



TIRZ NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, November 09, 2020 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/82804128384?pwd=MnRuNGVsSk1Qb3hLeW4rRm05cVZaUT09>

Meeting ID: 828 0412 8384

Passcode: 052094

Dial Toll Free:

877 853 5257 US Toll-free

888 475 4499 US Toll-free

Find your local number: <https://us02web.zoom.us/u/kboa8r3GJR>

Join by Skype for Business: <https://us02web.zoom.us/skype/82804128384>

CALL TO ORDER AND ROLL CALL

Board Members

Dave Edwards, Chair

Mim James, Vice Chair

Missy Atwood

John McIntosh

Dan O'Brien

Walt Smith

Todd Washburn

Shannon O'Connor (Advisory Board Member)

Bob Richardson (Advisory Board Member)

Staff, Consultants & Appointed/Elected Officials

City Administrator Michelle Fischer
City Attorney Laura Mueller
City Secretary Andrea Cunningham
Mayor Pro Tem Taline Manassian
TIRZ Project Manager Keenan Smith

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 October 5, 2020 TIRZ No. 1 & No. 2 Board regular meeting minutes.**

BUSINESS

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

- a) Real Estate Agreements
- b) Infrastructure Cost Sharing Agreements
- c) Plan of Finance

- 3. Update and discussion regarding TIRZ Priority Projects.**

- a) Town Center
- b) Old Fitzhugh Road
- c) Downtown Parking
- d) Triangle

- 4. Discuss and consider recommendation regarding an Ordinance creating Places and Staggering Terms of the Tax Increment Reinvestment Zone No. 1 Board and the Tax Increment Reinvestment Zone No. 2 Board.**

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.

UPCOMING MEETINGS

TIRZ Board Meetings

December 14, 2020 at 4:00 p.m.

January 11, 2021 at 4:00 p.m.

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

City Council Meetings

November 10, 2020 at 6:00 p.m.

November 17, 2020 at 6:00 p.m.

December 8, 2020 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 **November 6, 2020 at 9:00 a.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.



TIRZ NO. 1 & NO. 2 BOARD REGULAR MEETING

City of Dripping Springs

Council Chambers, 511 Mercer St, Dripping Springs, TX

Monday, October 05, 2020 at 4:00 PM

MINUTES

MEETING SPECIFIC VIDEOCONFERENCE INFORMATION

Join Zoom Meeting

<https://us02web.zoom.us/j/85991887556?pwd=UnVLT2phc2dib2k2Qk5MYk9McHVJdz09>

Meeting ID: 859 9188 7556

Passcode: 690629

Dial Toll Free:

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Find your local number: <https://us02web.zoom.us/j/85991887556>

Join by Skype for Business: <https://us02web.zoom.us/skype/85991887556>

CALL TO ORDER AND ROLL CALL

Board Members present were:

Dave Edwards, Chair

Mim James, Vice Chair

Missy Atwood (arrived at 4:38 p.m.)

John McIntosh

Dan O'Brien

Walt Smith

Todd Washburn

Ron Jones (Advisory Board Member)

Bob Richardson (Advisory Board Member)

Staff, Consultants & Appointed/Elected Officials:

City Administrator Michelle Fischer

City Attorney Laura Mueller

City Secretary Andrea Cunningham

Mayor Pro Tem Taline Manassian

TIRZ Project Manager Keenan Smith

TIRZ Administrator Jon Snyder

TIRZ Communications Consultant Buie & Co., Tori Robertson

TIRZ Cost Estimator AG|CM, Heather Mendez

With a quorum of the Board present, Chair Edwards called the meeting to order at 4:00 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 law no action may be taken during Presentation of Citizens.

No one spoke during Presentation of Citizens.

MINUTES

1. Discuss and consider approval of the September 14, 2020 TIRZ No. 1 & No. 2 Board regular meeting minutes.

A motion was made by Board Member Smith to approve the September 14, 2020 TIRZ No. 1 & No. 2 Board regular meeting minutes with correction to Agenda Item 2(c), striking *December* and replacing with *October*. Vice Chair James seconded the motion which carried unanimously 6 to 0.

BUSINESS

2. Update and discussion regarding the TIRZ Town Center Project Interlocal Agreements related to tasks and deliverables.

Mayor Pro Tem Manassian presented updates from the working group for these agreements.

a) Real Estate Agreements

The DSISD agreement is with the lawyers for discussion. Commissioner Washburn added that DSISD has been in contact with the Library regarding construction timelines and variables.

Timing of the agreements is important, and the group will be prepared for changes in the timeline if necessary. First will be the Real Estate Agreements, of which there is good communication happening and agreements should be ready for review mid-November. The current deadline of November 2020 for the Cost Sharing Agreements is too ambitious, and these agreements will take about 6 more months which should coincide with the closing of property transactions.

b) Infrastructure Cost Sharing Agreements

Darin Smith has been pulled in for discussions with the working group on both the Real Estate Agreements and Infrastructure and Cost Sharing Agreements. The group is working on a

proposal with options which should be come back to the TIRZ Board for discussion and recommendations soon.

Keenan Smith updated the Board that AG|CM and Leslie Pollack with HDR Engineering are working the infrastructure and construction cost estimates, and the infrastructure costs for phase 1 have been refreshed and he is confident in the numbers.

c) Plan of Finance

Progress on these agreements has been made in the last month. Jon Snyder, Chris Lane, Darin Smith and City Treasurer Gina Gillis are working on model assumptions and long range planning, and will present to the City Council at the October 13th meeting.

3. Presentation, discussion and acceptance of the TIRZ Administrator Q3 Summary & Report. TIRZ Administrator: Jon Snyder, P3Works, LLC

Vice Chair James introduced the item.

Jon Snyder gave the presented the TIRZ Administrator Q3 Summary & Report which is on file.

Via unanimous consent the Board accepted the TIRZ Administrator Q3 Summary & Report.

4. Update and possible action regarding the TIRZ Communications Plan.

a) Town Center Communications Plan

Tori Robertson presented the updated and her presentation materials are on file. Buie is working on a broad media plan with local and regional outlets, and on scheduling stakeholder meetings.

b) Town Center Website

Lisa Sullivan presented the update. The website has been updated with information supplied by the Library. The website should be ready for review by the Board in the next 3 – 4 weeks. After the Boards review and approval, the website will be launched.

5. Update and discussion regarding TIRZ Priority Projects.

Keenan Smith presented the item.

a) Town Center – discussed previously in the agenda.

b) Old Fitzhugh Road

Staff is reissuing the Grant Writer RFQ. An additional 5 known grant writers have been included in the RFQ distribution. The RFQ notice will be posted on the City’s website and in the newspaper, and submissions will be due at the end of the month.

c) Downtown Parking

Survey work is completed, and the Kick-Off Meeting will be coming soon.

d) Triangle – no updates at this time.

6. Discuss and consider approval of the TIRZ No. 1 & No. 2 Board 2021 Annual Meeting Calendar.

Chair Edwards presented the item. Andrea Cunningham's staff report is on file, and staff recommends approval of the 2021 meeting calendar with the October meeting scheduled for the 3rd Monday, October 18, 2021, due to City Hall closure.

A motion was made by Board Member O'Brien to approve the TIRZ No. 1 & No. 2 Board 2021 Annual Meeting Calendar as recommended by staff. Board Member Smith seconded the motion which carried unanimously 7 to 0.

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

November 9, 2020 at 4:00 p.m.

December 14, 2020 at 4:00 p.m.

City Council Meetings

October 13, 2020 at 6:00 p.m.

October 20, 2020 at 6:00 p.m.

December 8, 2020 at 6:00 p.m.

ADJOURN

A motion was made by Vice Chair James to adjourn the meeting. Board Member Smith seconded the motion which carried unanimously 7 to 0.

This regular meeting adjourned at 5:13 p.m.



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78602

Submitted By: Laura Mueller, City Attorney

TIRZ Meeting Date:

Agenda Item Wording: Discuss and consider possible action regarding the Town Center Project Interlocal Agreements related to tasks, deliverables and deadlines.

- a) Real Estate Agreements
- b) Infrastructure Cost Sharing Agreements
- c) Plan of Finance

Agenda Item Requestor: Laura Mueller, City Attorney

Summary/Background: On May 12, 2020 the ILA for real estate, cost sharing, and plan of finance was finally executed. Under the ILA, the real estate agreements were to be completed by November 12, 2020. However, we do have the option of extending the date through a notice to cure to each of the entities giving them up to 90 additional days. Progress between the City and School District and the City and Library are in progress.

Commission Recommendations: N/A

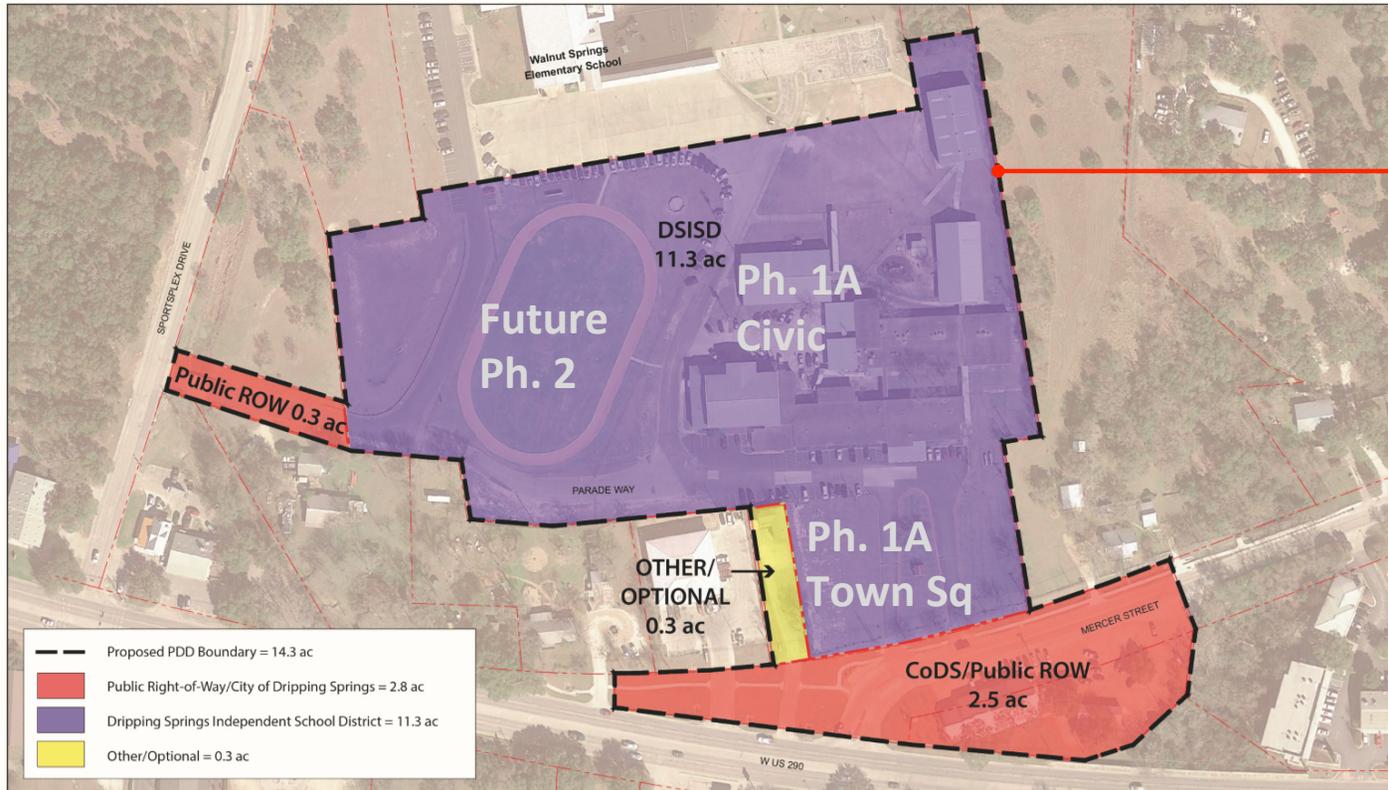
Recommended Council Actions: Make recommendation related to extension of the ILA for real estate agreements.

Attachments: ILA; Keenan Smith Presentation; Staff Report

Next Steps/Schedule: Based on TIRZ Board and City Council direction send a notice to cure to the real estate parties extending the time period for completion for up to 90 days.

TIRZ PRIORITY PROJECTS
DRIPPING SPRINGS TOWN CENTER
DSISD Acquisition Parcel / Planning Principles

TIRZ Project Team
City of Dripping Springs
Revised Draft:
October 18, 2020

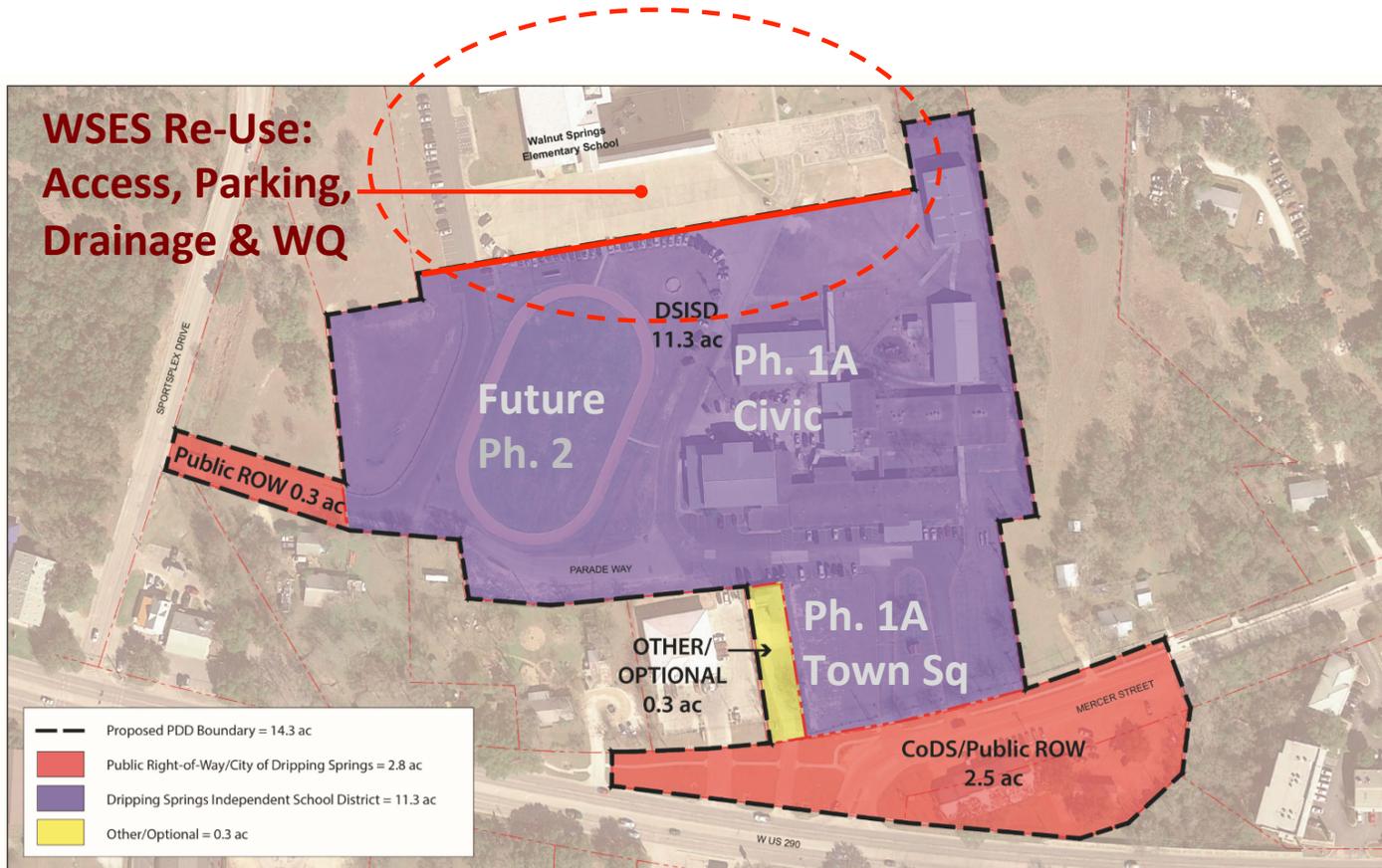


TOWN CENTER DSISD Parcel:

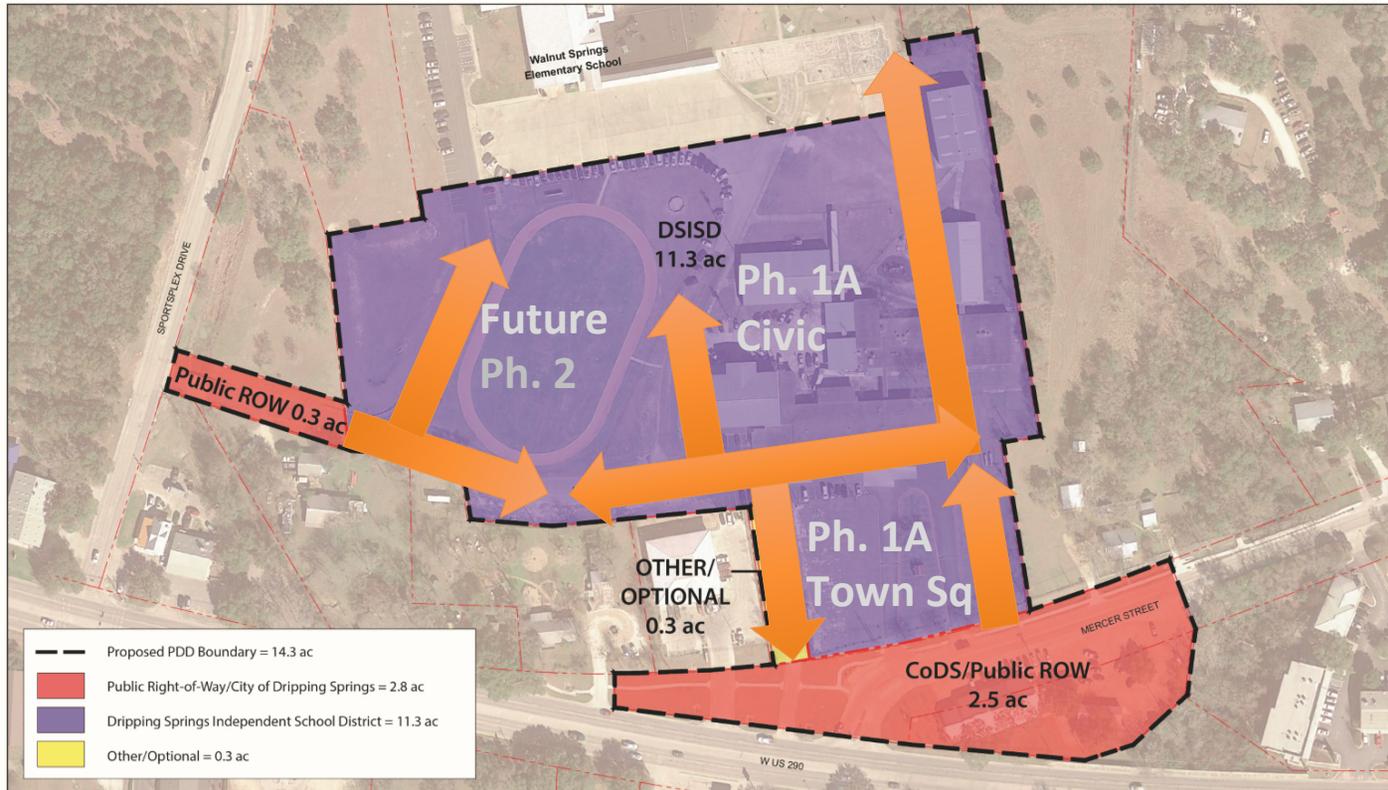
11.5 +/- ac

- Preserves WSES Re-Use
- ROW / Access Network
- Infrastructure & Utility Corridors
- Ph. 1A Civic Uses + ...
- Future Ph. 2

10.18.20



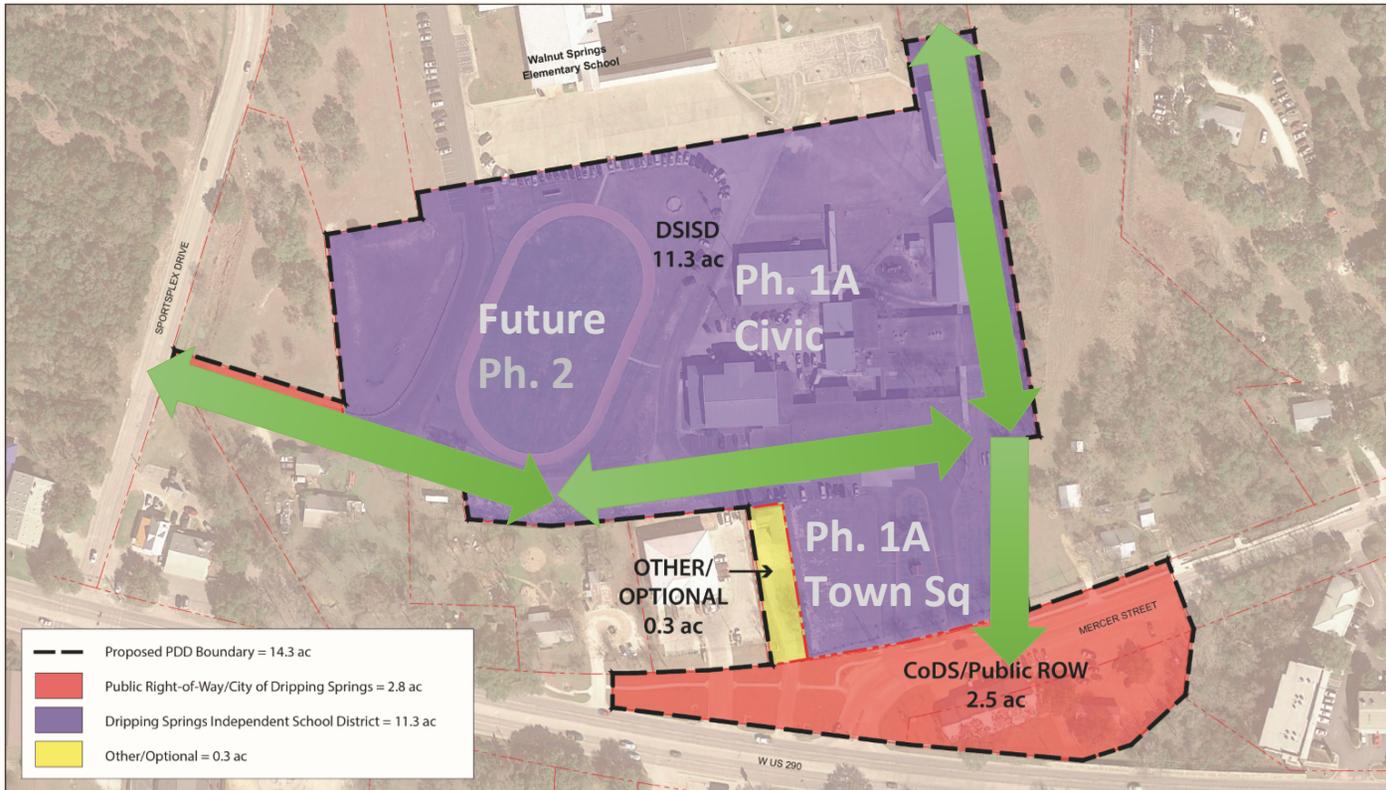
10.18.20



**TOWN CENTER
DSISD Parcel:
11.5 +/- ac**

- **ROW / Access Network**

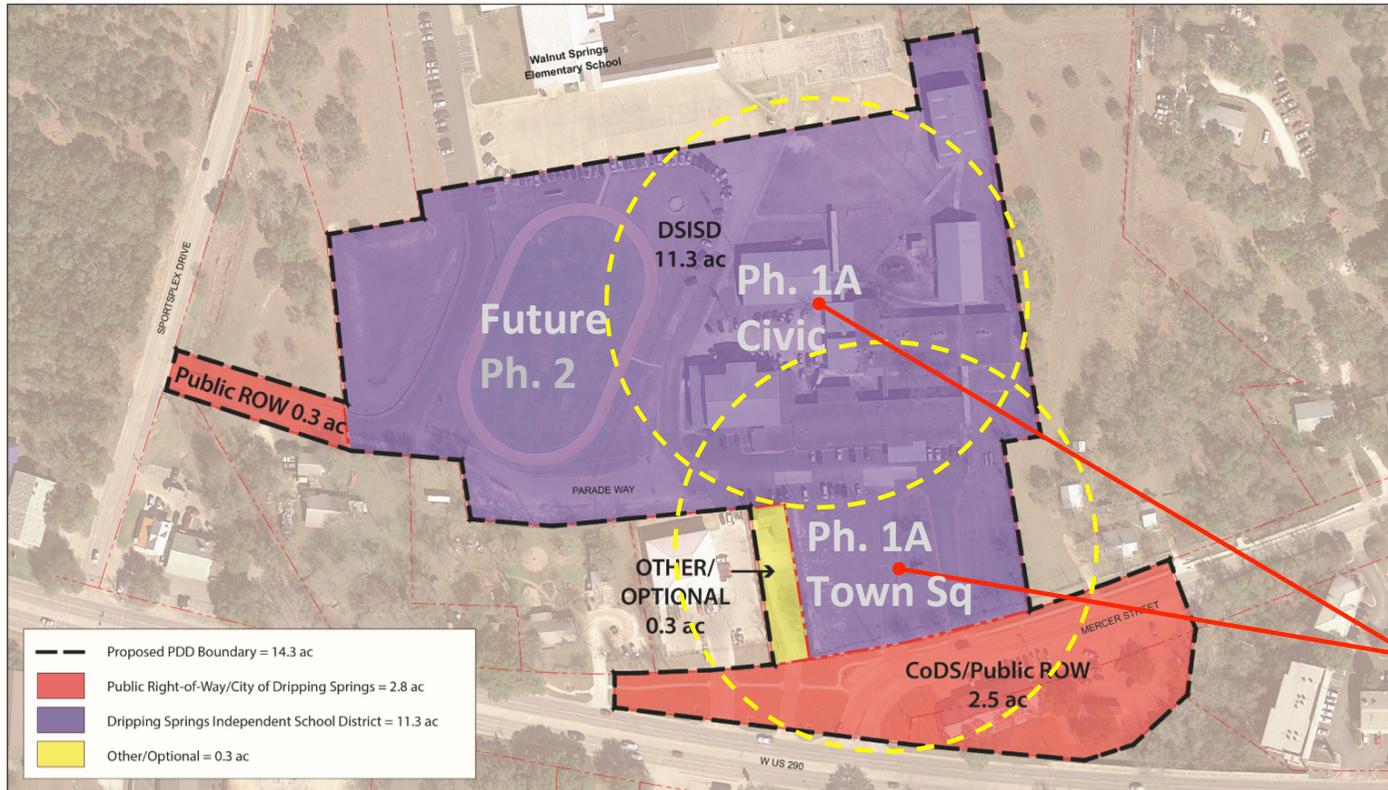
10.18.20



**TOWN CENTER
DSISD Parcel:
11.5 +/- ac**

- **Infrastructure & Utility Corridors**

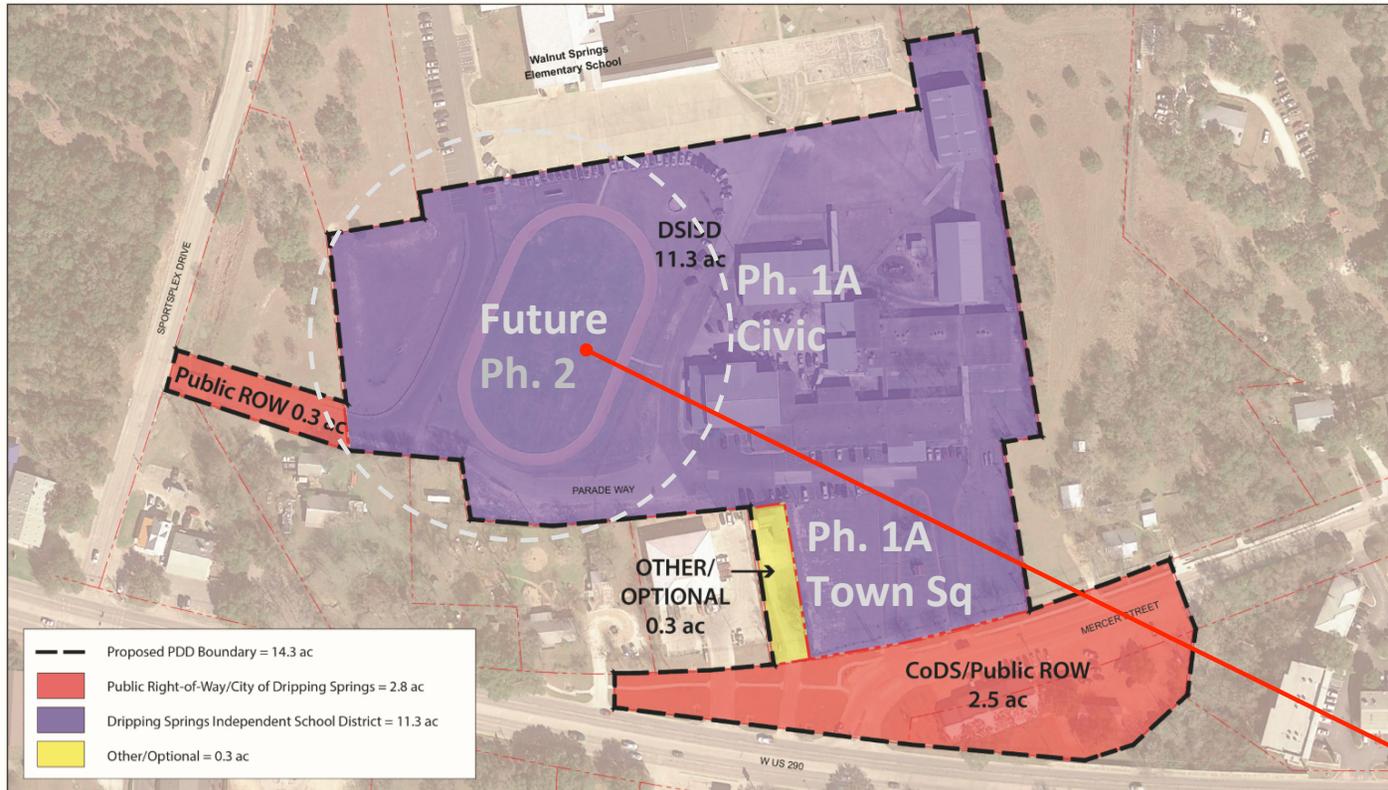
10.18.20



**TOWN CENTER
DSISD Parcel:
11.5 +/- ac**

- **Ph. 1A Civic
Uses + ...**

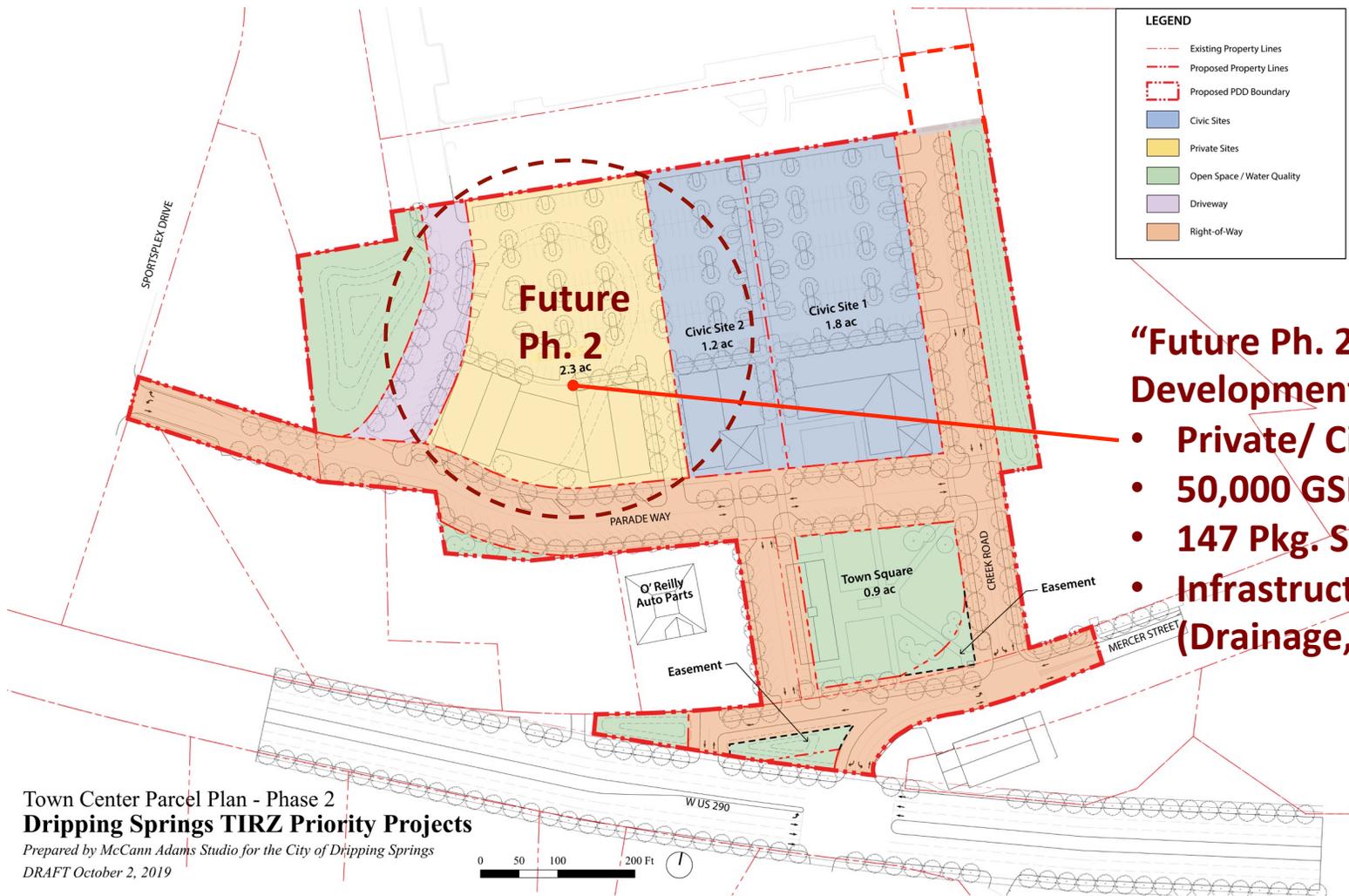
10.18.20



TOWN CENTER DSISD Parcel:

• **Future Ph. 2**

10.18.20

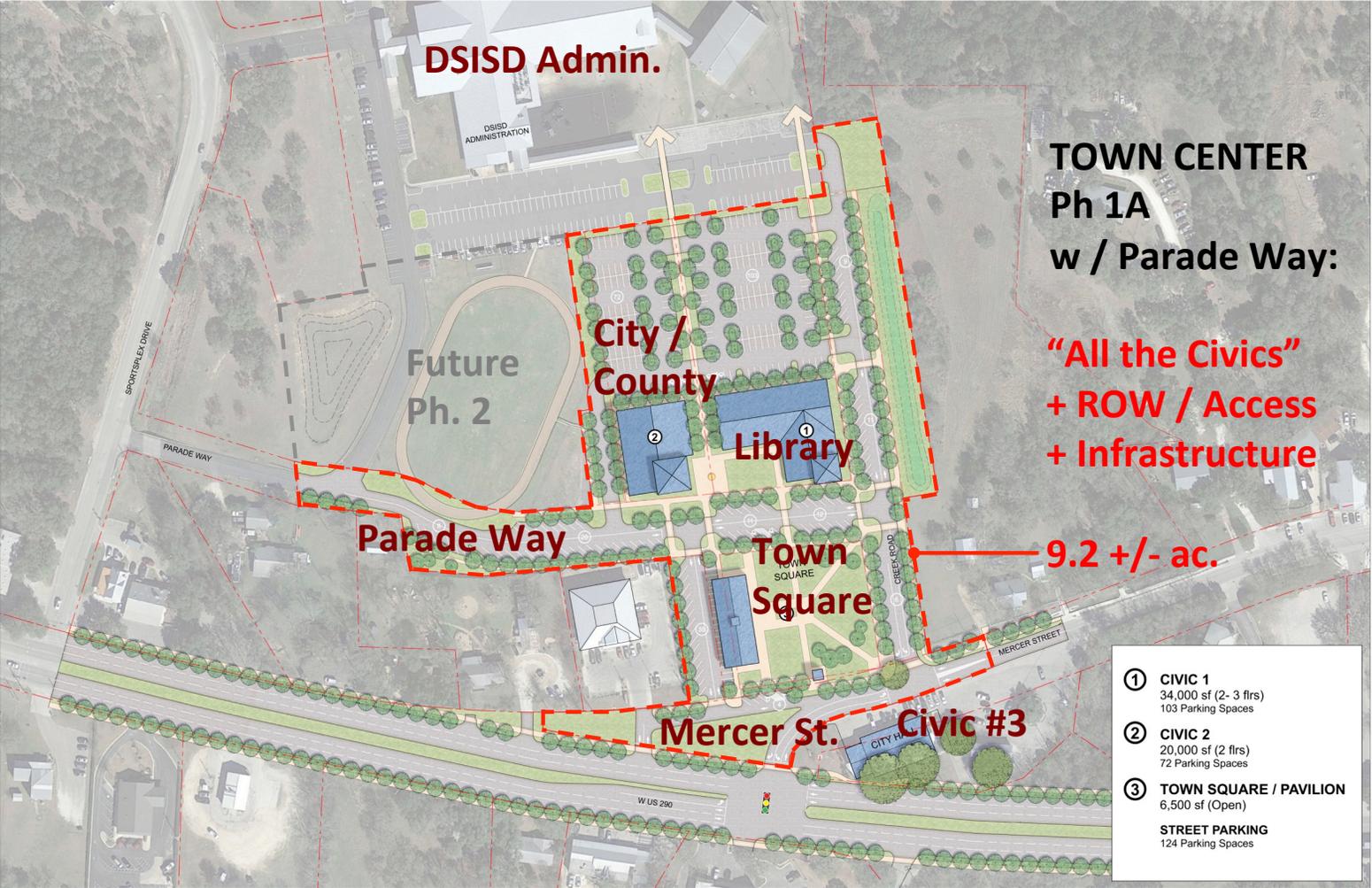


**TOWN CENTER
DSISD Parcel:
11.5 +/- ac**

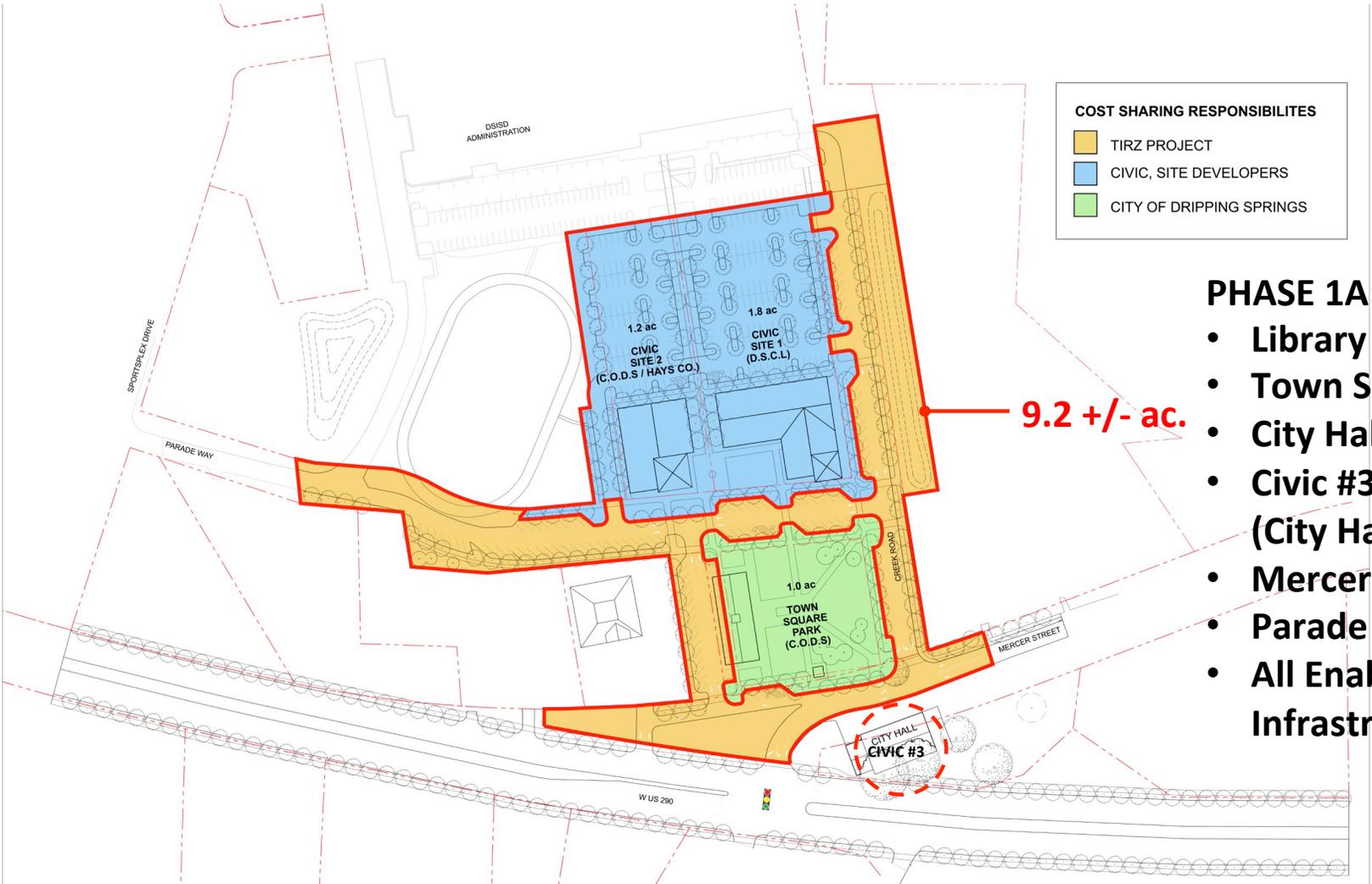
- “Future Ph. 2:”
Development Parcel (2.3 ac)**
- Private/ Civic/ Mixed-Use
 - 50,000 GSF (2) sty
 - 147 Pkg. Spaces
 - Infrastructure Costs: \$\$\$
(Drainage, ROW, Utilities)

Town Center Parcel Plan - Phase 2
Dripping Springs TIRZ Priority Projects
 Prepared by McCann Adams Studio for the City of Dripping Springs
 DRAFT October 2, 2019

10.18.20



10.18.2020

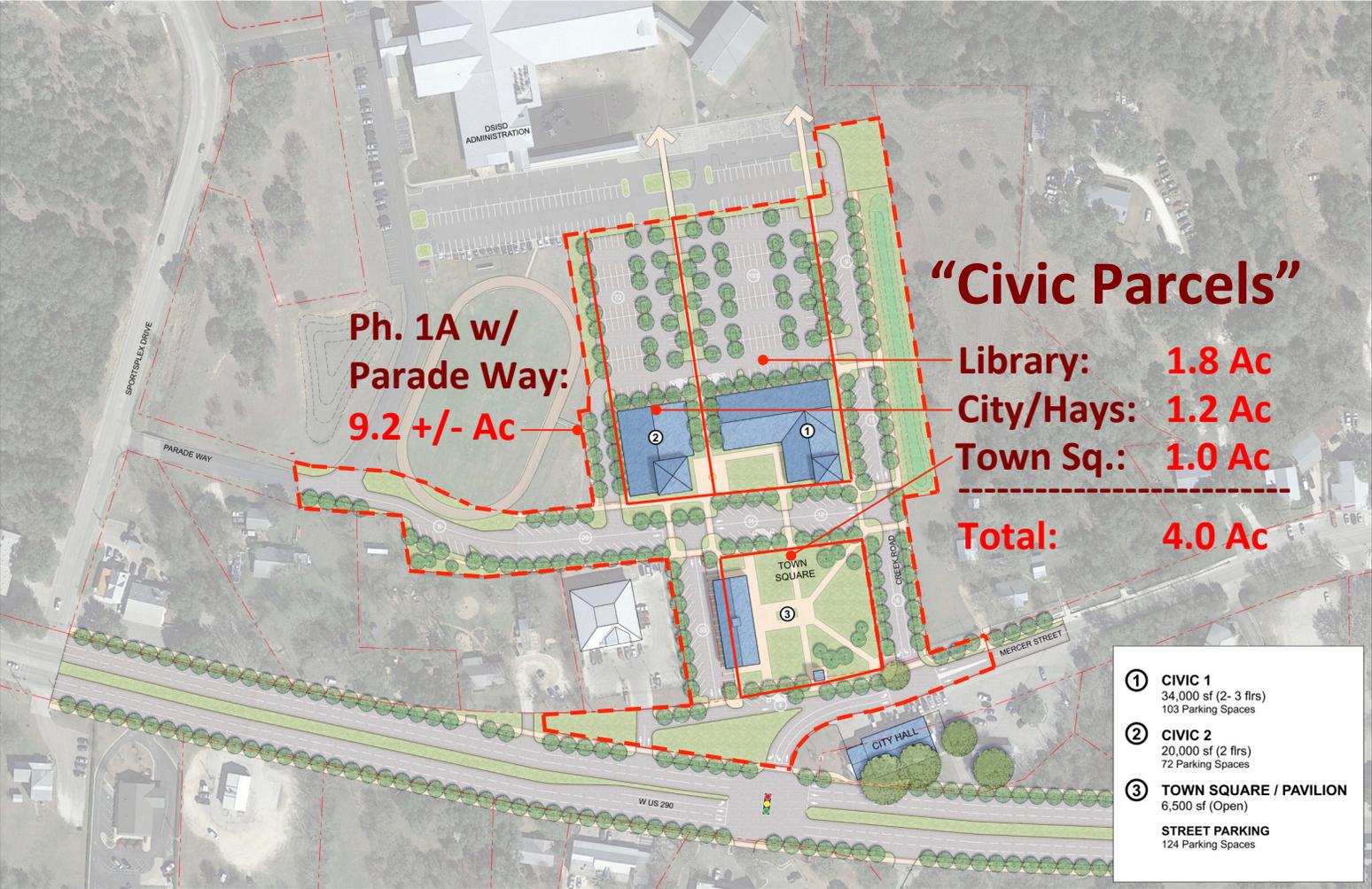


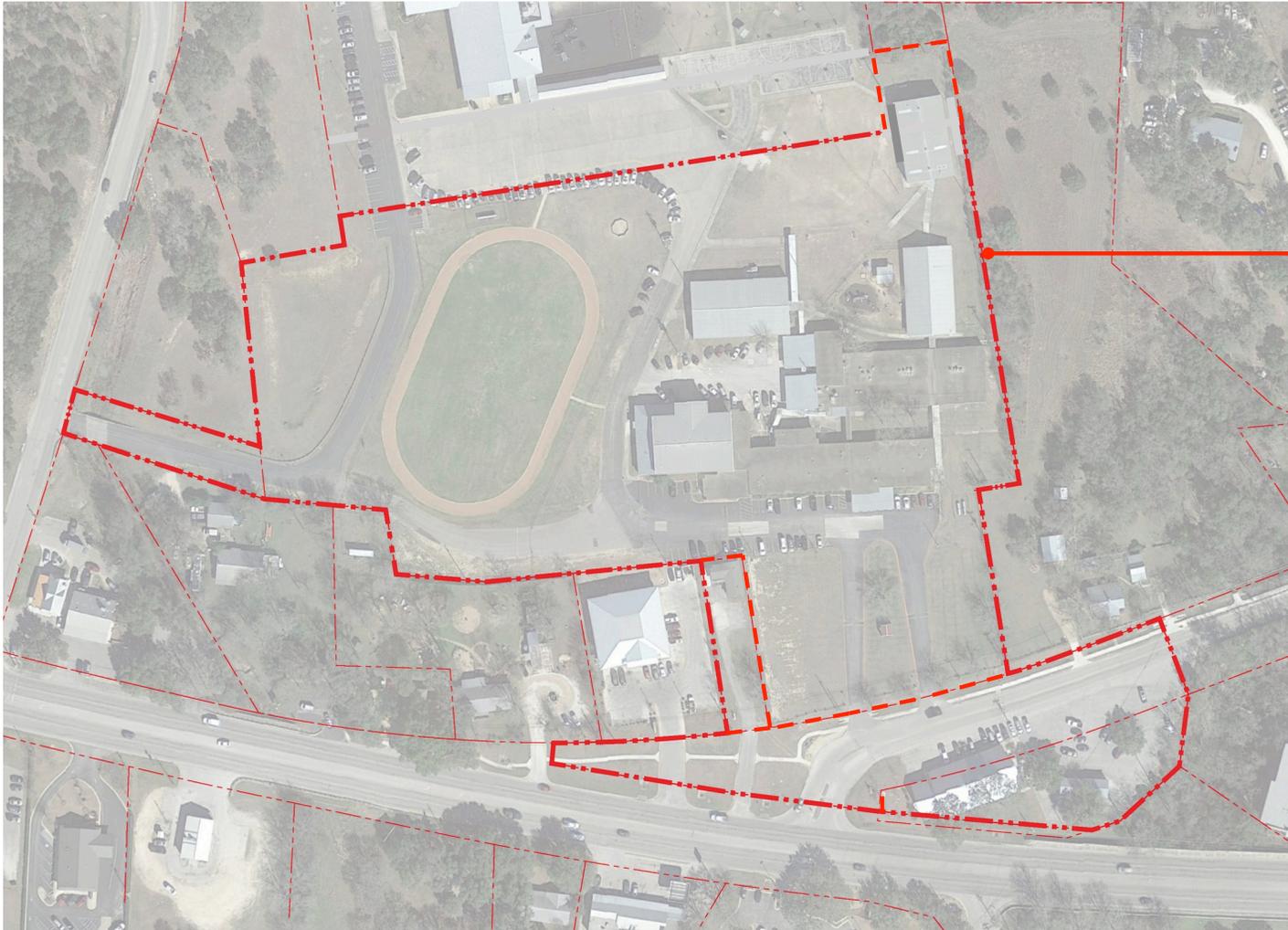
PHASE 1A: "All Civics"

- Library Site
- Town Square Site
- City Hall Site
- Civic #3 (City Hall Re-Use)
- Mercer St. Signal
- Parade Way Ext'n
- All Enabling Infrastructure

9.2 +/- ac.

10.18.2020



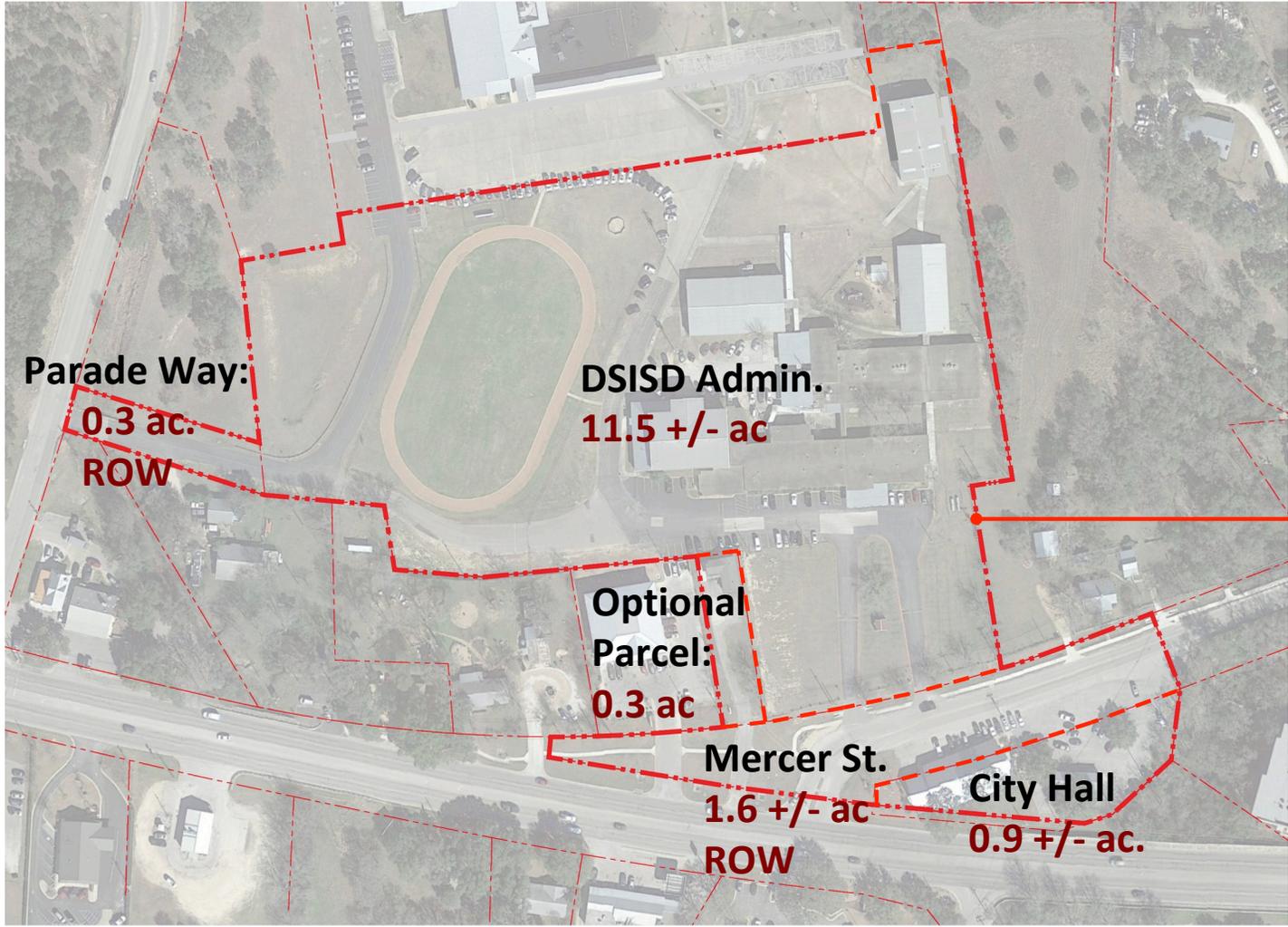


**TOWN CENTER
DSISD Parcel:**

11.5 +/- ac

- **Preserves WSES Re-Use**
- **ROW / Access Network**
- **Infrastructure & Utility Corridors**
- **Ph. 1A Civic Uses + ...**
- **Future Ph. 2**

10.18.20



TOWN CENTER
Existing Sites:
Q1 2020

Concept Plan
Boundary:
14.6 +/- ac.

“Full Build-out”
Ph. 1 + 2 + Ph.3

10.18.20



10.18.2020

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 1A 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

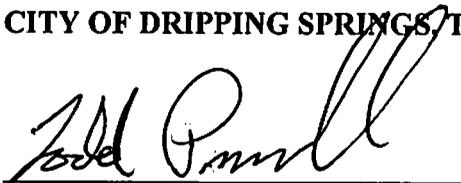
DRIPPING SPRINGS COMMUNITY LIBRARY DISTRICT

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**

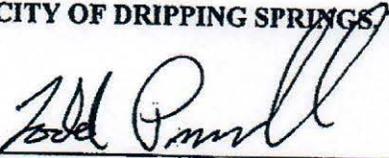
DRIPPING SPRINGS COMMUNITY LIBRARY DISTRICT

Missy Atwood, President

Attest:

Melva Codina, Treasurer

CITY OF DRIPPING SPRINGS, TEXAS



Todd Purcell, Mayor

Attest:

Andrea Cunningham, City Secretary

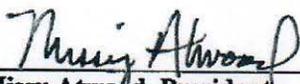
DRIPPING SPRINGS INDEPENDENT SCHOOL DISTRICT

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:

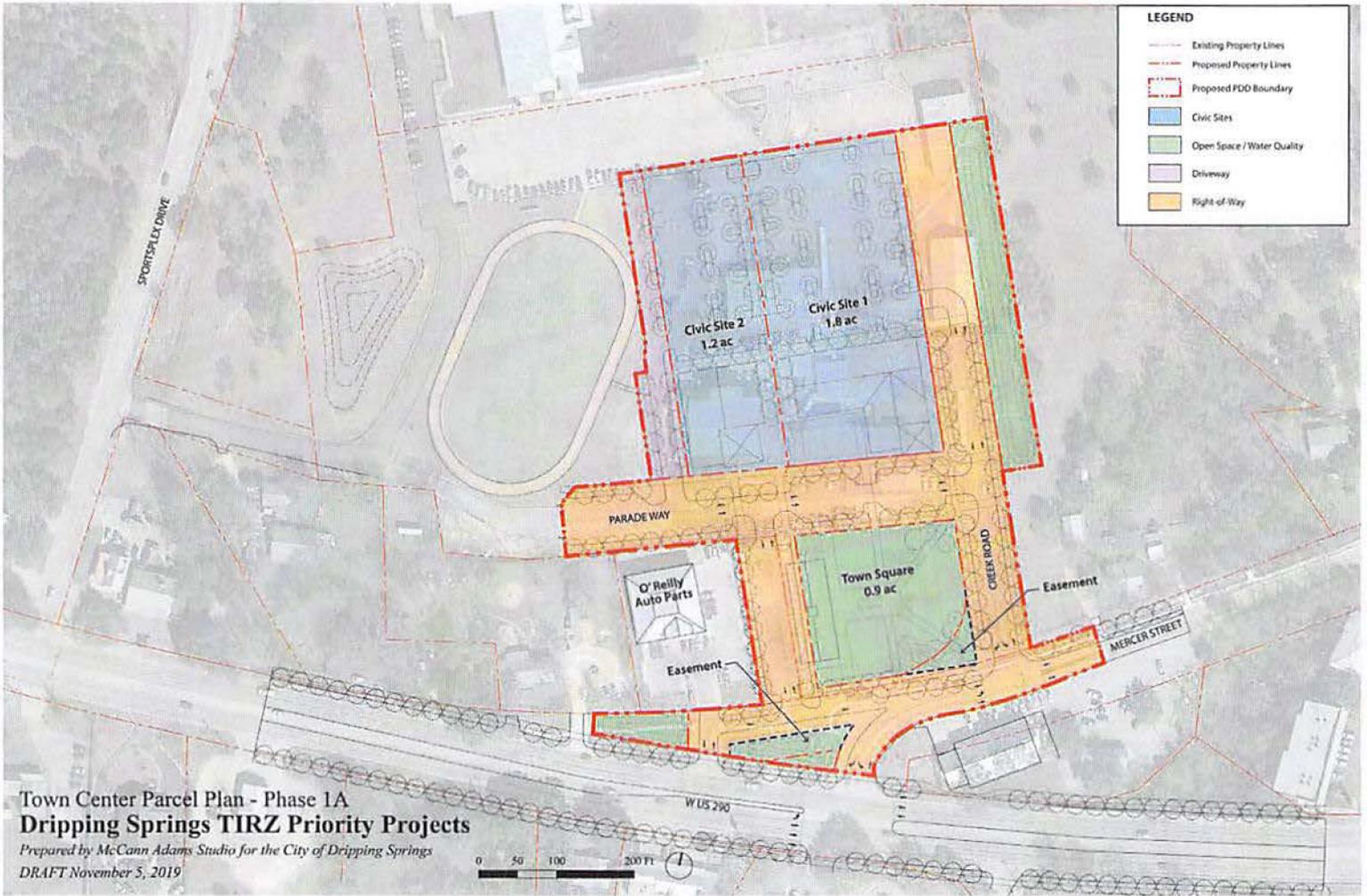


Elaine Cardenas, Hays County Clerk



Exhibit "A"

Town Center Plan "Civic Site 2"

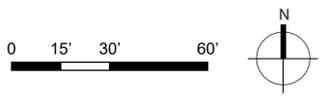




LEGEND

—	PROPERTY LINE
---	INTERIOR LOT LINES
- - -	ADJOINER PROPERTY LINE
—	OVERHEAD ELECTRIC
—	EXISTING WIRE FENCE
—	EDGE OF PAVEMENT
●	1/2" IRON ROD FOUND [UNLESS NOTED]
○	CALCULATED POINT
○	1/2" IRON PIPE FOUND [UNLESS NOTED]
●	NAIL FOUND
○	CLEAN OUT
○	AIR CONDITIONING UNIT
○	WATER VALVE
○	WATER METER
○	SIGN [AS NOTED]
○	POWER POLE
○	DOWN GUY
○	BENCHMARK SET
○	IRRIGATION CONTROL VALVE
○	ELECTRIC TRANSFORMER
○	ELECTRIC METER
○	MAILBOX
○	PUNCH HOLE ON IRON BOLT HEAD
+	POINT OF BEGINNING
DOC. NO.	DOCUMENT NUMBER
VOL.	VOLUME
PG.	PAGE
R.O.W.	RIGHT-OF-WAY
F.F.	FINISHED FLOOR
C.R.Z.	CRITICAL ROOT ZONE
M.T.	MULTI-TRUNK
O.P.R.H.C.T.	OFFICIAL PUBLIC RECORDS, HAYS COUNTY, TEXAS
D.R.H.C.T.	DEED RECORDS, HAYS COUNTY, TEXAS

STEPHENSON TRACT BASE MAP
Dripping Springs TIRZ Priority Projects
 11.4.2020 Prepared by McCann Adams Studio for the City of Dripping Springs





STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78602

Submitted By: Laura Mueller, City Attorney

Council Meeting Date: TIRZ November 9, 2020; CC November 10, 2020

Agenda Item Wording: Discuss and consider recommendation regarding an Ordinance creating Places and Staggering Terms of the Tax Increment Reinvestment Zone No. 1 Board and the Tax Increment Reinvestment Zone No. 2 Board.

Agenda Item Requestor: Andrea Cunningham, City Secretary

Summary/Background: We currently have 7 board members who serve on both TIRZ Boards. 5 members are appointed by the City and 2 are appointed by the County Commissioners Court. The City has traditionally had 3 city members, 1 school representative, and 1 library representative. The members all have terms that end in December of this year. This ordinance would stagger the terms so that there would not need to be reappointments of everyone each year.

Commission Recommendations: N/A

Recommended Council Actions: Approve Ordinance.

Attachments: Ordinance. Staff Report.

Next Steps/Schedule: Once a recommendation from TIRZ is received, this ordinance would go to City Council. If approved, the City Council and County would appoint their members to specific “places” which would have either a one year or a 2 year term in the beginning. After the first term, all members would have a 2 year term. Because we have traditionally had School and Library representation on the Board, Staff has reached out to those entities about who they would like to appoint for the next terms.

CITY OF DRIPPING SPRINGS

ORDINANCE No. 2020-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DRIPPING SPRINGS, TEXAS, CREATING PLACES AND STAGGERING THE TERMS OF THE BOARDS OF DIRECTORS FOR THE ZONES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Dripping Springs, Texas (the “City”), pursuant to the Tax Increment Financing Act, codified at Chapter 311 of the Texas Tax Code (hereinafter referred to as the “Act”), has designated a geographic area within the City as tax increment reinvestment zones; and

WHEREAS, the City Council desires to promote the development of certain geographic areas in the City; and

WHEREAS, the City Council believes it is in the best interest of the City and the Zones to have staggered terms for the members of the Boards; and

WHEREAS, the City has taken all actions required to create the Zone including, but not limited to, the Act, the Texas Open Meetings Act (defined herein), and all other laws applicable to the creation of the Zone.

NOW THEREFORE, BE IT ORDAINED by the City of Dripping Springs:

1. FINDINGS OF FACT

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as expressly set forth herein.

SECTION 2. ENACTMENT

Title 1, Article 2.04 of the City of Dripping Springs Code of Ordinances is hereby amended so to read in accordance with *Exhibit A*, which is attached hereto and incorporated into this Ordinance for all intents and purposes.

SECTION 3. REPEALER

All ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated, herein.

SECTION 4. SEVERABILITY

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

SECTION 5. CODIFICATION

The City Secretary is hereby directed to record and publish the attached rules, regulations and policies in the City’s Code of Ordinances as authorized by Section 52.001 of the Texas Local Government Code.

SECTION 6. EFFECTIVE DATE

This Ordinance shall be effective immediately upon passage and publication.

SECTION 7. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

PASSED & APPROVED this, the 10th day of November, by a vote of ____ (ayes) to ____ (nays) to ____ (abstentions) of the City Council of Dripping Springs, Texas.

CITY OF DRIPPING SPRINGS:

Bill Foulds, Jr., Mayor

ATTEST:

Andrea Cunningham, City Secretary

*EXHIBIT "A"***City of Dripping Springs****CODE OF ORDINANCES****TITLE 1: GENERAL ORDINANCES****CHAPTER 2: GENERAL PROVISIONS****ARTICLE 2.04: BOARDS, COMMISSIONS AND COMMITTEES****Division 8. Tax Increment Reinvestment Zone Board, TIRZ No. 1****Sec. 2.04.221 Organization and procedure**

(a) There is hereby created within the city a tax increment reinvestment zone board that consists of seven (7) regular board members to be ~~filled by nomination and appointment~~ appointed by place as follows:

- (1) City council appointment of places one (1) through five (5) at-large members; and
- (2) County commissioners court appointment of places six (6) and seven (7).
- (3) ~~Five (5) board seats shall be appointed by city council;~~
- (4) ~~Two (2) board member seats shall be appointed by the county commissioners court;~~

(b) Board member seats appointed by the county commissioners court are contingent on the county's participation in the tax increment reinvestment zone. If the county does not participate, or ceases participation, in the tax increment reinvestment zone, the board member seats in subsection (a)(2) above shall be filled by city council.

Sec. 2.04.222 Qualifications

All regular board members shall be at least eighteen (18) years of age and a resident of the county. Any regular board member who ceases to possess such qualifications shall automatically be deemed to have vacated their membership on the board.

Sec. 2.04.223 Terms

- (a) Beginning January 1, 2021 members shall initially serve staggering terms with even numbered places serving a two (2) year term and odd numbered places serving a one (1) year term, after which all places shall serve a two (2) year term. For members appointed by City Council, when appointed for each term, the City Council will determine which member will be in each place. For members appointed by the County, the County will determine which member is in each place.
- (b) Vacancies on the board may be filled by appointment of the city council for the unexpired term.
- (c) ~~Initial board member appointments by city council and the county commissioners court after the effective date of this section shall be for a two (2) year term.~~

- ~~(d) All appointments for regular members made after the initial appointments shall be for a term of two (2) years, except vacancies for unexpired terms, which shall be filled for the remainder of the unexpired term.~~

Sec. 2.04.224 Duties

Division 9. Tax Increment Reinvestment Zone Board, TIRZ No. 2

Sec. 2.04.261 Organization and procedure

- (c) There is hereby created within the city a tax increment reinvestment zone board that consists of seven (7) regular board members to be ~~filled by nomination and appointment appointed by place~~ as follows:

(5) City council appointment of places one (1) through five (5) at-large members; and

(6) County commissioners court appointment of places six (6) and seven (7).

~~(7) Five (5) board seats shall be appointed by city council;~~

~~(8) Two (2) board member seats shall be appointed by the county commissioners court;~~

- (b) Board member seats appointed by the county commissioners court are contingent on the county's participation in the tax increment reinvestment zone. If the county does not participate, or ceases participation, in the tax increment reinvestment zone, the board member seats in subsection (a)(2) above shall be filled by city council.

Sec. 2.04.262 Qualifications

All regular board members shall be at least eighteen (18) years of age and a resident of the county. Any regular board member who ceases to possess such qualifications shall automatically be deemed to have vacated their membership on the board.

Sec. 2.04.263 Terms

- (a) Beginning January 1, 2021 members shall initially serve staggering terms with even numbered places serving a two (2) year term and odd numbered places serving a one (1) year term, after which all places shall serve a two (2) year term. For members appointed by City Council, then appointed for each term, the City Council will determine which member will be in each place. For members appointed by the County, the County will determine which member is in each place.
- (b) Vacancies on the board may be filled by appointment of the city council for the unexpired term.
- ~~(c) Initial board member appointments by city council and the county commissioners court after the effective date of this section shall be for a two (2) year term.~~
- ~~(d) All appointments for regular members made after the initial appointments shall be for a term of two (2) years, except vacancies for unexpired terms, which shall be filled for the remainder of the unexpired term.~~