NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY, DECEMBER 7, 2017 AT 1:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN
BRENHAM, TEXAS

1. Call Meeting to Order

2. Invocation and Pledges to the US and Texas Flags – City Manager Terry Roberts

3. Special Recognitions

3-a. Police Department Promotion and Badge Pinning
- **Todd Ashorn, Sergeant**

3-b. Sara Parker – Lifetime Certification as a Certified Purchasing Manager from the Institute for Supply Management

3-c. Service Recognitions
- **Jerred Eschete, Fire Department** **5 Years**
- **Kaci Konieczny, Finance** **5 Years**
- **Cindy Ross, Public Utilities** **15 Years**
- **Trey Gully, Police Department** **20 Years**

4. Citizens Comments

CONSENT AGENDA

5. Statutory Consent Agenda

The Statutory Consent Agenda includes non-controversial and routine items that Council may act on with one single vote. A councilmember may pull any item from the Consent Agenda in order that the Council discuss and act upon it individually as part of the Regular Agenda.

5-a. Minutes from the October 19, 2017 and November 2, 2017 Regular City Council Meetings **Pages 1-15**

WORK SESSION

6. **Discussion and Presentation of a Report Entitled "*Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations*" As Presented to the Brenham-Washington County Hotel Occupancy Tax (HOT) Board by HOT Board Member, Sharon Brass** **Pages 16-22**

PUBLIC HEARING

7. **Public Hearing to Consider an Amendment to the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District** **Pages 23-40**

8. **Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit "A" of the Ordinance Creating Reinvestment Zone 41, and Designating This Property as Qualifying for Tax Phase-In** **Pages 41-63**

REGULAR SESSION

9. **Discuss and Possibly Act Upon Approval of an Ordinance of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017; Levying a Tax in Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Official Statement; and Enacting Other Provisions Relating Thereto** **Pages 64-108**

10. **Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District** **Pages 109-117**

11. Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit "A" of the Ordinance Creating Reinvestment Zone 41, and Designating This Property as Qualifying for Tax Phase-In **Pages 118-131**

12. Discuss and Possibly Act Upon Resolution No. R-17-024 Re-Adopting the Guidelines and Criteria for Granting Tax Phase-In in a Reinvestment Zone Created in the City of Brenham **Pages 132-148**

13. Discuss and Possibly Act Upon Resolution No. R-17-025 Adopting Design Guidelines for the Brenham Downtown Historic District Incentive Grant Program **Pages 149-177**

14. Discuss and Possibly Act Upon an Ordinance on its First Reading Amending the FY2016-17 Adopted Budget **Pages 178-180**

15. Discuss and Possibly Act Upon the Purchase of Group Term Life and Accidental Death and Dismemberment and Long Term Disability Coverage and Authorize the Mayor to Execute Any Necessary Documentation **Pages 181-183**

16. Discuss and Possibly Act Upon Recommendations for Appointments and/or Re-Appointments to Various City Advisory Boards **Pages 184-193**

EXECUTIVE SESSION

17. Section 551.074 – Texas Government Code – Personnel Matters – Discussion Regarding:

a. Evaluation of Candidates for the Position of City Manager

b. Possible Modifications to the Retiring City Manager's Employment Agreement Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager **Page 194**

RE-OPEN REGULAR SESSION

18. Discuss and Possibly Act Upon An Agreement for Professional Services and Employment as City Manager and Authorize the Mayor to Execute Any Necessary Documentation **Page 195**

19. Discuss and Possibly Act Upon Modifications to the Agreement for Professional Services and Employment as City Manager of the Retiring City Manager Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager and Authorize the Mayor to Execute Any Necessary Documentation **Page 196**

20. Administrative/Elected Officials Report

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutary recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiation

CERTIFICATION

I certify that a copy of the December 7, 2017 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on December 4, 2017 at **12:45 PM**.

Kacey A. Weiss, TRMC
Deputy City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the _____ day of ___________________, 2017 at __________ AM PM.

___________________________________ ___________________________________
Signature Title

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on October 19, 2017 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Andrew Ebel
Councilmember Susan Cantey
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

None

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Comptroller Stacy Hardy, Human Resources Director Susan Nienstedt, Sara Parker, Rhonda Kuehn, Director of Community Services Wende Ragonis, Jennifer Eckermann, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Dant Lange, Public Works Director Dane Rau, Assistant City Manager of Public Utilities Lowell Ogle, Development Services Director Erik Smith, Paula Shields, Alexandra Dill, Kevin Boggus, Erin O'Malley, Norma Rodriguez, Mark Pierce, Tiwanna Brown, Kenneth McGehee, Chris Duel and Todd Ashorn

Citizens present:

Kevin Mutscher and Clint Kolby

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

1. Call Meeting to Order

2. Invocation and Pledges to the US and Texas Flags – Councilmember Cantey

3. **Proclamation**

- **Breast Cancer Awareness Month**

4. **Special Recognition**

- **Texas Court Clerk Association's Lorna Nelson Lifetime Achievement Award**

Municipal Court Administrator Rhonda Kuehn received this award from the Texas Court Clerks Association on October 10, 2017 at the TCCA Annual Conference.

5. **Citizens Comments**

There were no citizen comments.

CONSENT AGENDA

6. **Statutory Consent Agenda**

6-a. Ordinance No. O-17-014 on Its Second Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District on a Portion of a 53.01 Acre Tract of Land Described as R19805 (WCAD), Being A Part of Tract 25 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from a Local/Business/Residential Mixed Use (B-1) District to a Commercial, Research and Technology Use (B-2) District

6-b. Ordinance No. O-17-015 on Its Second Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District on a Tract of Land Described as R19919 (WCAD), 4.743 Acres, Located at 3201 State Highway 36 S, Being A Part of Tract 121 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from a Local/Business/Residential Mixed Use (B-1) District to a Commercial, Research and Technology Use (B-2) District

A motion was made by Councilmember Pyle and seconded by Councilmember Cantey to approve the Statutory Consent Agenda Items 6-a. and 6-b. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

WORK SESSION

7. Presentation and Update on the New Downtown Brenham Website

Director of Community Services Wende Ragonis introduced this item and Community Services Technology Specialist Kevin Boggus presented it. Ragonis explained that staff requested HOT funding during the FY17 budget process to market and promote historic downtown as a tourist destination. Ragonis advised the redesign of the downtownbrenham.com website was developed with input from Community Services and Main Street staff. Boggus presented the website and stated the new features include: Shops and Services, Food, Events, Things to Do, Places to Stay, and information about downtown Venues. Boggus noted the link to the website is http://www.downtownbrenham.com.

REGULAR SESSION

8. Discuss and Possibly Act Upon Ordinance No. O-17-016 on Its Second Reading Authorizing a Variance to Side Lot Line Setback Requirements, as Outlined in Section 23-22(1) of the City of Brenham's Code of Ordinances, on Tracts of Land Totaling 23.822 Acres of Land and Being Further Described as:

a. **Section 1, Block 1, Lot 1, Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas;**

b. **Section 1, Block 1, Lot 20, Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas; and**

c. **Section 1, Block 2, Lot 1 Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas**

Development Services Director Erik Smith presented this item. Smith explained that this item was previously on the agenda at the October 12, 2017 meeting and that Council had requested further information from the City Engineer prior to the second reading. City Engineer Lori Lakatos reviewed the request and explained that for Cantey Street there are no issues with reducing the side setback to 15', but said she would encourage the developer to keep the structure as far as possible from the property line and closer to a 25' setback. Lakatos stated that there are no issues with reducing the side setback for Gun and Rod Road, but would again encouraged the developer to keep the structure as far as possible from the property line and closer to a 25' setback.

A motion was made by Councilmember Cantey and seconded by Mayor Pro Tem Ebel to approve Ordinance No. O-17-016 on its second reading authorizing a variance to side lot line setback requirements, as outlined in Section 23-22(1) of the City of Brenham's Code of Ordinances, on tracts of land totaling 23.822 acres of land and being further described as:

a. Section 1, Block 1, Lot 1, Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas;

b. Section 1, Block 1, Lot 20, Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas; and

c. Section 1, Block 2, Lot 1 Out of the Isaac Lee Survey, A-77, Located at the SE Corner of Cantey Street and Gun and Rod Road, in Brenham, Washington County, Texas

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon Resolution No. R-17-020 Providing for an Amendment of the City of Brenham's "Envision 2020" Comprehensive Plan Future Land Use Map to Change the Future Land Use on the East Side of State Highway 36, Being a Portion of a 53.01 Acre Tract of Land Described as R19805 (WCAD) and Being a Part of Tract 25 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from Commercial/Retail to Multi-Family

Development Services Director Erik Smith presented this item. Smith explained that the current district as designated by the Comprehensive Plan is Commercial/Retail. Smith stated that Carl Detering is requesting the Comprehensive Plan be amended to designate this portion of his property as Multi-Family. Smith advised that this would align the zoning ordinance with the Comprehensive Plan.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve Resolution No. R-17-020 providing for an Amendment of the City of Brenham's "Envision 2020" Comprehensive Plan Future Land Use Map to change the future land use on the east side of State Highway 36, being a portion of a 53.01 acre tract of land described as R19805 (WCAD) and being a part of tract 25 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from Commercial/Retail to Multi-Family.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon Ordinance No. O-17-017 on Its Second Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District on a Portion of a 53.01 Acre Tract of Land Described as R19805 (WCAD), Being A Part of Tract 25 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from a Local/Business/Residential Mixed Use (B-1) District to a Mixed Residential Use (R-2) District

Development Services Director Erik Smith presented this item. Smith explained that this item is being presented to City Council on the regular agenda as opposed to the consent agenda because of the need to amend the Envision 20/20 Comprehensive Plan. Smith stated this is a request from Carl A. Detering, Jr. and William C. Detering to rezone a portion of the tract of land described above from a B-1 Local Business/Residential Mixed Use District to a R-2 Mixed Residential District. Smith advised that the purpose of changing the zoning for this tract is to square off the boundaries of the district. Smith noted that the Planning and Zoning Commission recommended unanimous approval of this request.

A motion was made by Councilmember Pyle and seconded by Mayor Pro Tem to approve Ordinance No. O-17-017 on its second reading amending the Official Zoning Map of the City of Brenham, to change the zoning district on a portion of a 53.01 acre tract of Land described as R19805 (WCAD), being a part of Tract 25 of the John Carrington Survey, A0120, in Brenham, Washington County, Texas from a Local/Business/Residential Mixed Use (B-1) District to a Mixed Residential Use (R-2) District.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

11. Discuss and Possibly Act Upon Resolution No. R-17-021 of the City Council of the City of Brenham, Texas, Authorizing the Giving of Notice of Intention to Issue City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017; and Declaring an Effective Date

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller explained that during the Council budget workshops and in the adoption of the FY17-18 budget, staff discussed issuing certificates of obligation (COs) for several general government and utility projects. Miller stated those capital projects include improvements to the Aquatic Center; Water and Wastewater utility system and facilities improvements; and construction of street and drainage improvements. Miller advised this agenda item is giving notice of the City's intent to issue Certificates of Obligation, Series 2017 not to exceed $4.1 million for these purposes including bond issuance costs.

Miller explained that the initial step in the financing process is to give notice of the City's intent to issue the certificates of obligation, and upon Council's approval, the notice itself will be published in the Brenham Banner Press. Miller stated that Garry Kimball, the City's financial adviser, will handle securing the pricing and bring it back to Council for action at the December 7, 2017 meeting.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve Resolution No. R-17-021 authorizing the giving of notice of intention to issue City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon the Purchase of Four (4) Vehicles, Using BuyBoard Contract No. 521-16, for the City of Brenham Police Department and Authorize the Mayor to Execute Any Necessary Documentation

Police Chief Craig Goodman presented this item. Goodman explained that the department rotates older (high mileage and worn) vehicles from time to time for replacement to equip the patrol, investigative, and administrative divisions. Goodman stated that in order to maintain the current service level with fleet, the department is requesting to purchase (2) two patrol vehicles, (1) K9 vehicle and (1) one administrative vehicle this year.

A motion was made by Councilmember Cantey and seconded by Councilmember Pyle to approve the purchase of four (4) vehicles, using BuyBoard Contract No. 521-16, in the amount of $169,245, for the City of Brenham Police Department and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

Council adjourned into Executive Session at 1:35 p.m.

EXECUTIVE SESSION

13. Section 551.072 – Texas Government Code – Deliberation Regarding Real Property – Discussion Regarding an Agreement with Roy Burger (dba RB Film Productions) for the Lease of Approximately 108.9 Acres of the Old Landfill Property

14. Section 551.074 – Texas Government Code – Personnel Matters – Discussion Regarding the Evaluation of Candidates for the Position of City Manager

Executive Session adjourned at 3:02 p.m.

RE-OPEN REGULAR SESSION

15. Discuss and Possibly Act Upon an Agreement with Roy Burger (dba RB Film Productions) for the Lease of Approximately 108.9 Acres of the Old Landfill Property and Authorize the Mayor to Execute Any Necessary Documentation

This item was passed.

16. Administrative/Elected Officials Report

- None given

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on November 2, 2017 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Andrew Ebel
Councilmember Susan Cantey
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

None

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Human Resources Director Susan Nienstedt, Sara Parker, Director of Community Services Wende Ragonis, Crystal Locke, Jennifer Eckermann, Tammy Jaster, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Public Works Director Dane Rau, Casey Redman, Bobby Branham, Assistant City Manager of Public Utilities Lowell Ogle, City Engineer Lori Lakatos, Kevin Boggus, Stephen Draehn and Todd Ashorn

Citizens present:

Perry Thomas, Tim Sanders, Lynnette Sheffield, Sally Clinton, Carol Jensen, Linda Aldama, Georgia Sowers and Alex Aldama

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

1. Call Meeting to Order

2. Invocation and Pledges to the US and Texas Flags – Councilmember Herring

3. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

4. Statutory Consent Agenda

4-a. Minutes from the September 18, 2017 Special City Council Meeting and September 21, 2017 Regular City Council Meeting

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve the Statutory Consent Agenda Item 4-a. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle `	Yes
Councilmember Weldon Williams	Yes

WORK SESSION

5. Presentation and Discussion on the Brenham Pet Adoption and Care Center

Director of Community Services Wende Ragonis presented this item. Ragonis thanked the Mayor and Council, stakeholders and City staff for everything they have done to help address the concerns with the animal shelter and pet adoption operation.

Ragonis explained that the City Hall leadership team is in the process of engaging an outside animal shelter consultant to conduct a full assessment which will identify strengths, weaknesses, and opportunities for improvements and potential risks or threats and help staff gain a better understanding of industry best practices. Tim Crum, with Animal Shelter Services in Arizona, will be the animal shelter consultant.

Citizen Carol Jensen addressed Council. Jensen verified the state report and also discussed the records that she received through her open records requests. Jensen stated her concerns about the shelter versus information that she obtained thru the records requests. Jensen explained that two sections of the Comprehensive Report completed by City staff contradicts what she discovered in her records requests. Jensen also discussed the hiring practices of the City and believes the hiring of a new animal shelter supervisor should be handled by the City Hall leadership team.

Mayor Tate thanked Mrs. Jensen for her comments and input.

REGULAR SESSION

6. Discuss and Possibly Act Upon the 2018 Holiday Schedule

Human Resources Director Susan Nienstedt presented this item. Nienstedt stated that the schedule includes 11 observed holidays, and 1 floating (birthday holiday) for a total of 12 paid holidays for city staff.

A motion was made by Councilmember Cantey and seconded by Mayor Pro Tem Ebel to approve the 2018 Holiday Schedule as presented

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

7. Discuss and Possibly Act Upon an Ordinance on Its First Reading Providing for an Increase in Retirement Annuities in the Texas Municipal Retirement System Effective January 1, 2018

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller explained that for many years, City Council has approved, on an annual basis, an ordinance providing for an increase in retirement annuities of 70% of the CPI as provided through the Texas Municipal Retirement System. Miller stated that in order to make any changes in the City's plan provisions, an Ordinance must be approved by Council. Miller advised that the funding rate for the City of Brenham will increase from 9.88% to 10.12%.

A motion was made by Councilmember Herring and seconded by Councilmember Pyle to approve an Ordinance on its first reading providing for an increase in Retirement Annuities in the Texas Municipal Retirement System effective January 1, 2018.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

8. Discuss and Possibly Act Upon Resolution No. R-17-022 Approving a Railroad Quiet Zone at the BNSF Railway Crossing at FM 109 and Authorizing the Mayor to Submit a Joint Notice of Establishment to the Federal Railroad Administration for the Establishment of a Railroad Quiet Zone at the BNSF Railway Crossing at FM 109

Public Works Director Dane Rau presented this item. Rau explained that City staff has been working with BEFCO Engineering, TXDOT, BNSF, Washington County and the Federal Railroad Administration to establish a quiet zone at the FM 109 crossing. Rau stated that staff has been working through the formalities regarding the quiet zone process and on July 6th Council, along with Washington County, passed a Notice of Intent resolution that was submitted to BNSF, TX DOT, and the FRA. Rau noted that if Council passes this Resolution the delineators will be ordered around November 10th at a total cost of $7,980.65, in which the county will pay half of those costs. Rau explained that installation will occur around December 15th and the quiet zone will commence on or around January 15, 2018.

A motion was made by Councilmember Goss and seconded by Councilmember Cantey to Approve Resolution No. R-17-022 approving a Railroad Quiet Zone at the BNSF Railway Crossing at FM 109 and authorizing the Mayor to submit a Joint Notice of Establishment to the Federal Railroad Administration for the Establishment of a Railroad Quiet Zone at BNSF Railway Crossing at FM 109 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon the Purchase and Installation of Playground Equipment for Henderson Park Using BuyBoard Contract No. 512-16 and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director presented this item. Rau explained that during the 2017-18 BCDC funding process a total of $294,500 was dedicated to fund Phase I Improvements to Henderson Park. Rau advised that staff has worked with Gametime to develop a unique playscape that will challenge the park users and also give everyone the ability to have fun while attending park functions. Rau stated the playscape chosen is called the "Adventure Unit" and is designed for ages 5-12. Rau noted it has multiple slides, a Tri-Net octagon climbing structure attached to the main deck and multiple other climbing features.

A motion was made by Councilmember Cantey and seconded by Councilmember Williams to approve the purchase and installation of playground equipment, using BuyBoard Contract No. 512-16, from Gametime in the amount of $69,972.41 for Henderson Park and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

10. Discuss and Possibly Act Upon the Purchase of a Dump Truck for the City of Brenham's Central Fleet Department Using BuyBoard Contract No. 521-16 and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that during the 2017-18 budget process, Central Fleet requested a replacement tandem dump truck that was part of the 5 year capital replacement plan. Rau advised this truck will replace two older dump trucks that are in the Central Fleet Department.

A motion was made by Councilmember Pyle and seconded by Councilmember Herring to approve the purchase of a 2018 Tandem dump truck, through BuyBoard Contract No. 521-16, for the City of Brenham's Central Fleet Department from Lonestar Truck Group-Waco, in the amount of $99,999.00 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.		Yes
Mayor Pro Tem Andrew Ebel		Yes
Councilmember Susan Cantey		Yes
Councilmember Danny Goss		Yes
Councilmember Keith Herring		Yes
Councilmember Charlie Pyle	`	Yes
Councilmember Weldon Williams		Yes

11. Discuss and Possibly Act Upon the Purchase of a Residential Garbage Truck for the City of Brenham's Sanitation Department Using BuyBoard Contract No. 521-16 and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that during the 2017-18 budget process, the Sanitation Department requested a replacement residential refuse truck. Rau stated this replacement was part of the 10 year capital replacement plan. Rau advised that this truck will replace a 2008 International that is approaching 10 years old. Rau noted that staff has outlined in the 10 year plan that these trucks be replaced around the 10 year mark due to the daily use of these units and the maintenance costs that staff has seen in keeping these units past the 10 year mark. Rau explained that currently there are 3 units in the fleet (2008, 2008, 2016), in which two serve as primary trucks and one serves as a backup unit.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve the purchase of a 2018 Western Star Refuse Truck, through BuyBoard Contract No. 521-16, for the City of Brenham's Sanitation Department from Lonestar Truck Group-Waco, in the amount of $167,500 and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

Mayor Milton Y. Tate, Jr.		Yes
Mayor Pro Tem Andrew Ebel		Yes
Councilmember Susan Cantey		Yes
Councilmember Danny Goss		Yes
Councilmember Keith Herring		Yes
Councilmember Charlie Pyle	`	Yes
Councilmember Weldon Williams		Yes

12. Discuss and Possibly Act Upon a Request for a Noise Variance from St. Mary's Immaculate Conception Catholic Church for a Fundraiser to be Held on November 12, 2017 from 8:00 a.m. – 5:00 p.m. at 701 Church Street and Authorize the Mayor to Execute Any Necessary Documentation

This item was passed.

13. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- Interviews for the five finalist for City Manager will be held on November 8th
- Legislative Forum will be November 7th at the Brenham Country Club
- City Hall will be closed on November 10th to observe Veteran's Day

Director of Community Services Wende Ragonis reported on the following:

- Wayfinding Signage and the Scarecrow Extravaganza that was held in Downtown

Public Works Director Dane Rau reported on the following:

- Renovation of the restrooms at Fireman's Park are moving along and should be completed the end of December

Assistant City Manager of General Government Ryan Rapelye reported on the following:

- Several staff members along with two Councilmembers will be attending the International Council of Shopping Centers Retail Conference in Dallas next week

Human Resources Director Susan Nienstedt reported on the following:

- Health Fair is November 8th and 9th at the Fireman's Training Center

The meeting was adjourned.

____
Milton Y. Tate, Jr.
Mayor

____
Jeana Bellinger, TRMC, CMC
City Secretary

AGENDA ITEM 6

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration	**DATE SUBMITTED:** December 4, 2017 **SUBMITTED BY:** Jeana Bellinger

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☐ **REGULAR**	☐ **RESOLUTION**
	☒ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discussion and Presentation of a Report Entitled "*Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations*" As Presented to the Brenham-Washington County Hotel Occupancy Tax (HOT) Board by HOT Board Member, Sharon Brass

SUMMARY STATEMENT: At the November 15, 2017 HOT Board meeting, HOT Board member Sharon Brass presented a report on "*Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations*". This report was developed out of Ms. Brass' work on the HOT Board's Strategic Planning Subcommittee.

The Executive Summary of the full report is included in the agenda packet; if you are interested in obtaining a hard copy of the full report, please contact the City Secretary's Office at 979-337-7375.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. **PROS:**

B. **CONS:**

ALTERNATIVES (In Suggested Order of Staff Preference): N/A

ATTACHMENTS: (1) Executive Summary pages from the "*Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations*" report.

FUNDING SOURCE (Where Applicable): N/A

RECOMMENDED ACTION: Discussion only

APPROVALS: Terry K. Roberts

REVIVING TOURISM REVENUES IN BRENHAM & WASHINGTON COUNTY

Trends, Challenges and Recommendations
by Sharon Brass: November 7, 2017

Executive Summary

Please Direct Your Attention To . . .

This report is comprehensive—it contains much information and takes over an hour to read. Since it is important, it is hoped that you will read the whole document .

If your time is limited, you can focus on the pages listed below to get basic information specific to your role.

Texas Government Officials

Pages 5-7 Highlights of the report.
Pages 9-16 Financial data that demonstrates our current position.
Page 17 How public sector is vital to success, and has much to gain.
Page 48 Suggestions for how you can help.

Washington County Officials

Pages 5-7 Highlights of the report.
Pages 9-16 Financial data that demonstrates our current position.
Page 17 How public sector is vital to success, and has much to gain.
Page 23 Collaboration to "wow" tourists.
Page 24 Recent Washington County Tourism Survey results.
Page 25 Attractions Not Open to the Public
Pages 41-45 Ideas for existing Washington County assets that can attract more tourists.
Page 48 Suggestions for how you can help.

City of Brenham Officials

Pages 5-7 Highlights of the report.
Pages 9-16 Financial data that demonstrates our current position.
Page 17 How public sector is vital to success, and has much to gain.
Page 24 Recent Washington County Tourism Survey results.
Page 25 Attractions Not Open to the Public
Pages 26-40 Ideas for existing Brenham assets that can attract more tourists.
Page 48 Suggestions for how you can help.

Attractions, Meeting Facilities, Merchants, Restaurants, Hoteliers

Pages 5-7 Highlights of the report.
Pages 18-22 Audiences we should market to, and how to influence them.
Page 23 Collaboration to "wow" tourists.
Page 24 Recent Washington County Tourism Survey results.
Page 48 Suggestions for how you can help.

Business Leaders and Private Citizens

Pages 5-7 Highlights of the report.
Pages 9-16 Financial data that demonstrates our current position.
Pages 26-40 Ideas for existing Brenham assets that can attract more tourists. Can you help?
Pages 41-45 Ideas for existing Washington County assets that can attract more tourists. Can you help?
Page 48 Suggestions for other ways you can help.

Purpose of This Report

This is a call-to-action regarding critical and urgent challenges facing the Washington County tourist industry and economy, and to provide suggestions for improving them.

The numbers speak for themselves (pages 10-16). Top priority should be given to this matter.

Brenham and Washington County cannot expect to attract more tourists unless we work for them. They must be recruited and earned. We are competing with every other Texas town for drive-in visitors and their dollars.

By working together, the community can turn around our present position and enjoy increased prosperity in both the public and private sectors (page 17).

This will require a thorough understanding of:

- The scope and value of our tourism assets.
- The challenges we face in their development, maintenance and promotion.
- How these challenges are negatively affecting our economy.
- Existing assets that can be put to work, to benefit the community.
- Steps for building a robust tourist industry that will sustain itself and generate revenues for local businesses, and for state and local use.

The above topics are covered herein, with enough details to help reset our path for a more prosperous future.

A 2009 study for the U.S. Travel Association showed that 78% of all U.S. leisure travelers participate in cultural and/or heritage activities. **!**

These 118.3 million adults:

- ***Spend an average of $994 per trip.***
- ***Spend 36% more money than other types of tourists.***
- ***Typically stay 53% longer.***

Oregon Heritage Vitality Report, 2010.

EXECUTIVE SUMMARY (continued)

Economic Highlights

Tourism is a vital part of Washington County's (WC) economy, but our tourism revenues took a downturn in 2015 and have not recovered (pages 9-16).

Our county's tourism success is almost entirely dependent on HOT revenues, which are inadequate and will continue to be so, unless we make changes.

COUNTY-WIDE CHALLENGES !

The same mutual concerns are reported from all attractions across Washington County, entirely related to lack of initial funding:

- *Insufficient budgets do not allow the promotional outreach needed to attract more tourists.*
- *Many attractions don't have budgets for staffing, so they are not normally open to the public (a few open only by appointment and/or one day per month).*

If these challenges are solved in the short-term, the many historical assets in WC can attract more tourists and contribute to more overnight stays, tax revenues and our overall economy.

With increased visitors and HOT revenues, tourist attractions can sustain their promotional outreach and staffing without public sector help, thus continuing a cycle of prosperity for the long term.

Tourism experts, at state and national levels, espouse a strong business case for public sector investments in tourism, to begin this cycle of prosperity. There is promise of surprisingly high returns on such investments (page 17).

The U.S. Travel Association publishes many case studies that prove this concept: www.ustravel.org.

Historic structures and museums are vital to our community's past, present and future in so many ways – including our economy. But it is becoming more and more difficult for these places to financially survive on their own.

Government decision makers need to step-up and fight for the funds to help us continue with preservation and increase promotion. If we all work together, the economic rewards will be a big win for all.

Stephanie Jarvis, Texas Cotton Gin Museum

Heritage Concerns

Our history is disappearing before our eyes. It is happening in our generation, more than ever. Important Washington County historical assets are at risk.

Some of our buildings are among the earliest in Texas, going back to 1825. Some have close ties to famous Texans including Sam Houston. All have proven to be delightful to tourists.

Yet there seems to be little local or state government interest in them, beyond the organizations that own them.

Some historical properties are even being compromised. Authenticity is sometimes sacrificed during repairs, due to insufficient funds for historically-accurate materials.

Some of our buildings are full of 19th century artifacts that are deteriorating without climate control. Some properties are vandalized, and important artifacts are stolen.

> ***Cultural and heritage travelers as a whole are more frequent travelers, reporting an average of 5.01 leisure trips in the past 12 months.***
>
> **U.S. Cultural and Heritage Tourism Marketing Council**

The more we allow our historical assets to decline, the less opportunity we have to preserve our rich heritage. This negatively affects our culture, our spirit of community pride and enrichment of future generations.

IF WE IGNORE OUR HISTORICAL ASSETS, WE ARE THE ONES TO LOSE. !

- *We will continue to lose large revenues to communities that seriously compete for tourists.*
- *We will lose our historical culture that contributes to our community pride and our children's future.*
- *In the long run, we can lose our importance to Texas history, because no one will know about it.*

EXECUTIVE SUMMARY (continued)

Why This Report Was Written

I believe my insights can help the community, as I have a unique and universal perspective of tourism in Washington County. I am a volunteer who has no financial or political stake. I have been deeply immersed in our heritage tourism, on many levels, since 2009 (see *About the Author* on page 50).

When we faced our 2015 downturn, I was impressed with the many efforts to help displaced workers. But I realized that high unemployment was only part of our new problem. With Blue Bell closed, we had no way to continue attracting the 200,000+ tourists they consistently drew to Brenham. I knew the tourism hit to our economy was equally as damaging as the unemployment hit, and that it would take much longer for tourism to recover.

It was extremely exciting to think I had a solution. In partnership with Main Street Brenham, I created ***Step Into the Past*** Tours (see pages 34-37). Five new tours were opened to the public for the first time. Seven total tours were offered — the same venues we use annually for BISD's Local History Day. We augmented the tours with brochures and seven brief historical movies.

We launched the program in October 2015 with much fanfare and success. But the tours were staffed by volunteers who were not willing to continue long-term. The other challenge was lack of promotional funding. Six months after launch, the program fizzled with no staff or advertising. This was a huge disappointment, especially since people who had been on the tours absolutely loved them — the feedback was very enthusiastic.

This experience introduced me to larger challenges than I could have foreseen. **By relying only on HOT revenues for tourism endeavors, local attractions have little chance to succeed.**

I began research to learn how other communities are building healthy tourist industries. I found eye-opening information and case studies. **All research leads to evidence that public sector investments are vital to success.**

ORGANIZATIONS I WORK WITH

Brenham-Washington County Hotel Occupancy Tax (HOT) Board

Washington County Chamber of Commerce, Convention & Visitor Bureau

City of Brenham, Main Street Program

The Barnhill Center at Historic Simon Theatre

Brenham ISD

Brenham Heritage Museum

Heritage Society of Washington County

Washington On The Brazos State Historic Site

Chappell Hill Historical Society/Museum

Chappell Hill Chamber of Commerce

Burton Heritage Society

Texas Cotton Gin Museum

Independence Historical Society

Texas Historical Baptist Museum

Miracle Farm

Unity Theatre

Rotary Club of Washington County

Central Texas Historical Association

In February of 2017, I joined the Brenham-Washington County Hotel Occupancy Tax (HOT) Board and suggested that funding allocations be made using a strategic plan, to best benefit the overall county and its economy.

The concept was enthusiastically embraced. In April, a Strategic Subcommittee was formed to start this effort and I became part of the three-person subcommittee. By June, our initial charter was defined, to develop an outline for a strategic plan.

Our outline was shown to City officials in mid-July, with a tight timeline for the completed/approved plan to guide HOT Board decisions during the 2018 funding cycle. All agreed on the next step — get City Council approval of our outline/timeline. It was projected that an early-August meeting would be called to obtain approval.

As of this writing (November 6), our Strategic Subcommittee has not been told of a City Council Tourism Committee meeting to review and approve our outline/timeline. We believe it was never seen by that group.

In mid-September, an email to City officials reminded that the timeline was slipping away, and asked for action.

With no response by mid-October I decided to go ahead, and document my research and knowledge of local tourist attractions and challenges (in this report).

I hope this report can help officials make decisions and resume progress. It provides data that will be needed to develop a Strategic Tourism Plan, so it can expedite such a plan. The longer we wait, the more difficult it will be to make a positive impact.

AGENDA ITEM 7

DATE OF MEETING: December 7, 2017	**DATE SUBMITTED:** November 28, 2017
DEPT. OF ORIGIN: Development Services	**SUBMITTED BY:** Lori Lakatos

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☒ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☐ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Public Hearing to Consider an Amendment to the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District

SUMMARY STATEMENT: This is a request from John Beckendorf representing the Fritz W. Beckendorf Estate to rezone a portion of the tract of land described above from a B-1 Local Business/Residential Mixed Use District and a R-1 Residential District to an I Industrial district for the purpose of selling the property to the adjacent property owner, Del Sol Food Company.

Comprehensive Plan
The Envision 2020 Comprehensive Plan shows this area as Retail/Commercial. Even though Industrial is not in line with the use it is identified in the Comprehensive Plan to develop additional industrial sites.

Public Comments
2 Public Comments were heard in support of the proposed zoning and 2 Public Comments were heard in opposition the proposed zoning at the Planning and Zoning Commission's Public Hearing.

On Monday, November 27, 2017, after conducting a Public Hearing, the Planning and Zoning Commission voted unanimously to recommended approval of the rezoning request.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Beckendorf 8.07-Acre Tract Rezoning Staff Report
FUNDING SOURCE (Where Applicable): N/A
RECOMMENDED ACTION: No action – public hearing only
APPROVALS: Terry K. Roberts

City of Brenham
Planning and Zoning Commission
Staff Report
November 27, 2017

Zone Change: A PORTION OF TRACT 2, ISAAC LEE SURVEY A0077, (R16649)

STAFF CONTACT: Lori Lakatos, City Engineer

OWNERS/APPLICANTS: Fritz W. Beckendorf Estate Tract / Janet Schulze

ADDRESS/LOCATION: East of Tiaden Lane, West of Del Sol (Briannas Fine Salad Dressings) (Exhibit "A")

LEGAL DESCRIPTION: 8.07 Acre tract Situated in the Issac Lee Survey A0077, being a portion of a 32.16 Acre Tract (R16649) in Brenham, Washington County, Texas

LOT AREA: 8.07 acres

ZONING DISTRICT/ USE: B-1 Local Business/Residential Mixed Use District & R-1 Residential District / Undeveloped Property (Exhibit "B")

COMP PLAN FUTURE LAND USE: Commercial/Retail

REQUEST: A request to change the zoning of an 8.07-acre portion of this tract from a Local Business/Residential Mixed Use District (B-1) and a Single Family Residential Use District (R-1) to an Industrial Use District (I)

ADJACENT ZONING & LAND USES:
North: B-1 / Undeveloped
South: R-1 & B-1 / Single Family Residence & Undeveloped
West: Industrial / Brenham Business Center
East: B-1 & R-1 / Undeveloped

BACKGROUND:

This is a request from John Beckendorf representing the Fritz W. Beckendorf Estate to rezone a portion of the tract of land described above from a B-1 Local Business/Residential Mixed Use District and an R-1 Single Family Residential Use District to an I Industrial Use District for the purpose of selling the property to the adjacent property owner – Del Sol Food Company. The application is attached as Exhibit "C".

SUMMARY:

The property is approximately 8.07 acres and is adjacent to Tiaden Lane, just south of Highway 290 East. The adjacent property to the west is currently developed and zoned Industrial. The other surrounding properties are zoned R-1 or B-1. The Future Land Use Map designates the property as Commercial/Retail.

ANALYSIS OF CITY OF BRENHAM ZONING POLICIES:

The purpose of zoning policies is to provide guidelines for considering future amendments to the zoning ordinance (Part 1, Sec. 4. – Zoning Policies of Appendix A – "Zoning" of the Brenham Code of Ordinances). They are as follows:

(1) The city's zoning should recognize and seek to preserve the small town attributes that make Brenham a special place for its citizens to live, work and play.

The property in question is currently undeveloped land zoned as B-1 Local Business/Residential Mixed Use District & R-1 Residential District. The neighboring properties adjacent to this parcel are B--1, Industrial, and R-1 Residential. The requested change is an adjacent zoning and use, Industrial.

(2) The city's zoning should be guided by the future land use plan and other applicable guidelines found in the Comprehensive Plan.

The future land use is Commercial/Retail. Even though Industrial is not in line with the use it is identified in the Comprehensive Plan to develop additional industrial sites.

(3) The city's zoning should be designed to facilitate the more efficient use of existing and future city services and utility systems in accordance with the Comprehensive Plan.

The utility systems in place can support this zoning.

(4) The city's zoning should be organized and as straight forward as possible to minimize use problems and enforcement problems.

The adjacent zoning district is Industrial which minimizes use and enforcement problems.

(5) The city's zoning process should be fair and equitable, giving all citizens adequate information and opportunity to be heard prior to adoption of zoning amendments.

All city notification requirements have been met.

(6) The city's zoning should insure that adequate open space is preserved as residential and commercial development and redevelopment occur.

This is an industrial and commercial area with the current zoning designation and the proposed zoning designation. The types of uses are what would change. A broader list of uses would be available to the property owner including the proposed use.

(7) The city's zoning should insure Brenham's attractiveness for the future location of business and housing by preserving an attractive and safe community environment in order to enhance the quality of life for all of its residents.

Staff believes the requested district is in line with the existing area than the established district.

(8) The city's zoning ordinance should preserve neighborhood culture by retaining and promoting land uses consistent with the community's plan for the development and/or redevelopment of its neighborhoods.

The future land use is Commercial/Retail. Even though Industrial is not in line with the use it is identified in the Comprehensive Plan to develop additional industrial sites.

(9) The city's zoning should protect existing and future residential neighborhoods from encroachment by incompatible uses.

The property owner owns the adjacent property that surrounds this request, with exception to the property to the west that is currently zoned Industrial.

(10) The city's zoning should assist in stabilizing property values by limiting or prohibiting the development of incompatible land uses or uses of land or structures which negatively impact adjoining properties.

The proposed district is compatible with the area and shouldn't have a destabilizing effect on the neighboring properties.

(11) The city's zoning should make adequate provisions for a range of commercial uses in existing and future locations that are best suited to serve neighborhood, community and regional markets.

This request does not take away from adequate commercial or residential uses.

(12) The city's zoning should give reasonable accommodation to legally existing incompatible uses, but it should be fashioned in such a way that over time, problem areas will experience orderly change through redevelopment that gradually replaces the nonconforming uses.

The applicants request will prevent incompatible uses from being next to one another.

(13) The city's zoning should provide for orderly growth and development throughout the city.

The request is not out of line with the Comprehensive Plan.

PUBLIC COMMENTS:

Property owners within 200 feet of the project site were mailed notifications of this proposal on November 16, 2017, Exhibit "D". The Notice of Public Hearing was published in the paper on November 16, 2017. Any public comments will be provided in the Planning & Zoning Commission and City Council packets or during the public hearing.

RECOMMENDATION:

Staff has reviewed the request and recommends approval based on the analysis for the following reasons:

1. The request will meet the goals of the City's Comprehensive Plan; and
2. The request is generally appropriate with the surrounding land uses and zoning districts in the area.

EXHIBITS:

A. Aerial Photo
B. Zoning Map
C. Application
D. Buffer Map


US HIGHWAY 290 E
S BLUE BELL RD
S BLUE BELL RD
TIADEN LN
City of
BRENHAM
N
W
E
S
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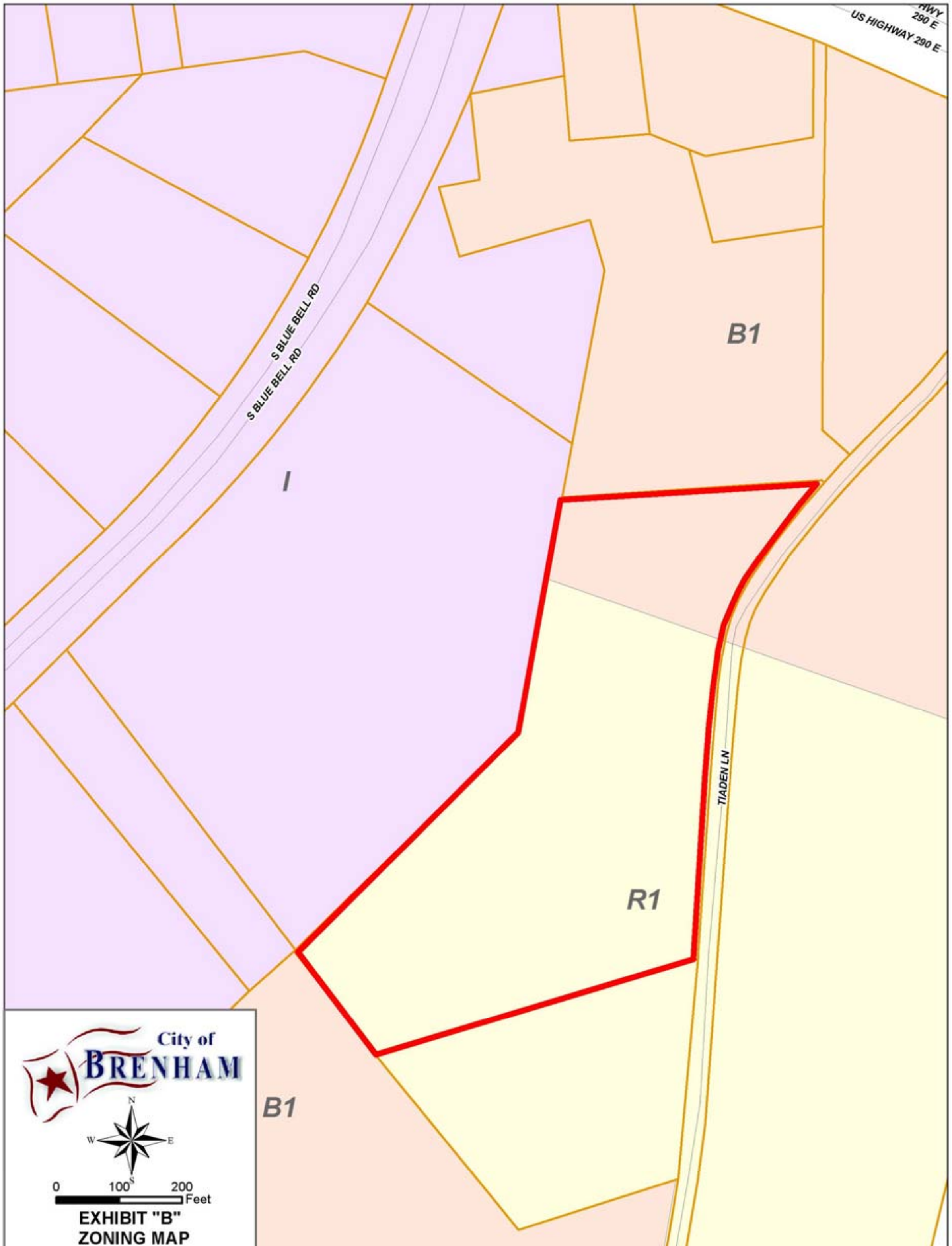
100
200
Feet
EXHIBIT "A"
AERIAL MAP


HWY
290 E
US HIGHWAY 290 E
S BLUE BELL RD
S BLUE BELL RD
B1
I
TIADEN LN
R1
B1
City of
BRENHAM
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S
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100
200
Feet
EXHIBIT "B"
ZONING MAP

EXHIBIT "C"
REZONING APPLICATION

City of BRENHAM	**Development Services Department** 200 W. Vulcan Brenham, TX 77833	Contact Us: 979-337-7220 cityofbrenham.org

RECEIVED
NOV - 1 2017

SPECIFIC USE PERMIT, ZONE CHANGE SUBMITTAL CHECKLIST

APPLICANT TO COMPLETE:

Initials		Staff Initials
	Cover letter addressed to Planning and Zoning Commission explaining what is being requested and the reason(s)	Kh
	Completed general application	Kh
	The appropriate planning fees have been paid $100.00	gh
	Site plan showing location of the property w/ EXHIBIT (Need survey/metes & bounds)	Kh
	(1) A sign at least four (4) square feet in front surface area shall posted on site. (2) Sign shall state: (City will notify when ready) - zoning change as requested for this property, the - date and location of the public hearing, and shall provide a - telephone number of the office of the city secretary for the City of Brenham. - written large enough for easy viewing from passing motor vehicles. (3) Said sign shall be placed on the subject property in a place that is visible from the most heavily used public street abutting the property and the sign shall be in place at least fifteen (15) days prior to any public hearing on the zoning case for that property. (4) An affidavit of posting shall be filed with the city secretary by the responsible party.	
	Photographs, letters from neighbors or any other pertinent information/documentation that the applicant feels would substantiate the request	

Date: 10-31-17

Location Address: Hwy 290 Feeder Rd & Tiaden Lane

Printed Name: JANET M. SCHULZE

Signature: [signature]

Revised 7/2/2015

BRIANNAS

Fine Salad Dressings

RECEIVED
NOV - 1 2017

DATE: October 26, 2017

TO: Brenham Planning and Zoning Commission

FROM: Del Sol Food Co., Inc.

RE.: Request for Zoning Change

The Del Sol Food Company requests the City of Brenham to rezone part of the 32.16 acre Beckendorf property described on the attached survey from Residential & Commercial to Industrial (see Attachment Exhibit **B**).

The Del Sol Food Company wants to purchase the 32.16 acre tract to our East for future food manufacturing expansion. The property in question is adjacent to our present manufacturing site and is the <u>only</u> available property to our current building. When this 32.16 acre tract was annexed into the city it was zoned partially as Residential and partially as Commercial (see attachment Exhibit **A**).

We are requesting that the 8.07 acres (marked in yellow on the attachments) to be rezoned from R-1 and B-1 to I. This rezoning will enable our company to go ahead and complete this purchase. Without the proposed zoning change, the referenced property will be of no interest to the Del Sol Food Company.

The Del Sol Food Company appreciates the prompt review and approval of this request. Please let us know if we can provide any additional information.

Regards,

Del Sol Foods Co., Inc., P.O. Box 2243, Brenham, TX 77834-2243 • PH: 979-836-5978, FAX: 979-836-6953
Briannas.com

City of BRENHAM

RECEIVED
NOV - 1 2017

For office use only
APPLICATION NO.________
MEETING DATE:________
DATE SUBMITTED:________

CITY OF BRENHAM

GENERAL APPLICATION

Type of Application

- [ ] Variance from Appendix A: Zoning
- [x] Zone Change
- [ ] Specific Use Permit
- [ ] Plan Review
- [ ] Preliminary Plat
- [ ] Final Plat/Replat/Amending Plat
- [ ] Variance from Chapter 21: Signs
- [ ] Other: ______________________

Property Owners Information

Name Fritz W. Beckendorf Estate Tract

Principal Officers (If Corporation) President Michael Beckdendorf

Secretary ____________________

Address 7273 Riverside Parkway, Suite1100, Bryan, TX 77807

Telephone Number (office) 979-776-6079 E-mail Address Michael@Beckendorfinvestments.com

Applicant Information

Name Del Sol Food Co., Inc.

Address 3015 S. Blue Bell Road, Brenham TX 77833

Telephone Number 979-836-5978 E-mail Address KristinS@Briannas.com

Agent or Engineer Information

Name JANET M. SCHULZE

Address 801 BILSKI LN.

Telephone Number 713-725-5516 E-mail Address JANET_SCHULZE @ YAHOO.COM

Location of Property

Street Address: Hwy 290 Feeder Road & Tiaden Lane (see attached Exhibits "A" & "B")

Legal Description (attach metes and bounds description if not subdivided):

Subdivision: N/A Block(s): N/A Lot(s): N/A

Zoning Information

Existing Zoning : B-1 Commercial and R-1 Residential

Proposed Zoning: (I) Industrial

Reasons for requesting zone change:* Adjacent property to Del Sol Food Co. to be used for future plant expansions (see attached letter to Brenham Planning and Zoning Commission)

Variance Information

Section of Code from which variance is described:* N/A

Describe variance requested:* N/A

Reasons for requesting variance:* N/A

Proposed Property Use

Describe in detail the proposed operation at this location:*

Proposed future expansion of Del Sol Food Co. manufacturer of salad dressing as well as possible other food products

Construction Value $N/A

Site plans are required for variance, special use, and plan review requests; please see Ordinance No. 0-05-007 for minimum site plan requirements.

I, John Beckendorf, being the owner (or authorized agent) of the above described property, do hereby certify the information set forth above is true and correct. I further request that the Planning & Zoning Commission/Board of Adjustments/Plan Review Committee review this matter and take appropriate action.

John Beckendorf

Owner

Agent

RECEIVED
NOV - 1 2017

Del Sol
8.07 Acres

Isaac Lee Survey
Abstract No. 77

STATE OF TEXAS §

COUNTY OF WASHINGTON §

A **METES & BOUNDS** description of a certain 8.07 acre tract situated in the Isaac Lee Survey, Abstract No. 77 in Washington County, Texas, being a portion of a 32.16 acre tract as surveyed by William Krueger, R.P.L.S. No. 2835 on October 24, 2013; said 8.07 acre tract being more particularly described as follows with all bearings being based on a northeasterly line of said 32.16 acre tract having a record bearing of North 49°18'35" East;

BEGINNING at a called found 1/2-inch iron rod marking the west corner of the herein described subject tract being common with the west corner of said 32.16 acre tract and being in the southeast line of Lot Two of the Brenham Business Center, Phase 1 recorded in Plat Cabinet File No. 518 A of the Plat Records of Washington County;

THENCE along the common lines of the herein described subject tract and said Lot Two the following two (2) courses and distances:

1. North 49°18'35" East, 499.96 feet to a called set 5/8-inch iron rod for angle;
2. North 13°49'19" East, 383.41 feet to a called found 1/2-inch iron rod marking the northwest corner of the herein described subject tract being common with a westerly corner of aforementioned 32.16 acre tract and the southwest corner of a called 5.200 acre tract conveyed by Warranty Deed to John F. Beckendorf recorded in Volume 1131, Page 705 of the Official Records of Washington County;

THENCE along the common lines of the herein described subject tract and said 5.200 acre tract the following two (2) courses and distances:

1. North 89°31'08" East, 413.43 feet to a called found 1/2-inch iron rod (with cap stamped "1070") for anlge;
2. South 44°45'53" East, 19.93 feet to a called found 1/2-inch iron rod (with cap stamped "1070") marking the most easterly northeast corner of the herein described subject tract being common with a westerly interior corner of aforementioned 32.16 acre tract and a southeasterly corner of said 5.200 acre tract;

THENCE over and across said 32.16 acre tract the following three (3) courses and distances:

1. South 45°16'31" West, 197.58 feet to a point-for-corner;
2. South 24°50'11" West, 100.62 feet to a point-for-corner;
3. South 08°27'54" West, 508.75 feet to a called found 3/8-inch iron rod marking the southeast corner of the herein described subject tract being common with a southwesterly interior corner of said 32.16 acre tract and the north corner of a called 3.000 acre tract conveyed by Warranty Deed to George Klatt recorded in Volume 317, Page 148 of the Deed Records of Washington County;

RECEIVED
NOV - 1 2017

THENCE South 76°12'30" West, along the common line of the herein described subject tract and said 3.000 acre tract, 531.20 feet to a called set 5/8-inch iron rod marking the south corner of the herein described subject tract being common with a southwesterly corner of aforementioned 32.16 acre tract and the west corner of said 3.000 acre tract and being in the northeast line of a called 22.237 acre tract conveyed by Executor's Deed to the Justin Margist Trust recorded in Volume 1037, Page 710 of the Official Records of Washington County;

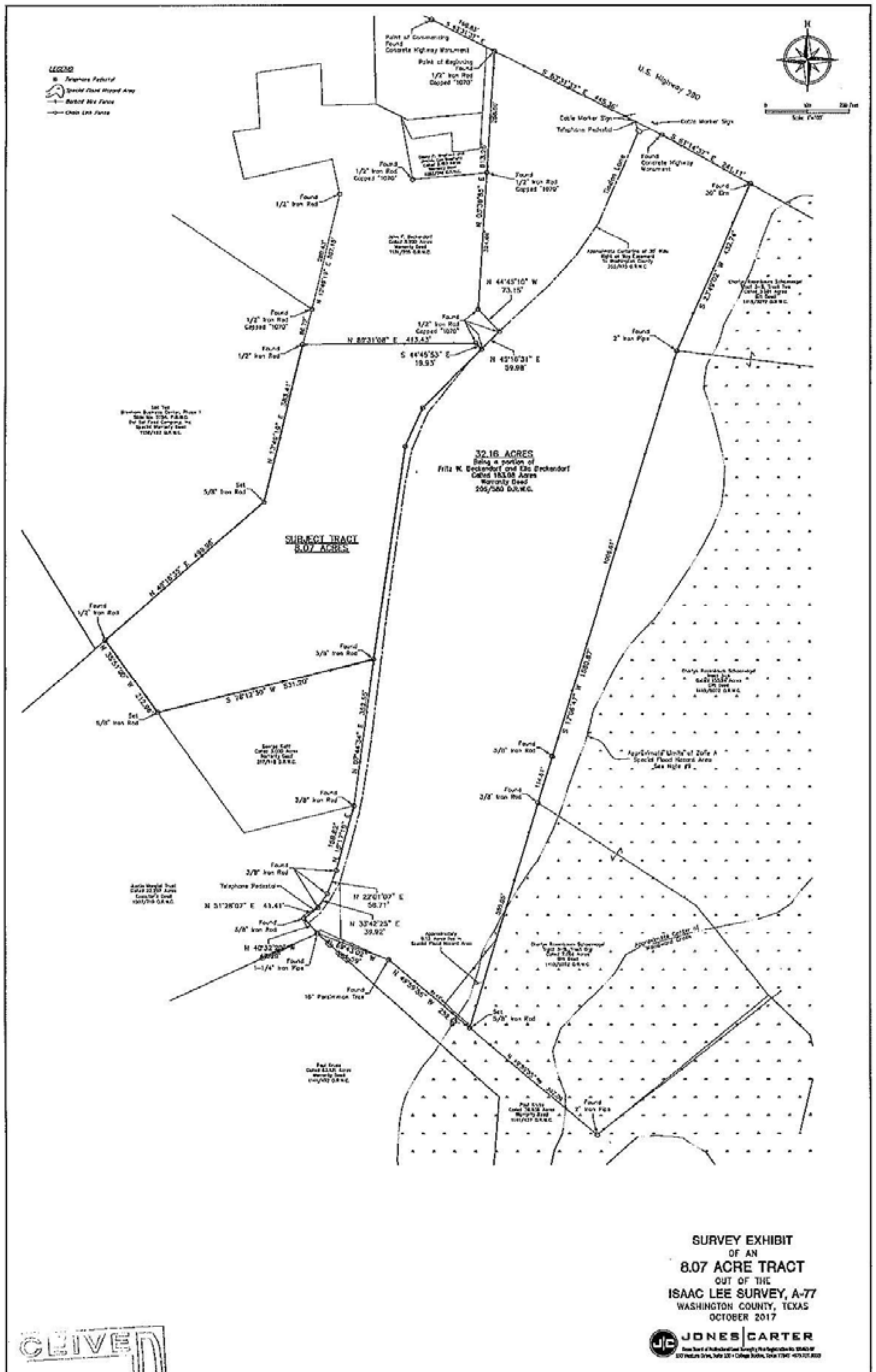
THENCE North 35°51'00" West, along the common line of the herein described subject tract and said 22.237 acre tract, 212.96 feet to the **POINT OF BEGINNING, CONTAINING** 8.07 acres of land in Washington County, Texas.

The metes and bounds description of the herein described subject tract was prepared under 22 TAC §663.21, and does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the zoning district for which it was prepared.

10/25/17

STATE OF TEXAS
REGISTERED
CHRISTOPHER E. CURTIS
5111
PROFESSIONAL
LAND SURVEYOR

RECEIVED
NOV - 1 2017


U.S. Highway 290
32.16 ACRES
SUBJECT TRACT
8.07 ACRES
SURVEY EXHIBIT
OF AN
8.07 ACRE TRACT
OUT OF THE
ISAAC LEE SURVEY, A-77
WASHINGTON COUNTY, TEXAS
OCTOBER 2017
JONES|CARTER

City of BRENHAM	**Development Services Department** 200 W. Vulcan Brenham, TX 77833	Contact Us: 979-337-7220 cityofbrenham.org

AFFIDAVIT OF POSTING

I, John Beckendorf, the applicant/representative for a zone change request for the property described as A0077 Lee, Isaac Tract 177, Acres 8.07, Brenham, Texas, hereby certify that on this the 9 day of November, 2017, a sign giving the date(s), time(s), location(s) and contact information for the Planning and Zoning meeting and the City Council meeting at which the proposed zone change will be considered, was posted on the subject property in accordance with the requirements of the City of Brenham Code of Ordinances, Appendix A, Zoning, Part III, Section 7.

John Beckendorf
Applicant/Representative

11-9-17
Date

Printed Name: John Beckendorf

STATE OF TEXAS

COUNTY OF WASHINGTON

On this the 9 day of November, 2017 before me, the undersigned, a notary public in and for said county and state, personally appeared the within-named, John Beckendorf, who executed the same freely and voluntarily.

In testimony whereof, I have hereunto set my hand and seal the day and year written above.

SEAL:

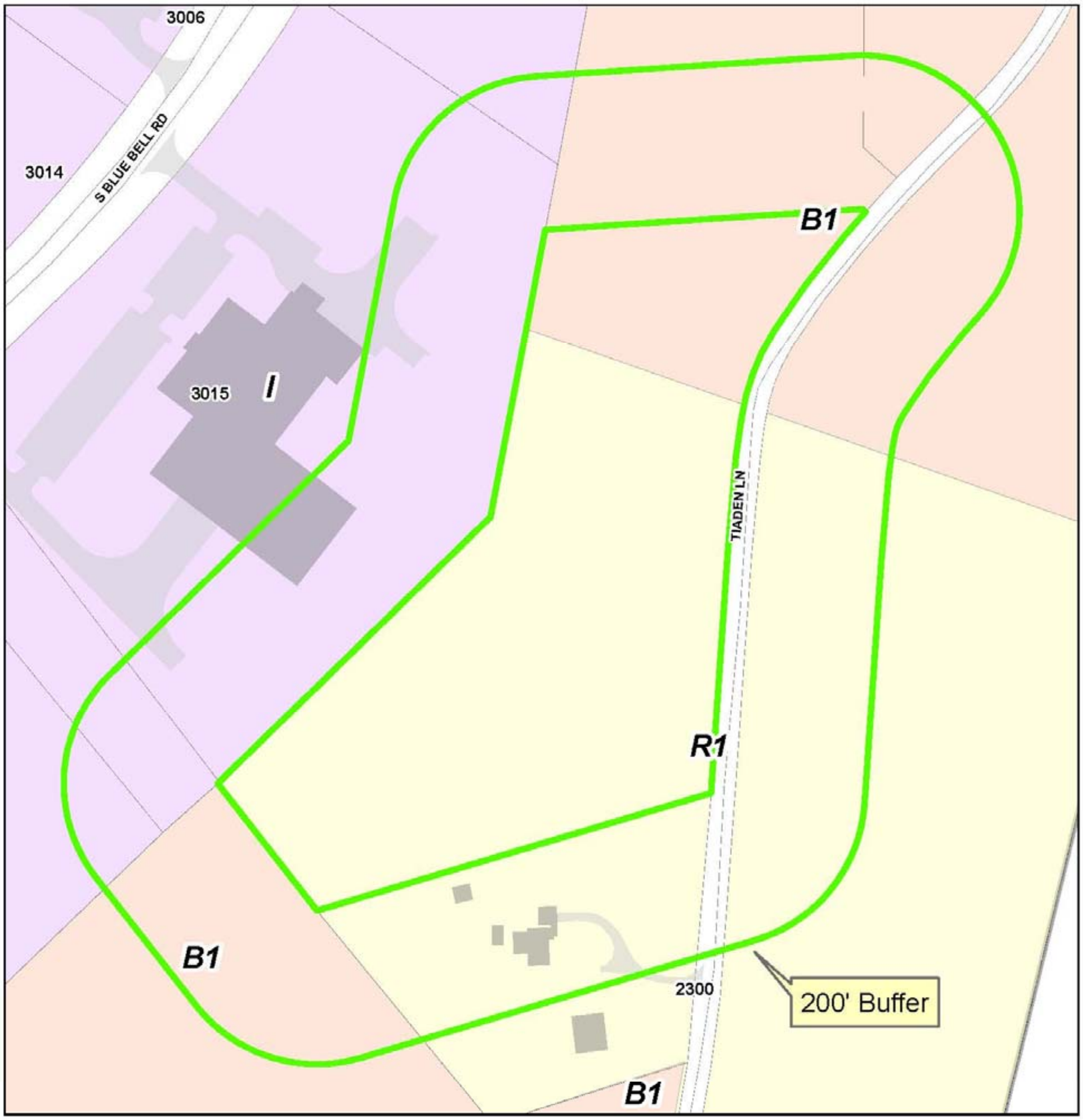
NOTARY PUBLIC STATE OF TEXAS
SHELLEY ADDISON
My Notary ID # 124829043
Expires February 18, 2020

Shelley Addison
Notary Public
My Commission expires: 2-18-2020

Revised 11/9/2015


Name of Applicant(s): Fritz W. Beckendorf Estate Tract/Del Sol Food
Current Zoning:
B-1 Local Business/Residential Mixed Use District AND R-1 Single Family Residential District
Requested Zoning:
I - Industrial Use District
Date of Hearing(s):
November 27th @ 5:15 pm - Planning and Zoning Commission
December 7th @ 1:00 pm - City Council. Meetings to be held in the 2nd floor Council Chambers at City Hall, 200 W. Vulcan Street, Brenham, Texas
For further information, please call the City of Brenham Development Services Department 979-337-7220.

EXHIBIT "D"
BUFFER MAP



Beckendorf Property

B1 Local Business Mixed	P1 Planned Development
B2 Commercial Research and Technology	R1 Residential Single Family
B3 Historical and Central Business	R2 Mixed Residential
B4 Neighborhood Business District	R3 Manufactured Home Residential
I Industrial	DBROD Downtown Business/Residential Overlay District

1 inch = 179 feet

AGENDA ITEM 8

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration/Brenham EDF	**DATE SUBMITTED:** December 1, 2017 **SUBMITTED BY:** Jeana Bellinger/Page Michel

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☒ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☐ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit "A" of the Ordinance Creating Reinvestment Zone Number 41, and Designating This Property as Qualifying for Tax Phase-In

SUMMARY STATEMENT: Prior to considering the creation of a Reinvestment Zone for implementing a Tax Phase-In incentive for Moser Community Media, LLC, the City Council is required to hold a Public Hearing to receive input regarding the proposal.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Memo from Brenham Economic Development Corporation; and (2) Tax Phase-In Application from Moser Community Media, LLC with corresponding documents

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Discussion only

APPROVALS: Terry K. Roberts

BRENHAM
ECONOMIC DEVELOPMENT FOUNDATION

MEMO

To: Mayor Tate and City Council
From: Brenham Economic Development Foundation
Date: November 8, 2017
Re: Tax Phase-In Application

The Brenham Economic Development Foundation (EDF) respectfully requests your consideration of an application for Tax Phase-In from Moser Community Media.

The company would like to undertake a major renovation to a downtown building and is requesting the incentive to assist with the costs of constructon.

Since the project is in the Downtown Zone, it does not need to meet the job creation/retention requirement of the Tax Phase-In Incentive Policy. The company does have 9.5 employees.

The company will be investing over $460,000 for this project.

An estimate of the taxes they will pay and have abated is attached, along with other documents related to the project.

If you have any questions as you review the attached documents, please contact the Brenham Economic Development Foundation office at 979-836-8927 or edf@brenhamtexas.com.

Thank you.

Moser Community Media, LLC

Continuing in the Tradition of Quality Community Media

October 31, 2017

RE: Tax Phase-In Application

Dear Main St. Board,

Attached to this letter you will find my application for consideration of a tax phase-in incentive as it applies to the renovation of our property located at 101 E. Main St. in downtown Brenham.

As attachments to that application, you will find a copy of our agreement with our contractor, Thielemann Construction Company, LLC, a complete description of the work to be completed and the estimated cost for the work. You will also find drawings of the project provided by Upchurch Architects, Inc.

While this particular building is not considered to be contributing to the downtown Historical District due to past renovations, we have worked hard to build a plan that will greatly improve the building's functionality and appearance. This includes opening up windows that have been covered on the second floor and returning the exterior to an "era-appropriate" finish with a traditional store front façade.

As you can imagine, this level of renovation comes with a cost. And we anticipate the value, as it is represented on the tax rolls, to increase equal to that cost. Therefore, we are asking for your consideration of a tax phase-in period of seven years for the value of the renovations ($469,565.00).

Our family and our employees are proud to be a part of downtown Brenham and we look forward to continuing to build on the foundation set by projects like these.

Regards,

James E. Moser
Managing Member and Owner

105 E. Main, Ste. 109A • Brenham, Texas 77833
979-251-9606 • 979-251-9625 Fax

TAX PHASE-IN APPLICATION

This application must be filed in conformance with the City of Brenham/Washington County Guidelines and Criteria for Tax Phase-In. The application must be filed prior to the beginning of construction or installation of equipment. Approval of this application is discretionary with the City Council and/or Commissioner's Court. All applications submitted to the City of Brenham must be received 20 days before the publication deadline.

APPLICANT INFORMATION

Company Name: MOSER COMMUNITY MEDIA, LLC

Address of HQ: 105 E. MAIN ST., STE. 109A
BRENHAM, TX 77833

Annual ~~Sales~~ REVENUE: $850,000

Years in Business: 12

Company President: JAMES E. MOSER

Total Employees: 9.5

Authorized Signature: [signature]

Brenham Address: SEE ABOVE.

Title: MANAGING MEMBER, OWNER

Date: 10/31/17

Contact Person: JAMES E. MOSER

Telephone: 979-251-9606

Attach a description of the Company including a brief history, corporate structure and business plan and annual statement, if available.

PROJECT INFORMATION

Type of Targeted Enterprise: MEDIA MANAGMENT SERVICES

[ ] Agriculture/ Aquaculture Facility; [ ] Manufacturing/Assembly; [ ] Distribution; [ ] Research

Products and services to be provided: MEDIA MANAGEMENT /SALES, ACCOUNTING G/L SERVICES, HUMAN RESOURCES FOR ALL OWNED MEDIA PROPERTIES.

SITE INFORMATION

Address: 101 E. MAIN ST., BRENHAM, TX 77833

Legal Description: ORIGINAL TOWN ADD'N., LOT 28 AND 29A, CONSISTING OF 6,048 SQUARE FEET.

Attach map showing project location.

[✓] New Facilities [ ] Expansion of Existing Facilities [ ] Modernization/Remodel

ECONOMIC INFORMATION

Construction Estimates

Start Date	Nov. 10, 2017	Contract Amount	$469,565
Completion Date	June 2018	# Construction Jobs	N/A

Estimated Appraised Values	Land	Building/Equipment	Personal Property
Value before Tax Phase-In begins	$12,890	$146,360	$0
Value after Tax Phase-In expires	$12,890	$616,016	$29,295

PERMANENT EMPLOYMENT INFORMATION

Will this project create or retain a minimum of 10 jobs at an average base salary of $33,000/year, or higher, including benefits throughout the tax phase-in process? (yes/no) NO.

PROJECT WILL SERVE AS REPLACEMENT OFFICE FOR EXISTING JOBS - WITH IMPROVED TAXABLE VALUE TO DOWNTOWN BUILDING

Estimated number of jobs to be created	Total	Washington County Residents	Out of County Residents
After first year	N/A		
End of tax phase-in			

Estimated number of jobs to be retained	Total	Washington County Residents	Out of County Residents
After first year	N/A		
End of tax phase-in			

CHECK LIST FOR APPLICATION FOR TAX PHASE-IN

All applicants for tax incentives should provide the following:

		ATTACHED	NOT APPLICABLE
(a)	A description of waste and by-products, including any air or water pollution generated by the business.		✓
(b)	A drawing showing location of the property, all roadways within 500 feet, current land uses and zoning within 500 feet and a complete metes and bounds description if the property is not platted.		✓
(c)	Itemized estimated cost of the real property and improvements proposed.	✓	
(d)	A description of financing methods and projected time when costs or obligations are to be incurred.	✓	
(e)	The amount and duration of any tax phase-in requested.	✓	
(f)	Any other incentives requested.		✓
(g)	A description of reason for requesting incentives.	✓	
(h)	Impact on the project scope and/or location of the project if incentives are not granted.		✓
(i)	Description of tax phase-in requested or to be requested from other applicable taxing entities.		✓
(j)	Details of job types and number employed in each.		✓
(k)	Wages and benefits per job type.		✓
(l)	Schedule of job creation/retention during the tax phase-in period.		✓
(m)	Estimated number and type of employees to be hired/retained from the local labor force.	✓	
(n)	Estimated number and type of employees that will be relocated into the local area.		✓
(o)	Projected total payroll.	✓	
(p)	Projected utility volume: electricity, natural gas and water.	✓	
(q)	Projected Annual Sales tax.	✓	
(r)	Projected goods and services purchased from local vendors.	✓	
(s)	Description of utility lines and other infrastructure requirement by the City and by the Project.	✓	

ADDITIONAL PROJECT INFORMATION

(a) N/A

(b) N/A

(c)

Land	SEE ATTACHED.	$0.00
Building Cost		$0.00
Equipment cost		$0.00
Total		$0.00

(d) SEE ATTACHED.

(e) $469,565; 7 YEARS

(f) N/A

(g) SEE ATTACHED

(h) N/A

(i) N/A

(j) N/A

(k) N/A

(l) N/A

(m) 9.5 EMPLOYEES.

(n) N/A

(o) $444,330 2018

(p) $700/MO.

(q) MEDIA SALES AND ADVERTISING IS TAX EXEMPT.

(r) CPA/ACCOUNTING SERVICES.

(s) EXISTING UTILITY AND INFRASTRUCTURE.

Moser Community Media, LLC

Overview

Moser Community Media, LLC is a newspaper management company serving community newspapers across Texas. Currently, we manage 33 newspapers, including: Jackson County Herald-Tribune (Edna), The Cuero Record, Yorktown News-View, The Mexia News, Clifton Record, The Meridian Tribune, The Robertson County News, The Fairfield Recorder, Fredericksburg Standard Radio-Post, The Cass County Sun (Linden), The Atlanta Citizens Journal, Bowie County Citizen-Tribune (New Boston), The Steel Country Bee (Daingerfield), Pittsburg Gazette, Burnet Bulletin, Dripping Springs Century News, The Highlander, The Wimberley View, The Marlin Democrat, The Cameron Herald, Franklin Advocate, The Graham Leader, Breckenridge American, Jacksboro Herald-Gazette, The Aransas Pass Progress, Groesbeck Journal, Thorndale Champion, The Ingleside Index, The Rosebud News, Mount Pleasant Tribune, Center Light and Champion, Teague Chronicle and San Marcos Daily Record.

We focus on the long-term viability of our newspapers within their markets. We understand that every market is different and work diligently to create a quality and credible news product that is responsive to each of their respective markets. We also understand that you cannot accomplish that goal without being profitable.

Therefore, our management practices are rooted in traditional ideals that have proven to be "tried and true" in small, rural communities across the state. That being said, we are also quick to utilize the latest in technology to take advantage of new product opportunities and efficiencies.

We believe that the future of community newspapers is bright and, in many ways, can create an opportunity for small papers to become the leaders of our industry.

Our Focus

Moser Community Media focuses on the management of small to mid-size community newspapers in Texas. By utilizing the latest tools available to small newspapers, we work diligently to maximize our footprint both in print and digitally in our respective markets.

The newspapers we manage can be accessed in traditional print, but also offer an electronic version of the printed paper that can be viewed conveniently with your favorite Internet browser. Also, each paper maintains a web site that is no-charge to access and contains the latest in breaking news for their communities. Furthermore, many of our papers use social media to alert our audiences of breaking news.

All of this works to provide our papers with the opportunity to deliver news across a variety of formats, and these same opportunities can be extended to our advertisers. The businesses that partner with our publications can truly say they are reaching more of their market than with any other medium available.

All of this is accomplished by following through with those fundamental practices that have served newspapers well for years while not overlooking the benefits of new products and new technology. We believe that keeping a balance between these two ideals makes for a promising future among community newspapers.

Our Management Team

Jim Moser, President and Owner

Jim Moser, President Moser Community Media, LLC began operation in 2005 and is owned by Jim Moser. He is a second generation newspaper operator. His father, Charles Moser, served as publisher of the Brenham Banner-Press for 41 years, retiring from that position in December, 2009.

Jim began his newspaper career in Brenham, working as a newspaper carrier, inserter and pressman's helper. He later joined the advertising staff of the Austin American-Statesman as an intern while attending the University of Texas, and remained a part of the retail advertising staff for a short time after graduation.

In 1992, he returned to community newspapers as the classified advertising manager of the Waxahachie Daily Light. Two years later, he moved to the Taylor Daily Press to accept the position of advertising manager, and later served as advertising director of the Fort Bend Herald-Coaster.

In 2000, Jim moved to McKinney, Texas where he would serve as assistant publisher and, ultimately, publisher of the community's daily newspaper, The McKinney Courier-Gazette.

In 2005, he left McKinney to start his own newspaper company, acquiring The Cuero Record, The Yorktown News-View and The Jackson County Herald-Tribune. Later that year he started Moser Community Media, LLC, to serve as the management company to oversee those operations.

Jim and his wife, Suzette, reside in Brenham, Texas with their two children. He has served as president of the Jackson County Chamber of Commerce and Agriculture, the Edna Rotary Club and chaired the Board of Trustees for the Jackson County Hospital District. Jim has also served as a director for the McKinney Chamber of Commerce, McKinney's Holy Family School and Helping Hands. In addition, Jim and his family are active with Hands to Honduras, a Rotary-based charity that builds schools and funds clean water projects in the rural areas of the northern coast of Honduras.

Currently, Jim serves on the Board of Directors for Washington-on-the-Brazos State Park Association, the Brenham Main St. Committee and the Baylor, Scott and White Brenham Board of Directors. He is an appointed director of Texas Press Association and is past chair of the TPA's Legislative Advisory Committee.

Charles Moser, Chief Consulting Officer

Charles Moser was the Editor and Publisher of the Brenham Banner-Press from 1970-2010. During his career he served as director and president of Texas Daily Newspaper Association (TDNA) and director of Texas Press Association (TPA). He was the recipient of Frank Mayborn Award for Community Leadership from TDNA and the recipient of Lifetime Achievement in Print Journalism from Sam Houston State University Journalism Department.

He has also served as a director of Lower Colorado River Authority; director and chair of Brazos River Authority; president of Economic Development Foundation of Brenham; president of Washington County Chamber of Commerce; president of Washington-on-the-Brazos State Park

Association; president and secretary of Trinity Medical Center board of trustees; and current director of Scott & White Hospital, Brenham.

He and his wife, Peggy, have three grown children and five grandchildren and continue to reside in Brenham.

BJ Plumb, Chief Financial Officer

B.J. Plumb joined Moser Community Media, LLC in April of 2017 as Chief Financial Officer. After graduating from Texas A&M with an accounting degree, B.J. worked as a budget analyst for the City of Brenham and then moved into public accounting. For over four years he worked on the full array of finances for clients, ranging from software support, payroll and bookkeeping, to full preparation of tax returns. B.J. is also a certified QuickBooks ProAdvisor.

He was born and raised on a ranch in Northeast Arizona and has a full-fledged agriculture background. He is most comfortable mounted on a good horse, with his kids in stride singing together the tune of "Home on the Range" or any song by Chris LeDoux. He actively competes in Team Roping, primarily as a Heeler, trains horses and provides riding lessons.

He and his family are members of the Church of Jesus Christ of Latter-day Saints, and he actively serves on church council, other changing responsibilities and as leaders in the Boy Scouts of America. Their three kids are the pride of their lives, consisting of two boys, Tristin and Tayte, and their baby girl top-hand Jadee Lynn. All of them participate in the Texas Youth Ranch Rodeo Association and Little League baseball/softball.

Mark Henry, Vice President

Mark Henry joined Moser Community Media in November of 2009. Henry began his community newspaper career in 1980 at his hometown newspaper, The Huntsville Item. He has since served in multiple management and publisher positions for community newspapers in Texas. Within MCM he has served as editor & publisher of the Clifton Record, Meridian Tribune, The Mexia News, The Highlander and Burnet Bulletin. In 2011 Henry was promoted to Vice President.

Over the years Henry has served as an officer and director for the Texas Gulf Coast Press Association and Texas Press Association as well as multiple civic clubs, chambers of commerce and other community organizations.

Married to Karel since 1978, the couple has two grown daughters, Beth and Erin. The Henry's also now enjoy life as grandparents to four granddaughters, Kira, Bella, Kortney and Marlee. In addition to his role as Vice President of Moser Community Media, Mark serves as the publisher of the Mount Pleasant Tribune and is partner and group manager of Northeast Texas Publishing, LP, a group of seven newspapers located in the northeast part of Texas.

DOCUMENT BEING REFILED TO CORRECT LEGAL DESCRIPTION AS SHOWN ON EXHIBIT "A"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

2231

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

DATE: May 1, 2015

2768

GRANTOR: ATRIUM INVESTORS, a Texas general partnership
306 Cedar Circle
Brenham, Washington County, Texas 77833

GRANTEE: MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company
105 East Main Street, Suite 109A
Brenham, Washington County, Texas 77833

CONSIDERATION: TEN AND NO/100 DOLLARS and other good and valuable consideration, and the further consideration of a note of even date herewith that is in the principal amount of TWO HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS ($280,000.00) and is executed by Grantee, payable to the order of ATRIUM INVESTORS, a Texas general partnership. The note is secured by a first and superior vendor's lien and superior title retained in this deed in favor of ATRIUM INVESTORS, a Texas general partnership and by a first lien deed of trust of even date herewith from Grantee to WENDY J. YATES, Trustee.

PROPERTY (INCLUDING ANY IMPROVEMENTS):

All that certain tract or parcel of land, lying and being Lot 28 and a part of Lot 29 of the Original Town Tract of the City of Brenham, Washington County, Texas, containing 4,158 square feet of land, more or less, and being more fully described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes pertinent.

Being the same property described in Deed dated December 28, 2005, executed by Geneva L. Tonn to Atrium Investors, recorded in Volume 1188, Page 806, Official Records of Washington County, Texas.

RESERVATIONS FROM CONVEYANCE: NONE

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. The rights of the public to area of Property located within the public road/roadway.

2. Such presently valid and subsisting easements, if any, to which the Property is subject as may be actually located upon the ground, which are not of record.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.

4. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records and pertaining to the Property.

5. Rights of tenants and parties in possession of the Property.

Grantor, for the consideration, receipt of which is hereby acknowledged, and subject to the Reservations from Conveyance and Exceptions to Conveyance and Warranty, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED.

THE PROPERTY IS BEING CONVEYED TO GRANTEE IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. GRANTOR MAKES NO WARRANTY OF CONDITION, MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE FIXTURES AND PERSONAL PROPERTY. ALL WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED, ARE DISCLAIMED.

GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S EXAMINATION OF THE PROPERTY. GRANTEE IS NOT RELYING ON ANY INFORMATION OR DISCLOSURES PROVIDED BY GRANTOR.

ATRIUM INVESTORS, a Texas general partnership

By: Henry J. Boehm, Jr., M. D., Partner
HENRY J. BOEHM, JR., M.D., Partner

By: B & L ENTERPRISES, a Texas general partnership, Partner

By: Henry J. Boehm, Jr., M. D., Partner
HENRY J. BOEHM, JR., M.D., Partner

SIGNATURE AND ACKNOWLEDGMENT PAGE OF SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

By: Doris Ann Lehmann
DORIS ANN LEHMANN, as Independent Executrix of the Estate of Edmund R. Lehmann, Deceased, Partner

By: Theodora Carter Vanderwerth Boehm
THEODORA CARTER VANDERWERTH BOEHM, Partner

By: Doris Ann Lehmann
DORIS ANN LEHMANN, Partner

Theodora Carter Vanderwerth Boehm
THEODORA CARTER VANDERWERTH BOEHM, individually

Doris Ann Lehmann
DORIS ANN LEHMANN, individually

Grantee has joined in the execution of this Special Warranty Deed with Vendor's Lien to acknowledge Grantee's acceptance of the Property in accordance with the terms and conditions herein contained.

MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company

By: James E. Moser
JAMES E. MOSER, Managing Member

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by HENRY J. BOEHM, JR., M.D., in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

{14806.02074-00377743.DOCX}

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by THEODORA CARTER VANDERWERTH BOEHM, in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by DORIS ANN LEHMANN, in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by JAMES E. MOSER, Managing Member of MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company on behalf of and as the act and deed of said limited liability company.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

AFTER RECORDING, RETURN TO:
WASHINGTON COUNTY ABSTRACT COMPANY
211 East Main
P. O. Box 1808
Brenham, Texas 77834
Telephone (979) 277-9229
Telefax (979) 277-9421

EXHIBIT "A"

STATE OF TEXAS §
COUNTY OF WASHINGTON §

ALL THAT CERTAIN TRACT or parcel of land lying and being situated in the City of Brenham in the [illegible] Harrington Survey, Abstract 55, Washington County, Texas and being comprised of Original Town Tract (O.T.T.), Lots 25, 26, [illegible] 29B, 30 and a 12' alley, less and except a strip of land said to measure 1.85' X 23.50' conveyed to Jim Plummer, et al, described in Volume 387, Page 781, Washington County Deed Records (W.C.D.R.), and being the same property conveyed to At[illegible]m Investors as recorded in Volume 691, Page 131, Official Records of Washington County (O.R.W.C.) and more particularly described by metes and bounds as follows:

BEGINNING at a point in the north boundary of Main Street in a building seam at the apparent southwest corner of Lot 2[illegible], said point also being the southeast corner of a tract said to be comprised of Lots 20 and 29A and a portion of a 12' alley conveyed to E. G. Tonn, et ux, in Volume 493, Page [illegible] O.R.W.C.;

THENCE along the apparent common line between two buildings N 13°44'00" W, 132.00' to a point in the south boundary of Vulcan Street in the edge of a brick wall at the apparent northwest corner of Lot 29B;

THENCE along the south boundary of Vulcan Street N [illegible]°00'00" E, 89.12' to a point in the end of a brick wall at the apparent northeast corner of Lot 30, said point being the northwest corner of a tract said to be comprised of Lots 23, [illegible], 31A, 31B and a portion of a 12' alley conveyed to Stone Abstract Company in Volume 337, Page 529, W.C.D.R.;

THENCE with the apparent common line between the Stone Abstract Company tract and the herein described tract S 12°59'06" E, 108.50' to a point being the apparent northeast corner of the previously mentioned 1.85' X 23.50 strip;

THENCE S [illegible]7°00'00" W, 1.85' to the apparent northwest corner of said strip;

THENCE along the apparent southwest line of said strip S 12°59'06" E, 23.50' to a point in the north boundary of Main Street at a building seam;

THENCE along the north boundary of Main Street generally following the edge of a brick building S 77° 00' 00" W (Reference Bearing), 85.54' to the Place of Beginning and containing 11,606 square feet.

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on **the date and at the time affixed hereon** by me and was **duly RECORDED in the volume and page** of the **OFFICIAL RECORDS of Washington County**, Texas, **as stamped hereon by me on** MAY - 4 2015

Beth A. Rothermel

Beth Rothermel, County Clerk
Washington County, Texas

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 MAY -4 PM 3:30
Beth A. Rothermel
WASHINGTON COUNTY CLERK

EXHIBIT "A"

Being Lot 28 and part of Lot 29 of the Original Town Tract of the City of Brenham, Texas, described by metes and bounds as follows:

BEGINNING at the intersection of the north line of East Main Street with the east line of North Park Street;

THENCE, N 13° W with the east line of North Park Street at 60 ft. to the south line of a closed alley at 72 ft. of the north line of a closed alley at 132 ft., corner in the south line of Vulcan Street;

THENCE, N 77° E 31.5 ft. to corner and the west line of the H.F. Hohlt Company lot;

THENCE, S 13° E with the west line of H.F. Hohlt Company lot at 60 ft. at the north line of a closed alley at 72 ft. of the south line of a closed alley at 132 ft. to corner and the north line of East Main Street;

THENCE, S 77° W 31.5 ft. with the north line of East Main Street to the point or place of beginning containing 4,158 sq. ft. of land.

The above is the same property described in a deed from Emma England, et al, to Ella Weimann, et al, dated July 30, 1946 and recorded in Vol. 149, Page 251, Deed Records, Washington County, Texas to which reference is had and made.

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 JUN -1 PM 3:47
Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on JUN - 2 2015

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

DOCUMENT BEING REFILED TO CORRECT LEGAL DESCRIPTION AS SHOWN ONEXHIBIT "A"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

2682

SPECIAL WARRANTY DEED

2770

DATE: Effective May 1, 2015

GRANTOR: LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, as a Partner of B & L Enterprises, a Texas general partnership, as a Partner of Atrium Investors, a Texas general partnership
301 Cedar Circle
Brenham, Washington County, Texas 77833

GRANTEE: MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company
105 East Main Street, Suite 109A
Brenham, Washington County, Texas 77833

CONSIDERATION: TEN AND NO/100 DOLLARS and other good and valuable consideration.

PROPERTY (including any improvements):

All that certain tract or parcel of land, lying and being Lot 28 and a part of Lot 29 of the Original Town Tract of the City of Brenham, Washington County, Texas, containing 4,158 square feet of land, more or less, and being more fully described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes pertinent.

Being the same property described in Deed dated May 1, 2015, from Atrium Investors, a Texas general partnership to Moser Community Media, L.L.C., a Texas limited liability company, recorded in Book 1503, Page 0757, Official Records of Washington County, Texas.

RESERVATIONS FROM CONVEYANCE: None

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. The rights of the public to area of Property located within the public road/roadway.

2. Such presently valid and subsisting easements, if any, to which the Property is subject as may be actually located upon the ground, which are not of record.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.

4. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records and pertaining to the Property.

5. Rights of tenants and parties in possession of the Property.

Grantor, for the Consideration, receipt of which is hereby acknowledged, and subject to the Reservations from Conveyance and Exceptions to Conveyance and Warranty, grants, sells and conveys to Grantee, the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED.

THE PROPERTY IS BEING CONVEYED TO GRANTEE IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. GRANTOR MAKES NO WARRANTY OF CONDITION, MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE FIXTURES AND PERSONAL PROPERTY. ALL WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED, ARE DISCLAIMED.

GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S EXAMINATION OF THE PROPERTY. GRANTEE IS NOT RELYING ON ANY INFORMATION OR DISCLOSURES PROVIDED BY GRANTOR.

LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, as a Partner of B & L Enterprises, a Texas general partnership, as a Partner of Atrium Investors, a Texas general partnership

By: LIEBE KINDER GROUP, LLC, a Texas limited liability company, as General Partner of Liebe Kinder II Limited Partnership

By: Henry J. Boehm, Jr., M.D., Manager.
HENRY J. BOEHM, JR., M.D., Manager

By: Theodora V. Boehm
THEODORA V. BOEHM, Manager

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 20, 2015, by HENRY J. BOEHM, JR., M.D., Manager of LIEBE KINDER GROUP, LLC, a Texas limited liability company, General Partner of LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of and as the act and deed of said limited liability company in its capacity as General Partner of Liebe Kinder II Limited Partnership in its capacities stated therein.

CHRISTOPHER R. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2018

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 15, 2015, by THEODORA V. BOEHM, Manager of LIEBE KINDER GROUP, LLC, a Texas limited liability company, General Partner of LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of and as the act and deed of said limited liability company in its capacity as General Partner of Liebe Kinder II Limited Partnership in its capacities stated therein.

Alison K. Akers

Notary Public, State of T E X A S

ALISON K. AKERS
Notary Public, State of Texas
My Comm. Expires 09-21-2017

AFTER RECORDING, RETURN TO:
WASHINGTON COUNTY ABSTRACT COMPANY
211 East Main
P. O. Box 1808
Brenham, Texas 77834
Telephone (979) 277-9229
Telefax (979) 277-9421

BOOK 1506 PAGE 0150 EXHIBIT "A" BOOK 1506 PAGE 0743

STATE OF TEXAS §
COUNTY OF WASHINGTON §

ALL THAT CERTAIN TRACT or parcel of land lying and being situated in the City of Brenham in the A. Harrington Survey, Abstract 55, Washington County, Texas and being comprised of Original Town Tract (O.T.T.), Lots 25, 26, 27, 29B, 30 and a 12' alley (less) and except a strip of land said to measure 1.85' X 23.50' conveyed to Jim Plummer, et al, described in Volume 387, Page 781, Washington County Deed Records (W.C.D.R.), and being the same property conveyed to Atrium Investors as recorded in Volume 69, Page 131, Official Records of Washington County (O.R.W.C.) and more particularly described by metes and bounds as follows:

BEGINNING at a point in the north boundary of Main Street in a building seam at the apparent southwest corner of Lot 27, said point also being the southeast corner of a tract said to be comprised of Lots 28 and 29A and a portion of a 12' alley conveyed to E. G. Tonn, et ux, in Volume 493, Page 99, O.R.W.C.;

THENCE along the apparent common line between two buildings N 13°44'00" W, 132.00' to a point in the south boundary of Vulcan Street in the edge of a brick wall at the apparent northwest corner of Lot 29B;

THENCE along the south boundary of Vulcan Street N 77°00'00" E, 89.12' to a point in the end of a brick wall at the apparent northeast corner of Lot 30, said point being the northwest corner of a tract said to be comprised of Lots 23, 24, 31A, 31B and a portion of a 12' alley conveyed to Stone Abstract Company in Volume 337, Page 529, W.C.D.R.;

THENCE with the apparent common line between the Stone Abstract Company tract and the herein described tract S 12°59'06" E, 108.50' to a point being the apparent northeast corner of the previously mentioned 1.85' X 23.50 strip;

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THENCE along the apparent southwest line of said strip S 12°59'06" E, 23.50' to a point in the north boundary of Main Street at a building seam;

THENCE along the north boundary of Main Street generally following the edge of a brick building S 77° 00' 00" W (Reference Bearing), 85.54' to the Place of Beginning and containing 11,606 square feet.

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 MAY 28 PM 3:33
Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on MAY 29 2015

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

BOOK 1506 PAGE 0744

EXHIBIT "A"

Being Lot 28 and part of Lot 29 of the Original Town Tract of the City of Brenham, Texas, described by metes and bounds as follows:

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The above is the same property described in a deed from Emma England, et al, to Ella Heimann, et al, dated July 30, 1946 and recorded in Vol. 149, Page 251, Deed Records, Washington County, Texas to which reference is had and made.

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 JUN -1 PM 3:49
Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on JUN - 2 2015

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas


N PARK ST
E VULCAN ST
N BAYLOR ST
W VULCAN ST
N DOUGLAS ST
E MAIN ST
W MAIN ST
S BAYLOR ST
S PARK ST
E ALAMO ST
S DOUGLAS ST
W ALAMO ST
City of
BRENHAM
N
W
E
S
0
50
100
Feet
EXHIBIT "A"
101 E. Main Street

Tax Phase-In Calculation

Entity	Tax Rate:
City of Brenham	$0.4912
Washington County	$0.5211
Blinn College	$0.0584
Brenham ISD	$1.1350
Total City/County Tax	*$1.0123*
Total Tax	*$2.2057*

*Only City and County tax are available for possible abatement

Amount of Existing Business Investment	**$469,000**				
Amount of New Business Investment		**Annual Tax Total**	**$10,345**	**Total Abatement Received**	**$6,409.38**
Number of Jobs	**9.5**	**Annual City/County Tax**	**$4,748**		

Year

	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
Existing Business Abatement Schedule	$2,136.46	$1,899.07	$1,424.31	$949.54	$0.00	$0.00	$0.00	$0.00	$6,409.38
New Business Abatement Schedule	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Number of Jobs Schedule	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Total Abatement	**$2,136.46**	**$1,899.07**	**$1,424.31**	**$949.54**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$6,409.38**
Total Taxes	$10,344.73	$10,344.73	$10,344.73	$10,344.73	$0.00	$0.00	$0.00	$0.00	$41,378.93
Taxes Due	$8,208.27	$8,445.66	$8,920.43	$9,395.20	$0.00	$0.00	$0.00	$0.00	$34,969.55

AGENDA ITEM 9

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Finance	**DATE SUBMITTED**: November 30, 2017 **SUBMITTED BY:** Carolyn D. Miller

MEETING TYPE:

- ☒ **REGULAR**
- ☐ **SPECIAL**
- ☐ **EXECUTIVE SESSION**

CLASSIFICATION:

- ☐ **PUBLIC HEARING**
- ☐ **CONSENT**
- ☒ **REGULAR**
- ☐ **WORK SESSION**

ORDINANCE:

- ☒ **1ST READING**
- ☐ **2ND READING**
- ☐ **RESOLUTION**

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Approval of An Ordinance of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017; Levying a Tax in Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Official Statement; and Enacting Other Provisions Relating Thereto

SUMMARY STATEMENT: The proceeds from the sale of these Certificates of Obligation will be used for the following purposes: (i) rehabilitation of and improvements to the City's water and wastewater utility systems; (ii) construction of street, thoroughfare, parking and drainage improvements and the acquisition of land and interests in land in connection therewith; (iii) renovation of and improvements to the City's aquatic center (collectively, the "Project"); (iv) professional services of attorneys, engineers, financial advisors and other professionals in connection with the Project; and (v) to pay the costs associated with the issuance of the Certificates.

The City's financial advisor, Garry Kimball of Specialized Public Finance, will bring a presentation summarizing the official bids for the sale of the bonds. Bond counsel, Glenn Opel of Bracewell, LLP will also bring the Ordinance complete with pricing. <u>An ordinance involved with financing only requires a single reading.</u>

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Ordinance

FUNDING SOURCE (Where Applicable): Debt Service Fund, Water Fund and Wastewater Fund

RECOMMENDED ACTION: Approve an Ordinance of the City of Brenham, Texas, authorizing the Issuance and Sale of City of Brenham, Texas, Certificates of Obligation, Series 2017
APPROVALS: Terry K. Roberts

ORDINANCE

AUTHORIZING THE
ISSUANCE OF

CITY OF BRENHAM, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION,
SERIES 2017

Adopted: December 7, 2017

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

ARTICLE II

SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS
REGARDING THE CERTIFICATES

ARTICLE IV

REDEMPTION OF CERTIFICATES BEFORE MATURITY

ARTICLE V

PAYING AGENT/REGISTRAR

ARTICLE VI

FORM OF THE CERTIFICATES

ARTICLE VII

SALE AND DELIVERY OF CERTIFICATES;
DEPOSIT OF PROCEEDS; OFFICIAL STATEMENT

ARTICLE VIII

INVESTMENTS

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

ARTICLE X

DEFAULT AND REMEDIES

ARTICLE XI

DISCHARGE

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

ARTICLE XIII

AMENDMENTS TO ORDINANCE

ARTICLE XIV

EFFECTIVE IMMEDIATELY

ARTICLE XV

OPEN TO THE PUBLIC

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF BRENHAM, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2017; LEVYING A TAX IN PAYMENT THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT AND A PAYING AGENT/REGISTRAR AGREEMENT; APPROVING THE OFFICIAL STATEMENT; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, under the provisions of Subchapter C, Chapter 271, Texas Local Government Code, as amended, the City of Brenham, Texas (the "City"), is authorized to issue certificates of obligation for the purposes specified in this Ordinance and for the payment of all or a portion of the contractual obligations for professional services, including that of engineers, attorneys, and financial advisors in connection therewith, and to sell the same for cash as herein provided; and

WHEREAS, the City is authorized to provide that such obligations will be payable from and secured by the levy of a direct and continuing ad valorem tax against all taxable property within the City, in combination with all or a part of certain surplus revenues of the City's combined utility system remaining after payment of any obligations of the City payable in whole or in part from a lien or pledge of such revenues that would be superior to the obligations to be authorized herein as authorized by Chapter 1502, Texas Government Code; and

WHEREAS, the City Council has found and determined that it is necessary and in the best interest of the City and its residents that it issue such certificates of obligation authorized by this Ordinance; and

WHEREAS, pursuant to a resolution heretofore passed by this governing body, notice of intention to issue certificates of obligation of the City payable as provided in this Ordinance was published in a newspaper of general circulation in the City in accordance with the laws of the State of Texas; and

WHEREAS, no petition of any kind has been filed with the City Secretary, any member of the City Council or any other official of the City, protesting the issuance of such certificates of obligation; and

WHEREAS, this City Council is now authorized and empowered to proceed with the issuance of said certificates of obligation and to sell the same for cash; and

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS:

ARTICLE I

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Ordinance, the following terms shall have the meanings specified below:

"Business Day" means any day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office is located are generally authorized or obligated by law or executive order to close.

"Certificate" means any of the Certificates.

"Certificates" means the City's obligations authorized to be issued by Section 3.01 of this Ordinance and designated as "City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017."

"City" means the City of Brenham, Texas.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

"Dated Date" means the date of the Certificates designated in Section 3.02(a).

"Designated Payment/Transfer Office" means, with respect to the initial Paying Agent/Registrar named herein, its office in Dallas, Texas, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

"Event of Default" means any event of default as defined in Section 10.01 of this Ordinance.

"Fiscal Year" means such fiscal year as shall from time to time be set by the City Council.

"Initial Certificate" means the Initial Certificate authorized by Section 3.04 of this Ordinance.

"Interest and Sinking Fund" means the interest and sinking fund established by Section 2.02 of this Ordinance.

"Interest Payment Date" means the date or dates on which interest on the Certificates is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15, commencing February 15, 2018.

"MSRB" means the Municipal Securities Rulemaking Board.

"Net Revenues" means the gross revenues of the System less the expenses of operation and maintenance as said expenses are defined by Chapter 1502, Texas Government Code, as amended.

"Owner" means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means initially, The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, or any successor thereto as provided in this Ordinance.

"Prior Lien Bonds" means any and all bonds or other obligations of the City presently outstanding or that may be hereafter issued, payable from and secured by a first lien on and pledge of the Net Revenues or by a lien on and pledge of the Net Revenues subordinate to a first lien and pledge of such Net Revenues but superior to the lien and pledge of the Surplus Revenues made for the Certificates.

"Project" means the purposes for which the Certificates are issued as set forth in Section 3.01.

"Purchaser" means the purchaser of the Certificates identified in Section 7.01(a).

"Record Date" means the last Business Day of the month next preceding an Interest Payment Date.

"Register" means the bond register specified in Section 3.06(a) of this Ordinance.

"Regulations" means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Special Payment Date" means the Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

"Special Record Date" means the Special Record Date prescribed by Section 3.03(b) of this Ordinance.

"Surplus Revenues" means the Net Revenues of the System in an amount equal to $1,000 remaining after payment of all debt service, reserve, and other requirements in connection with the City's Prior Lien Bonds.

"System" as used in this Ordinance means the City's combined utility system, including all present and future additions, extensions, replacements, and improvements thereto.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal of or interest on the Certificates as the same come due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity and remaining unclaimed by the Owners of such Certificates after the applicable payment or redemption date.

Section 1.02. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.03. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Any action required to be taken on a date which is not a Business Day shall be taken on the next succeeding Business Day and have the same effect as if taken on the date so required.

(c) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of this Ordinance.

(d) Article and section references shall mean references to articles and sections of this Ordinance unless otherwise designated.

ARTICLE II

SECURITY FOR THE CERTIFICATES; INTEREST AND SINKING FUND

Section 2.01. Tax Levy.

(a) Pursuant to the authority granted by the Texas Constitution and the laws of the State of Texas, there shall be levied and there is hereby levied for the current year and for each succeeding year thereafter while any of the Certificates or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred dollars valuation of taxable property within the City, at a rate sufficient, within the limit prescribed by law, to pay the debt service requirements of the Certificates, being (i) the interest on the Certificates, and (ii) a sinking fund for their redemption at maturity or a sinking fund of two percent per annum (whichever amount is greater), when due and payable, full allowance being made for delinquencies and costs of collection.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the City most recently approved in accordance with law, and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Certificates when and as due and payable in accordance with their terms and this Ordinance.

(d) The amount of taxes to be provided annually for the payment of principal of and interest on the Certificates shall be determined in the manner provided in this Section 2.01.

(e) The City's annual budget shall reflect (i) the amount of debt service requirements to become due on the Certificates in the next succeeding Fiscal Year, (ii) the amount on deposit in the Interest and Sinking Fund, as of the date such budget is prepared (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year), and (iii) the amount of Surplus Revenues estimated and budgeted to be available for the payment of such debt service requirements on the Certificates during the next succeeding Fiscal Year.

(f) The amount required to be provided in the succeeding Fiscal Year from ad valorem taxes shall be the amount, if any, the debt service requirements to be paid on the Certificates in the next succeeding Fiscal Year exceeds the sum of (i) the amount shown to be on deposit in the Interest and Sinking Fund (after giving effect to any payments required to be made during the remainder of the then current Fiscal Year) at the time the annual budget is prepared, and (ii) the Surplus Revenues shown to be budgeted and available for payment of said debt service requirements.

(g) Following the final approval of the annual budget of the City, the governing body of the City shall, by ordinance, set an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (b) above, to be utilized for purposes of paying the principal of and interest on the Certificates in the next succeeding Fiscal Year.

(h) The City hereby covenants and agrees that the Surplus Revenues are hereby irrevocably pledged equally and ratably to the payment of the principal of and interest on the Certificates, as the same become due.

Section 2.02. Interest and Sinking Fund.

(a) The City hereby establishes a special fund or account to be designated the "City of Brenham, Texas Combination Tax and Revenue Certificates of Obligation, Series 2017, Interest and Sinking Fund" (the "Interest and Sinking Fund"), said fund or account to be maintained at an official depository bank of the City separate and apart from all other funds and accounts of the City.

(b) Money on deposit in or required by this Ordinance to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Certificates when and as due and payable in accordance with their terms and this Ordinance.

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Brenham, Texas Combination Tax and Revenue Certificates of Obligation, Series 2017," are hereby authorized to be issued and delivered in accordance with the laws of the State of Texas, specifically Subchapter C, Chapter 271, Texas Local Government Code. The Certificates shall be issued in the aggregate principal amount of $_______________ for the purpose of paying contractual obligations to be incurred for the following purposes, to wit: (a)(i) renovation of and improvements to the City's water and wastewater utility systems and facilities; (ii) construction of street, parking and drainage improvements and the acquisition of land and rights-of-way in connection therewith; (iii) renovation of and improvements to the City's aquatic center (collectively, the "Project"); and (iv) to pay professional services of attorneys, engineers, financial advisors and other professionals in connection with the Project; and (b) to pay the costs associated with the issuance of the Certificates.

Section 3.02. Date, Denomination, Maturities and Interest.

(a) The Certificates shall be dated December 21, 2017. The Certificates shall be issued in fully registered form, without coupons, in authorized denominations of $5,000 or any integral multiple thereof, and shall be numbered separately from one (1) upward or such other designation acceptable to the City and the Paying Agent/Registrar, except the Initial Certificate, which shall be numbered T-1.

(b) The Certificates shall mature on August 15 in the years and in the principal amounts and shall bear interest at the per annum interest rates set forth in the following schedule:

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate
2018	$__________	______%	2028	$__________	______%
2019		______%	2029		______%
2020		______%	2030		______%
2021		______%	2031		______%
2022		______%	2032		______%
2023		______%	2033		______%
2024		______%	2034		______%
2025		______%	2035		______%
2026		______%	2036		______%
2027		______%	2037		______%

(c) Interest shall accrue and be paid on each Certificate respectively until its maturity or prior redemption, from the later of the Closing Date or the most recent Interest Payment Date to which interest has been paid or provided for at the rates per annum for each respective maturity specified in the schedule contained in subsection (b) above. Such interest shall be payable on each Interest Payment Date until maturity or prior redemption. Interest on the Certificates shall be calculated on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each.

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of and interest on the Certificates shall be paid in lawful money of the United States of America.

(b) Interest on the Certificates shall be payable to the Owners as shown in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Certificate appearing in the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on each Certificate shall be paid by check, dated as of the Interest Payment Date, and mailed on or before such Interest Payment Date, by first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as it appears in the Register, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the Owner; provided, however, that such Owner shall bear all risk and expense of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the Owner thereof on the due date (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Certificates is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due and no additional interest shall be due by reason of nonpayment on the date on which such payment is otherwise stated to be due and payable.

(f) Unclaimed Payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Certificates to which such Unclaimed Payments pertain. Subject to Title 6 of the Texas Property Code, any Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Certificates thereafter coming due and, to the extent any such money remains after the retirement of all outstanding Certificates, such money shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar nor any other person shall be liable or responsible to any holders of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to Title 6 of the Texas Property Code.

Section 3.04. Execution and Registration of Certificates.

(a) The Certificates shall be executed on behalf of the City by the Mayor and the City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the official seal of the City had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and that it has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of all Certificates, payable in stated installments to the Purchaser, or its designee, executed by the manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Purchaser or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser one registered definitive Certificate for each year of maturity of the Certificates in the aggregate principal amount of all Certificates for such maturity bearing interest at the same per annum rate, registered in the name of Cede & Co., as nominee of DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes (except interest will be paid to the person in whose name such obligation is registered on the Record Date or Special Record Date, as applicable), whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Certificate shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Certificates remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Ordinance.

(b) The ownership of a Certificate may be transferred only upon the presentation and surrender of the Certificate at the Designated Payment/Transfer Office with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Certificate shall be effective until entered in the Register.

(c) The Certificates shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Certificate or Certificates of the same maturity and interest rate and in any denomination or denominations of any integral multiple of $5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Certificates presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Certificates exchanged for other Certificates in accordance with this Section.

(d) Each exchange Certificate delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such exchange Certificate is delivered.

(e) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different denomination of any of the Certificates. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Certificate.

(f) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Certificate called for redemption, in whole or in part, within forty-five (45) calendar days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Certificate.

Section 3.07. Cancellation.

All Certificates paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be cancelled and proper records shall be made regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall dispose of cancelled Certificates in accordance with the record retention policies of the Paying Agent/Registrar.

Section 3.08. Temporary Certificates.

(a) Following the delivery and registration of the Initial Certificate and pending the preparation of definitive Certificates, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Certificates that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Certificates in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Certificates may determine, as evidenced by their signing of such temporary Certificates.

(b) Until exchanged for Certificates in definitive form, such Certificates in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Certificates in definitive form; thereupon, upon the presentation and surrender of the Certificates in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Certificates in temporary form and shall authenticate and deliver in exchange therefor Certificates of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Certificates in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.09. Replacement Certificates.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

Section 3.10. Book-Entry Only System.

The definitive Certificates shall be initially issued in the form of a separate typewritten fully registered Certificate for each of the maturities thereof bearing interest at the same per annum rate. Upon initial issuance, the ownership of such Certificates shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute owner of such Certificate for the purpose of payment of principal of and interest on the Certificates, for the purpose of all matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representations letter of the City to DTC, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.12. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in DTC's then current operational procedures.

ARTICLE IV

REDEMPTION OF CERTIFICATES BEFORE MATURITY

Section 4.01. Limitation on Redemption.

The Certificates shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption.

(a) The City reserves the option to redeem Certificates maturing on and after August 15, 20__, in whole or in part in principal amounts of $5,000 or any integral multiple thereof before their respective scheduled maturity dates, on August 15, 20__, or on any date thereafter, such redemption date or dates to be fixed by the City, at a price equal to the principal amount of the Certificates so called for redemption plus accrued interest to the date of redemption.

(b) If less than all of the Certificates are to be redeemed pursuant to an optional redemption, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity or maturities and in such principal amounts for redemption.

(c) The City, at least forty-five (45) days before the redemption date, unless a shorter period shall be satisfactory to the Paying Agent/Registrar, shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Certificates to be redeemed.

Section 4.03. Mandatory Sinking Fund Redemption.

(a) The Certificates stated to mature on August 15 in each of the years 20__, 20__, 20__, 20__, and 20__ (the "Term Certificates") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the following schedule:

Term Certificates Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__	$ ______
20__*	______

Term Certificates Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__	$ ______
20__*	______

Term Certificates Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__	$ ______
20__*	______

Term Certificates Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__	$ ______
20__*	______

Term Certificates Maturing August 15, 20__

Redemption Date (August 15)	Principal Amount
20__	$ ______
20__*	______

* Stated maturity.

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed, shall call such Term Certificates for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Certificates required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption.

(a) A portion of a single Certificate of a denomination greater than $5,000 may be redeemed, but only in a principal amount equal to $5,000 or any integral multiple thereof. If such an Certificate is to be partially redeemed, the Paying Agent/Registrar shall treat each $5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(b) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Ordinance, shall authenticate and deliver an exchange Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered, such exchange being without charge, notwithstanding any provision of Section 3.06 to the contrary.

Section 4.05. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) The City reserves the right to give notice of its election or direction to redeem Certificates under Section 4.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any

Certificates subject to a conditional notice of redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

(d) Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the Certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

Section 4.06. Payment Upon Redemption.

(a) Before or on each redemption date, the City shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City and shall use such funds solely for the purpose of paying the principal of, and accrued interest on the Certificates being redeemed.

(b) Upon presentation and surrender of any Certificate called for redemption at the Designated Payment/Transfer Office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Certificate to the date of redemption from the money set aside for such purpose.

Section 4.07. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.05 of this Ordinance, and subject to the provisions of Section 4.05(c), the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City fails to make provision for the payment of the principal thereof or accrued interest thereon, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If the City shall fail to make provision for payment of all sums due on a redemption date, or rescinds the notice of redemption, then any Certificate or portion thereof called for redemption shall continue to bear interest at the rate stated on the Certificate until due provision is made for the payment of same by the City.

ARTICLE V

PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

The Bank of New York Mellon Trust Company, National Association, is hereby appointed as the initial Paying Agent/Registrar for the Certificates.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Certificates.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Mayor is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar in substantially the form presented at this meeting, the form, terms and provisions of which are hereby approved.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement, provided no such resignation shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.04. Termination.

The City, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination, provided, that such termination shall not be effective until a successor Paying Agent/Registrar has been appointed and has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas to accompany the Initial Certificate, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The definitive Certificates shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof.

(d) The Initial Certificate submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Certificates.

The form of the Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, to accompany the Initial Certificate, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

(a) Form of Certificates.

REGISTERED
No. ____________ | REGISTERED
$________

United States of America
State of Texas

CITY OF BRENHAM, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION
SERIES 2017

INTEREST RATE	MATURITY DATE	CLOSING DATE	DATED DATE	CUSIP NUMBER
________%	August 15, 20__	__________, 2017	_________, 2017	__________

The City of Brenham, Texas (the "City"), in the County of Washington, State of Texas, for value received, hereby promises to pay to

____

or registered assigns, on the Maturity Date specified above, the sum of

___________________ DOLLARS

unless this Certificate shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Closing Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a three hundred sixty (360) day year of twelve (12) thirty (30) day months, such interest to be paid semiannually on February 15 and August 15 of each year, commencing February 15, 2018, until stated maturity or prior redemption.

The principal of this Certificate shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Certificate at the designated office in Dallas, Texas, of The Bank of New York Mellon Trust Company, National Association, as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Certificate is payable by check dated as of the interest payment date, and will be mailed on or before such interest payment date, by first class United States mail, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Certificate, the registered owner shall be the person in whose name this

Certificate is registered at the close of business on the "Record Date," which shall be the last business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled interest payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which date shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days (as hereinafter defined) prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each registered owner of an Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Certificate is not a Business Day, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday, or day on which banking institutions in the State of Texas or the city in which the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are generally authorized or obligated by law or executive order to close (a "Business Day"), and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Certificate is one of a series of fully registered obligations specified in the title hereof issued in the aggregate principal amount of $_________ (herein referred to as the "Certificates"), dated as of December 21, 2017, issued pursuant to a certain ordinance of the City (the "Ordinance") for the purpose of paying contractual obligations to be incurred for authorized public improvements (the "Project"), as described in the Ordinance, and to pay the contractual obligations for professional services of attorneys, financial advisors and other professionals in connection with the Project and the issuance of the Certificates.

The City has reserved the option to redeem the Certificates maturing on or after August 15, 20__ in whole or in part before their respective scheduled maturity dates, on August 15, 20__ or on any date thereafter, at a price equal to the principal amount of the Certificates so called for redemption plus accrued interest to the date fixed for redemption. If less than all of the Certificates are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Certificates, or portions thereof, within such maturity and in such principal amounts, for redemption.

The Certificates stated to mature on August 15 in each of the years 20__, 20__, 20__, 20__, and 20__ (the "Term Certificates") are subject to scheduled mandatory redemption and will be redeemed by the City, in part at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the Interest and Sinking Fund, on August 15 in the years and in the respective principal amounts as set forth in the Ordinance.

At least forty-five (45) days prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Certificates equal to the aggregate principal amount of such Term Certificates to be redeemed and shall call such Term Certificates for redemption on such scheduled mandatory redemption date.

The principal amount of the Term Certificates required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Term Certificates which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to an optional redemption and not previously credited to a mandatory sinking fund redemption.

Notice of such redemption or redemptions shall be given by first class mail, postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the registered owner of each of the Certificates to be redeemed in whole or in part. Notice having been so given, the Certificates or portions thereof designated for redemption shall become due and payable on the redemption date specified in such notice; and, from and after such date, notwithstanding that any of the Certificates or portions thereof so called for redemption shall not have been surrendered for payment, interest on such Certificates or portions thereof shall cease to accrue.

In the Ordinance, the City reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Certificates conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the City retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Certificates subject to a conditional notice of redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional notice of redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the City in the notice, the certificates called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any obligation or portion thereof has not been surrendered for payment, interest on such obligation or portion thereof shall cease to accrue.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Certificate is transferable upon surrender of this Certificate for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Certificates of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Certificate called for redemption where such redemption is scheduled to occur within forty-five (45) calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Certificate.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Certificate is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Certificate is registered on the "Record Date" or "Special Record Date," as applicable) and for all other purposes, whether or not this Certificate be overdue, and neither the City, nor the Paying Agent/Registrar nor any other person shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Certificate and the series of which it is a part is duly authorized by law and that all acts, conditions and things required to be done precedent to and in the issuance of the Certificates have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that ad valorem taxes upon all taxable property in the City have been levied for and pledged to the payment of the debt service requirements of the Certificates, within the limit prescribed by law; that, in addition to said taxes, further provisions have been made for the payment of the debt service requirements of the Certificates by pledging to such purpose Surplus Revenues, as defined in the Ordinance, derived by the City from the operation of its water and wastewater system in an amount limited to $1,000; that when so collected, such taxes and Surplus Revenues shall be appropriated to such purposes; and that the total indebtedness of the City, including the Certificates, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City has caused this Certificate to be executed by the manual or facsimile signature of the Mayor of the City and countersigned by the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Certificate.

____________________________	____________________________
City Secretary City of Brenham, Texas	Mayor City of Brenham, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Certificates if such certificate on the Initial Certificate is fully executed.

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____________
OF THE STATE OF TEXAS	§	

I hereby certify that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Certificate has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding obligation of the City of Brenham, Texas, and that this Certificate has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, ___________________.

____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Certificate if the executed Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Certificate of this series of certificates of obligation was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Certificates referred to in the within-mentioned Ordinance.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, NATIONAL
ASSOCIATION,
as Paying Agent/Registrar

Dated: __________________________ By: _________________________________
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (Print or typewrite name, address and zip code of transferee): ______________________________

____

(Social Security or other identifying number: (______________________________) the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints ________________________ attorney to transfer the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ___________________________

Signature Guaranteed By:

____

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Certificate in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(e) The Initial Certificate shall be in the form set forth in paragraphs (a), (b) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Certificate, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the words "CUSIP NUMBER" deleted; and

(ii) in the first paragraph of the Certificate, the words "on the Maturity Date specified above, the sum of _________DOLLARS" shall be deleted and the following will be inserted: "on August 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth with the following schedule:

Year	Principal Amount	Interest Rate

(Information to be inserted from schedule in Section 3.02 of this Ordinance)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Legal Opinion.

The approving legal opinion of Bracewell LLP, Bond Counsel, may be attached to or printed on the reverse side of each Certificate over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 6.05. Statement of Insurance.

A statement relating to a municipal bond insurance policy, if any, to be issued for the Certificates may be printed on or attached to each Certificate.

ARTICLE VII

SALE AND DELIVERY OF CERTIFICATES; DEPOSIT OF PROCEEDS; OFFICIAL STATEMENT

Section 7.01. Sale of Certificates.

(a) The Certificates are hereby sold and awarded and shall be delivered to ____________________ (the "Purchaser") at the price equal to the principal amount thereof plus a cash premium of $________________. It is hereby found and determined that the bid of the Purchaser conforms to the requirements of the conditions for sale and produces the lowest true interest cost rate to the City.. The Certificates shall be initially registered in the name of the Purchaser or its designee.

(b) All officers of the City are authorized to execute such documents, certificates and receipts, and to make such elections with respect to the tax-exempt status of the Certificates, as they may deem appropriate in order to consummate the delivery of the Certificates. Further, in connection with the submission of the record of proceedings for the Certificates to the Attorney General of the State of Texas for examination and approval of such Certificates, the appropriate officer of the City is hereby authorized and directed to issue a check of the City payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Certificates or (ii) $9,500.

(c) The obligation of the Purchaser to accept delivery of the Certificates is subject to the Purchaser being furnished with the final, approving opinion of Bracewell LLP, Bond Counsel for the City, which opinion shall be dated and delivered on the Closing Date.

Section 7.02. Deposit of Proceeds.

Proceeds from the sale of the Certificates shall, promptly upon receipt by the City, be applied as follows:

(a) Certificate proceeds in the amount of $_______________ shall be used for the purposes set forth in Section 3.01.

(b) Certificate proceeds in the amount of $___________ shall be used to pay the costs of issuance provided that any amount remaining after the payment of paying costs of issuance shall be deposited for the purposes described in subsection (a) above.

(c) Any Certificate proceeds not used for the purposes described in subsections (a) and (b) above shall be deposited to the Interest and Sinking Fund.

Section 7.03. Control and Delivery of Certificates.

(a) The Mayor of the City is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State of Texas, delivery of the Certificates shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

Section 7.04. Official Statement.

The form and substance of the Preliminary Official Statement, and any addenda, supplement or amendment thereto, and the final Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and to deliver or cause to be delivered appropriate numbers of copies thereof to the Purchaser. The Official Statement as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Purchaser, may be used by the Purchaser in the public offering and sale thereof. The use and distribution of the Preliminary Official Statement in the public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed. The City Secretary is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Official

Statement and the preliminary public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law as in effect on the date of the investment.

(b) Any securities or obligations in which money in the Interest and Sinking Fund is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund.

Section 8.02. Investment Income.

(a) Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund.

(b) Interest and income derived from the investment of funds deposited pursuant to Section 7.02 hereof shall be credited to the fund or account where deposited until completion of the Project; thereafter, to the extent such interest and income are present, such interest and income shall be deposited to the Interest and Sinking Fund.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Certificates.

On or before each Interest Payment Date for the Certificates and while any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Certificates as will accrue or mature on the applicable Interest Payment Date, maturity date or date of prior redemption.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Certificate; the City will promptly pay or cause to be paid the principal of and interest on each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Provisions Concerning Federal Income Tax Exclusion.

The City intends that the interest on the Certificates be excludable from gross income for federal income tax purposes pursuant to sections 103 and 141 through 150, inclusive, of the Code. The City covenants and agrees not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, would (i) cause the interest on the Certificates to be includable in gross income, as defined in section 61 of the Code, for federal income tax purposes or (ii) result in the violation of or failure to satisfy any provision of section 103 and 141 through 150, inclusive, of the Code. In particular, the City covenants and agrees to comply with each requirement of this Sections 9.03 through 9.13, inclusive; provided, however, that the City will not be required to comply with any particular requirement of Sections 9.03 through 9.13, inclusive, if the City has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that (i) such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Certificates or (ii) compliance with some other requirement will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel's Opinion will constitute compliance with the corresponding requirement specified in Sections 9.03 through 9.13, inclusive.

Section 9.04. No Private Use or Payment and No Private Loan Financing.

The City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be "private activity bonds" within the meaning of section 141 of the Code. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates, including interest or other investment income derived from Certificate proceeds, regulate the use of property financed, directly or indirectly, with such proceeds, and take such other and further action as may be required so that the Certificates will not be "private activity bonds" within the meaning of section 141 of the Code.

Section 9.05. No Federal Guarantee.

The City covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Certificates to be "federally guaranteed" within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

Section 9.06. No Hedge Bonds.

The City covenants and agrees not to take any action, or knowingly omit to take any action, within its control, that, if taken or omitted, respectively, would cause the Certificates to be "hedge bonds" within the meaning of section 149(g) of the Code.

Section 9.07. No-Arbitrage Covenant.

The City will certify, through an authorized officer, employee or agent, that, based upon all facts and estimates known or reasonably expected to be in existence on the date the Certificates are delivered, the proceeds of the Certificates will not be used in a manner that would cause the Certificates to be "arbitrage bonds" within the meaning of section 148(a) of the Code. Moreover, the City covenants and agrees that it will make such use of the proceeds of the Certificates, including interest or other investment income derived from Certificate proceeds, regulate investments of proceeds of the Certificates, and take such other and further action as may be required so that the Certificates will not be "arbitrage bonds" within the meaning of section 148(a) of the Code.

Section 9.08. Arbitrage Rebate.

If the City does not qualify for an exception to the requirements of section 148(f) of the Code relating to the required rebate to the United States, the City will take all steps necessary to comply with the requirement that certain amounts earned by the City on the investment of the "gross proceeds" of the Certificates (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the City will (i) maintain records regarding the investment of the gross proceeds of the Certificates as may be required to calculate the amount earned on the investment of the gross proceeds of the Certificates separately from records of amounts on deposit in the funds and accounts of the City allocable to other bond issues of the City or moneys that do not represent gross proceeds of any bonds of the City, (ii) determine at such times as are required by applicable Regulations, the amount earned from the investment of the gross proceeds of the Certificates that is required to be rebated to the federal government, and (iii) pay, not less often than every fifth anniversary date of the delivery of the Certificates or on such other dates as may be permitted under applicable Regulations, all amounts required to be rebated to the federal government. Further, the City will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Certificates that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if the arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

Section 9.09. Information Reporting.

The City covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Certificates are issued, an information statement concerning the Certificates, all under and in accordance with section 149(e) of the Code.

Section 9.10. Record Retention.

The City will retain all pertinent and material records relating to the use and expenditure of the proceeds of the Certificates until three years after the last Certificate is redeemed or paid at maturity, or such shorter period as authorized by subsequent guidance issued by the Department of the Treasury, if applicable. All records will be kept in a manner that ensures their complete access throughout the retention period. For this purpose, it is acceptable that such records are kept either as hardcopy books and records or in an electronic storage and retrieval system, provided that such electronic system includes reasonable controls and quality assurance programs that assure the ability of the City to retrieve and reproduce such books and records in the event of an examination of the Certificates by the Internal Revenue Service.

Section 9.11. Registration.

The Certificates will be issued in registered form.

Section 9.12. Deliberate Actions.

The City will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Certificates to fail to meet any requirement of section 141 of the Code regarding the use of Certificate proceeds after the issue date of the Certificates unless an appropriate remedial action is permitted by section 1.141-12 of the Regulations, the City takes such remedial action and the City receives a Counsel's Opinion that such remedial action cures any failure to meet the requirements with respect to the use of the proceeds of the Certificates.

Section 9.13. Continuing Obligation.

Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Sections 9.03 through 9.13, inclusive, will survive the defeasance and discharge of the Certificates for as long as such matters are relevant to the exclusion from gross income of interest on the Certificates for federal income tax purposes.

Section 9.14. Qualified Tax-Exempt Obligations.

The City hereby designates the Certificates as "qualified tax-exempt obligations" for purposes of section 265(b) of the Code. In connection therewith, the City represents (a) that the aggregate amount of tax-exempt obligations issued by the City during calendar year 2017, including the Certificates, that have been designated as "qualified tax-exempt obligations" under section 265(b)(3) of the Code does not exceed $10,000,000, and (b) that the reasonably anticipated amount of its tax-exempt obligations that will be issued by the City during calendar year 2017, including the Certificates, will not exceed $10,000,000. For purposes of this Section 9.14, the term "tax-exempt obligations" does not include (i) "private activity bonds" within the meaning of section 141 of the Code, other than "qualified 501(c)(3) bonds" within the meaning of section 145 of the Code or (ii) obligations issued to currently refund any obligation to the extent that the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation. In addition, for purposes of this Section 9.14, the City includes all entities that are aggregated with the City under the Code.

ARTICLE X

DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the City, which default materially and adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of sixty (60) days after notice of such default is given by any Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XI

DISCHARGE

Section 11.01. Discharge.

The Certificates may be refunded, discharged or defeased in any manner permitted by applicable law.

ARTICLE XII

CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports.

(a) The City shall provide annually to the MSRB within six (6) months after the end of each Fiscal Year, financial information and operating data with respect to the City of the general type included in the final Official Statement, being the information described in Exhibit A hereto. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit A hereto, and (ii) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide notice that audited financial statements are not available and shall provide unaudited financial statements for the applicable Fiscal Year to the MSRB. Thereafter, when and if audited financial statements become available, the City shall provide such audited financial statements as required to the MSRB.

(b) If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new Fiscal Year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC.

Section 12.02. Event Notices.

(a) The City shall provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner and in not more than 10 business days after the occurrence of the event:

(i) principal and interest payment delinquencies;

(ii) nonpayment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;

(vii) modifications to rights of Owners, if material;

(viii) bond calls, if material and tender offers;

(ix) defeasance;

(x) release, substitution, or sale of property securing repayment of the Certificates, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;

(xiii) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material.

For these purposes, any event described in the immediately preceding clause (xii) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets of business of the City.

(b) The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 12.01 of this Ordinance by the time required by such Section.

Section 12.03. Limitations, Disclaimers and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Article XI that causes Certificates no longer to be Outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Certificates, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(c) No default by the City in observing or performing its obligations under this Article shall comprise a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

(d) Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(e) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted a Purchaser to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the Outstanding Certificates consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Certificates. The provisions of this Article may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent the Underwriter of the initial public offering of the Certificates from lawfully purchasing or selling Certificates in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 12.02 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

ARTICLE XIII

AMENDMENTS TO ORDINANCE

Section 13.01. Amendments of Ordinance.

The City may, without the consent of or notice to the Owners, from time to time and at any time amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the written consent of the Owners of a majority in aggregate principal amount of the Certificates then outstanding, amend, add to or rescind any of the provisions of this Ordinance; provided, that, without the consent of the Owners of all Certificates then outstanding, no such amendment, addition, or rescission shall:

(a) affect the rights of the Owners of less than all of the Certificates then outstanding;

(b) make any change in the maturities of the Certificates;

(c) reduce the rate of interest borne by any of the Certificates;

(d) reduce the amount of the principal payable on the Certificates;

(e) modify the terms of payment of principal of or interest on the Certificates or impose any conditions with respect to such payment; or

(f) change the minimum percentage of the principal amount of Certificates necessary for consent to such amendment.

Certificates owned or held by or for the account of or for the benefit of the City shall not be deemed to be outstanding for the purpose of amending this Ordinance.

Section 13.02. Notice and Adoption of Amendment.

If the City desires to amend this Ordinance and such amendment requires the consent of the Owners pursuant to Section 13.01, the City shall cause notice of the proposed amendment to be given in writing to each Owner of Certificates then outstanding. If, within thirty (30) days, or such longer period as shall be prescribed by the City, following the giving of such notice, the Owners of Certificates then outstanding in the aggregate principal amount required by Section 13.01 shall have consented to the amendment as herein provided, no Owner of a Certificate shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof, and all the rights of all Owners of Certificates shall thereafter be determined, exercised, and enforced hereunder subject in all respects to such amendment.

Section 13.03. Consent of Owner Irrevocable.

Any consent given by any Owner of a Certificate pursuant to the provisions of this Article shall be irrevocable and binding on all future Owners of the same Certificates from the date of such consent.

Section 13.04. Nonsubstantive Changes.

The Mayor and the City Manager, in consultation with the City's Bond Counsel, is hereby authorized and directed to approve such nonsubstantive changes to this Ordinance as may be required by the Attorney General of Texas in his approval of the Certificates herein authorized.

ARTICLE XIV

EFFECTIVE IMMEDIATELY

Section 14.01. Effective Immediately.

Notwithstanding any provision of the City Charter, this Ordinance shall become effective immediately upon its adoption at this meeting pursuant to Section 1201.028, Texas Government Code.

ARTICLE XV

OPEN TO THE PUBLIC

Section 15.01. Open to the Public. It is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public and that public notice of the time, place and purpose of said meeting was given as required by law.

PASSED, APPROVED AND ADOPTED this December 7, 2017.

____
Milton Y. Tate, Jr.
City of Brenham, Texas

ATTEST:

____
Jeana Bellinger, TRMC, City Secretary
City of Brenham, Texas

EXHIBIT A

DESCRIPTION OF ANNUAL DISCLOSURE OF FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Article are as specified (and included in the Appendix or other headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded Fiscal Year.

2. Statistical and financial data set forth in Tables numbered 1 through 4 and 6 through 9, each inclusive.

Accounting Principles

The accounting principles referred to in such Article are the accounting principles described in the notes to the financial statements referred to in Paragraph 1 above.

City of BRENHAM

AGENDA ITEM 10

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Development Services	**DATE SUBMITTED:** November 28, 2017 **SUBMITTED BY:** Lori Lakatos

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☒ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District

SUMMARY STATEMENT: This is a request from John Beckendorf representing the Fritz W. Beckendorf Estate to rezone a portion of the tract of land described above from a B-1 Local Business/Residential Mixed Use District and R-1 Residential District to an I Industrial District for the purpose of selling the property to the adjacent property owner, Del Sol Food Company.

Comprehensive Plan
The Envision 2020 Comprehensive Plan shows this area as Retail/Commercial. Even though Industrial is not in line with the use it is identified in the Comprehensive Plan to develop additional industrial sites.

Public Comments
2 Public Comments were heard in support of the proposed zoning and 2 Public Comments were heard in opposition the proposed zoning at the Planning and Zoning Commission's Public Hearing.

On Monday, November 27, 2017, after conducting a Public Hearing, the Planning and Zoning Commission voted unanimously to recommended approval of the rezoning request.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Ordinance with Exhibit; and (2) Aerial and Zoning Maps
FUNDING SOURCE (Where Applicable): N/A
RECOMMENDED ACTION: Approve an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District
APPROVALS: Terry K. Roberts

ORDINANCE NO. __________

AN ORDINANCE AMENDING APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, AND THE OFFICIAL ZONING MAP OF THE CITY OF BRENHAM, BY CHANGING THE ZONING DISTRICT CLASSIFICATION OF A 8.07-ACRE TRACT OF LAND LOCATED ADJACENT TO TIADEN LANE, DESCRIBED AS R#16649 (WCAD), TRACT 2 OF THE ISAAC LEE SURVEY A-77, IN BRENHAM, WASHINGTON COUNTY, TEXAS FROM A LOCAL BUSINESS/RESIDENTIAL MIXED USE (B-1) DISTRICT AND A RESIDENTIAL (R-1) DISTRICT TO AN INDUSTRIAL (I) DISTRICT.

WHEREAS, the City of Brenham has adopted Appendix A – "Zoning" of the City of Brenham Code of Ordinances, as amended, which divides the City of Brenham into various zoning districts; and

WHEREAS, Appendix A – "Zoning" of the City of Brenham Code of Ordinance authorizes the City Council to grant zoning amendments within the various zoning districts; and

WHEREAS, at least ten (10) days after publication in the official newspaper of the City of the time and place of a public hearing and at least ten (10) days after written notice of that hearing was mailed to the owners of land within two hundred feet of the Property in the manner required by law, the Planning & Zoning Commission held a public hearing on the requested rezoning; and

WHEREAS, this amendment was recommended for approval by the City of Brenham Planning and Zoning Commission in its final report during its regular meeting on November 27, 2017; and

WHEREAS, at least fifteen (15) days after publication in the official newspaper of the City of the time and place of a public hearing for the requested rezoning, the City Council held the public hearing for the requested rezoning and the City Council considered the final report of the Planning & Zoning Commission; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF BRENHAM, TEXAS, THAT APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, AND THE OFFICIAL ZONING MAP BE AMENDED IN THE FOLLOWING MANNER:

SECTION 1. That Appendix A - "Zoning" of the Code of Ordinances of the City of Brenham, Texas, and the Official Zoning Map of the City of Brenham is hereby amended by changing the zoning district classification of a 8.07-acre tract of land located adjacent to Tiaden Lane, described as R#16649 (WCAD), Tract 2 of the Isaac Lee Survey A-77, in Brenham, Washington County, Texas from a Local

Business/Residential Mixed Use (B-1) District and a Residential (R-1) District to an Industrial (I) District, said area of land being more particularly described on Exhibit “A” attached hereto and incorporated herein for all purposes.

SECTION 2. This Ordinance shall take effect as provided by the Charter of the City of Brenham, Texas.

PASSED and APPROVED on its first reading this the _____ day of December, 2017.

PASSED and APPROVED on its second reading this the _____ day of December, 2017.

____
Milton Y. Tate, Jr.
Mayor

ATTEST:

____
Jeana Bellinger, TRMC, CMC
City Secretary

EXHIBIT "A"

Del Sol
8.07 Acres

Isaac Lee Survey
Abstract No. 77

STATE OF TEXAS §

COUNTY OF WASHINGTON §

A **METES & BOUNDS** description of a certain 8.07 acre tract situated in the Isaac Lee Survey, Abstract No. 77 in Washington County, Texas, being a portion of a 32.16 acre tract as surveyed by William Krueger, R.P.L.S. No. 2835 on October 24, 2013; said 8.07 acre tract being more particularly described as follows with all bearings being based on a northeasterly line of said 32.16 acre tract having a record bearing of North 49°18'35" East;

BEGINNING at a called found 1/2-inch iron rod marking the west corner of the herein described subject tract being common with the west corner of said 32.16 acre tract and being in the southeast line of Lot Two of the Brenham Business Center, Phase 1 recorded in Plat Cabinet File No. 518 A of the Plat Records of Washington County;

THENCE along the common lines of the herein described subject tract and said Lot Two the following two (2) courses and distances:

1. North 49°18'35" East, 499.96 feet to a called set 5/8-inch iron rod for angle;
2. North 13°49'19" East, 383.41 feet to a called found 1/2-inch iron rod marking the northwest corner of the herein described subject tract being common with a westerly corner of aforementioned 32.16 acre tract and the southwest corner of a called 5.200 acre tract conveyed by Warranty Deed to John F. Beckendorf recorded in Volume 1131, Page 705 of the Official Records of Washington County;

THENCE along the common lines of the herein described subject tract and said 5.200 acre tract the following two (2) courses and distances:

1. North 89°31'08" East, 413.43 feet to a called found 1/2-inch iron rod (with cap stamped "1070") for anlge;
2. South 44°45'53" East, 19.93 feet to a called found 1/2-inch iron rod (with cap stamped "1070") marking the most easterly northeast corner of the herein described subject tract being common with a westerly interior corner of aforementioned 32.16 acre tract and a southeasterly corner of said 5.200 acre tract;

THENCE over and across said 32.16 acre tract the following three (3) courses and distances:

1. South 45°16'31" West, 197.58 feet to a point-for-corner;
2. South 24°50'11" West, 100.62 feet to a point-for-corner;
3. South 08°27'54" West, 508.75 feet to a called found 3/8-inch iron rod marking the southeast corner of the herein described subject tract being common with a southwesterly interior corner of said 32.16 acre tract and the north corner of a called 3.000 acre tract conveyed by Warranty Deed to George Klatt recorded in Volume 317, Page 148 of the Deed Records of Washington County;

Del Sol
8.07 Acres

Isaac Lee Survey
Abstract No. 77

THENCE South 76°12'30" West, along the common line of the herein described subject tract and said 3.000 acre tract, 531.20 feet to a called set 5/8-inch iron rod marking the south corner of the herein described subject tract being common with a southwesterly corner of aforementioned 32.16 acre tract and the west corner of said 3.000 acre tract and being in the northeast line of a called 22.237 acre tract conveyed by Executor's Deed to the Justin Margist Trust recorded in Volume 1037, Page 710 of the Official Records of Washington County;

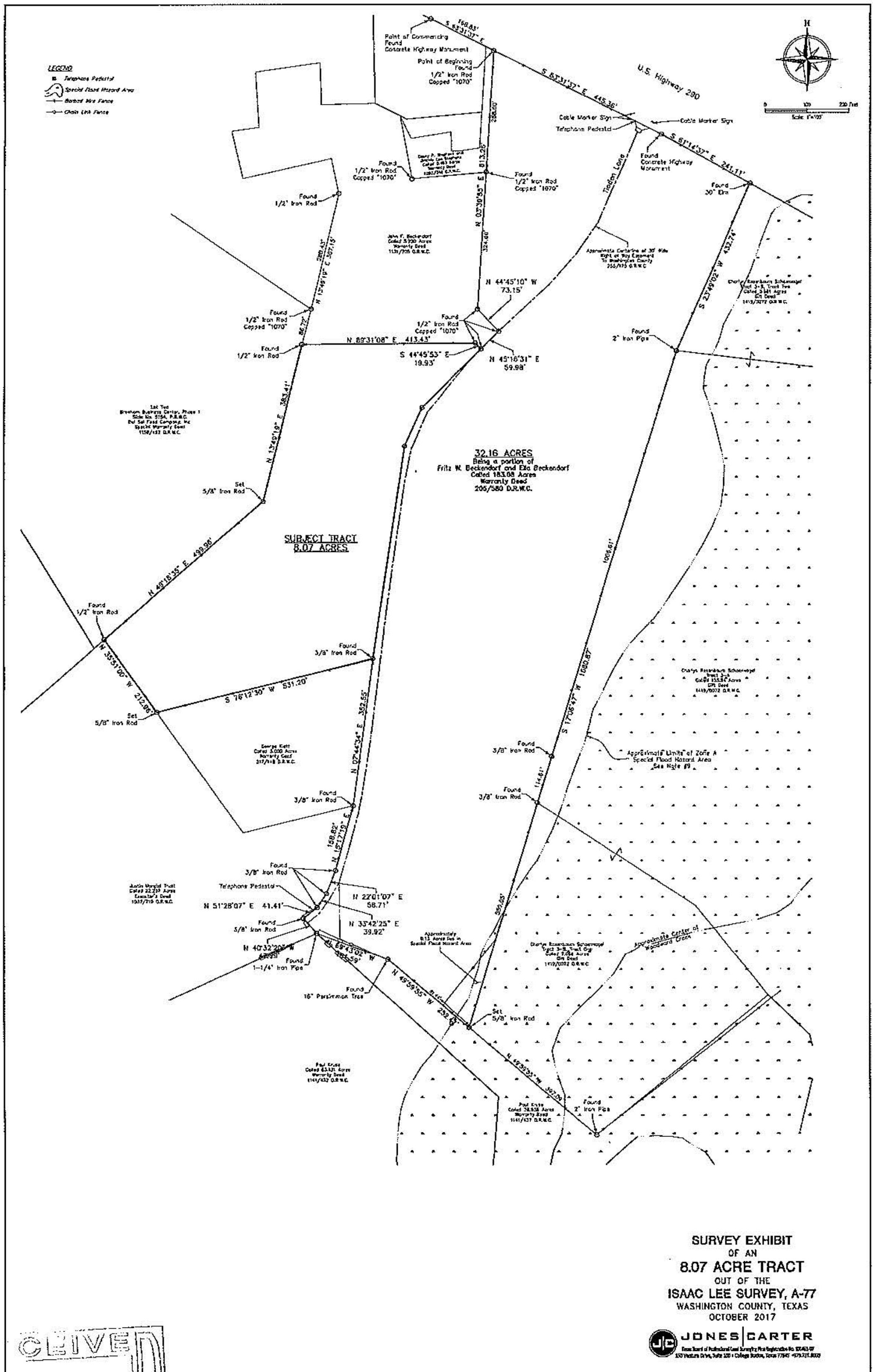
THENCE North 35°51'00" West, along the common line of the herein described subject tract and said 22.237 acre tract, 212.96 feet to the **POINT OF BEGINNING, CONTAINING** 8.07 acres of land in Washington County, Texas.

The metes and bounds description of the herein described subject tract was prepared under 22 TAC §663.21, and does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the zoning district for which it was prepared.

10/25/17

STATE OF TEXAS
REGISTERED
CHRISTOPHER E. CURTIS
6111
PROFESSIONAL
LAND SURVEYOR

RECEIVED
NOV - 1 2017



U.S. Highway 290
Point of Commencing Found Concrete Highway Monument
Point of Beginning Found 1/2" Iron Rod Capped "1070"
S 63°31'37" E 445.36'
S 61°14'37" E 241.11'
Tinden Lane
32.16 ACRES
Being a portion of Fritz W. Beckendorf and Ella Beckendorf Called 183.08 Acres Warranty Deed 205/580 D.R.W.C.
SUBJECT TRACT
8.07 ACRES
N 89°31'08" E 413.43'
N 44°45'10" W 73.15'
S 44°45'53" E 19.93'
N 45°16'31" E 59.98'
N 13°49'19" E 307.15'
N 13°49'19" E 383.41'
N 49°18'33" E 499.96'
N 35°51'00" W 212.86'
S 76°12'30" W 531.20'
N 07°44'34" E 352.55'
N 22°01'07" E 58.71'
N 51°28'07" E 41.41'
N 33°42'25" E 39.92'
S 23°49'02" W 432.74'
S 17°06'47" W 1060.87'
Approximate Limits of Zone A Special Flood Hazard Area See Note #9
Approximate Center of Woodward Creek
SURVEY EXHIBIT
OF AN
8.07 ACRE TRACT
OUT OF THE
ISAAC LEE SURVEY, A-77
WASHINGTON COUNTY, TEXAS
OCTOBER 2017
JONES|CARTER


HWY 290 E
US HIGHWAY 290 E
S BLUE BELL RD
S BLUE BELL RD
TIADEN LN
City of
BRENHAM
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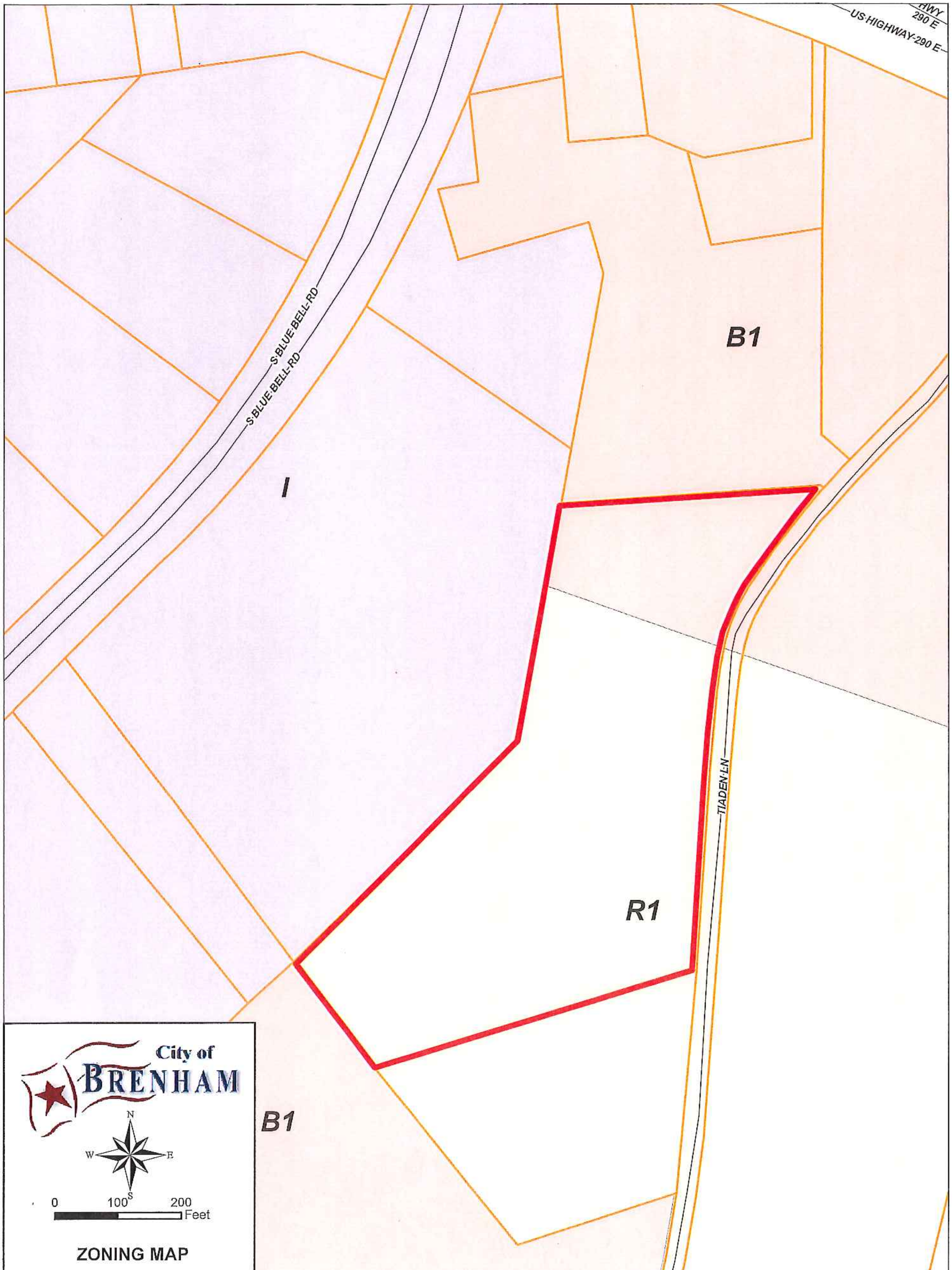
AERIAL MAP


HWY 290 E
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BRENHAM
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ZONING MAP

AGENDA ITEM 11

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration/Brenham EDF	**DATE SUBMITTED:** December 1, 2017 **SUBMITTED BY:** Jeana Bellinger/Page Michel

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☒ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading for the Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit "A" of the Ordinance Creating Reinvestment Zone Number 41, and Designating This Property as Qualifying for Tax Phase-In

SUMMARY STATEMENT: As discussed in Public Hearing.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Ordinance with Exhibit

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve an Ordinance on its first reading for the creation of Reinvestment Zone Number 41 requested by Moser Community Media, LLC for Commercial Tax Phase-In incentive on a certain tract or parcel of land lying and being Lot 28 and part of Lot 29 of the Original Town Tract, being located at 101 E. Main Street, Brenham, Texas, with boundaries further described in Exhibit "A" of the Ordinance creating Reinvestment Zone Number 41, and designating this property as qualifying for Tax Phase-In

APPROVALS: Terry K. Roberts

ORDINANCE NO. _____________

AN ORDINANCE DESIGNATING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING AND BEING LOT 28 AND PART OF LOT 29 OF THE ORIGINAL TOWN TRACT OF THE CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS, BEING THE SAME PROPERTY DESCRIBED IN DEED DATED MAY 1, 2015, EXECUTED BY ATRIUM INVESTORS TO MOSER COMMUNITY MEDIA, LLC, RECORDED IN VOLUME 1506, PAGE 726, OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS AND FURTHER BEING THE SAME PROPERTY DESCRIBED IN DEED DATED TO BE EFFECTIVE MAY 1, 2015, EXECUTED BY LIEBE KINDER II LIMITED PARTNERSHIP TO MOSER COMMUNITY MEDIA, LLC, RECORDED IN VOLUME 1506, PAGE 740, OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS, SAID PROPERTY BEING LOCATED AT 101 E. MAIN STREET, BRENHAM, TEXAS, AND SAID PROPERTY BOUNDARIES BEING MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN FOR ALL PURPOSES, AS REINVESTMENT ZONE NUMBER FORTY-ONE FOR COMMERCIAL TAX PHASE-IN, CITY OF BRENHAM, TEXAS AS PROVIDED IN CHAPTER 312, TEXAS TAX CODE; ESTABLISHING THE NUMBER OF YEARS FOR THE ZONE, AUTHORIZING AN AGREEMENT FOR EXEMPTION FROM TAXATION THE INCREASE IN VALUE OF CERTAIN PROPERTY IN ORDER TO ENCOURAGE DEVELOPMENT AND REDEVELOPMENT AND OTHER MATTERS RELATING THERETO; AND FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Brenham, Texas, ("City") desires to encourage supervised improvements by property owners and lessees through tax phase-in procedures within its jurisdiction by the creation of a reinvestment zone as authorized by Chapter 312, Texas Tax Code (the "Act"); and

WHEREAS, on the 7th day of December 2017, the City Council held a public hearing to receive comments concerning the designation of proposed Reinvestment Zone Number Forty-One. The notice of such hearing was published on November 30, 2017, such date being not later than the seventh day before the date of the public hearing; and

WHEREAS, the City called a public hearing and published notice of such public hearing as required by Section 312.201 of the Act; and has delivered written notice to the presiding officer of the governing body of each taxing unit within the jurisdiction of the proposed Reinvestment Zone Number Forty-One for Commercial Tax Phase-In; and

WHEREAS, at said public hearing the City presented evidence that such proposed designation would be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property, that the proposed improvements are feasible and practical, that said improvements would be a benefit to the land included in the zone and that would contribute to the economic development of the City; and

WHEREAS, the designation of the proposed reinvestment zone is consistent with the City's policies adopted by Council Resolution No. R-16-008 on the 18^{th} day of February, 2016, and will benefit the land included within the Reinvestment Zone after the expiration of the Agreement; and

WHEREAS, the City at such public hearing invited any interested person or his attorney to appear and contend for or against the creation of the reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory which is referred to as City of Brenham Reinvestment Zone Number Forty-One for Commercial Tax Phase-In, should be included in such proposed reinvestment zone, and obtain tax phase-in; and

WHEREAS, at such hearing recommendations were given as to the number of years the reinvestment zone would be designated, the number of years in which an agreement would be available, as well as the percentage of potential tax exemption under the aforesaid tax phase-in guidelines and criteria to be applied to taxable real property which is redeveloped.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS:

Section 1. That the facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are incorporated herein for all purposes.

Section 2. That the City, after conducting such hearing and having further studied recommendations, as well as the evidence presented at the public hearing, has made the following findings based on the evidence and testimony presented to it:

a) That the public hearing on the adoption of the reinvestment zone under the provisions of the Act has been properly called, held and conducted and that notice of such hearing has been published as required by law and has been sent to the respective taxing units within the proposed reinvestment zone; and

b) That the City has jurisdiction to hold and conduct said public hearing on the creation of the proposed reinvestment zone pursuant to the Act; and

c) That creation of the proposed reinvestment zone with boundaries described herein will result in improvements made after the passage of this Ordinance and the execution of tax phase-in agreements, that are feasible and practical and will benefit the City, its residents and property owners in the reinvestment zone; and

d) That the proposed designation will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investments to the zone that would be a benefit to the property and contribute to economic development of the City.

Section 3. That the City hereby creates Reinvestment Zone Number Forty-One, designated as all of that certain tract or parcel of land lying and being Lot 28 and part of Lot 29 of the Original Town Tract of the City of Brenham, Washington County, Texas, and being the same property described in deed dated May 1, 2015, executed by Atrium Investors to Moser Community Media, LLC, recorded in Volume 1506, Page 726, Official Records of Washington County, Texas and further being the same property described in deed dated to be effective May 1, 2015, executed by Liebe Kinder II Limited Partnership to Moser Community Media, LLC, recorded in Volume 1506, Page 740, Official Records of Washington County, Texas, said property being located at 101 E. Main Street, Brenham, Texas, and said property boundaries being more fully described in Exhibit "A" attached hereto and incorporated herein for all purposes, and such reinvestment zone shall hereafter be identified as Reinvestment Zone Number Forty-One for Commercial Tax Phase-In, City of Brenham, Texas.

Section 4. That the designation of Reinvestment Zone Number Forty-One for Commercial Tax Phase-In, shall expire five (5) years from the date of this Ordinance, unless renewed as provided by the Act, or at an earlier time designated by subsequent ordinance.

Section 5. That written agreements as provided in the Act with owners of eligible property located within the reinvestment zone shall be for a period of up to ten (10) years, and that the eligible property that is subject to the above mentioned exemption from taxation shall be the improvements to the property in conformity with the City's criteria and guidelines, and written agreements shall provide for an exemption from taxation of the total increase in value of the eligible property over its value in the year the agreement is executed. The written agreement will require that all taxes be current at the time of execution of agreement and be kept current to all taxing entities during the term of said agreement.

Section 6. That said designation of Reinvestment Zone Number Forty-One for Commercial Tax Phase-In and the written agreement thereof are in accordance with the City of Brenham Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises and will be a benefit to the land which will be included within the Reinvestment Zone and to the City of Brenham after the expiration of the agreement.

Section 7. That if any provision of this Ordinance shall be held to be invalid or unconstitutional, the remainder of such ordinance shall continue in full force and effect the same as if such invalid or unconstitutional provision had never been a part of it.

Section 8. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public as required by law and that public notice of the time, place and purpose of said meeting was given as required.

PASSED AND APPROVED, on its first reading this the ___ day of December, 2017.

PASSED AND APPROVED, on its second reading this the ___ day of December, 2017.

____
Milton Y. Tate, Jr.
Mayor

ATTEST:

____
Jeana Bellinger, TRMC, CMC
City Secretary

Exhibit "A"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

2682

DATE: Effective May 1, 2015

GRANTOR: LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, as a Partner of B & L Enterprises, a Texas general partnership, as a Partner of Atrium Investors, a Texas general partnership
301 Cedar Circle
Brenham, Washington County, Texas 77833

GRANTEE: MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company
105 East Main Street, Suite 109A
Brenham, Washington County, Texas 77833

CONSIDERATION: TEN AND NO/100 DOLLARS and other good and valuable consideration.

PROPERTY (including any improvements):

All that certain tract or parcel of land, lying and being Lot 28 and a part of Lot 29 of the Original Town Tract of the City of Brenham, Washington County, Texas, containing 4,158 square feet of land, more or less, and being more fully described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes pertinent.

Being the same property described in Deed dated May 1, 2015, from Atrium Investors, a Texas general partnership to Moser Community Media, L.L.C., a Texas limited liability company, recorded in Book 1503, Page 0757, Official Records of Washington County, Texas.

RESERVATIONS FROM CONVEYANCE: None

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. The rights of the public to area of Property located within the public road/roadway.

2. Such presently valid and subsisting easements, if any, to which the Property is subject as may be actually located upon the ground, which are not of record.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.

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pg 1 of 4
Beth Rothermel, County Clerk
Washington County, TX Yg Deputy

4. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records and pertaining to the Property.

5. Rights of tenants and parties in possession of the Property.

Grantor, for the Consideration, receipt of which is hereby acknowledged, and subject to the Reservations from Conveyance and Exceptions to Conveyance and Warranty, grants, sells and conveys to Grantee, the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

When the context requires, singular nouns and pronouns include the plural.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED.

THE PROPERTY IS BEING CONVEYED TO GRANTEE IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. GRANTOR MAKES NO WARRANTY OF CONDITION, MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE FIXTURES AND PERSONAL PROPERTY. ALL WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED, ARE DISCLAIMED.

GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S EXAMINATION OF THE PROPERTY. GRANTEE IS NOT RELYING ON ANY INFORMATION OR DISCLOSURES PROVIDED BY GRANTOR.

LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, as a Partner of B & L Enterprises, a Texas general partnership, as a Partner of Atrium Investors, a Texas general partnership

By: LIEBE KINDER GROUP, LLC, a Texas limited liability company, as General Partner of Liebe Kinder II Limited Partnership

By: Henry J. Boehm, Jr., M.D.,
HENRY J. BOEHM, JR., M.D., Manager Manger.

By: Theodora V. Boehm
THEODORA V. BOEHM, Manager

{14806.02074-00383965.DOCX}

A CERTIFIED copy issued DEC 0 1 2017
pg 2 of 6
Beth Rothermel, County Clerk
Washington County, TX YG Deputy

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 20, 2015, by HENRY J. BOEHM, JR., M.D., Manager of LIEBE KINDER GROUP, LLC, a Texas limited liability company, General Partner of LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of and as the act and deed of said limited liability company in its capacity as General Partner of Liebe Kinder II Limited Partnership in its capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Chris P. Cangelosi

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 15, 2015, by THEODORA V. BOEHM, Manager of LIEBE KINDER GROUP, LLC, a Texas limited liability company, General Partner of LIEBE KINDER II LIMITED PARTNERSHIP, a Texas limited partnership, on behalf of and as the act and deed of said limited liability company in its capacity as General Partner of Liebe Kinder II Limited Partnership in its capacities stated therein.

Alison K. Akers

Notary Public, State of T E X A S

ALISON K. AKERS
Notary Public, State of Texas
My Comm. Expires 09-21-2017

AFTER RECORDING, RETURN TO:
WASHINGTON COUNTY ABSTRACT COMPANY
211 East Main
P. O. Box 1808
Brenham, Texas 77834
Telephone (979) 277-9229
Telefax (979) 277-9421

A CERTIFIED copy issued DEC 01 2017
pg 3 of 4
Beth Rothermel, County Clerk
Washington County, TX YG Deputy

BOOK 1506 PAGE 0150

EXHIBIT "A"

STATE OF TEXAS §
COUNTY OF WASHINGTON §

ALL THAT CERTAIN TRACT or parcel of land lying and being situated in the City of Brenham in the A. Harrington Survey, Abstract 55, Washington County, Texas and being comprised of Original Town Tract (O.T.T.), Lots 25, 26, 27, 29B, 30 and a 12' alley, less and except a strip of land said to measure 1.85' X 23.50' conveyed to Jim Plummer, et al, described in Volume 387, Page 781, Washington County Deed Records (W.C.D.R.), and being the same property conveyed to Atrium Investors as recorded in Volume 691, Page 131, Official Records of Washington County (O.R.W.C.) and more particularly described by metes and bounds as follows:

BEGINNING at a point in the north boundary of Main Street in a building seam at the apparent southwest corner of Lot 27, said point also being the southeast corner of a tract said to be comprised of Lots 28 and 29A and a portion of a 12' alley conveyed to E. G. Tonn, et ux, in Volume 493, Page 99, O.R.W.C.;

THENCE along the apparent common line between two buildings N 13°44'00" W, 132.00' to a point in the south boundary of Vulcan Street in the edge of a brick wall at the apparent northwest corner of Lot 29B;

THENCE along the south boundary of Vulcan Street N 77°00'00" E, 89.12' to a point in the end of a brick wall at the apparent northeast corner of Lot 30, said point being the northwest corner of a tract said to be comprised of Lots 23, 24, 31A, 31B and a portion of a 12' alley conveyed to Stone Abstract Company in Volume 337, Page 529, W.C.D.R.;

THENCE with the apparent common line between the Stone Abstract Company tract and the herein described tract S 12°59'06" E, 108.50' to a point being the apparent northeast corner of the previously mentioned 1.85' X 23.50 strip;

THENCE S 77°00'00" W, 1.85' to the apparent northwest corner of said strip;

THENCE along the apparent southwest line of said strip S 12°59'06" E, 23.50' to a point in the north boundary of Main Street at a building seam;

THENCE along the north boundary of Main Street generally following the edge of a brick building S 77° 00' 00" W (Reference Bearing), 85.54' to the Place of Beginning and containing 11,606 square feet.

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 MAY 28 PM 3:33
Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on the date and at the time affixed hereon by me and was duly RECORDED in the volume and page of the OFFICIAL RECORDS of Washington County, Texas, as stamped hereon by me on MAY 29 2015

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON
DEC 01 2017
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on pg 4 of 4

BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By Jahire Garcia
Deputy

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

2231

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

DATE: May 1, 2015

GRANTOR: ATRIUM INVESTORS, a Texas general partnership
306 Cedar Circle
Brenham, Washington County, Texas 77833

GRANTEE: MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company
105 East Main Street, Suite 109A
Brenham, Washington County, Texas 77833

CONSIDERATION: TEN AND NO/100 DOLLARS and other good and valuable consideration, and the further consideration of a note of even date herewith that is in the principal amount of TWO HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS ($280,000.00) and is executed by Grantee, payable to the order of ATRIUM INVESTORS, a Texas general partnership. The note is secured by a first and superior vendor's lien and superior title retained in this deed in favor of ATRIUM INVESTORS, a Texas general partnership and by a first lien deed of trust of even date herewith from Grantee to WENDY J. YATES, Trustee.

PROPERTY (INCLUDING ANY IMPROVEMENTS):

All that certain tract or parcel of land, lying and being Lot 28 and a part of Lot 29 of the Original Town Tract of the City of Brenham, Washington County, Texas, containing 4,158 square feet of land, more or less, and being more fully described by metes and bounds in Exhibit "A" attached hereto and made a part hereof for all purposes pertinent.

Being the same property described in Deed dated December 28, 2005, executed by Geneva L. Tonn to Atrium Investors, recorded in Volume 1188, Page 806, Official Records of Washington County, Texas.

RESERVATIONS FROM CONVEYANCE: NONE

EXCEPTIONS TO CONVEYANCE AND WARRANTY:

1. The rights of the public to area of Property located within the public road/roadway.

2. Such presently valid and subsisting easements, if any, to which the Property is subject as may be actually located upon the ground, which are not of record.

3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the land.

4. All leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges, and immunities relating thereto, appearing in the Public Records and pertaining to the Property.

5. Rights of tenants and parties in possession of the Property.

Grantor, for the consideration, receipt of which is hereby acknowledged, and subject to the Reservations from Conveyance and Exceptions to Conveyance and Warranty, grants, sells and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's successors to warrant and forever defend all and singular the Property to Grantee and Grantee's successors and assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Grantor, but not otherwise, except as to the Reservations from Conveyance and Exceptions to Conveyance and Warranty.

The vendor's lien against and superior title to the Property are retained until each note described is fully paid according to its terms, at which time this deed shall become absolute.

When the context requires, singular nouns and pronouns include the plural.

GRANTEE IS TAKING THE PROPERTY IN AN ARM'S-LENGTH AGREEMENT BETWEEN THE PARTIES. THE CONSIDERATION WAS BARGAINED ON THE BASIS OF AN "AS IS, WHERE IS" TRANSACTION AND REFLECTS THE AGREEMENT OF THE PARTIES THAT THERE ARE NO REPRESENTATIONS OR EXPRESS OR IMPLIED WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED.

THE PROPERTY IS BEING CONVEYED TO GRANTEE IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. GRANTOR MAKES NO WARRANTY OF CONDITION, MERCHANTABILITY, OR SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE FIXTURES AND PERSONAL PROPERTY. ALL WARRANTIES, EXCEPT FOR THE WARRANTY OF TITLE STATED IN THIS DEED, ARE DISCLAIMED.

GRANTEE ACKNOWLEDGES AND AGREES THAT GRANTEE IS RELYING SOLELY ON GRANTEE'S EXAMINATION OF THE PROPERTY. GRANTEE IS NOT RELYING ON ANY INFORMATION OR DISCLOSURES PROVIDED BY GRANTOR.

ATRIUM INVESTORS, a Texas general partnership

By: Henry J. Boehm, Jr., M. D., Partner
HENRY J. BOEHM, JR., M.D., Partner

By: B & L ENTERPRISES, a Texas general partnership, Partner

By: Henry J. Boehm, Jr., M. D., Partner
HENRY J. BOEHM, JR., M.D., Partner

SIGNATURE AND ACKNOWLEDGMENT PAGE OF SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

By: Doris Ann Lehmann
DORIS ANN LEHMANN, as Independent Executrix of the Estate of Edmund R. Lehmann, Deceased, Partner

By: Theodora Carter Vanderwerth Boehm
THEODORA CARTER VANDERWERTH BOEHM, Partner

By: Doris Ann Lehmann
DORIS ANN LEHMANN, Partner

Theodora Carter Vanderwerth Boehm
THEODORA CARTER VANDERWERTH BOEHM, individually

Doris Ann Lehmann
DORIS ANN LEHMANN, individually

Grantee has joined in the execution of this Special Warranty Deed with Vendor's Lien to acknowledge Grantee's acceptance of the Property in accordance with the terms and conditions herein contained.

MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company

By: James E. Moser
JAMES E. MOSER, Managing Member

ACKNOWLEDGMENTS

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by HENRY J. BOEHM, JR., M.D., in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

{14806.02074-00377743.DOCX}

A CERTIFIED copy issued DEC 0 1 2017
pg 3 of 5
Beth Rothermel, County Clerk
Washington County, TX YG Deputy

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by THEODORA CARTER VANDERWERTH BOEHM, in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by DORIS ANN LEHMANN, in the capacities stated therein.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

STATE OF TEXAS

COUNTY OF WASHINGTON

This instrument was acknowledged before me on May 1, 2015, by JAMES E. MOSER, Managing Member of MOSER COMMUNITY MEDIA, L.L.C., a Texas limited liability company on behalf of and as the act and deed of said limited liability company.

CHRISTOPHER P. CANGELOSI
Notary Public, State of Texas
My Commission Expires 01-07-2016

Notary Public, State of T E X A S

AFTER RECORDING, RETURN TO:
WASHINGTON COUNTY ABSTRACT COMPANY
211 East Main
P. O. Box 1808
Brenham, Texas 77834
Telephone (979) 277-9229
Telefax (979) 277-9421

A CERTIFIED copy issued DEC 01 2017
pg 4 of 5
Beth Rothermel, County Clerk
Washington County, TX Vg Deputy

EXHIBIT "A"

STATE OF TEXAS §
COUNTY OF WASHINGTON §

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BEGINNING at a point in the north boundary of Main Street in a building seam at the apparent southwest corner of Lot 27, said point also being the southeast corner of a tract said to be comprised of Lots 28 and 29A and a portion of a 12' alley conveyed to E. G. Tonn, et ux, in Volume 493, Page 99, O.R.W.C.;

THENCE along the apparent common line between two buildings N 13°44'00" W, 132.00' to a point in the south boundary of Vulcan Street in the edge of a brick wall at the apparent northwest corner of Lot 29B;

THENCE along the south boundary of Vulcan Street N 77°00'00" E, 89.12' to a point in the end of a brick wall at the apparent northeast corner of Lot 30, said point being the northwest corner of a tract said to be comprised of Lots 23, 24, 31A, 31B and a portion of a 12' alley conveyed to Stone Abstract Company in Volume 337, Page 529, W.C.D.R.;

THENCE with the apparent common line between the Stone Abstract Company tract and the herein described tract S 12°59'06" E, 108.50' to a point being the apparent northeast corner of the previously mentioned 1.85' X 23.50 strip;

THENCE S 77°00'00" W, 1.85' to the apparent northwest corner of said strip;

THENCE along the apparent southwest line of said strip S 12°59'06" E, 23.50' to a point in the north boundary of Main Street at a building seam;

THENCE along the north boundary of Main Street generally following the edge of a brick building S 77° 00' 00" W (Reference Bearing), 85.54' to the Place of Beginning and containing 11,606 square feet.

FILED FOR RECORD
WASHINGTON COUNTY, TEXAS
2015 MAY -1 PM 3:30
Beth A. Rothermel
WASHINGTON COUNTY CLERK

STATE OF TEXAS
COUNTY OF WASHINGTON

I hereby certify that this instrument was FILED on **the date and at the time affixed hereon** by me and was **duly RECORDED in the** volume and page of the **OFFICIAL RECORDS of** Washington County, Texas, **as stamped hereon by me on** MAY - 4 2015

Beth A. Rothermel
Beth Rothermel, County Clerk
Washington County, Texas

CERTIFIED COPY CERTIFICATE
STATE OF TEXAS
COUNTY OF WASHINGTON DEC 01 2017
The above is a full, true, and correct photographic copy of the original record now in my lawful custody and possession as the same is recorded in the OFFICIAL RECORDS in my office with volume and page number stamped thereon. I hereby certify on pg 5 of 5

BETH ROTHERMEL
COUNTY CLERK
WASHINGTON COUNTY, TEXAS
By Janice Garcia
Deputy

AGENDA ITEM 12

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Brenham EDF	**DATE SUBMITTED:** December 4, 2017 **SUBMITTED BY:** Page Michel

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☒ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-17-024 Re-Adopting the Guidelines and Criteria for Granting Tax Phase-In in a Reinvestment Zone Created in the City of Brenham

SUMMARY STATEMENT: See attached memo from the Brenham Economic Development Corporation.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Memo from Brenham EDF; and (2) Resolution No. R-17-024

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve Resolution No. R-17-024 re-adopting the guidelines and criteria for granting Tax Phase-In in a Reinvestment Zone created in the City of Brenham.

APPROVALS: Terry K. Roberts

BRENHAM
ECONOMIC DEVELOPMENT FOUNDATION

MEMORANDUM

To:	Mayor Tate and Brenham City Council
From:	Steven Drake, EDF Project Manager
Subject:	Tax Phase-In Policy Re-Adoption for 2018-19
Date:	December 7, 2017

The Tax Phase-In Policy will expire at the end of 2017 and will need to be re-adopted for another two years. The EDF's Incentives Review Committee did not recommend any changes to the policy to be considered for re-adoption as approved by the EDF Board of Directors.

The tax phase-in incentive is a valuable tool to promote economic development in the community. It is a partial, temporary exemption from ad valorem taxes with the City of Brenham. Washington County has a mirror policy to promote the use of the tax phase-in incentive. Blinn College and Brenham ISD ad valorem taxes are paid in full at all times.

The committee discussed what potential changes and reforms could be needed in the policy. Much of the discussion centered on the strength of the national and local economy and the ability of an applicant to meet the current policy's salary and jobs requirements.

The minimum salary requirement in the incentive calculation schedules (in Exhibit B) was considered and the committee discussed whether to keep, raise or possibly lower the amount. The committee concluded that the minimum average salary of $36,000 remain the same for the upcoming eligibility period.

In section VIII regarding Administration, the deadline for collecting compliance documents was discussed. In section VIII a) documents are required by June 30. Staff mentioned it would be good to have them due by May 30. This would help ensure that all documents are verified on or before the annual Compliance Review Committee meeting which should take place in July. However, leaving the June 30 deadline in the policy allows flexibility. Thus, no change to that language is recommended.

In conclusion, the committee recommends that the Tax Phase-In policy for 2018-2019 remain as-is.

If you have any questions or comments, please do not hesitate to contact the EDF office at 979-836-8927 or steve@brenhamtexas.com.

RESOLUTION NO. R-17-024

A RESOLUTION OF THE CITY OF BRENHAM, TEXAS RE-ADOPTING THE GUIDELINES AND CRITERIA FOR GRANTING TAX PHASE-IN IN A REINVESTMENT ZONE CREATED IN THE CITY OF BRENHAM

WHEREAS, the creation and retention of job opportunities that bring new wealth to the community is a high civic priority; and

WHEREAS, new jobs and investment will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services, and

WHEREAS, the communities with the City of Brenham must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

WHEREAS, any tax incentives offered in the City of Brenham would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community, and

WHEREAS, any tax incentives should not affect the competitive position of existing companies operating in the City of Brenham; and

WHEREAS, the abatement of property taxes, when offered to attract primary jobs in industries which bring in money from outside a community instead of merely re-circulating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area economy; and

WHEREAS, effective September 1, 1987, Texas law requires an eligible taxing jurisdiction to establish guidelines and criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, said guidelines and criteria to be unchanged for a two-year period unless amended by a three-fourths vote of the participating governing body; and

WHEREAS, on February 18, 2016 City Council passed Resolution No. R-16-008 re-adopting the guidelines and criteria for granting tax abatement in a reinvestment zone created in the city; and

WHEREAS, the City Council has reviewed said guidelines and criteria and recommend no changes be made to the guidelines and criteria for granting tax abatement in a reinvestment zone; and

WHEREAS, these guidelines and criteria shall not be construed as implying or suggesting that the City of Brenham is under any obligation to provide tax abatement or other incentive to any applicant and all applicants shall be considered on a case by case basis;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Brenham does hereby re-adopt the attached guidelines and criteria for granting tax abatement in reinvestment zones in the City of Brenham styled as “Policy Statement on Property Tax Phase-In Incentive for Selected Commercial Enterprises”, as amended and incorporated herein by reference and effective December 7, 2017.

APPROVED this the ______ day of ___________________, 2017.

____
Milton Y. Tate, Jr., Mayor

ATTEST:

____
Jeana Bellinger, TRMC, CMC
City Secretary

CITY OF BRENHAM

POLICY STATEMENT ON PROPERTY TAX PHASE-IN INCENTIVE FOR SELECTED COMMERCIAL ENTERPRISES

Policy Adoption Date: December 7, 2017

I. PURPOSE

The City of Brenham, hereinafter referred to as "the City," is committed to the promotion of high quality development in all parts of the community and to improving the quality of life for its citizens. In order to help meet these goals and to stimulate economic development, the City will consider providing incentives that include, but are not limited to, the property Tax Phase-In incentive, in accordance with the procedures, criteria and guidelines set forth in this Policy and as provided by Chapter 312 of the Texas Tax Code. Nothing in this Policy shall imply or suggest that the City is under any obligation to provide any incentives to any applicant. Each application for the Tax Phase-In incentive under this Policy shall be considered on an individual basis.

II. DEFINITION OF TAX PHASE-IN INCENTIVE

Tax Phase-In incentive, as referred to in this Policy, means the partial, temporary exemption from ad valorem taxes on certain qualifying property in a Reinvestment Zone designated by the City or County for economic development purposes. Only ad valorem (property) taxes are eligible for the incentive. Brenham ISD and Blinn College taxes are required to be paid in full at all times.

The attached Glossary is a list of words with their definitions that are found in this document, and the Glossary is incorporated herein by reference.

III. GUIDELINES AND CRITERIA

In order to be eligible for property Tax Phase-In incentive, the planned improvement at a minimum must:

(a) Be a facility used or to be used by a Primary Jobs Employer according to Exhibit A (except for a location in the Downtown Zone).

(b) The project must add new value to the tax roll of eligible property: a minimum of $300,000 for a business new to Brenham or $150,000 for an existing local business. For development in the Downtown Zone, a National Register Historic District, the added value must be a minimum of $50,000. This is to help maintain the economic viability of the central business district.

(c) The applicant must maintain or create within the first year and throughout the Tax Phase- In incentive period a minimum of ten (10) jobs at an average salary of $36,000/year or higher, including any benefits (except for a location in the Downtown Zone).

In consideration of the request for the Tax Phase-In incentive, the following factors will also be considered:

(1) Jobs The projected new jobs created including the number of jobs, the type of jobs and the average salary per job class.

(2) Fiscal Impact The amount of real and personal property value that will be added to the tax roll for both eligible and ineligible property, the amount of direct sales tax that may be generated, any infrastructure improvements by the City that will be required by the facility, the infrastructure improvements made by the facility, and the compatibility of the project with the City's master plan for development.

(3) Valuation at Termination of Tax Phase-In Incentive Period The estimated fair market value, valued at the end of incentive period, of any equipment included in the Tax Phase-In incentive. The economic life of the added-value property must exceed the duration of the granted Tax Phase-In incentive period.

(4) Community Impact

The pollution, if any, as well as other negative environmental impacts affecting the health and safety of the community that will be created by the project;

The revitalization of a depressed area;

The business opportunities of existing local businesses;

The alternative development possibilities for proposed site;

The impact on other taxing entities;

Whether the improvement is expected to solely or primarily have the effect of transferring employment from one part of Washington County to another; and/or,

Whether the product manufactured or service provided by the business competes to a substantial degree with an existing business.

IV. TAX PHASE-IN INCENTIVE AUTHORIZED

(a) Authorized Date A facility shall be eligible for the Tax Phase-In incentive if it has applied for the incentive prior to the commencement of construction and meets the guidelines and criteria under this Policy.

(b) Creation of New Value Tax Phase-In incentive may only be granted for the additional value of eligible property improvements made subsequent to the filing of an application for the Tax Phase-In incentive and specified in the Tax Phase-In incentive agreement between the City and the property owner and/or lessee, subject to such limitations as the guidelines and criteria may require.

(c) New and Existing Facilities Tax Phase-In incentive may be granted for new facilities and improvements and for the expansion or modernization of existing facilities and improvements. If the modernization project includes facility replacement, the Tax Phase-In incentive value shall be the tax- appraised value of the new unit(s) less the value of the old unit(s).

(d) Eligible Property Except as otherwise provided in this policy, the Tax Phase-In incentive may be extended to the value of buildings, structures, fixed machinery and equipment, site improvements plus that office space and related fixed improvements necessary or convenient to the operation and administration of the facility.

(e) Ineligible Property The following types of property shall be fully taxable and ineligible for property Tax Phase-In incentives:

land,
animals,
inventories,
supplies,
tools,
furnishings and other forms of movable personal property,
vehicles,
vessels,
aircraft,
housing or residential property (except for property owners in the Downtown Zone),
hotels/motels,
fauna,
flora,
retail facilities (except for property owners in the Downtown Zone),
deferred maintenance investments,
property to be rented or leased except as provided in Part IV (f),
improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion,
any improvements including those to produce, store or distribute natural gas or fluids that are not integral to the operation of the facility, or
property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.

(f) Owned/Leased Facilities If a leased facility is granted the Tax Phase-In incentive, the agreement shall be executed with the lessor and the lessee and the new value investment shall be combined to calculate the total new value investment. If the lessee removes or reduces its new value investment to the detriment of the lessor, the lessor may annually elect to extend its Tax Phase-In incentive to obtain a replacement lessee. The lessor may obtain the full benefit of the remaining Tax Phase-In incentive period by resuming the Tax Phase-In incentive with the combined value of the replacement lessee by disregarding the Tax Phase-In incentive extension term. The lessor shall not receive any Tax Phase-In incentive during any year where a Tax Phase- In incentive extension has been elected. The Tax Phase-In incentive period, including any extensions, shall never exceed a total of ten years as provided by state law. The replacement lessee may apply for its own Tax Phase-In incentive based solely on its new value investment.

(g) Value and Term of Tax Phase-In incentive Tax Phase-In incentives shall commence with the January 1 valuation date immediately following the occupancy of the property qualifying for the Tax Phase-In incentive unless otherwise specified by the City. The value of new eligible properties shall be abated according to the approved agreement between applicant and the City. The City, in its sole discretion, shall determine the amount of any Tax Phase-In incentive. The Table 1and Table 2 Tax Phase-In incentive Schedules - Exhibit "B", Table 3 in a Downtown Zone (map Exhibit "C"), incorporated herein by reference, shall be the maximum Tax Phase-In incentive available based on total new value investment or added employment for each year during the Tax Phase-In incentive term, whichever is greater.

The total amount of eligible property improvements and jobs created and retained are based on projected property improvements and personnel employed. However, the actual amount of tax phase-in incentives shall be determined annually by Table 1 and Table 2 in Exhibit B based on the actual eligible improvements and the actual number of employees, unless located in a Downtown Zone, in which the total amount of abatement will be derived from Table 3.

If an Existing Local Business has ten to forty-nine (10-49) employees for their base year employment, then the total abatement levels shall be determined from Levels 1-4 in Table 2 of Exhibit B. If an Existing Local Business has fifty (50) or more employees for their base year employment, then the following abatement levels shall be determined from Table 2 in Exhibit B:

- Level 5 – if base year employment is at least 90% for that calendar year
- Level 4 – if base year employment is at least 80% for that calendar year
- Level 3 – if base year employment is at least 70% for that calendar year
- Level 2 – if base year employment is at least 60% for that calendar year
- Level 1 – if base year employment is at least 50% for that calendar year

(h) Downtown Zone A Tax Phase-In incentive zone within the designated downtown area in the attached Exhibit C, incorporated herein by reference, and any tracts or parcels contiguous to a tract in Exhibit C under common ownership. Tax Phase-In incentive in a Downtown Zone shall receive approval for building plans and specifications by the Main Street Board as a condition of receiving the Tax Phase-In incentive.

(i) Taxability From the execution of the Tax Phase-In incentive contract to the end of the agreement period, taxes shall be payable as follows:

(1) The value of ineligible property as provided in Part IV (e) shall be fully taxable.

(2) The base year value of existing eligible property as determined each year shall be fully taxable.

(3) The additional value of new eligible property shall be taxable in the manner described in Part IV (g).

V. APPLICATION PROCESS

(a) Any present or potential owner of taxable property in the City of Brenham may request the creation of a Reinvestment Zone and Tax Phase-In incentive by filing written request with the City Manager.

(b) The application shall consist of a completed application form accompanied by:

(1) A general description of the proposed use and the general nature and extent of the modernization, expansion or new improvements to be undertaken;

(2) A descriptive list of the improvements which will be a part of the facility;

(3) A map and property description or a site plan, including a legal description of the area proposed for designation as a Reinvestment Zone, as applicable.

(4) A time schedule for undertaking and completing the planned improvements;

(5) In the case of modernizing or replacing existing facilities, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application;

(6) The application form may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors of the applicant;

(7) A schedule reflecting the proposed amount of abated taxes for which the applicant seeks, as well as the anticipated taxes to be paid by the applicant which will not be subject to the Tax Phase-In incentive; and

(8) A schedule of the proposed job creation or retention, including details of job type(s), wages and benefits, and the timing of creation of any job within the phase-in period.

(c) Upon receipt of a completed application, the City Manager shall notify the Mayor and City Council. Before acting upon the application, the City may conduct an Economic Impact Study. Following this step, the City shall afford the applicant and any other interested persons the opportunity to speak and present evidence for or against the designation of the area as a Reinvestment Zone for the purpose of the Tax Phase-In incentive during a public hearing. Notice of the public hearing shall be clearly identified on an agenda of the City to be posted as required by law. At least seven (7) days before the date of the hearing, notice of the hearing must be 1) published in a newspaper having general circulation in the City; and 2) delivered in writing to the presiding officer of the governing body of each taxing entity having in its boundaries real property that is to be included in the proposed Reinvestment Zone.

(d) The City shall approve or disapprove the application for designation of an area as a Reinvestment Zone for Tax Phase-In incentive within ninety (90) days after receipt of the application. The presiding officer of the legislative body of the City shall notify the applicant of the approval or disapproval promptly thereafter.

(e) A request for designation of an area as a Reinvestment Zone for the purpose of receiving the Tax Phase-In incentive shall not be granted if the jurisdiction receiving the application finds that the request for the Tax Phase-In incentive was filed after the commencement of construction or installation of improvements related to a proposed modernization expansion or new facility began.

VI. PUBLIC HEARING

(a) Should the City be able to show cause in the public hearing why the granting of a designation of an area as a Reinvestment Zone for the Tax Phase-In incentive will have a substantial adverse effect on its bonds, service capacity or the provision of service, that showing shall be reason for the City to deny the granting of the application.

(b) Neither a Reinvestment Zone nor a property Tax Phase-In incentive agreement shall be authorized if it is determined that:

(1) There would be a substantial adverse effect on the provision of a government service or tax base of the City.

(2) The applicant has insufficient financial capacity

(3) Planned or potential use of the property would constitute a hazard to public safety, health or morals.

(4) Planned or potential use of the property violates governmental codes or laws.

VII. AGREEMENT

(a) After approval of the application for the designation of an area as a Reinvestment Zone for the property Tax Phase-In incentive, the City shall formally pass a resolution and execute an agreement with the owner of the facility and the lessee involved, if any, which shall include:

(1) Estimated value to be abated and the base year value.

(2) Percent of value to be abated each year as provided in Part IV (g).

(3) The commencement date and the termination date of Tax Phase-In incentive.

(4) The proposed use of the facility, nature of construction, time schedule for undertaking and completing the planned improvements, map, property description and improvements list as provided in Application, Part V.

(5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided herein and other provisions that may be required for uniformity or by state law.

(6) Amount of investment and average number of jobs involved for the period of the Tax Phase-In incentive.

(7) Said contract shall meet all of the requirements of Texas Tax Code Chapter 312.

(b) Such agreement shall be executed within ninety (90) days after the later of 1) the date applicant has forwarded all necessary information to the City or 2) the date of the approval of the application.

(c) The City shall make its own determination of the property Tax Phase-In incentive which shall not bind any other jurisdiction.

VIII. ADMINISTRATION

Each Tax Phase-In incentive project will be monitored annually for compliance. The agreement will require the applicant to provide a sworn statement and documents verifying compliance each year. Failure to provide the required documents in the manner outlined herein shall result in termination of the Tax Phase-In incentive agreement.

The terms of the agreement shall include the right of the City to review and verify the applicant's employment records and payroll records in each year during the term of the agreement, and to conduct an on-site inspection of the project in each year during the duration of the Tax Phase-In incentive, and to review such other items as may be reasonable to verify compliance with the terms of the agreement.

The agreement shall stipulate that employees and/or designated representatives of the City will have access to the Reinvestment Zone during the term of the Tax Phase-In incentive to inspect the facility to determine compliance with the terms and conditions of the agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will be conducted in such manner as to not unreasonably interfere with the construction and/or operation the facility. All City inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.

All proprietary information acquired by any affected jurisdiction for purposes of monitoring compliance with the terms and conditions of a property Tax Phase-In incentive agreement shall be considered confidential to the extent allowed by law.

Compliance will be monitored in the following manner:

(a) A Compliance Review Committee shall collect from the applicant a sworn statement of compliance and verifying documents and conduct any inspections on or before June 30 of each calendar year. The Committee shall be comprised of 5 representatives, with 2 appointed by the Mayor, 2 appointed by the County Judge and 1 by the Chief Appraiser. They will be appointed by January 30 of even numbered years for a two year term. Any vacancy on the committee will be filled by the designated official who appointed the vacating committee person. The designated official may remove an appointee at any time. The company/individual receiving the property Tax Phase-In incentive shall furnish the Committee with such information as may be necessary to verify compliance, including the number of new or retained employees associated with the facility and their salaries.

(b) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property in the Reinvestment Zone. This shall be done on or before October 1 of each calendar year.

(c) The Committee shall provide a report on the status of all Tax Phase-In incentive agreements to the City Council on or before December 15 of each calendar year.

IX. DEFAULT

Should the City determine that a company or individual is in default according to the terms and conditions of its agreement, the City shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within thirty (30) days or begun to be cured (in the case of a default that cannot reasonably be cured within 30 days) from the date of such notice ("Cure Period"), then the agreement shall be terminated.

In the event that the company or individual:

(1) allows its ad valorem taxes owed the City to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or

(2) does not create jobs as outlined in the agreement; or

(3) if an Existing Local Business falls below fifty percent (50%) of their base year employment number; or

(3) violates any of the terms and conditions of the Tax Phase-In incentive agreement and fails to cure same during the Cure Period; or

(4) if the facility is completed and begins producing product or service, but subsequently discontinues producing product or service for any reason excepting fire, explosion or other casualty or accident or natural disaster, for a period of more than one (1) year during the Tax Phase-In incentive period;

then the agreement shall terminate and so shall the Tax Phase-In incentive of taxes for the calendar year during which the agreement is terminated. The taxes otherwise abated for that calendar year shall be paid to the City within sixty (60) days from the date of termination.

X. ASSIGNMENT

(a) The Tax Phase-In incentive may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the City, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Tax Phase-In incentive agreement are guaranteed by the execution of a new contractual agreement with the City.

(b) The contractual agreement with the new owner or lessee shall not exceed the termination date of the Tax Phase-In incentive agreement with the original owner and/or lessee.

(c) No assignment or transfer shall be approved if the parties to the existing agreement, the new owner or new lessee are liable to the City for outstanding taxes or other obligations.

(d) Approval shall not be unreasonably withheld.

XI. SUNSET PROVISION

(a) This policy is effective upon the date of the adoption and will remain in force for two (2) years, at which time all Reinvestment Zones and Tax Phase-In incentive contracts created pursuant to its provisions may be reviewed by the City to determine whether the goals have been achieved. Based on that review, this policy may be modified, renewed or eliminated, providing that such actions shall not affect existing contracts.

(b) This policy does not amend any existing Industrial District Contracts or agreements with the owners of real property in areas deserving of specific attention as agreed by the City.

(c) Prior to the date for review, as defined above, this Policy Statement may be modified by a three fourths (3/4) vote of members each governing body, as provided for under the laws of the State of Texas.

XII. SEVERABILITY AND LIMITATIONS

(a) In the event that any section, clause, sentence, paragraph or any part of this Policy Statement shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of this Policy Statement.

(b) Property that is owned or leased by the following is excluded from the property Tax Phase-In incentive:

(1) a member of the governing body of the City of Brenham or a member of a planning board or commission of the City; or

(2) a member of the Commissioners Court or a member of a planning board or commission of Washington County.

(c) If this Policy Statement has omitted any mandatory requirements of the applicable Tax Phase-In incentive laws of the State of Texas, then such requirements are hereby incorporated as a part of this Policy Statement.

XIII. VARIANCE

Requests for any variances from this Policy may be made in written form to the City Manager. Such request shall include a complete description of the circumstances explaining why the applicant, company or individual should be granted a variance. Approval of a request for variance requires a three- fourths (3/4) majority vote of the governing body of the City.

GLOSSARY

(a) "City" means the City of Brenham, Texas that levies ad valorem taxes upon and/or provides services to property located within the City limits.

(b) "Agreement" means a contractual agreement between a property owner and/or lessee and the City for the purpose of the Tax Phase-In incentive.

(c) "Base year employment" means the average number of employees for each quarter at an existing local business of the year prior to the execution of the agreement.

(d) "Base year value" means the assessed value of eligible property on January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the filing of an application for the Tax Phase-In incentive.

(e) "Committee" means the Compliance Review Committee, consisting of representatives appointed by the City, County and Chief Appraiser's office to annually review documents verifying compliance of all projects receiving the Tax Phase-In incentive.

(f) "Deferred maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process technology.

(g) "Existing Local Business" means a business that has been located in the City of Brenham and has paid property taxes for at least one full year prior to submitting any application for the property Tax Phase-In incentive.

(h) "Expansion" means the addition of buildings, employees, structures, machinery or equipment for purposes of increasing production capacity.

(i) "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.

(j) "Job(s)" shall represent a newly created or a retained employment position on a full-time permanent basis at an average base salary of $36,000 or higher, including any benefits, whether hired directly or leased through an employee leasing service.

(k) "Modernization" means the upgrading and or replacement of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing or repairing.

(l) "New Facility" means improvements to real estate previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.

(m) "Productive Life" means the number of years a property improvement is expected to be in service in a facility.

EXHIBIT A
PRIMARY JOBS EMPLOYER DEFINITION

Sec. III (a)
Be a facility used or to be used by a Primary Jobs Employer.

"Primary job" means a job that is:

(i) available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and

(ii) included in one of the following sectors of the North American Industry Classification System (NAICS):

NAICS Sector #	**Description**
111	Crop Production
112	Animal Production
113	Forestry and Logging
11411	Commercial Fishing
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
51 (excluding 512131 and 512132)	Information (excluding motion picture theaters and drive-in motion picture theaters)
523-525	Securities, Commodity Contracts, and Other Financial Investments and Related Activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415, 5416, 5417, and 5419	Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific Research and Development Services; Other Professional, Scientific, and Technical Services
551	Management of Companies and Enterprises
56142	Telephone Call Centers
922140	Correctional Institutions

EXHIBIT B
TAX PHASE-IN INCENTIVE SCHEDULES

Applicants may receive property Tax Phase-In incentive according to the schedules in Tables 1 and 2, depending on their combination of property value creation and job creation/retention.

TABLE 1 (earns 50% of incentive)

1A - Property Improvements by an Existing Local Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	$ 150,000	$1,000,000	45	40	30	20	0	0	0	0
2	$1,000,001	$2,500,000	45	45	40	30	20	0	0	0
3	$2,500,001	$4,000,000	45	45	45	40	30	20	0	0
4	$4,000,001	$5,500,000	45	45	45	45	40	30	20	0
5	More than	$5,500,000	45	45	45	45	45	40	30	20

1B - Property Improvements by a New Business

Level	Amount of Valuation of Eligible Improvements as determined by the Tax Appraisal District:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	$ 300,000	$1,000,000	45	40	30	20	0	0	0	0
2	$1,000,001	$2,500,000	45	45	40	30	20	0	0	0
3	$2,500,001	$4,000,000	45	45	45	40	30	20	0	0
4	$4,000,001	$5,500,000	45	45	45	45	40	30	20	0
5	More than	$5,500,000	45	45	45	45	45	40	30	20

TABLE 2 (earns 50% of incentive)

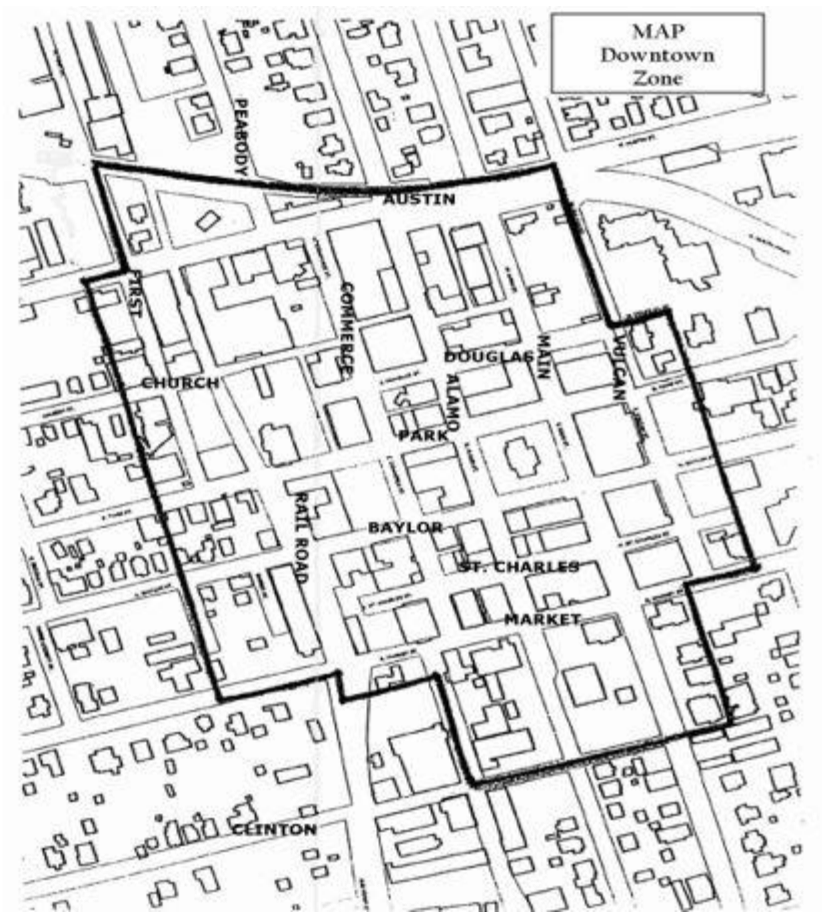
2 - Jobs Created & Retained - by Existing Businesses or New/Relocating Businesses

Level	The number of new and/or retained full-time employees with an average salary level of $36,000+/year including benefits averaged during the twelve calendar months prior to the tax assessment date of January 1:		Percent of property tax to be abated each year							
	From	To	1	2	3	4	5	6	7	8
1	10	19	45	40	30	20	0	0	0	0
2	20	29	45	45	40	30	20	0	0	0
3	30	39	45	45	45	40	30	20	0	0
4	40	49	45	45	45	45	40	30	20	0
5	50 and more		45	45	45	45	45	40	30	20

TABLE 3 Downtown Zone

Amount of valuation of downtown reinvestment determined by tax appraisal:	Percent of property tax to be abated each year							
Valuation	1	2	3	4	5	6	7	8
$ 50,000 to $150,000	90	90	90	60	40	20	0	0
$150,001 to $250,000	90	90	90	90	60	40	20	0
$250,001 and beyond	90	90	90	90	90	60	40	20

EXHIBIT C
MAP OF DOWNTOWN ZONE



AGENDA ITEM 13

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Main Street	**DATE SUBMITTED:** November 28, 2017 **SUBMITTED BY:** Wende Ragonis

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-17-025 Adopting Design Guidelines for the Brenham Downtown Historic District Incentive Grant Program

SUMMARY STATEMENT: As part of the 2017 Main Street Plan of Work, the Economic Restructuring Committee, led by Chair Jim Moser, developed a comprehensive document that summarizes incentives offered to Downtown Brenham property and business owners. The Main Street Design Committee, which is led by Elizabeth Price, developed Downtown Design Guidelines which were approved by the Main Street Board in 2009. Both the Downtown Incentive Program and the Downtown Design Guidelines were presented and discussed at the September 11, 2017 Main Street Board meeting. The Main Street Board approved the distribution of the program and guidelines to downtown merchants and building owners. The Design Guidelines are suggested guidelines for development for Brenham's Downtown Historic District. These Design Guidelines are only enforced when incentive grant funding is requested. Staff presented the Downtown Incentive Program and the Downtown Design Guidelines to City Council in a work session at the May 25, 2017 Council meeting. The Brenham Community Development Corporation (BCDC) approved the Downtown Incentive Program and Design Guidelines at their November 16, 2017 board meeting. Staff presents for Council's consideration the attached Resolution for the Downtown Incentive Program Design Guidelines.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Resolution No. R-17-025; and (2) Downtown Design Guidelines

FUNDING SOURCE (Where Applicable): n/a

RECOMMENDED ACTION: Approve Resolution No. R-17-025 Adopting Design Guidelines for the Brenham Downtown Historic District Incentive Grant Program
APPROVALS: Terry K. Roberts

RESOLUTION NO. R-17-025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, ADOPTING DESIGN GUIDELINES FOR THE BRENHAM DOWNTOWN HISTORIC DISTRICT INCENTIVE GRANT PROGRAM; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Brenham is dedicated to the revitalization and preservation of the historic downtown business district and envision downtown Brenham as the heart of its community; and

WHEREAS, structures in the historic downtown district should be preserved in accordance with the U. S. Secretary of the Interior's Standards for (1) the treatment of historic properties; and (2) the rehabilitation and illustrated guidelines for rehabilitating historic buildings; and

WHEREAS, as a part of the 2017 Main Street Plan of Work, the Main Street Economic Restructuring Committee developed Downtown Design Guidelines as requirements for the Downtown Incentive Grant Program; and

WHEREAS, the purpose of the Design Guidelines is to preserve the historical character and integrity of the Brenham Downtown Historic District by guiding property owners in making appropriate decisions about maintenance and improvements to downtown historic structures and surrounding property; and

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, AS FOLLOWS:

Section 1: That the City Council of the City of Brenham, Texas hereby approves and adopts the Design Guidelines for the Brenham Downtown Historical District attached hereto as Exhibit "A".

Section 2: This Resolution shall become effective immediately from and after its passage.

APPROVED on this the _____ day of December, 2017.

____
Milton Y. Tate, Jr.
Mayor

ATTEST:

____
Jeana Bellinger, TRMC, CMC
City Secretary

Design Guidelines

for the

Brenham Downtown Historic District

Brenham, Texas

MAIN STREET
BRENHAM

August 1, 2017

Table of Contents

Introduction

These Guidelines are a mechanism for the maintenance and improvements to the site and buildings of the Brenham Downtown Historic District. It is not the intention of the Guidelines to restrict the use and appearance of each property but rather to preserve the historic character and integrity of the buildings and district through the use of appropriate limits of change. The document is intended to guide the property owner in making appropriate decisions about maintenance and improvement of the historic structures and surrounding property.

These Guidelines shall be used in conjunction with and shall not supercede the following Codes and Standards:

- All applicable local building codes
- *The Secretary of the Interior's Standards for the Treatment of Historic Properties*
- *The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings.*
- State of Texas Historic Preservation Ordinances
- Local Historic Preservation Ordinances

A local tax phase-in program is available for major renovation projects that increase the appraised value of the property by at least $50,000.00. There is also an Incentive Grant Reimbursement Program for exterior finishes and signage. More information is available at the Main Street office at (979) 337-7374.

Many of Brenham historic downtown structures are contributing resources to the Brenham Downtown Historic District listed on the National Register of Historic Places in 2004. In order to be considered contributing, properties must exhibit the applicable National Register criteria:

- Property is associated with events that have made a significant contribution to the broad patterns of our history.
- Property is associated with the lives of persons significant in our past.
- Property embodies the distinctive characteristics of a type, period, or method of construction or represents the work of a master, or possesses high artistic value, or represents a significant and distinguishable entity whose components lack individual distinction.
- Property has yielded, or is likely to yield, information important in prehistory or history.

Properties that have been altered or destroyed since their designation may not be considered as a contributor and will lose eligibility for grants and incentives. A copy of the National Register Application may be viewed at the Main Street office at City Hall.

Properties that are currently listed are eligible for tax incentives. For more information, contact the Texas Historical Commission.

Purpose

The purpose of these Guidelines is to preserve the historic character and integrity of the Brenham Downtown Historic District established in 2004. The structures in the district should be preserved in accordance with The Secretary of the Interior's Standards for the Treatment of Historic Properties and The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings.

The intent of which is to identify, retain, and preserve "the form and detailing of those architectural materials and features that are important in defining the historic character." It is expected that the property owner will protect and maintain materials and features that are historically significant, repair when character-defining materials warrant additional work, and replace features with new materials where the level of deterioration or damage precludes repair.

This document may be used to guide both the maintenance and improvement of the historic structures. Each of the historically significant features and materials of the structures is outlined in the Guidelines. In conjunction with *The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings*, these Guidelines provide specific direction for the replacement of damaged or deteriorated features and other improvements, which are necessary updates for contemporary use and are consistent with the historic character of the original structures.

The Secretary of the Interior's Standards for Preservation

1. A property will be used as it was historically, or be given a new use that maximizes the retention of distinctive materials, features, spaces and spatial relationships. Where a treatment and use have not been identified, a property will be protected and, if necessary, stabilized until additional work may be undertaken.

2. The historic character of a property will be retained and preserved. The replacement of intact or repairable historic materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.

3. Each property will be recognized as a physical record of its time, place and use. Work needed to stabilize, consolidate and conserve existing historic materials and features will be physically and visually compatible, identifiable upon close inspection and properly documented for future research.

4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.

5. Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property will be preserved.

6. The existing condition of historic features will be evaluated to determine the appropriate level of intervention needed. Where the severity of deterioration requires repair or limited replacement of a distinctive feature, the new material will match the old in composition, design, color and texture.

7. Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.

8. Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.

https://www.nps.gov/tps/standards.htm

The Secretary of the Interior's Standards for Rehabilitation

The Standards (Department of Interior regulations, 36 CFR 67) pertain to historic buildings of all materials, construction types, sizes, and occupancy and encompass the exterior and the interior, related landscape features and the building's site and environment as well as attached, adjacent, or related new construction. The Standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

1. A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
2. The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
3. Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.
4. Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.
5. Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.
6. Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary, physical, or pictorial evidence.
7. Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
8. Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
9. New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
10. New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

https://www.nps.gov/tps/standards/rehabilitation/rehab/stand.htm

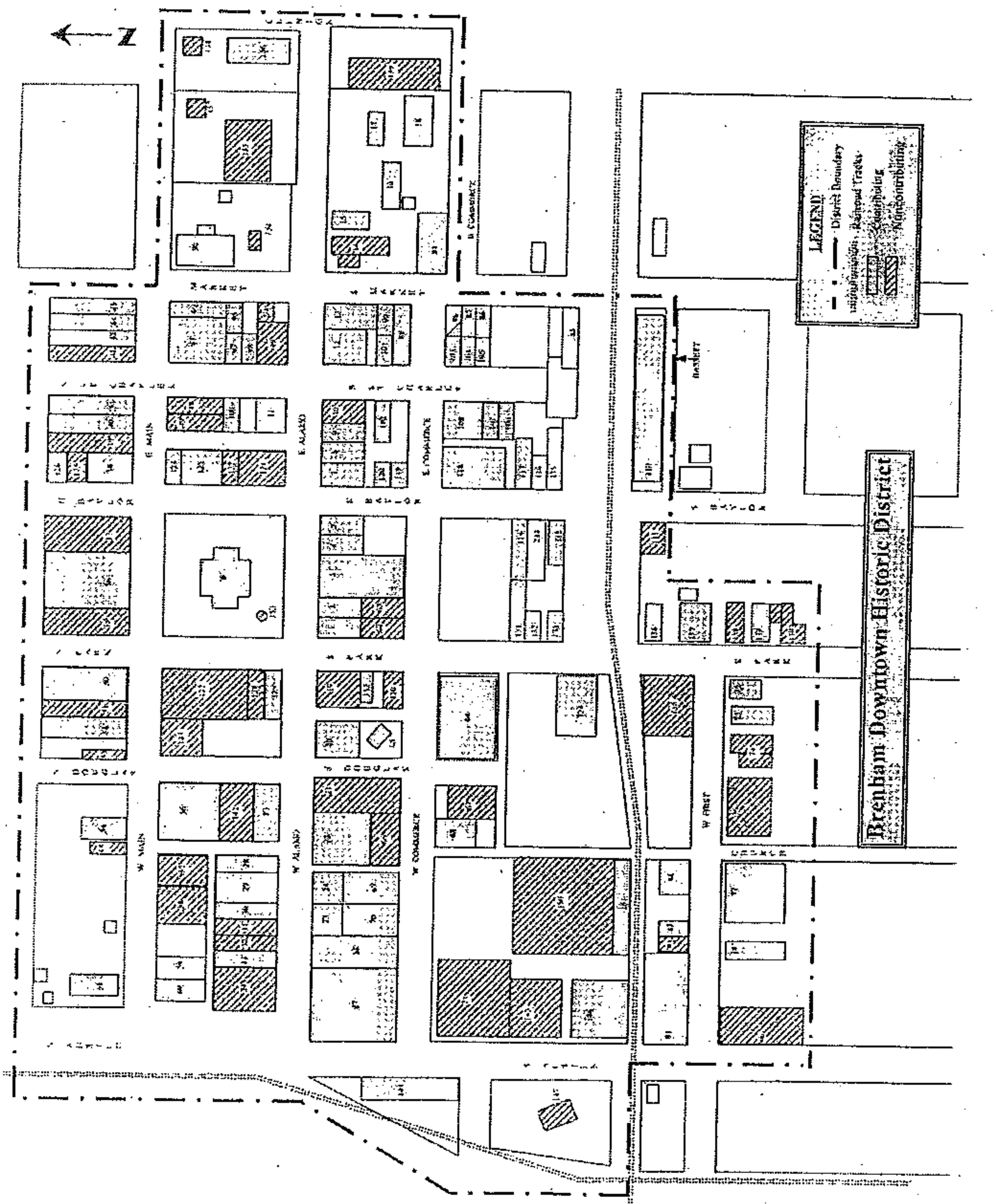
Planning for Preservation and Rehabilitation

1. Inspect the existing condition of the structure. Note features and materials that are in need of maintenance or repair. Determine the priorities for work. It is recommended that structural components and integrity of the exterior envelope (roof, walls, windows, doors) be given priority for work prior to proceeding with other repairs or alterations.
2. Confirm features and materials that are character defining and contribute to the historic qualities of the property.
3. Consider the requirements and options to achieve the functional, structural, and aesthetic alterations and additions desired. Choose the options which best preserve the historic character of the property.
4. Confirm applicable codes and standards for the proposed scope of work. Verify impact of codes and standards on the intent of the alterations and consistency with preservation of the historic character of the property.
5. Contact local and state historic preservation offices for further assistance with project compliance.

    Local: Main Street Brenham (979) 337-7220
    State: Texas Historical Commission (512) 463-6100
        Website: www.thc.texas.gov
        Email: thc@thc.texas.gov

6. Proceed to develop a plan for project construction in accordance with these Guidelines.

Map of the Downtown Brenham Historic District



Building Exterior – Masonry

- Existing, unpainted masonry surfaces shall not be painted.

- Existing masonry surfaces shall be preserved and maintained. Damaged materials, when removed, shall be replaced with materials that are the same as or, if approved by the Main Street Design Committee, similar to the original masonry.

- Existing concrete surfaces shall be preserved and maintained. Damaged materials, when removed, shall be patched and repaired such that the coloration and texture is consistent with the original concrete.

- Existing, unpainted concrete steps, walls, and floors at the exterior may not be painted.

- Proper maintenance of exterior masonry surfaces includes:

    - Cleaning with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
    - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.

- Masonry shall be repointed if necessary. Repointing is the repair of cracks or damaged mortar joints. The new mortar shall be consistent with the original mortar in type, strength, and coloration. In addition, the joint type and thickness should not be modified.

Building Exterior – Wood

- Existing wood surfaces shall be preserved and maintained. Damaged materials, when removed, shall be selectively replaced with wood siding and trim that maintain the dimensional, texture, and detail characteristics of the existing materials.

- Proper maintenance of exterior wood surfaces includes:
    - Cleaning surfaces with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
    - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.
    - Frequently inspecting painted wood surfaces to ensure that the paint will protect the wood from the elements.

- Wood siding and trim may not be replaced or concealed by synthetic wood surfaces such as:
    - Vinyl siding and trim
    - Aluminum siding and trim
    - Cementitious siding and trim

- Wood may be repainted using the color palates described in the following section.

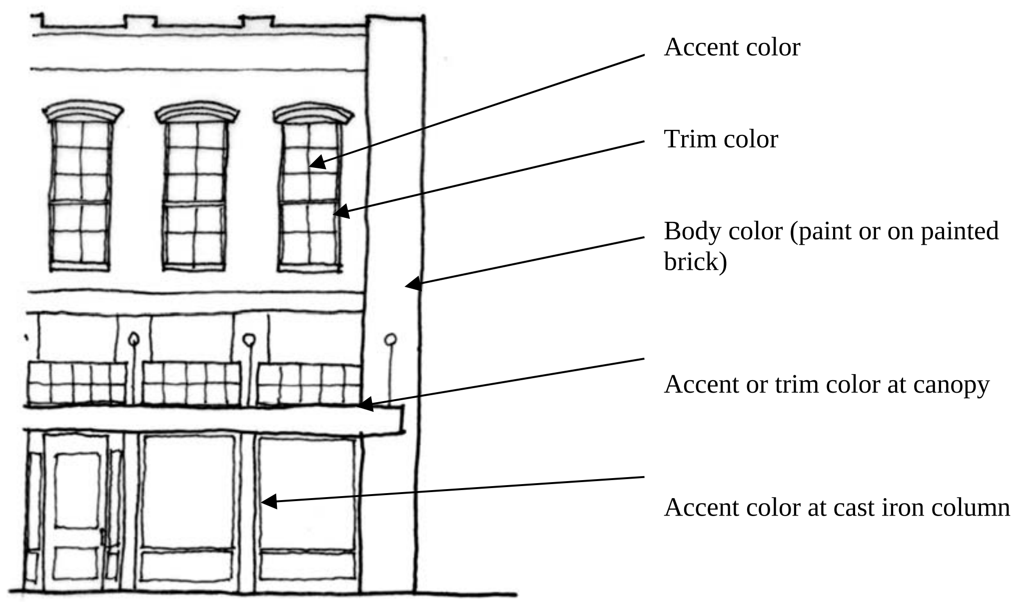
Building Exterior - Paint

- Existing painted surfaces may contain lead. Prior to undertaking any necessary paint removal, refer to the National Park Services *Health and Safety Considerations* for more information.

- Existing painted surfaces shall be preserved and maintained. Damaged or deteriorating paint may be removed using the gentlest methods possible. Refer to *Health and Safety Considerations* for more information on paint removal.

- Original masonry surfaces shall be maintained and not painted, unless severe deterioration of the brick or stone can be shown to require painting. If color or texture of replacement brick or stone cannot be matched with existing, painting may be an appropriate treatment.

- Proper maintenance of exterior painted surfaces includes:
    - Cleaning with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
    - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.
    - Frequently inspecting painted wood surfaces to ensure that the paint will protect the wood from the elements.



- The Design Review Committee has adopted an extensive paint palette appropriate to the district's character. Any colors proposed outside the adopted palette may be reviewed by the Committee in the regular review process.

- The adopted paint palette is available for public viewing at the Main Street office.

Building Exterior – Architectural Metals

- Existing metals, including gutters and downspouts, decorative railings, and flashings, shall be preserved and maintained. Damaged materials, when removed, shall be replaced with materials that are the same as the original metalwork.

- Existing exposed copper gutters and downspouts should be cleaned regularly for proper maintenance. If replacement of components is necessary, existing materials, forms, and finishes should be matched.

- Existing concealed gutter and downspout systems shall be retained in their original design and operation. Systems shall be cleaned regularly for proper maintenance. If repair is required, care shall be exercised in the removal and replacement of trim, flashings, and other components. Gutters and downspouts shall be replaced with components of the same material and size to prevent conflicts between incompatible materials.

- Existing decorative metal railings should be repaired and maintained. If replacement is needed, railings may be removed or replaced with metal or wood railings that meet local building code requirements and preserve the historic character of the structure.

- Existing metal flashings, shall be maintained. If new flashings are required to prevent water penetration, the new material shall match the old in type, size, thickness, and installation pattern.

- Proper maintenance of metal surfaces includes:
    - Cleaning with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
    - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.

- Decorative metals shall be painted with an appropriate coating to protect the element from corrosion. Colors should be selected from the palates described in the Section on Paint.

Building Exterior – Roofs

- Existing exposed roofing materials shall be preserved and maintained. Damaged materials, when removed, shall be replaced with materials that are the same as or, if approved by the Main Street Deign Committee, similar to the original roof.

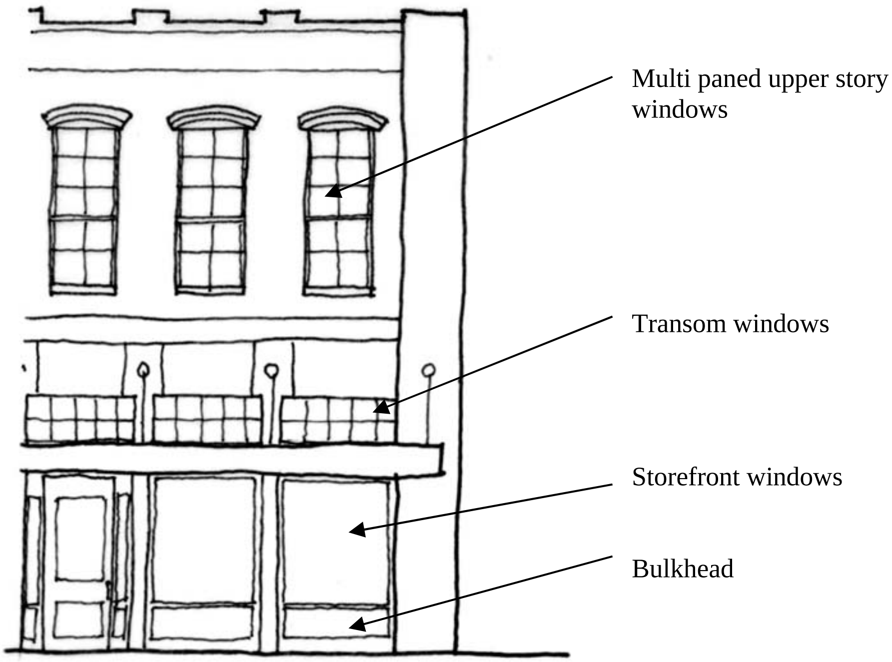
- Roof slopes and profiles may not be altered. Damaged or deteriorated roof framing and decking shall be repaired and replaced with materials and methods consistent with the original roof framing system.

- If a new roof is required, the original roof shall be removed in its entirety. No layering of roofing materials will be accepted. Roofing selection shall be appropriate to the roof configuration and slope.

- Replacement roofs may include the following: Color limitation and types are noted as well.
  - Wood Shingle
  - Clay tile –Tile should match existing in size, shape, texture, and coloration.
  - Asphalt Composition Shingle – Composition shingle roofs are not historic in nature but will be accepted as a lower cost, low maintenance, durable roofing product that does not detract from the historic character of the structures.
  - Standing Seam Metal – Metal is an excellent choice for those roof areas that do not achieve the slope required for shingle roofs. New Metal roofs may be used as the main roofing material. Roof framing should be examined for structural integrity.
  - Membrane Roofing – Existing roofs concealed by a parapet wall may be replaced with PVC or TPO membrane roofing. Ensure that parapet caps are retained such that the appearance from the street has not been altered or compromised.

- Proper maintenance of roofing materials includes:
  - Cleaning with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
  - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.

Building Exterior - Windows



- Existing historic windows shall be preserved and maintained. Damaged materials, when removed, shall be selectively replaced with materials and components that are the same as, or if approved by the Main Street Design Committee, similar to the original glass and finish.

- Maintain original elements of the storefront design: cornices, transoms, display windows, cast iron columns, kick plates and spandrels. Maintain recessed entries where they existed. They provide weather-protection, protect pedestrians from opening doors, and add attractive detail to the storefront. Do not recess entire storefront.

- Multiple paned windows are important elements of upper story windows, while storefront windows shall consist of larger sheets of glass to maximize visibility of merchandise. Dark tinted glass is inappropriate for retail space.

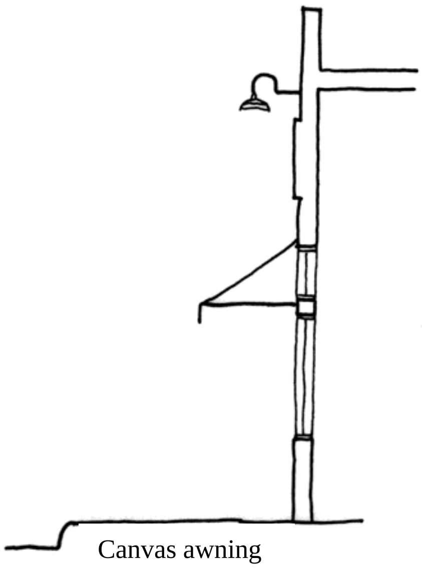
- If replacement windows are required, they shall match the existing windows in size, operation, configuration and appearance. New windows shall utilize the rough openings of the existing windows. Piecemeal infill of the existing openings is not acceptable. Windows should have the same light patterns and muntin bar dimensions as the original windows. The finish of new and existing windows shall match in coloration.

- All replacement glazing shall be clear. No tinting or reflective film will be accepted.

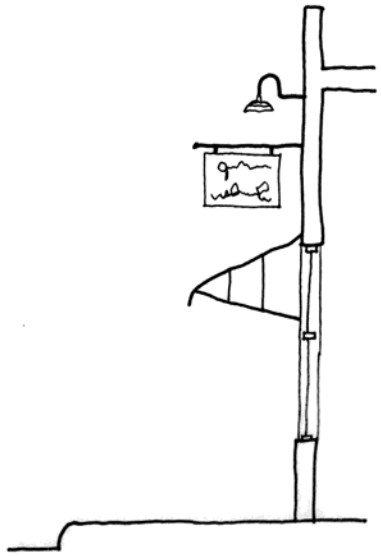
- Windows should not be replaced solely for energy conservation. Refer to *The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings* for strategies to enhance the solar and thermal performance and utilize the existing windows.

- Proper maintenance of windows includes:
    - Cleaning with the gentlest method possible to remove dirt and other deleterious materials from the affected surfaces.
    - Ensuring that all surfaces drain properly such that water does not accumulate on any of the surfaces.

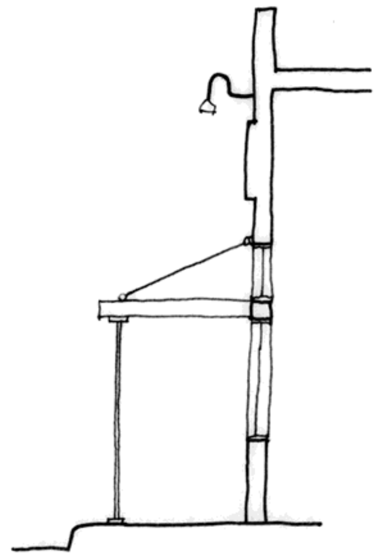
Awnings and Canopies



Canvas awning
with drop front



Rolled metal
awning



Flat canopy, with
or without post

- Rolled or flat metal canopies, similar to styles formerly seen in Brenham, may be used. Awnings or canopies may be attached either above transoms or between the transoms and display windows.

- Awnings shall be made of canvas or other fabric material. Canvas awnings are typical of historic buildings. Plastic or backlit awnings may not be used.

- Awnings may be a “drop-front” style.

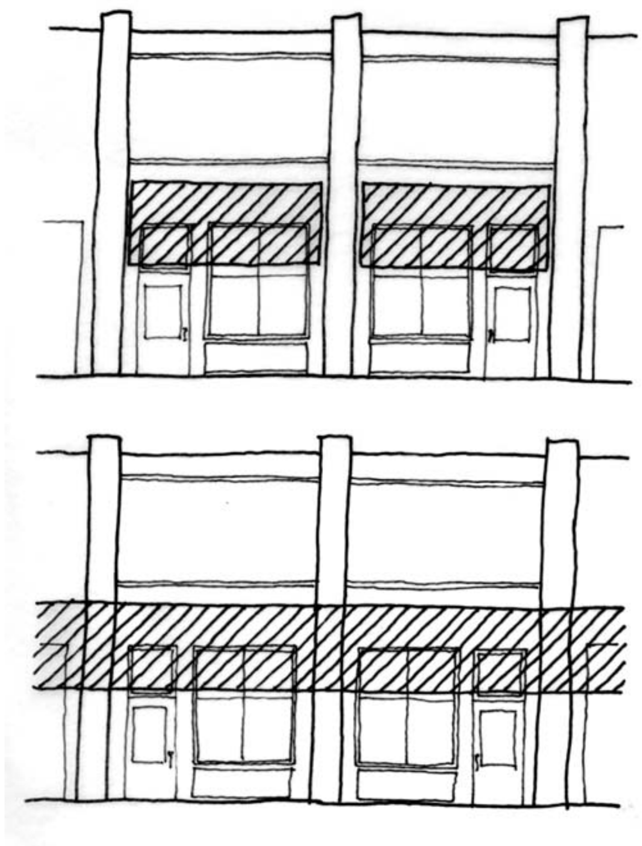
- The modern bubble design, often used on commercial buildings, detracts from historic architectural styles and is typically not appropriate for commercial structures.

- All awnings or canopies shall provide at least 8 feet of clearance above grade.

- Canopies shall be made of metal or wood. Plastic components or other synthetic materials shall not be used.

Awnings and Canopies

- Awnings shall not be continuous across a facade, but rather relate to each bay or window.

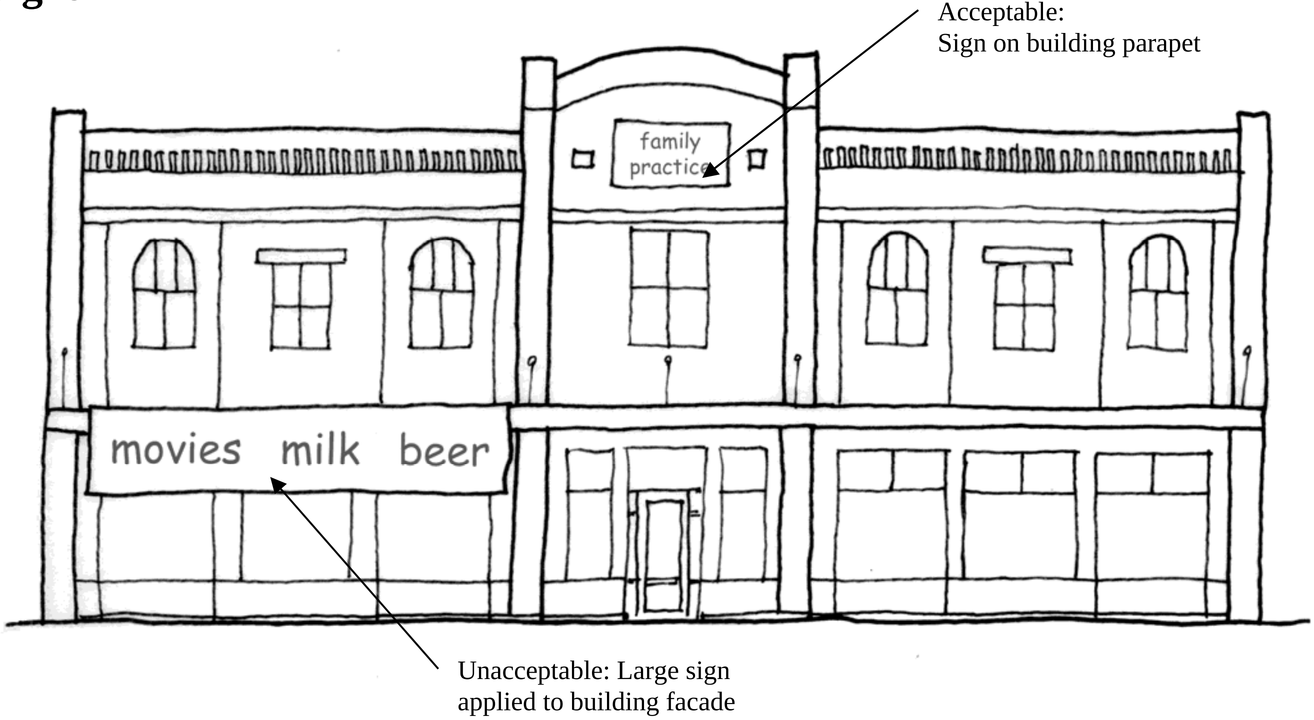


The rhythm of awnings at left is typical of historic commercial styles, and provides greater interest to pedestrians.

This continuous type of awning is unacceptable.

Commercial Awning Rhythm

Signs



- In retail areas, focus on merchandise, not signs.

- Signs which compete for attention detract from the historic district as a whole. Signs shall not cover transoms or historic building features.

- Avoid clutter and limit the number and size of signs.

- Sign lettering should be consistent with the style of the architecture.

- In commercial areas, the building itself may be considered part of the sign. The use of awnings and projecting signs are encouraged.

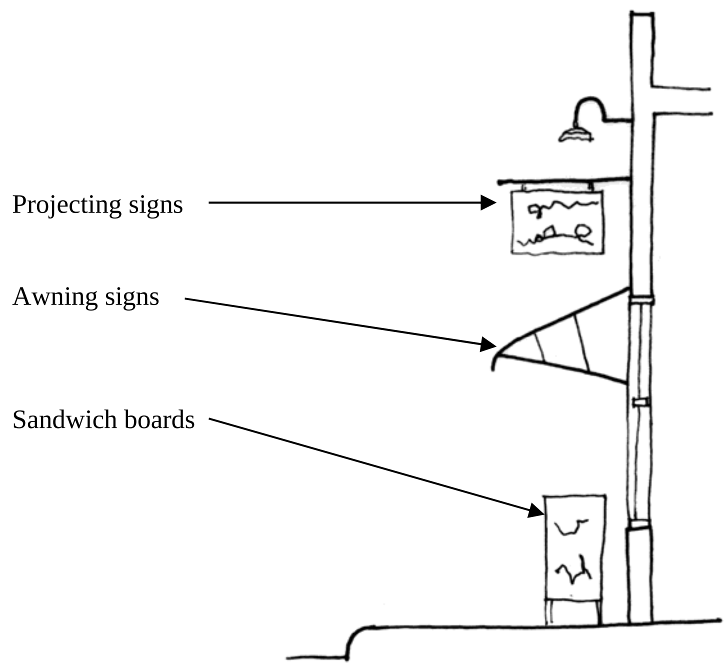
- In general, signs may be small and limited to one per business on buildings with multiple tenants. Avoid garish colors or patterns, but use the detail and style of the building's architecture to speak for the business. Locate signs so they relate to architectural features of the building.

- Typical signs at commercial buildings in the past included parapet signs above storefronts within panels of the parapet and signs painted on windows. Signs for businesses located in residential style buildings with generous front yard setbacks may use an appropriately scaled monument sign. These shall be encouraged.

Signs

- No roof signs, off premise signs, flashing signs and plastic backlit signs may be used. Free-standing signs may be used in front yard areas, when appropriately scaled and placed to minimize visual interference with the significant features of the property.

- Signs must be constructed of painted wood or metal. Plastic signs or letters may not be used. Lighting of signs can be done with incandescent bulbs on the sign, or gooseneck front lighting using fixtures appropriate to the style and period of the building.



- Awnings and projecting signs were common in 19th and early 20th century Brenham. Small projecting signs, at an appropriate scale in relation to the building and the adjacent area are encouraged.

- Sidewalk sandwich boards are typical of the historic retail style, but they must be well maintained and removed after business hours. No changeable letters on tracks may be used. Chalkboards may be used for daily changing messages. Sandwich boards may not be wider than 24", or be placed to extend more than 24" from the building face. The height is restricted to 35". No more than one per building will be allowed.

- Where several businesses share a building, signs may be coordinated and shared.

Signs

- Generally, Serif styles may be used for late 19th and early 20th century commercial buildings and Sans Serif for Art Deco and buildings from the modernism movement.

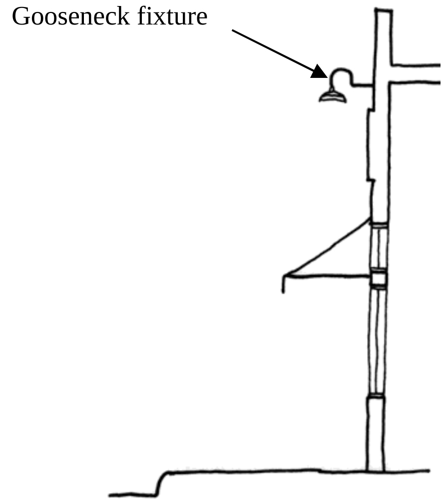
- Sign colors must coordinate with the approved color palettes in the Design Guidelines.

- Neon can enhance a retail and restaurant area by creating a sense of fun and festivity, but excessive use can also detract from a district. Neon shall be used inside windows only, and occupy a limited amount of space within that window, exception: theatrical uses. Neon marquee signs are allowed only for buildings with theatrical uses.

- Banners of no more than 30 square feet may be hung for a period of no more than 3 months awaiting completion of permanent signs or no more than 2 weeks to advertise special events.

- Plans for proposed murals including drawings, size, sample colors, must apply for a Certificate of Appropriateness with the Design Review Board.

Lighting



- Lighting is an important element in commercial areas. Fixtures shall be consistent with the historic character of the area.

- Fully recessed down lights, gooseneck lights or other incandescent fixtures appropriate to the style and period of the district may be used.

- Avoid exposed lighting of any kind.

- Lighting fixtures are supported in front of the building and may cast light on a sign and highlight the building or offer lighting for pedestrians on sidewalks. The fixtures should be shielded to prevent glare on the street and sidewalk.

- A well designed window display illuminated at night is more desirable than an illuminated sign.

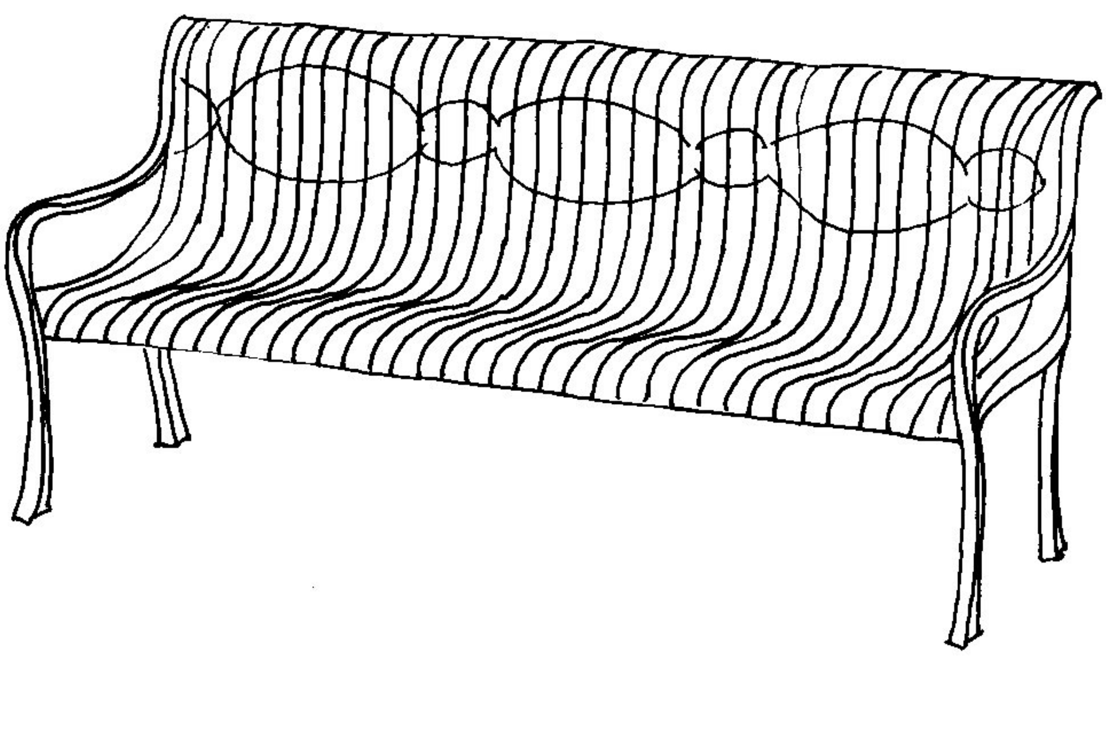
Sidewalk Furniture

- Includes benches, planters, statues, trash receptacles and objects for sale. Objects on the sidewalk should increase the overall attractiveness of design without impeding the flow of pedestrians on the sidewalks with too many objects, oversized objects or objects placed in the pathway.

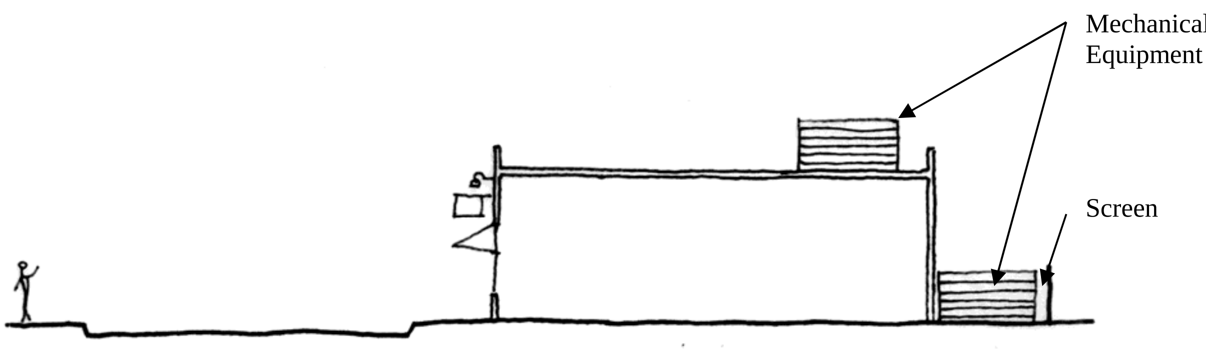
- Advertising or promotions on benches is not allowed under any circumstance.

- Planters should match the building architecture in style. Attractive and well maintained plants should be in the planters. No artificial plants will be allowed. Statues appropriate to the architecture of the building can enhance a building.

- Main Street Brenham will provide a specification for benches, trash cans, planters, and other equipment to match existing downtown sidewalk furniture.



Service and Mechanical Areas



- Service and mechanical areas shall be screened from the street and other pedestrian area. Loading areas shall be well maintained and garage storage shall be fully screened from view.

- Screen mechanical equipment from view.

- Mechanical equipment at residential and commercial properties, including satellite dishes, shall not be located in front or corner side yards or shall be set back from the edges of roofs, and screened so they are not visible to pedestrians and do not detract from the historic character of buildings.

- Window air-conditioning units may not be positioned on the front of a building.

Special Considerations - Energy Conservation

Equipment

The installation of new, more efficient, mechanical equipment, including water heaters, can make the most significant impact on the reduction of energy costs.   Solar collectors may be installed in a manner that does not compromise the historic character of the structure nor destroy or obscure any character defining elements.

Windows

The thermal efficiency of the historic windows can be improved through the following methods:

- Regular inspection and maintenance to ensure weather tightness and good operation.
- Installation of insulation at the rough opening. (Trim should be carefully removed and reinstalled.)
- Maintenance and replacement of caulk at joints and openings.
- Installation of weather stripping at all doors and windows.
- Installation of appropriate storm windows as detailed in *The Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings.*

Windows shall not be tinted or covered with reflective foil or film.

Insulation

Thermal insulation may be installed in attics and basements to increase the efficiency of the mechanical systems. Appropriate materials shall be selected such that historic character defining elements are not concealed or destroyed during installation. Insulation may be added at exterior walls if done so in a manner that does not damage the wall finish at the interior or exterior of the wall.

Special Considerations - New Additions and Infill

Alterations

- Interior spaces may be reconfigured to accommodate new uses.

- Removal of previous additions may be undertaken. New exterior finish materials shall match existing in texture, dimension, etc. Detailing of alterations should be such that there is a clear differentiation between the new work and the historic fabric of the structure.

Additions

- Additions shall be subordinate in scale to the existing structure.

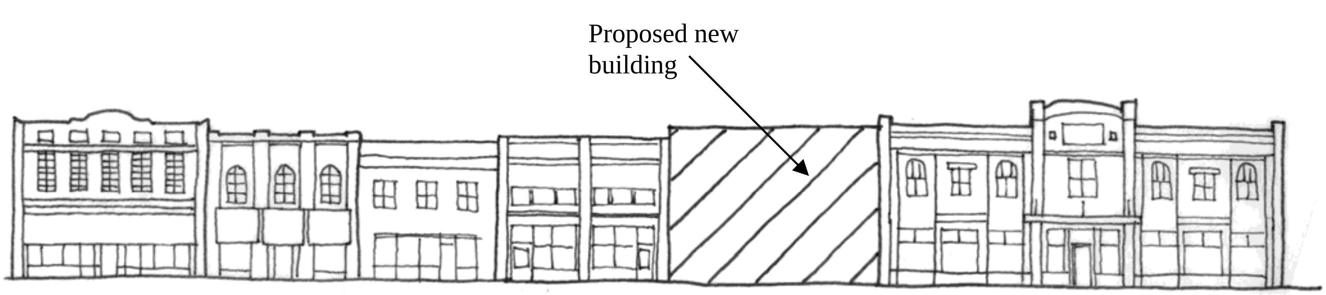
- Exterior additions should not be undertaken if the non-character defining interior spaces can be reconfigured to meet the needs of the new use.

- New additions should not obscure or remove character-defining elements such as porches, pediments, etc.

Infill

- New construction proposals and rehabilitation of non-historic buildings will be reviewed by the Design Review Committee and based on these Criteria. Judgment will be based on the compatibility of the design within the context of the property's adjacent and nearby historic buildings.

- Infill construction shall be encouraged. Construction should respect both the height and bay spacing of adjacent buildings. They shall also ensure proportion and continuity of the texture of façade treatments, in terms of cornice lines, window lintels and sills, and kick plates. Flat roofs shall be hidden from view by parapets. The building should be of similar form and materials, but not an actual replication.



Special Considerations – Accessibility Concerns

All commercial properties in Texas must comply with the Texas Accessibility Standards. Copies of the Standards are available through the Texas Department of Licensing and Regulation. In addition, residential units available for lease may be required to be accessible. Check federal fair housing standards for guidelines.

New barrier-free features may be added but should not alter, damage, or destroy the historic character defining features of the structures.

Ramps

If required, a ramp may not replace an existing main stair access to the entrance but rather shall be installed in such a manner that is subordinate in appearance, scale, and location to the main entrance.

Elevators

Elevators may be added provided they do not alter, damage, or destroy historic character defining elements and spaces at the interior or exterior of the structure.

AGENDA ITEM 14

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Finance	**DATE SUBMITTED:** December 1, 2017 **SUBMITTED BY:** Carolyn D. Miller

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☒ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on its First Reading Amending the FY2016-17 Adopted Budget

SUMMARY STATEMENT: Highlights of the amendment to the FY2016-17 budget include net revenue increases in the General Fund, 2014 Capital Projects Fund, FEMA Disaster Relief Fund and Donations Fund. The budgeted amounts for the Electric and Gas Fund isolated pass-through revenues were moved to separate funds for transparency and, therefore, saw a net change of zero between the funds.

General Fund expenditures are being decreased in various departments due to line item savings. These savings generated additional ABNR (Above Budget Net Revenues). Budgeted expenditures are being increased in the Gas WPC Fund, Wastewater Fund, County HOT Fund, Capital Leases Fund, Parks Capital Improvements Fund, BCDC Fund and BCDC Capital Projects Fund. The budgeted amounts for the Electric and Gas Fund isolated pass-through costs were moved to separate funds for transparency and, therefore, saw a net change of zero between the funds.

Other budget amendment items include the transfers between funds and proceeds for the FY17 Chase Equipment Lease, 2016 Certificates of Obligation and the BCDC Promissory Note.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Ordinance; and (2) Exhibit A (Amendment Number 1)

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve an Ordinance on its first reading amending the FY2016-17 Budget

APPROVALS: Terry Roberts

ORDINANCE NO. __________

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS AMENDING THE FY2016-17 ADOPTED BUDGET; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Brenham, Texas has previously approved a budget for the fiscal year ending September 30, 2017, after having filed the same with the City Secretary and after holding public hearings on same, all after due notice as required by statute; and

WHEREAS, due to unforeseen circumstances and/or conditions, the City Council finds it is necessary to amend the FY2016-17 Budget for municipal purposes;

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Brenham, Texas:

SECTION 1.

That the City Council of the City of Brenham, Texas, does hereby amend the budget for the City of Brenham, Texas for the fiscal year ending September 30, 2017, as shown on Exhibit A.

SECTION II.

This Ordinance shall take effect as provided by State Law and the Charter of the City of Brenham, Texas.

PASSED and APPROVED on its first reading this the _____ day of ____________, 2017.

PASSED and APPROVED on its second reading this the ____ day of _________ , 2017.

____
Milton Y. Tate, Jr.
Mayor

ATTEST:

____
Jeana Bellinger, TRMC, CMC
City Secretary

CITY OF BRENHAM
EXHIBIT A
AMENDMENT NUMBER 1
FISCAL YEAR 09-30-17

	General Fund	Electric Fund	Electric WPC Fund	Gas Fund	Gas WPC Fund	Wastewater Fund	Hotel Occupancy Tax Fund	County Hotel Occupancy Tax Fund	Capital Leases Fund	2014 Capital Projects Fund	Emergency Mgmt Fund	FEMA Disaster Relief Fund	Donations Fund	Parks Capital Improvements Fund	Equipment Fund	Streets & Drainage Fund	BCDC Fund	BCDC Capital Projects Fund	TOTAL
REVENUES (INC) DEC																			
City Sales Tax Revenue	(211,088)																		(211,088)
Permit Revenue	(48,922)																		(48,922)
Insurance Proceeds from Fire Department Engine 1	(46,197)																		(46,197)
Gov Deals Online Auction Revenue	(62,347)																		(62,347)
Court Fees Revenue	67,639																		67,639
Electric Revenue		20,131,807	(20,131,807)																-
Electric PCRF		(4,133,628)	4,133,628																-
Gas Revenue				3,032,203	(3,032,203)														-
Gas Cost Adjustment				(952,088)	952,088														-
Grant Revenue - Library										(14,074)									(14,074)
FEMA Reimbursement												(155,430)							(155,430)
Insurance Proceeds-Storm Related Damages												(84,261)							(84,261)
Donations - Library													(45,000)						(45,000)
Donations - Animal Shelter													(11,000)						(11,000)
Donations - Aquatics													(12,000)						(12,000)
TOTAL BUDGETED REVENUES	(300,915)	15,998,179	(15,998,179)	2,080,115	(2,080,115)	-	-	-	-	(14,074)	-	(239,691)	(68,000)	-	-	-	-	-	(622,680)
EXPENDITURES INC (DEC)																			
Electric Purchase/Base Costs		(15,899,120)	15,899,120																-
Electric System LCRA Fee		(2,400)	2,400																-
Gas Purchase/Base Costs				(2,059,520)	2,059,520														-
FEMA Eligible Storm Related Expenses												505,245							505,245
Scoreboard at Aquatic Center														12,000					12,000
Westwood Lane	50,000																		50,000
Douglas St Linear Park Convertible Street Project	(15,000)													15,000					-
Oasis Pipeline					249,046														249,046
Repair Flood Damage at Wastewater Plant						136,408													136,408
Relocate Munz & Ralston Creek Lift Stations						33,574													33,574
Bar Screen						49,900													49,900
Additional HOT Funded Expeditures								68,555											68,555
Library Furnitue									410,627										410,627
Street & Maintenance Capital Equipment Purchases									948,673										948,673
Industrial Park Land Purchase																	888,373		888,373
Detention Pond Design																	40,074		40,074
Planning and Design of Kruse Family Park																		32,493	32,493
General Fund Departmental Expenses	(446,330)																		(446,330)
TOTAL BUDGETED EXPENDITURES	(411,330)	(15,901,520)	15,901,520	(2,059,520)	2,308,566	219,882	-	68,555	1,359,300	-	-	505,245	-	27,000	-	-	928,447	32,493	2,978,638
BUDGETED TRANSFERS																			
Transfer from Donations Fund to Parks Capital Improvement Fund													12,000	(12,000)					-
BCDC Transfer for Douglas St. Linear Park Project	15,000													(15,000)					-
Lease Proceeds									(949,333)										(949,333)
Loan Proceeds-BCDC																	(500,000)		(500,000)
Transfer from BCDC Fund to BCDC Capital Fund																	46,442	(46,442)	-
Bond Proceeds	(1,287,454)																		(1,287,454)
Transfer from Emergency Management Grant Fund to General Fund	(13,523)										13,523								-
Transfer from Parks Capital Improvements Fund to General Fund	2,018													(2,018)					-
Transfer from General Fund to Equipment Fund for FY18 Capital Expenditures	684,980														(684,980)				-
Transfer from General Fund to Streets & Drainage Fund	900,000															(900,000)			-
Additional HOT funding for Wayfinding Signage							50,000								(50,000)				-
Transfer from 2014 Capital Projects Fund to Donations Fund										139,096			(139,096)						-
Transfer from Donations Fund to Equipment Fund													10,000		(10,000)				-
TOTAL BUDGETED TRANSFERS	301,021	-	-	-	-	-	50,000	-	(949,333)	139,096	13,523	-	(117,096)	(29,018)	(744,980)	(900,000)	(453,558)	(46,442)	(2,736,787)
CHANGE IN BUDGETED FUND BALANCE (INC) DEC	$ (411,224)	$ 96,659	$ (96,659)	$ 20,595	$ 228,451	$ 219,882	$ 50,000	$ 68,555	$ 409,967	$ 125,022	$ 13,523	$ 265,554	$ (185,096)	$ (2,018)	$ (744,980)	$ (900,000)	$ 474,889	$ (13,949)	$ (380,829)

AGENDA ITEM 15

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Human Resources	**DATE SUBMITTED**: November 30, 2017 **SUBMITTED BY:** Susan Nienstedt

MEETING TYPE:
- ☒ **REGULAR**
- ☐ **SPECIAL**
- ☐ **EXECUTIVE SESSION**

CLASSIFICATION:
- ☐ **PUBLIC HEARING**
- ☐ **CONSENT**
- ☒ **REGULAR**
- ☐ **WORK SESSION**

ORDINANCE:
- ☐ **1ST READING**
- ☐ **2ND READING**
- ☐ **RESOLUTION**

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Purchase of Group Term Life and Accidental Death and Dismemberment and Long Term Disability Coverage and Authorize the Mayor to Execute any Necessary Documentation

SUMMARY STATEMENT: The City's Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance policies with Sun Life Financial will terminate as of December 31, 2017 at the end of the three-year agreement. Proposals for coverage effective January 1, 2018 were sought through RFP 18-004. Responses are summarized in the attached memo.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Memo Summarizing RFP 18-004

FUNDING SOURCE (Where Applicable): Departmental budgets

RECOMMENDED ACTION: Purchase Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance from Dearborn National for a 3-year guaranteed term effective January 1, 2018 at the rate of $.136 per $1,000 base salary for Term Life, $.020 per $1,000 base salary for Employee Accidental Death and Dismemberment, and $.209 per $100 base salary for Long Term Disability.

APPROVALS: Carolyn D. Miller

MEMORANDUM

To: Mayor and City Council

From: Susan Nienstedt
HR Director

Subject: Purchase of Group Term Life and Accidental Death and Dismemberment, and Long Term Disability Insurance

Date: November 30, 2017

The Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance policies with Sun Life Financial will terminate on December 31, 2017 at the end of a three-year agreement. Proposals for coverage effective January 1, 2018 were sought through RFP 18-004 for Group Term Life, Accidental Death and Dismemberment, and Long Term Disability Insurance.

Notices of Requests for Proposals were published and four responses were received.

Current Policy- Sun Life Financial	$69,039.85	
Sun Life Financial – Renewal Rates	$79,896.93	
Dearborn National	$59,937.40	
Ochs, Inc.	$57,736.73	Requires employee health assessment
MetLife	$58,686.07	Guaranteed rates for only 2 years
The Hartford	$68,824.41	

After analyzing the proposals submitted it was found that Dearborn National meets the City's requirements and provides the best value for Group Term Life, Accidental Death and Dismemberment, and Long Term Disability insurance.

Dearborn National provides the second lowest rates for these insurance products with a fair and competitive bid. The proposed rates represent a 14% decrease from our current plan and are summarized below:

$.136 per $1,000 base salary – Employee Basic Life
$.020 per $1,000 base salary – Employee Basic AD&D
$.209 per $100 base salary – Employee Long Term Disability

Dearborn National has guaranteed these rates for three years effective January 1, 2018.

My recommendation is to approve the purchase of Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance from Dearborn National effective January 1, 2018 at the proposed rates for a guaranteed three-year term.

AGENDA ITEM 16

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration	**DATE SUBMITTED:** November 30, 2017 **SUBMITTED BY:** Terry Roberts

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Recommendations for Appointments and/or Reappointments to Various City Advisory Boards

SUMMARY STATEMENT: See attached memo from Terry Roberts.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Memo from Terry Roberts; and (2) Summary of appointments for each Board

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve the recommendation for appointments and/or re-appointments to various City advisory boards

APPROVALS: Terry K. Roberts

To: Mayor and City Council

From: Terry K. Roberts, City Manager

Subject: Advisory Board Recommendations for 2018

Date: November 30, 2017

Under the City's policy for advisory board appointments, persons interested in serving must fill out an application of appointment. This includes current board members who are willing and interested in continuing their service.

According to the City's policy, the Mayor and City Manager are to review the board appointments and offer a recommendation to the City Council. Our recommendations are shown below:

Airport Advisory: The three incumbents who are eligible for reappointment have expressed a willingness to stay on the board and are recommended for reappointment. They are Janet Hess, Jon Hodde and Eddie Van Dyke.

Board of Adjustment: Three incumbent board members (two regular members and one alternate member), who are all eligible for reappointment, have expressed a willingness to stay on the board and are recommended for reappointment. They are MaLisa Hampton, Arlen Thielemann and John Pledger. Mr. Pledger is the alternate member.

There are still two vacancies on this Board: a position held by Lynette Scheffield who does not wish to continue serving and a position held by the late Walt Schoenvogel. The following citizens have submitted applications to fill these two vacancies and are being recommended for appointment:

- Thomas Painter: Mr. Painter is retired from the Worldwide Exploration and Production Department of Conoco, Inc. He earned his Bachelor of Science in Petroleum Engineering at Marietta College, his Master of Science in Petroleum Engineering from Louisiana State University. Mr. Painter has been involved in many local community and civic groups including Unity Theatre, Brazos Valley Hospice and Habitat for Humanity. He has also served as Vice President and Treasurer on the Board of the Citizen's Police Academy Alumni Association.
- Clint Kolby. Mr. Kolby is currently employed as a law clerk at Betts, Walters & Mutscher, P.C. He recently earned his law degree from South Texas College of Law in Houston. Prior to his current job as a law clerk, Mr. Kolby was employed by the Brenham Economic Development Foundation as a Project Manager.

It is recommended that Mr. Painter be appointed to Member Position 4 and Mr. Kolby be appointed to Alternate Position 3.

Building Standards Commission: The two incumbents who are eligible for reappointment have expressed a willingness to stay on the board and are recommended for reappointment. They are Jason Kiemsteadt and Lloyd Pieper. There is still one vacancy on this Board and must be filled by an individual in the construction industry. This appointment will be brought back to Council at a later date.

Brenham Community Development Corporation: The four incumbents who are eligible for reappointment have expressed a willingness to stay on the board and are recommended for reappointment. They are Atwood Kenjura, Darrell Blum, David Cone and Charles Moser.

Brenham Housing Authority: There are five incumbents who are eligible for reappointment; however, only four have expressed a willingness to stay on the board and are recommended for reappointment. They are John Harris, Wanda Cooley, Tieman Dippel and Kenneth Miller. Incumbent Ray Daugberg has not yet submitted his request for reappointment so his appointment will be brought back to Council at a later date.

Hotel Occupancy Tax Board: There are two incumbents who are eligible for reappointment and have expressed a willingness to stay on the Board and are being recommended for reappointment. They are Keith Hankins and Stacey Walters. Incumbent Bob Cottle is a Washington County appointee. Mr. Cottle will not be reappointed by the County due to term limits.

There are three remaining vacancies on this board and only on person has submitted an application for appointment and is being recommended for appointment:

- Byron Davis. Mr. Davis is retired from 40 years of hotel management. His senior management experience in the hotel industry include several Hyatt Regency hotels in Texas and California and most recently the California-based Harbaugh Hotel Corporation. Mr. Davis has also served on several Convention and Visitor Bureau Boards in Palm Springs, CA; Washington, DC; and Irving, Texas.

City Secretary and HOT Board Staff Liaison, Jeana Bellinger, has reached out to several people about serving on this Board but has not received any applications for appointment as of yet. Therefore, these two vacancies will be brought back to the Council at a later date.

Library Advisory Board: The Fortnightly Club has appointed two new members to the Board: Lu Hollander and Janie Mehrens. The Council is asked to confirm the Fortnightly appointments. The City's member, Weldon Williams, did not wish to be reappointed and the following citizen has submitted a request and is being recommended for appointment:

- Lillian Marshall. Ms. Marshall is a 34-year resident of Brenham and Washington County and is currently employed as a data analyst at Blinn College. She received her Bachelors of Business Administration from Sam Houston State University and her Masters from the University of Phoenix. Ms. Marshall has been involved in local Habitat for Humanity projects and is a graduate of the Washington county Chamber of Commerce Leadership Program.

Main Street Board: The five incumbents who are eligible for reappointment have expressed a willingness to stay on the board and are recommended for reappointment. They are Tiffany Morisak, John Herman, Jim Moser, Dona Parker and Connie Wilder.

Parks and Recreation Advisory Board: The three incumbents who are eligible for reappointment have expressed a willingness to stay on the board and are recommended for reappointment. They are Bill Betts, Paula Buls and Luis Mendoza.

Planning and Zoning Commission: Three incumbents have all expressed interest in continuing service on the Board and are recommended for reappointment: Keith Behrens, Nancy Low and Deanna Alfred. The untimely death of Walt Schoenvogel earlier this year left a vacancy on this Board and the following citizen has submitted a request and is being recommended for appointment:

- Marcus Wamble. Mr. Wamble is retired from 35-years with the Chevron Corporation. He earned his Bachelor of Science in Construction Management from Oklahoma State University. Mr. Wamble has been involved in many local community groups including Faith Mission and Jobs for Life. He also served six years as President of the Board of Directors of the Hill Country Community Ministries in Leander, Texas.

This packet includes a recap of each board and their members for your review. If you have any questions, please contact the Mayor or me.

AIRPORT ADVISORY BOARD

Term of Office: Three Years
Meeting Schedule: As Needed
Responsible Staff Member: Lori Lakatos/Kim Hodde

Position	Board Member	Term Expiration
1	Brent Nedbalek	December, 2018
2	Michele Bright	December, 2019
3	Janet Hess	December, 2017
4	Bryan Butler	December, 2018
5	Jerry LeGard	December, 2019
6	Jon Hodde	December, 2017
7	Mark Whitehead	December, 2018
8	Pat Elliott	December, 2019
9	Eddie Van Dyke	December, 2017

P3: Janet Hess: Requested re-appointment
P6. Jon Hodde: Requested re-appointment
P9. Eddie Van Dyke: Requested re-appointment

BOARD OF ADJUSTMENTS

Term of Office: Two Years
Meeting Schedule: Monthly, 2nd Monday @ 5:15 p.m.
Responsible Staff Member: Lori Lakatos

Position	Board Member	Term Expiration
1	MaLisa Hampton	December, 2017
2	Arlen Thielemann	December, 2017
3	Jon Hodde	December, 2018
4	*VACANT*	December, 2018
5	Johanna Fatheree	December, 2018

Position	Alternate Member	Term Expiration
A-1	Richard Heiges	December, 2018
A-2	Jarvis Van Dyke	December, 2018
A-3	Lynette Sheffield	December, 2017
A-4	John Pledger	December, 2017

P1. MaLisa Hampton: Requested re-appointment
P2. Arlen Thielemann: Requested re-appointment
P4. Walt Schoenvogel previously held this Position; staff recommends Thomas Painter
A3. Lynette Sheffield: Is not seeking re-appointment; staff recommends Clint Kolby
A4. John Pledger: Requested re-appointment

BUILDING STANDARDS COMMISSION

Term of Office: Two Years
Meeting Schedule: Monthly, 2nd Monday @ 6:00 p.m.
Responsible Staff Member: Allen Jacobs

Position	Board Member	Term Expiration
1	*VACANT*	December, 2018
2	Walt Edmonds	December, 2018
3	Jason Kiemsteadt	December, 2017
4	Stoney Lacina	December, 2018
5	Lloyd Pieper	December, 2017

P3. Jason Kiemsteadt: Requested re-appointment
P5. Lloyd Pieper: Requested re-appointment

BRENHAM COMMUNITY DEVELOPMENT CORPORATION

Term of Office: Two Years
Meeting Schedule: Quarterly; 3rd Thursday in Quarter @ 7:30 a.m.
Responsible Staff Member: Terry Roberts/Jeana Bellinger

Position	Board Member	Term Expiration
1	Atwood Kenjura	December, 2017
2	Darrell Blum	December, 2017
3	David Cone	December, 2017
4	Charles Moser	December, 2017
5	Jason Kiemsteadt	December, 2018
6	Bill Betts	December, 2018
7	John Hasskarl	December, 2018

P1. Atwood Kenjura: Requested re-appointment
P2. Darrell Blum: Requested re-appointment
P3. David Cone: Requested re-appointment
P4. Charles Moser: Requested re-appointment

BRENHAM HOUSING AUTHORITY BOARD

Term of Office: Two Years
Meeting Schedule: Monthly; 3rd Tuesday @ 5:30 p.m.
Responsible Staff Member: Vince Michel

Position	Board Member	Term Expiration
1	John Harris	December, 2017
2	Wanda Cooley	December, 2017
*3	Ray Daugbjerg	December, 2017
4	Richard Flammer	December, 2018
5	Gerald Calvert	December, 2018
6	Cory Flencher	December, 2018
7	Lillian Pollard	December, 2018
8	Tieman Dippel	December, 2017
9	Kenneth Miller	December, 2017

P1. John Harris: Requested re-appointment
P2. Wanda Cooley: Requested re-appointment
**P3. Ray Daugbjerg: Has not yet filed for re-appointment*
P8. Tieman Dippel: Requested re-appointment
P9. Kenneth Miller: Requested re-appointment

BRENHAM-WASHINGTON COUNTY HOTEL OCCUPANCY TAX BOARD

Term of Office: Three Years
Meeting Schedule: Bi-monthly; 2nd Wednesday @ 10:00 a.m.
Staff Liaison: Jeana Bellinger

Position	Board Member	Expiration
1	*VACANT*	
*2	VACANT	
3	Stacey Walters	December 31, 2017
*4	VACANT	
5	Al Patel	December 31, 2017
6	Keith Hankins	December 31, 2017
7	VACANT	
8	Melinda Faubion	December 31, 2018
9	Bob Cottle	December 31, 2017

P1. Jean Shoup previously held this Position; staff recommends Byron Davis
**P2. No applications for appointment have been received*
P3. Stacey Walters: Requested re-appointment
**P4. No applications for appointment have been received*
P6. Keith Hankins: Requested re-appointment

LIBRARY ADVISORY BOARD

Term of Office: Three Years
Meeting Schedule: As Needed
Responsible Staff Member: Wende Ragonis/Paula Shields

Position	Board Member	Nominating Entity	Term Expiration
1	Weldon Williams	City of Brenham	December 31, 2017
2	Keith Herring	City of Brenham	December 31, 2015
3	Meg Cone	City of Brenham	December 31, 2015
4	Christy Van Dyke	City of Brenham	December 31, 2016
5	Alana Winkelmann	Brenham Fortnightly	December 31, 2015
6	Deborah Ottsen	Brenham Fortnightly	December 31, 2016
7	Betty Fortner	Brenham Fortnightly	December 31, 2017
8	Jody Tyson	Brenham Fortnightly	December 31, 2017
9	Renee Mueller	Brenham Fortnightly	December 31, 2016

P1. Weldon Williams is not seeking re-appointment, staff recommends Lillian Marshall
P7. Fortnightly appointment of Lu Hollander
P8. Fortnightly appointment of Janie Mehrens

MAIN STREET BOARD

Term of Office: Three Years
Meeting Schedule: Monthly, 1st Monday @ 4:00 p.m.
Responsible Staff Member: Jennifer Eckermann

Position	Board Member	Expiration
1	Traci Pyle	December 31, 2018
2	Margie Young	December 31, 2019
3	Tiffany Morisak	December 31, 2017
4	Dr. Walter Jackson	December 31, 2018
5	Jon Hill	December 31, 2019
6	John Herman	December 31, 2017
7	Tom Whitehead	December 31, 2018
8	Mark Schneider	December 31, 2019
9	Jim Moser	December 31, 2017
10	Dona Parker	December 31, 2017
11	Connie Wilder	December 31, 2017

P3. Tiffany Morisak: Requested re-appointment
P6. John Herman: Requested re-appointment
P9. Jim Moser: Requested re-appointment
P10. Dona Parker: Requested re-appointment
P11. Connie Wilder: Requested re-appointment

PARKS AND RECREATION BOARD

Term of Office: Three Years
Meeting Schedule: Bi-monthly, 2nd Wednesday @ Noon
Responsible Staff Member: Wende Ragonis/Dane Rau

Position	Board Member	Expiration
1	Darron Smith	December 31, 2018
2	Ginger Bosse	December 31, 2019
3	Bill Betts	December 31, 2017
4	Jim Baker	December 31, 2018
5	Delbert Boeker	December 31, 2019
6	Paula Buls	December 31, 2017
7	Robert Haberman	December 31, 2018
8	Pam Hohlt	December 31, 2019
9	Luis Mendoza	December 31, 2017

P3. Bill Betts: Requested re-appointment
P6. Paula Buls: Requested re-appointment
P9. Luis Mendoza: Requested re-appointment

PLANNING & ZONING COMMISSION

Term of Office: Two Years
Meeting Schedule: Monthly, 1st Monday @ 5:15 p.m.
Responsible Staff Member: Lori Lakatos

Position	Board Member	Term Expiration
1	Keith Behrens	December, 2017
2	VACANT	December, 2018
3	Nancy Low	December, 2017
4	Leroy Jefferson	December, 2018
5	Deanna Alfred	December, 2017
6	Calvin Kossie	December, 2018
7	Lynette Scheffield	December, 2018

P1. Keith Behrens: Requested re-appointment
P2. Walt Schoenvogel previously held this Position; staff recommends Marcus Wamble
P3. Nancy Low: Requested re-appointment
P5. Deanna Alfred: Requested re-appointment

AGENDA ITEM 17

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration	**DATE SUBMITTED:** December 1, 2017 **SUBMITTED BY:** Terry Roberts

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☐ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☒ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Section 551.074 – Texas Government Code – Personnel Matters – Discussion Regarding:

a. Evaluation of Candidates for the Position of City Manager

b. Possible Modifications to the Retiring City Manager's Employment Agreement Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager

SUMMARY STATEMENT: To be discussed in Executive Session.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: None

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION:

APPROVALS: Milton Y. Tate, Jr.

AGENDA ITEM 18

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration	**DATE SUBMITTED:** November 30, 2017 **SUBMITTED BY:** Terry Roberts

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon An Agreement for Professional Services and Employment as City Manager and Authorize the Mayor to Execute Any Necessary Documentation

SUMMARY STATEMENT: To be discussed in Executive Session

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: None

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: As discussed in Executive Session

APPROVALS: Terry K. Roberts

AGENDA ITEM 19

DATE OF MEETING: December 7, 2017 **DEPT. OF ORIGIN:** Administration	**DATE SUBMITTED:** November 30, 2017 **SUBMITTED BY:** Terry Roberts

MEETING TYPE:	**CLASSIFICATION:**	**ORDINANCE:**
☒ **REGULAR**	☐ **PUBLIC HEARING**	☐ **1ST READING**
☐ **SPECIAL**	☐ **CONSENT**	☐ **2ND READING**
☐ **EXECUTIVE SESSION**	☒ **REGULAR**	☐ **RESOLUTION**
	☐ **WORK SESSION**	

AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Modifications to the Agreement for Professional Services and Employment as City Manager of the Retiring City Manager Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager and Authorize the Mayor to Execute Any Necessary Documentation

SUMMARY STATEMENT: To be discussed in Executive Session

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: None

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: As discussed in Executive Session

APPROVALS: Terry K. Roberts