



## **Regular Meeting of the Board of Directors**

City of Texarkana, Arkansas

216 Walnut Street

**Agenda - Monday, June 17, 2019 - 6:00 PM**

Call to Order

Roll Call

Invocation and Pledge of Allegiance given by Director Terri Peavy

### **CONSENT**

- [1.](#) Approval of the minutes of the regular meeting June 3, 2019. (CCD)

### **REGULAR**

- [2.](#) Adopt a Resolution accepting the Section 108 Loan/Grant Funding from the U.S. Department of Housing and Urban Development (HUD) for the rehabilitation of the old Boys and Girls Club. (PWD) Assistant Public Works Director Tracie Lee

### **CITIZEN COMMUNICATION**

**NEXT MEETING DATE: Monday, July 1, 2019**

**ADJOURN**

### **2019 City Calendar**

**Gateway Farmer's Market – Every Tuesday, Thursday and Saturday**

**Go TXK Teen - Thursday, June 20, 2019**



## CITY OF TEXARKANA, AR BOARD OF DIRECTORS

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<b>AGENDA TITLE:</b>	Approval of the minutes of the regular meeting June 3, 2019. (CCD)
<b>AGENDA DATE:</b>	06/17/2019
<b>ITEM TYPE:</b>	Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Other <input checked="" type="checkbox"/> : Minutes
<b>DEPARTMENT:</b>	City Clerk
<b>PREPARED BY:</b>	Heather Soyars, City Clerk
<b>REQUEST:</b>	Approval of meeting minutes.
<b>EMERGENCY CLAUSE:</b>	N/A
<b>SUMMARY:</b>	Approval of meeting minutes.
<b>EXPENSE REQUIRED:</b>	N/A
<b>AMOUNT BUDGETED:</b>	N/A
<b>APPROPRIATION REQUIRED:</b>	N/A
<b>RECOMMENDED ACTION:</b>	The City Clerk recommends approval.
<b>EXHIBITS:</b>	Meeting minutes.



## Regular Meeting of the Board of Directors

City of Texarkana, Arkansas

216 Walnut Street

**Minutes - Monday, June 03, 2019 - 6:00 PM**

Mayor Allen Brown called the meeting to order.

PRESENT: Mayor Allen Brown, Ward 1 Assistant Mayor Linda Teeters, Ward 2 Director Laney J. Harris, Ward 3 Director Steven Hollibush, Ward 5 Director Barbara S. Miner, and Ward 6 Director Terri Peavy.

ALSO PRESENT: City Manager Dr. Kenny Haskin, City Attorney George Matteson, City Clerk Heather Soyars and Deputy City Clerk Jenny Narens.

Ward 4 Director Travis Odom was absent

Director Barbara S. Miner gave the Invocation and led the Pledge of Allegiance.

### **PRESENTATION(S)**

1. Presentation of the City of Texarkana, Arkansas, Employee Service Awards. (CCD)

Mayor Brown presented an award and pin to Karen Reed for 20 years of service with Municipal Courts.

Mayor Brown said John Murphy, James Smith and Jon Smithpeters were not able to attend tonight's meeting and each would receive an award and pin for 20 years of service with Texarkana Water Utilities.

2. Presentation of the Budget Variance Report by Finance Director TyRhonda Henderson. (FIN)

Finance Director TyRhonda Henderson gave a brief report on the Budget Variance for the General Fund for January through March 2019. She said the City was at 22% of the budget for revenue and the City should be at 25% for the first quarter of the year and total expenditures were at 22% and it should be 25% of the budget. She said all departments except the Board of Directors were at 25% of the budget and this was due to the travel expenses that were paid in January.

Mayor Brown asked how much more the City made up in April due to the large sales tax.

Finance Director TyRhonda Henderson said on a cash basis the City was at 34% on sales tax. She said the City was right on target for where it needed to be.

Assistant Mayor Teeters asked if the sales tax included the internet sales tax.

Finance Director TyRhonda Henderson said yes. She said there were two reasons for the increase in sales tax revenue; the online sales tax and the change in the way the state calculated the tax on the sale of motor vehicles.

## **CONSENT**

Motion to approve the Consent Agenda made by Director Hollibush, Seconded by Assistant Mayor Teeters.

The motion carried unanimously, and Mayor Brown declared the Consent Agenda approved. The items approved were:

3. Approval of the minutes of the regular meeting May 20, 2019. (CCD)
4. Resolution No. 2019-22 rescheduling the first Board of Directors' meeting in December, from Tuesday, December 3, 2019, to Monday, December 2, 2019. (CCD)

## **REGULAR**

5. Ordinance No. 12-2019 rezones property located at the 400 Block of 49th Street, from R-4 Medium Density Residential to C-3 Open Display commercial for business development. (PWD-Planning) (This item recommended for Board approval by the Planning Commission)

City Planner Mary Beck said the property was right behind El Chico's restaurant and had 2.5 acres of undeveloped land. She said the property owner wanted to build office spaces for contractors and storage for their vehicles and materials. City Planner Mary Beck said there was no opposition from the other property owners nor the public.

Director Miner asked if the land had a building on it.

City Planner Mary Beck said no, it did not have a building on it and it used to be a wooded area.

Director Peavy asked if there would be fencing requirements.

City Planner Mary Beck said yes.

Motion to read the ordinance the first time in abbreviated form made by Assistant Mayor Teeters, Seconded by Director Peavy.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Miner and Director Peavy.

The motion carried 6-0. The ordinance was read the first time in abbreviated form.

Motion to suspend the rules and place the ordinance on its second reading in abbreviated form made by Director Peavy, Seconded by Director Miner.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Miner and Director Peavy.

The motion carried 6-0. The ordinance was read the second time in abbreviated form.

Motion to further suspend the rules and place the ordinance on its third and final reading in abbreviated form made by Director Miner, Seconded by Director Peavy.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Hollibush, Director Miner and Director Peavy.

Voting Nay: Director Harris

The motion carried 5-1. The ordinance was read the third and final time in abbreviated form.

Motion to adopt the ordinance made by Director Hollibush, Seconded by Director Miner.

Director Harris said he was not opposed to this ordinance, but he was opposed to the process of having three readings in one night. He said he wanted to give citizens enough time to voice any concerns they had on this rezoning.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Hollibush, Director Miner and Director Peavy.

Voting Nay: Director Harris

The motion carried 5-1. The Mayor declared the ordinance adopted.

## **CITIZEN COMMUNICATION**

Rick Hall, 2020 Beech Street, City Beautiful Commission, brought forth an urban design plan for Stateline Avenue that may be helpful at the Joint City Meeting on June 11, 2019, at which Stateline Avenue would be the topic. He said the plan had real value and could be an economic benefit for Texarkana.

Ina McDowell, MainStreet Texarkana, gave a brief update saying there had been a courthouse square initiative and both cities submitted funds for the design of the courthouse square. She thanked everyone who helped with the MainStreet contest. Texarkana did not win but it was in the top 5 of 230 cities that were nominated. Ms. McDowell said with the help of City Beautiful, MainStreet was able to add new planters to both sides of Broad Street. She said May was Historic Preservation Month and they had the Imagine the Possibility tours like they have for the past 4 years. Ms. McDowell said it was done differently this year and posters were on each building giving all the sale details of the buildings and it was a huge success. She said she knew of 1 building that had been sold and 2 more that were in the process of being sold. Ms. McDowell said they had been working with Dr. Pepper and City Planner Mary Beck regarding a national campaign of murals and Texarkana's mural would be on the side of TLC Burgers.

Mayor Brown announced the next meeting date Monday, June 17, 2019, and the Grand Opening of Gateway Farmers Market on June 15, 2019.

Director Hollibush announced that he would not be attending the next Board meeting because he would be on a mission trip with Heritage Church in Jamaica.

## **ADJOURN**

Motion to adjourn made by Director Hollibush, Seconded by Director Miner.

Voting Yea: Mayor Brown, Assistant Mayor Teeters, Director Harris, Director Hollibush, Director Miner and Director Peavy.

The motion carried 6-0. The meeting adjourned at 6:29 PM.

**APPROVAL** of the minutes on this 17<sup>th</sup> day of June, 2019.

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Allen L. Brown, Mayor

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Heather Soyars, City Clerk



# CITY OF TEXARKANA, AR

## BOARD OF DIRECTORS

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**AGENDA TITLE:** Adopt a Resolution accepting the Section 108 Loan/Grant Funding from the U.S. Department of Housing and Urban Development (HUD) for the rehabilitation of the old Boys and Girls Club. (PWD) Assistant Public Works Director Tracie Lee

**AGENDA DATE:** 06/17/2019

**ITEM TYPE:** Ordinance  Resolution  Other : \_\_\_\_\_

**DEPARTMENT:** Public Works Department

**PREPARED BY:** Tracie Lee, Assistant Public Works Director

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**REQUEST:** To accept the Section 108 Loan/Grant Funding from the U.S. Department of HUD.

**EMERGENCY CLAUSE:** This item will be approved by a resolution; therefore, it will not need an emergency clause.

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**SUMMARY:** The Public Works Department submitted a Section 108 Loan application to the U.S. Department of HUD in the amount of \$884,871 for the rehabilitation of the old Boys and Girls Club. On May 29, 2019 the City received notification via email of approval for the Section 108 Loan application.

HUD approved a 20-Year loan term and the loan payment is estimated to be approximately \$49,000 annually, paid directly from the City's annual CDBG grant. The City is required to pay a fee of 2.23% of the principal amount of loan guaranteed under this Commitment to cover the credit subsidy costs.

This will amend the 2019 CDBG Budget.

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**EXPENSE REQUIRED:** \$0.00

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**AMOUNT BUDGETED:** \$0.00

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**APPROPRIATION  
REQUIRED:** \$0.00

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**RECOMMENDED  
ACTION:** City Manager and staff recommend board approval.

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**EXHIBITS:** Resolution, HUD Award Letter and Section 108 Loan Agreement.

**RESOLUTION NO. \_\_\_\_\_**

**WHEREAS**, the City’s request for loan guarantee assistance under Section 108 of the Housing Community Development Act of 1974, as amended, has been approved (Application B-18-MC-05-0007); and

**WHEREAS**, the U.S. Department of Housing and Urban Development, prior to execution of the underlying loan documents, requests that the City execute and return a Funding Approval Agreement form; and

**WHEREAS**, such document does not obligate any revenues of the City, but is the next step in the Section 108 assistance process; and

**WHEREAS**, the City Manager and staff recommend board approval; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the City of Texarkana, Arkansas, that the City Manager is authorized to execute and return to the U.S. Department of Housing and Urban Development the Funding Approval/Agreement described above.

**PASSED AND APPROVED** this 17<sup>th</sup> day of June, 2019.

\_\_\_\_\_  
Allen L. Brown, Mayor

**ATTEST:**

\_\_\_\_\_  
Heather Soyars, City Clerk

**APPROVED:**

\_\_\_\_\_  
George M. Matteson, City Attorney





U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410-7000

OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

**MAY 23 2019**

The Honorable Allen L. Brown  
City of Texarkana, Arkansas  
P.O. Box 2711  
Texarkana, AR 75504

Dear Mayor Brown:

Congratulations! I am pleased to inform you that the City of Texarkana's (hereafter, the "City") request for loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, has been approved. Such assistance is to consist of the guarantee of notes or other obligations in the principal amount of \$885,000, plus interest thereon, which shall be issued to finance activities described in the City's application (B-18-MC-05-0007) for the Texarkana Recreational Facility project.

This offer of commitment ("Commitment") is subject, however, to the conditions specified in Item 8 of the Funding Approval (Form HUD-7082).

The first condition provides that in the event the City fails to submit notes or other obligations for inspection and guarantee by the Secretary of Housing and Urban Development (HUD) before September 30, 2020, the Commitment will expire as of such date.

The second condition provides that the repayment schedule for the indebtedness evidenced by the notes or other obligations (the "Guaranteed Loan") must be acceptable to HUD.

The third condition provides that the City shall provide additional security for the Guaranteed Loan and such additional security must be acceptable to HUD. The additional security shall be identified in the Contract for Loan Guarantee Assistance ("Contract"), specified by 24 CFR 570.705(b)(1), which will be executed at the time the guaranteed obligations are issued. The City's application and other supporting material identify the City's pledge of a mortgage on real property as additional security for the Guaranteed Loan.

In addition, the Contract shall provide that HUD may use existing pledged grants to prepay (or defease) the Guaranteed Loan if HUD determines that the standard pledge of future Community Development Block Grant ("CDBG") funds is insufficient to assure payment of amounts due thereunder. HUD reserves the right to require further security upon evaluation of the foregoing security arrangements and the City may substitute other collateral security for such arrangements, subject to HUD's approval of such substitution.

The fourth condition provides that prior to submitting notes or other obligations for inspection and guarantee by HUD, the City shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545). This information shall be submitted on Form HUD-2880 to HUD's Little Rock Field Office. A copy of Form HUD-2880 is enclosed for this purpose.

The fifth condition provides that the City is required to pay a fee of 2.23% of the principal amount of loan guaranteed under this Commitment to cover the credit subsidy costs as announced in the *Federal Register* on October 5, 2018 (83 FR 50257). This fee applies to all Section 108 guaranteed loan commitments issued in Fiscal Year 2019. The fee is applied only at the time of loan disbursements. The amount to be paid at that time is equal to 2.23% of the principal amount of the requested Guaranteed Loan advance. The fee may be paid directly by the City or, alternatively, it may be deducted from the Guaranteed Loan advance(s). If the fee is paid directly by the City, it may be paid from CDBG grant funds drawn down under the CDBG line of credit or with another source.

In addition to the special conditions cited above, the release of funds for the project to be carried out with loan guarantee assistance is conditioned upon compliance by the City with all applicable provisions of the HUD Environmental Review Procedures (24 CFR Part 58). The City is reminded that these Procedures include limitations on the commitment of HUD and non-HUD funds on an activity or project prior to HUD's approval of the request for release of funds and related certification of compliance with environmental requirements. Please refer to 24 CFR 58.22 for a description of the limitations and the entities to whom they apply.

Please furnish us, at the address specified below, your timetable for execution of the activities described in your application. These activities will be financed through a public offering of Section 108 obligations. If you need funds prior to the next public offering, please notify HUD at the address below and instructions for obtaining interim financing will be provided.

Please execute the three enclosed copies of the Funding Approval (Form HUD-7082) and return two copies to the Department of Housing and Urban Development, Financial Management Division, Room 7282, 451 Seventh Street, S.W., Washington, D.C. 20410. One copy should be retained for your files. The Funding Approval amends the Grant Agreement authorized by HUD on July 20, 2018, under the Funding Approval for grant number B-18-MC-05-0007 to include loan guarantee assistance. The Grant Agreement thereby incorporates this Funding Approval, the loan guarantee application, and Subpart M of the block grant regulations governing loan guarantees, as well as such agreements, schedules, and other documentation required for submission or execution in connection therewith.

Please do not hesitate to reach out if we can support you in the use of your Section 108 funds. Please contact Paul D. Webster, Director, Financial Management Division at (202) 402-4563, if you need assistance.

Sincerely,



Stanley Gimont  
Deputy Assistant Secretary  
for Grant Programs

Enclosures (2)

# Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development  
Office of Community Planning and Development  
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) <b>CITY OF TEXARKANA, AR</b>	3. Grantee's 9-digit Tax ID Number	4. Date use of funds may begin (mm/dd/yyyy)
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) <b>P.O. Box 2711 Texarkana, AR 75504</b>	5a. Project/Grant No. 1 <b>B-18-MC-05-0007</b>	6a. Amount Approved
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

**Grant Agreement:** This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name) <b>Stanley Gimont</b>	Grantee Name <b>CITY OF TEXARKANA, AR</b>
Title <b>Deputy Assistant Secretary for Grant Programs</b>	Title
Signature 	Date (mm/dd/yyyy) <b>MAY 23 2019</b>
Signature	Date (mm/dd/yyyy)

7. Category of Title I Assistance for this Funding Action (check only one) <input type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input checked="" type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy)	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
		9b. Date Grantee Notified (mm/dd/yyyy)	
		9c. Date of Start of Program Year (mm/dd/yyyy)	
11. Amount of Community Development Block Grant			
a. Funds Reserved for this Grantee	FY ( )	FY ( )	FY ( )
b. Funds now being Approved			
c. Reservation to be Cancelled (11a minus 11b)			

12a. Amount of Loan Guarantee Commitment now being Approved <b>\$885,000</b>	12b. Name and complete Address of Public Agency
<b>Loan Guarantee Acceptance Provisions for Designated Agencies:</b> The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.	12c. Name of Authorized Official for Designated Public Agency
	Title
	Signature

**HUD Accounting use Only**

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y					Project Number		Amount		
								Project Number		Amount		
			Y					Project Number		Amount		

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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8. Special Conditions.

- (a) In the event the City of Texarkana (the "City") fails to submit notes or other obligations for inspection and guarantee by the Secretary of Housing and Urban Development (the "Secretary") before September 30, 2020, the commitment will terminate and expire as of such date.
- (b) The repayment schedule for the City's debt obligation, as defined in 24 CFR 570.701, must be acceptable to the Secretary.
- (c) Pursuant to 24 CFR 570.705(b)(3), the City shall provide additional security for the Guaranteed Loan and such additional security must be acceptable to the Secretary. The additional security shall be identified in the Contract for Loan Guarantee Assistance specified by 24 CFR 570.705(b)(1), which will be executed at the time the guaranteed obligations are issued.
- (d) Prior to submitting notes or other obligations for inspection and guarantee by the Secretary, the City shall submit information required under Section 102(b) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545). This information shall be submitted on Form HUD-2880 to HUD's Little Rock Field Office.
- (e) The City is required to pay a fee of 2.23% of the principal amount of loan guaranteed and advanced under this Commitment to cover the credit subsidy costs as announced in the *Federal Register* on October 5, 2018 (83 FR 50257).