10, 2021 at 4:00 p.m.

City Council Meetings

February 9, 2021 at 6:00 p.m.

February 16, 2021 at 6:00 p.m.

March 9, 2021 at 6:00 p.m.

March 16, 2021 at 6:00 p.m.

ADJOURN

A motion was made by Board Member Smith to adjourn the meeting. Board Member McIntosh seconded the motion which carried unanimously 6 to 0.

This regular meeting adjourned at 4:37 p.m.

INTERLOCAL AGREEMENT

This Interlocal Agreement (the “Agreement”) is made and entered into as of the 14th day of April 2020, by and between the **City of Dripping Springs**, a general law city in Hays County, Texas (hereinafter the “City”), **Dripping Springs Independent School District** (hereinafter the “DSISD”), **Dripping Springs Community Library District** (the “Library”), and **Hays County** (“County”); (collectively the “Parties”), in connection with the development and construction of the Town Center Project.

WHEREAS, Dripping Springs was one of the five cities in Central Texas chosen to participate in the Sustainable Places Project, an ambitious regional planning initiative aimed at helping communities create the conditions for livable places; and

WHEREAS, Dripping Springs finalized its Sustainable Places Project (the “Project”) on December 10, 2013; and

WHEREAS, the Project suggested a catalyst project which focuses on enhancing the existing town center and expanding it to the northwest; and

WHEREAS, the Project recognized that the City and the DSISD currently own, occupy, or control approximately fourteen point one (14.1) acres of land and ROW within the area proposed for the Town Center and adjacent space suitable for potential commercial development; and

WHEREAS, to continue with the Town Center Project, the City, the DSISD, the County, the Library, and TIRZ seek to complete the real estate and other transactions that are necessary to complete the project; and

WHEREAS, the concept to co-locate the City, DSISD, County, and Library is supported by the parties because shared facilities is a cost-effective way to design civic services; and

WHEREAS, the Parties desire to pursue joint planning and construction of the Town Center Project; and

WHEREAS, the City Council of the City of Dripping Springs and the Board of Trustees for the Dripping Springs Independent School District find that the appropriate real estate transactions related to completion of the Town Center Project provides a public benefit to the constituencies served by each of the entities and to the taxpayers of each entity; and

WHEREAS, this Interlocal Agreement is intended to facilitate completion of the planning and construction of infrastructure and related improvements of the Town Center Project; and

WHEREAS, the Parties entered into a Memorandum of Understanding to facilitate timely planning and assessment of the viability of the Town Center in September 2017; and

WHEREAS, timely commitments on the transfer of the City and DSISD properties is desired to plan for the Town Center, but both the City and DSISD desire additional time before vacating their current properties; and

WHEREAS, the Parties plan to acquire and sell or exchange real property, build, occupy, and share a building and complex on a single tract of land.

NOW, THEREFORE, the City, DSISD, Library, and County, in consideration of the terms, conditions, and covenants contained herein, hereby agree as follows:

ARTICLE I TERM OF AGREEMENT

1.1 Term. The term of this Agreement (“Term”) shall commence on the Effective Date and shall expire April 1, 2025.

ARTICLE II AGREEMENTS

2.1 Conditions. The Parties recognize that certain conditions must be met for the development of Town Center. The City, DSISD, County, or Library, may end its involvement with the development of Town Center and its participation in this Agreement if the City, DSISD, Library, County, or TIRZ are unable to agree upon a site or obtain financing to fund the Town Center Project or replacement facilities related to the Project.

2.2 City Agreement. The City shall:

To advance and implement the development of the Dripping Springs Town Center, the City of Dripping Springs (City) shall:

- (a) In accordance with Chapter 272, Texas Local Government Code, to commit to making the current City Hall Property and right of way located on the corner of Highway 290 and Mercer Street available for future purchase or transfer for the Town Center project and negotiate in good faith and enter into an agreement for the purchase of all or part of the City property within the Town Center Site with or without existing improvements, as agreed, on all or a part of the property located at 511 Mercer Street, Dripping Springs, Texas, including the right of way located on the corner of Highway 290 and Mercer Street to the extent allowed by law, that is required for development of Phases 1 and 1A, including property required for new City, Library, and County facilities, Town Square park, and new or expanded right-of-way in exchange for cash compensation and/or the exchange of property equal to fair market value, subject to final approval by the governing boards of each entity involved in the sale or exchange within six months from the date of

execution of this Agreement. The agreement shall include the part(ies) who will purchase or otherwise obtain the City property, the method(s) of transfer, and the date(s) on or around which the properties will be transferred. The final price or land exchange may be determined by the applicable parties at a time mutually agreeable to the parties who are purchasing and selling the property.

- (b) Negotiate in good faith with the Library and County the terms of a cost-sharing agreement for eligible shared infrastructure improvements, including each entity's pro rata share of right-of-way, utility, and drainage improvements within six months of the execution of this Agreement based on service demands and to the extent these may be supported by each party's available financing resources, as well as any reimbursement agreements for costs the City may be able to incur that exceed its pro rata share (e.g., initially covering a portion of the Library or County pro-rata share subject to future funding allocations from those entities or the TIRZ);
- (c) To the extent allowed by law, adopt a Plan of Finance for the Phase 1 and 1A infrastructure in cooperation with the TIRZ Board, DSISD, Library, and Hays County within twelve months of the execution of this Agreement and will engage a contractor for design of the improvements within six months after the adoption of the Plan of Finance by applicable parties;
- (d) Within six months after approval of the Plan of Finance associated with this agreement is finalized as to the terms listed above and property dedicated to each entity by the DSISD and City as negotiated, initiate an application for Planned Development District zoning and promote its approval and provide for the entitlement process for the Town Center, including any required public outreach and engagement;
- (e) Conduct space planning and design for the construction of a new City Hall and associated parking and utilities, with the express intent to restrict the land area required to the 1.2-acre site identified as "Civic Site 2" in the Town Center Plan as attached on Exhibit "A" (Fall 2019 version); and
- (f) Within three months of adoption of the Plan of Finance by the City, the City shall present a cost reimbursement agreement to the TIRZ Board for recommendation whereby City-issued debt and other financing can provide initial funding for any Phase 1 and 1A infrastructure not otherwise funded by the Library or County, to reimburse the City on a pay-as-you-go basis and/or issue debt supported by TIRZ revenues to pay down the City's initial financing; and
- (g) In addition, the City may, at its sole discretion:
 - (1) Engage the DSISD, Library, and/or Hays County to explore the potential for shared use of portions of the planned new City Hall building, including any cost-sharing agreements and scheduling parameters that may be mutually agreeable;
 - (2) Execute the acquisition of the new City Hall site through a transaction with DSISD;

- (3) Negotiate in good faith for the disposition of the City's current City Hall property to an eventual end purchaser related to the Town Center Project;
- (4) Complete fundraising for and construction of the new City Hall and associated on-site improvements; and
- (5) Pursue funding for Town Center infrastructure and other improvements through other potential resources, including proceeds from cash-in-lieu fees, contributions from development agreements, disposition of public assets, State, County, or regional funding, or any other viable sources.

2.3 DSISD Agreement. DSISD shall:

- (a) The DSISD shall permit the Parties in this Agreement to purchase and/or agree to the exchange of property, at an agreed value, sufficient land within the boundaries of the District Property, as more described below, to construct the Town Center project. The sale and/or exchange of property and purchase is subject to Chapter 272 of the Texas Local Government Code, Section 11.154 of the Texas Education Code, and subparagraph 2.3(b).
- (b) The Parties agree to negotiate in good faith and enter into an agreement for the future sale of the property with the City of Dripping Springs, Library, and/or Hays County, with or without improvements, on approximately eleven point seven (11.7) acres generally located at 510 Mercer Street, Dripping Spring, Texas, excluding the Walnut Springs Elementary School track and field, as required for development of Phases 1 and 1A, but including property required for new City, Library, and County facilities, Town Square park, and new or expanded right-of-way in exchange for cash compensation and/or the exchange of property equal to fair market value, subject to final approval of the governing boards of each entity within six months from the date of execution of this Agreement. The agreement shall include the part(ies) who will purchase or acquire the DSISD property, the method(s) of transfer, and the date(s) on or around which the property will be sold or transferred but not later than July 1, 2022 or on the date agreed to by the DSISD and the buyer(s) of the property in the agreement referenced herein. The final price or land exchange may be determined by the applicable parties at a time in the future, as mutually agreeable to the parties who are purchasing and selling the property; and
- (c) The responsibility for the demolition of the existing improvements at 510 Mercer Street shall be determined by the Board of Trustees during the real estate negotiations; and
- (d) If the Town Center project is terminated and paragraph 2.3(a) and (b) is not exercised, then in accordance with the requirements of Chapter 272, Texas Local Government Code, DSISD will negotiate in good faith and enter into a real estate sales contract with the Library for property in the amount of acreage sufficient to build a 35,000 square foot building and additional acreage to support the infrastructure as set forth in the interlocal agreement between the Library and District.
- (e) In addition, DSISD may, at its sole discretion:

- (1) Engage the City, Library, and/or Hays County to explore the potential for shared use of portions of the planned new City Hall building or other Town Center facilities, including any cost-sharing agreements and scheduling parameters that may be mutually agreeable; and
- (2) Engage the City in discussions regarding the potential swap of the current City Hall site and building or other City property, with or without improvements, for portions of the current DSISD property required for Phases 1 and 1A of the Town Center Plan, with each property owner receiving fair market value in such an exchange.

2.4 Library. The Library shall:

To advance and implement the development of the Dripping Springs Town Center, the Dripping Springs Community Library (Library) shall:

- (a) In accordance with Chapter 272 Texas Local Government Code, negotiate in good faith and enter into an agreement to purchase all or part of the property from the DSISD for the property within the Town Center Site, with or without existing improvements, as agreed, on all or a part of approximately eleven point seven (11.7) acres generally located at 510 Mercer Street, Dripping Springs, Texas, excluding the Walnut Springs Elementary School track and field, that is required for development of Phases 1 and 1A, Town Square park, and new or expanded right-of-way in exchange for cash compensation and/or the exchange of property equal to fair market value, subject to final approval by the governing boards of each entity within six months from the date of execution of this Agreement. The agreement shall include the part(ies) who will purchase or obtain the DSISD property, the method(s) of transfer, and the date(s) on or around which the property will be sold or transferred but not later than July 1, 2022 or on the date agreed to by the DSISD and the buyer(s) of the property in the agreement referenced herein.. The final price or land exchange may be determined by the applicable parties at a time in the future, as mutually agreeable to the parties who are purchasing and selling the property; and
- (b) Negotiate in good faith with the City and County the terms of a cost-sharing agreement for eligible shared infrastructure improvements, including each entity's pro rata share of right-of-way, utility, and drainage improvements within six months of the execution of this Agreement based on service demands and to the extent these may be supported by each party's available financing resources, as well as any reimbursement agreements for costs the Library may be able to incur that exceed its pro rata share (e.g., initially covering a portion of the City or County pro-rata share subject to future funding allocations from those entities or the TIRZ) and assist the City in the preparation for its Plan of Finance; and
- (c) Conduct space planning, design, and site planning for the construction of a new Town Center Library and associated parking and utilities, with the express intent to restrict the land area required to the 1.8-acre site identified as "Civic Site 1" in the Town Center Plan as attached on Exhibit "A" (Fall 2019 version), accounting for Library parking that may be accommodated on-street in the public right-of-way.

(d) In addition, Library may, at its sole discretion:

- (1) Engage the DSISD, City, and/or Hays County to explore the potential for shared use of portions of the planned Town Center Library building, including any cost-sharing agreements and scheduling parameters that may be mutually agreeable; and
- (2) To the extent allowed by law, complete fundraising for and construction of the new Town Center Library and associated on-site improvements as well as any shared infrastructure that the Library's financing resources may be able to support.
- (3) Acquire land suitable for the new Library facility.

2.5 Conditions of the County.

To advance and implement the development of the Dripping Springs Town Center, Hays County shall:

- (a) In accordance with Section 272.001(b)(5), Texas Local Government Code, negotiate in good faith and enter into an agreement for the purchase of all or part of the property from the DSISD and/or the City for the acquisition of real property with or without improvements, as agreed, on all or part of approximately eleven point seven (11.7) acres generally located at 510 Mercer Street, Dripping Springs, Texas, excluding the Walnut Springs Elementary School track and field and/or the property at 511 Mercer Street with or without existing improvements, that is required for development of Phases 1 and 1A, including property required for new City, County, and Library facilities, Town Square park, and new or expanded right-of-way in exchange for cash compensation and/or the exchange of property equal to fair market value, subject to final approval by the governing board of each entity, for a County facility within six months from the date of execution of this agreement. The agreement shall include the part(ies) who will purchase or obtain the DSISD and/or City property, the method(s) of transfer, and the date(s) on or around which the property will be transferred in 2022, for DSISD property not later than July 1, 2022 or on the date agreed to by the DSISD and the buyer(s) of the property in the agreement referenced herein.. The final price or land exchange may be determined by the applicable parties at a time in the future as mutually agreeable to the parties who are purchasing and selling the property; and
- (b) Negotiate in good faith with the Library and City the terms of a cost-sharing agreement for eligible shared infrastructure improvements, including each entity's pro rata share of right-of-way, utility, and drainage improvements within six months of execution of this Agreement based on service demands and to the extent these may be supported by each party's available financing resources, as well as any reimbursement agreements for costs the County may be able to incur that exceed its pro rata share (e.g., initially covering a portion of the Library or City pro-rata share subject to future funding allocations from those entities or the TIRZ) and assist the City in preparation of its Plan of Finance; and

- (c) Conduct space planning and design for the construction of a new County facility by Spring 2022 and associated parking and utilities, with the express intent to restrict the land area required to a portion of the 1.2-acre site identified as “Civic Site 2” in the Town Center Plan as attached on Exhibit “A” (Fall 2019 version).
- (d) In addition, the County may, at its sole discretion:
- (1) Execute the acquisition of the new County site through a transaction with DSISD;
 - (2) Within three months of adoption of the Plan of Finance by the City, present to the TIRZ Board the terms of a cost reimbursement agreement whereby County resources can provide initial funding for any Phase 1 and IA infrastructure not otherwise funded by the Library or City to reimburse the County on a pay-as-you-go basis and/or issue debt supported by TIRZ revenues to pay down the County’s initial financing;.
 - (3) Engage the DSISD, City, and/or Library to explore the potential for shared use of portions of the planned new civic buildings instead of or in addition to constructing a new County facility, including any cost-sharing agreements and scheduling parameters that may be mutually agreeable;
 - (4) Complete fundraising for and construction of the new County facility and associated on-site improvements; and
 - (5) Pursue funding for Town Center infrastructure and other improvements through other potential resources, including proceeds from County parks and transportation bonds, contributions from development agreements, disposition of public assets, State or regional funding, or any other viable sources.

ARTICLE III DEFAULT, REMEDIES, TERMINATION

3.1 Defaults, Generally. A default shall occur (“Default”) hereunder if either the City, DSISD, Library, or County shall fail or refuse to perform any of its respective obligations under this Agreement and such Default shall continue for thirty (30) days after written notice from the non-defaulting parties to the defaulting party designating such Default (or for such longer period as may be reasonably required to cure such Default in the exercise of all due diligence but not in excess of ninety (90) days).

3.2 Remedies after Default. If a Default occurs, the non-defaulting party shall have all the remedies available to the non-defaulting party at law or in equity, including the right to bring an action for specific performance against the defaulting party.

3.3 Notice of Default; Opportunity to Cure. If this Agreement is breached, the party alleging the default or breach shall give the breaching party not less than thirty (30) days written notice, measured from the date of the certified mailing, specifying the nature of the alleged default, and when appropriate, the manner in which the alleged default may be satisfactorily cured. If the

nature of the alleged default is such that it cannot reasonably be cured within the thirty (30) day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within the period.

3.4 Notice of Intent to Terminate on Default. At any time following the thirty-day cure period, the complaining party may institute legal proceedings and/or give written notice of intent to terminate the Agreement by certified mail. The written notice of intent to terminate shall specify the nature of the alleged grounds for termination.

3.5 Termination of Agreement. Each party shall be able to terminate this Agreement by giving a thirty (30) day written notice to each other Party if the party terminating the Agreement: (1) no longer can obtain funding for the Town Center Project; (2) no longer can allocate funding for the construction of replacement facilities affected by the Town Center Project; (3) there is a legal or budgetary impediment to the DSISD; or (4) a legal impediment to the City.

3.6 Cancellation of Agreement. Except as otherwise permitted herein, this Agreement may be cancelled, in whole or in part, only by mutual written consent of all of the Parties.

3.7 Time of Essence to Agreement. The Parties agree that time is of the essence to this Agreement.

**ARTICLE IV
GENERAL PROVISIONS**

4.1 Notice. Any notice or statement required or permitted to be delivered by one of the Parties to this Agreement to the other shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the address shown below, or at such other address (or addressees) provided by the parties to each other:

District: Dripping Springs Independent School District
c/o Superintendent
510 Mercer Street
Dripping Springs, Texas 78720

With copy to: Oscar G. Trevino
Walsh, Gallegos, Trevino, Russo & Kyle P.C.
505 E. Huntland Dr. #600
Austin, Texas 78752

City: City of Dripping Springs
c/o Michelle Fischer
511 Mercer Street
Dripping Springs, Texas 786201

With copy to: Laura Mueller
City Attorney
511 Mercer Street
Dripping Springs, Texas 78620

Library: Dripping Springs Community Library District
c/o Missy Atwood
501 Sportsplex Drive
Dripping Springs, Texas 78620

With copy to: Kate Leverett
GERMER PLLC
550 Fannin, Suite 400
Beaumont, Texas 77701

County: Hays County
c/o Hays County Judge
111 E. San Antonio St., Ste. 300
San Marcos, Texas 78666

With copy to: Mark Kennedy
County General Counsel
111 E. San Antonio St., Ste. 300
San Marcos, Texas 78666

4.2 No Joint Venture; No Third-Party Beneficiaries. It is acknowledged and agreed to by the Parties to this Agreement that the terms hereof are not intended to and shall not constitute a partnership or joint venture between the parties. The Parties, their officials, officers, and agents, do not assume any responsibility or liability to any third parties in connection with the design, construction, operation or maintenance of any structures or improvements associated with Town Center.

4.3 Applicable Law and Venue. This Agreement is made and shall be construed and interpreted under the laws of the State of Texas, and venue to enforce or interpret any aspect of this Agreement shall lie in Hays County, Texas.

4.4 Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the transactions contemplated herein, and this instrument supersedes any prior agreements or understandings between the parties. There are no other agreements or promises, oral or written, between the Parties regarding the subject matter of this Agreement.

EXECUTED on this the 15th day of April 2020 (“Effective Date”).

[signature pages follow]

CITY OF DRIPPING SPRINGS, TEXAS

Todd Purcell

Todd Purcell, Mayor

Attest:



Andrea Cunningham

Andrea Cunningham, City Secretary

DRIPPING SPRINGS INDEPENDENT SCHOOL DISTRICT

Dr. Mary Jane Hetrick
Vice-President, Board of Trustees

Attest:

Shannon O'Connor
Secretary, Board of Trustees

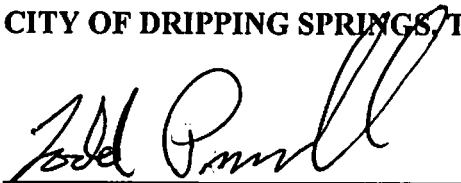
DRIPPING SPRINGS COMMUNITY LIBRARY DISTRICT

Missy Atwood, President

Attest:

Melva Codina, Treasurer

CITY OF DRIPPING SPRINGS, TEXAS



Todd Purcell, Mayor

Attest:

Andrea Cunningham, City Secretary

DRIPPING SPRINGS INDEPENDENT SCHOOL DISTRICT

Dr. Mary Jane Hetrick

**Dr. Mary Jane Hetrick
Vice-President, Board of Trustees**

Attest:

Shannon O'Connor

**Shannon O'Connor
Secretary, Board of Trustees**

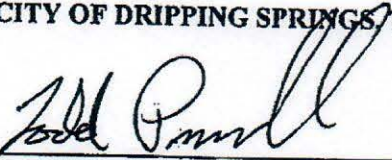
DRIPPING SPRINGS COMMUNITY LIBRARY DISTRICT

Missy Atwood, President

Attest:

Melva Codina, Treasurer

CITY OF DRIPPING SPRINGS, TEXAS



Todd Purcell, Mayor

Attest:

Andrea Cunningham, City Secretary

DRIPPING SPRINGS INDEPENDENT SCHOOL DISTRICT

Dr. Mary Jane Hetrick
Vice-President, Board of Trustees

Attest:

Shannon O'Connor
Secretary, Board of Trustees

DRIPPING SPRINGS COMMUNITY LIBRARY DISTRICT



Missy Atwood, President

Attest:



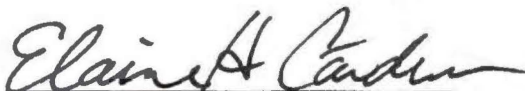
Melva Codina, Treasurer

HAYS COUNTY



Ruben Becerra, Hays County Judge

Attest:

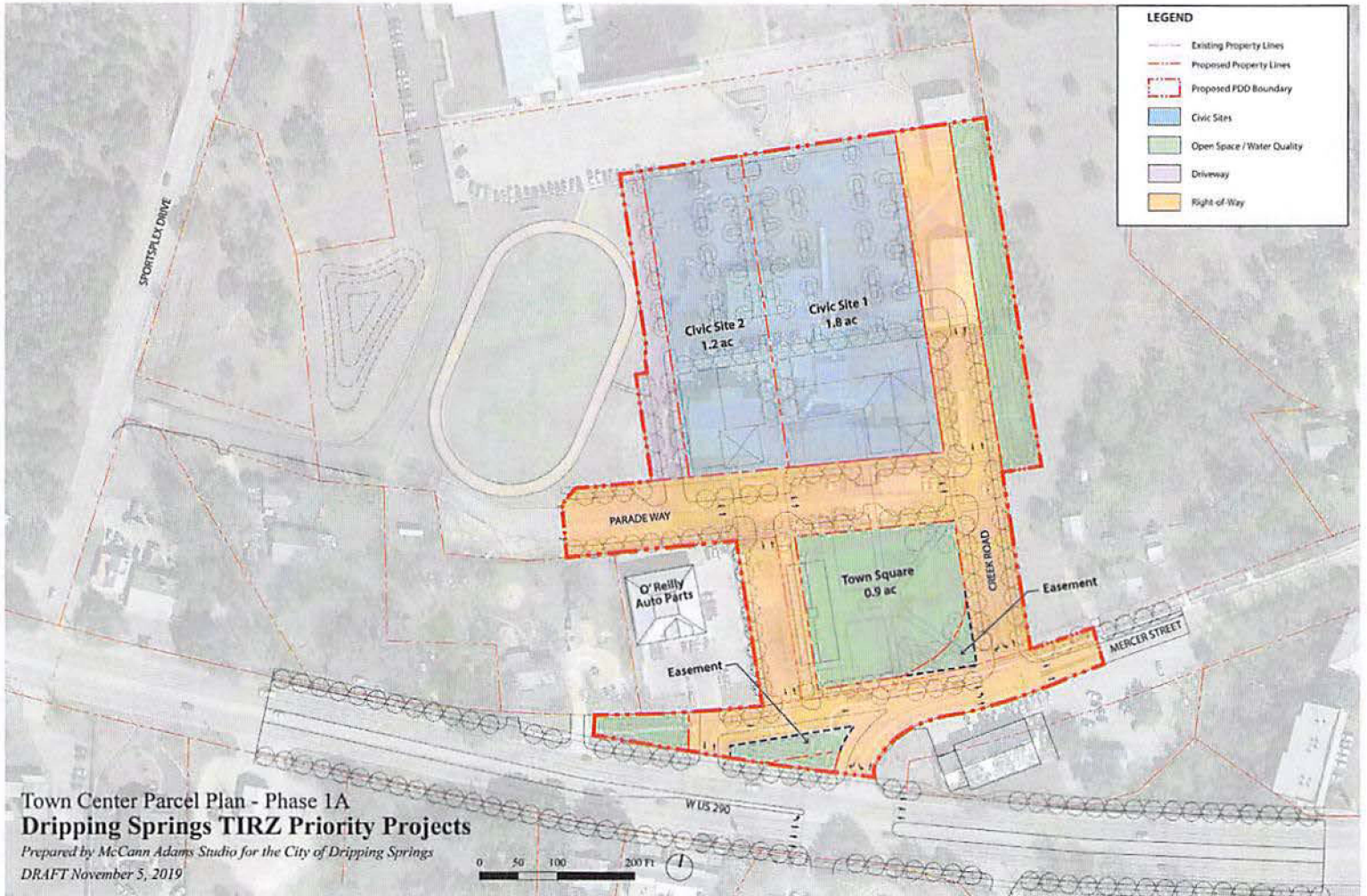


Elaine Cardenas, Hays County Clerk



Exhibit "A"

Town Center Plan "Civic Site 2"





City of Dripping Springs
FY 2022 Tax Rate & Budget Adoption
Important Dates & Deadlines

Approved by Council: February 9, 2021

The attached Budget Calendar outlines the statutory dates and planning activities for City Staff, Boards, Commissions, Committees and City Council as they relate to the Budget Process for Fiscal Year 2022. Calendar activities in RED note statutory deadlines for City Council and Public Notifications. The Finance Director will coordinate with City Administration, the City Attorney and City Secretary regarding all notices, ordinances and resolutions as adopted, to include filing the proper documents with County and State Entities. The City Council will hold four meetings regarding the Tax Rate and Budget Adoption:

- June 15, 2021: Budget Workshop
- July 13, 2021: Budget Workshop and Set Proposed Tax Rate
- August 10, 2021: Budget Workshop, Public Hearings on Tax Rate and Budget, and Possible Adoption of the Budget*
- August 17, 2021: Adoption of Approved Budget and Tax Rate, and Ratification of Tax Rate**

**The Council may choose to either adopt the budget or postpone adoption to the following meeting on August 17, 2021.*

***If the total property tax revenue is raised, the Council will need to Ratify the Tax Rate with a resolution.*

All other calendar dates are related to the budget planning process for city staff to include recommendations from boards, commissions and committees. Budget process activities are listed below each calendar for reference. The following boards, commissions and committees will submit budget recommendations:

- DSRP Board of Directors
- Economic Development Committee
- Emergency Management Commission
- Farmers Market Association Board
- Founders Day Commission
- Historic Preservation Commission
- Parks & Recreation Commission
- TIRZ No. 1 & No. 2 Board
- Transportation Committee

The Finance Director will provide staff with the proper forms and budget planning materials related to individual requests and department requests. Staff will work with their supervisor and the Finance Director to draft and submit their requests, and Staff Liaisons to Boards, Commissions and Committees will hold meetings to discuss and provide recommendations for requests. The City Secretary will make sure that each meeting following approval of the Budget Calendar has a budget review/recommendation added to the abovementioned board and commission agendas. The City Secretary does not draft committee agendas but is available to staff for assistance. Please make sure you attach, or forward for attachment documents for agenda discussion items.



City of Dripping Springs

FY 2022 Tax Rate & Budget Adoption

Important Dates & Deadlines

February 9, 2021	City Council Approval of Budget Calendar and Presentation on Legislative Changes to the Budget Process
April 16, 2021	City Staff Department Budget Requests Due (includes individual staff member requests submitted to supervisors and IT related requests)
May 14, 2021	Board, Commission and Committee Budget Recommendations Due (does not include Founders Day Commission); City Staff Employee Pay Recommendations Due from Department Heads
June 15, 2021	City Council Budget Workshop
June 25, 2021	Finance Director files Proposed Budget with City Secretary
July 13, 2021	City Council Budget Workshop, Set Proposed Tax Rate, and Discussion
July 20, 2021	City Council Budget Workshop
July 22, 2021	Publication of Notice of Proposed Tax Rate, and Tax Rate and Budget Public Hearings (Submit for publication July 16, 2021) Begin Continuous Notice of Proposed Tax Rate on City Website with Public Hearing Dates for Budget and Tax Rate Hearing, and Notice of Tax Rate
August 10, 2021	City Council Budget Workshop – Public Hearings on Tax Rate and Budget (<i>Must take action to either adopt or postpone adoption of the Budget to the August 17, 2021 City Council meeting</i>)
August 17, 2021	City Council Meeting – Adoption of Budget, Ratification of the Tax Rate (if total property tax revenue is raised) and Adoption of the Tax Rate
August 18, 2021	Publication of Tax Rate and Budget on City Website, File Tax Rate and Budget with County and State Entities
August 26, 2021	Publication of Notice of Approved Tax Rate and Budget (Submit for publication on August 20, 2021)

February 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
1	2	3	4	5
*Parks & Recreation Commission Budget Discussion		*DSRP Board Budget Discussion	*Historic Preservation Commission Budget Discussion	**Staff obtain proper budget request forms from Finance Director
8	9	10	11	12
*TIRZ Board Budget Discussion *Founders Day Commission Budget Discussion	CC Meeting- Budget Presentation & Budget Calendar Approval			
15	16	17	18	19
			Farmers Market Board Budget Review Emergency Management Commission Budget Review	
22	23	24	25	26
Transportation Committee Budget Review		Economic Development Committee Budget Review		Departmental IT budget requests due to IT Coordinator

Budget Activities

- Finance Director provides necessary budget information and request forms to develop individual and department budget requests.
- Staff begins meeting with boards, commissions, committees, and council members to discuss budget recommendations and form budget planning committees, if that is usual practice.
- Staff department heads review IT related software and equipment requests with IT Coordinator and determine any additional costs related to infrastructure. Requests due to IT Coordinator by March 26^h.

**Meeting occurs before the Budget Calendar is approved.*

***Dates may vary according to progress*

March 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
1	2	3	4	5
Parks & Recreation Commission Budget Review		DSRP Board Budget Review	Historic Preservation Commission Budget Review	
8	9	10	11	12
TIRZ Board Budget Review				
<i>**Staff review draft budget requests with supervisors and Finance Director</i>				
Founders Day Commission Budget Review				
15	16	17	18	19
			Emergency Management Commission Budget Review	
<i>**Staff review draft budget requests with supervisors and Finance Director</i>				
22	23	24	25	26
Transportation Committee Budget Review		Economic Development Committee Budget Review		
Farmers Market Board Budget Review				
29	30	31		

Budget Activities

- Staff continues meeting with boards, commissions, committees, and council members to discuss budget recommendations and form budget planning committees, if that is usual practice.
- Staff reviews draft budget requests with supervisors and Finance Director.

April 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
			1	2
			Historic Preservation Commission Budget Review	
5	6	7	8	9
Parks & Recreation Commission Budget Review		DSRP Board Budget Recommendation Final Approval		
12	13	14	15	16
TIRZ Board Budget Review			Farmers Market Board Budget Recommendation Final Approval Emergency Management Commission Budget Recommendation Final Approval	City Staff Department Budget Requests Due (includes individual staff requests)
19	20	21	22	23
26	27	28	29	30
Transportation Committee Budget Recommendation Final Approval Founders Day Commission Budget Recommendation Final Approval		Economic Development Committee Budget Recommendation Final Approval		

Budget Activities

- City Staff continues meeting with boards, commissions, committees, and council members to review and approve budget requests and recommendations.
- City Staff continues developing individual and department budget requests and updates them with feedback provided by City Administrators and Finance Director. Due by April 16th.
- IT Coordinator works with vendors and staff on options and costs for IT related expenses.

May 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
3	4	5	6	7
Parks & Recreation Commission Budget Recommendation Final Approval			Historic Preservation Commission Budget Recommendation Final Approval	
10	11	12	13	14
TIRZ Board Budget Recommendation Final Approval				Board, Commission, Committee, and Council Member Budget Recommendations Due
17	18	19	20	21
← City Administration Budget Development →				
24	25	26	27	28
← City Administration Budget Development →				
31				
← City Administration Budget Development →				

Budget Activities

- City Staff continues meeting with boards, commissions, committees, and council members to review and approve budget requests and recommendations.
- All board, commission, committee, and council member recommendations due to Finance Director by May 14th.
- City Administrators and Finance Director draft proposed budget and review with staff and council members as necessary.

June 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
	1	2	3	4
 City Administration Budget Development				HOT Grant Program Recommendation Due
7	8	9	10	11
 City Administration Budget Development				
14	15	16	17	18
	CC Meeting: • Budget Workshop			
21	22	23	24	25
				File Proposed Budget with City Secretary and Post on Website
28	29	30		

Budget Activities

- City Administrators and Finance Director continue to meet with staff and council members to draft proposed budget.
- City Council holds 1st budget workshop to review and discuss proposed budget on June 15th.
- Finance Director files proposed budget with City Secretary.
- City Secretary posts proposed budget on city website and copy given to Receptionist for public review.

July 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
			1	2
5	6	7	8	9
12	13	14	15	16
	CC Meeting: • <i>Budget Workshop</i> <i>Set Proposed Tax Rate</i>			
19	20	21	22	23
	CC Meeting: • <i>Budget Workshop</i>		• Publication of Proposed Tax Rate & Budget Public Hearings • Begin Continuous Notice on City website	
26	27	28	29	30

Budget Activities

- City Staff continues to meet with council members assigned to discuss recommendations.
- City Council holds 2nd Budget Workshop on July 13th.
- City Council approves Proposed Tax Rate on July 13th.
- City Secretary submits notice to Century News and Hays Free Press regarding Public Hearing dates for proposed Tax Rate and Budget on July 16th for publication on July 22nd.
- City Secretary begins continuous notification of public hearings on City website on July 22nd.

August 2021

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
2	3	4	5	6
9	10	11	12	13
	CC Meeting: <ul style="list-style-type: none"> • <i>Budget Workshop</i> • <i>Public Hearings on Tax Rate & Budget</i> • <i>Adopt or Postpone Budget</i> 			
16	17	18	19	20
	CC Meeting: <ul style="list-style-type: none"> • <i>Budget Adoption</i> • <i>Possible Ratification of Tax Rate</i> • <i>Adoption of Tax Rate</i> 	<ul style="list-style-type: none"> • Publication of Tax Rate & Budget on City website • File Tax Rate & Budget with County and State Entities 		
23	24	25	26	27
			Publication of Notice of Approved Tax Rate & Budget	
30	31			

Budget Activities

- City Staff continues to meet with council members assigned to discuss recommendations.
- City Council holds 3rd Budget Workshop on August 10th.
- City Council holds Public Hearings for proposed Tax Rate and Budget on August 10th.
- City Council adopts Budget and Tax Rate on August 17th.
- Finance Director prepares Approved Budget for Fiscal Year 2022 with prescribed cover page.
- City Secretary submits notice to Century News and Hays Free Press regarding Approved Tax Rate and Budget on August 20th for publication on August 26th.
- City Secretary files Approved Tax Rate and Budget with Hays County and State Entities.