CITY OF SHERMAN
CITY COUNCIL REGULAR MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
TUESDAY, SEPTEMBER 5, 2023
5:00 P.M.

A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

A. 2. PLEDGE OF ALLEGIANCE LED BY MAYOR DAVID PLYLER

A. 3. INVOCATION BY MAYOR DAVID PLYLER

A. 4. APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 7, 2023, AND AUGUST 21, 2023.

Special Presentations

B. 1. SPECIAL PRESENTATION
Comments from the City Manager on Organizational Changes

B. 2. SPECIAL PRESENTATION
City of Sherman Police Chief Jason Jeffcoat's Presentation of the Department's new Ballistic Armored Tactical Transport (B.A.T.T.-X)

Citizen Comments

C. 1. CITIZEN COMMENTS
During this meeting, the City Council welcomes public comment **only** on agenda items listed under the Open Meeting portion of the agenda, in accordance with Texas Government Code Section 551.007. For items not listed on the agenda, those matters may be discussed with City staff during regular business hours, or with the Mayor or any Council member by contacting them at times other than at City Council meetings.

Resolutions

D. 1. RESOLUTION NO. 7124
Authorizing Execution of a Chapter 380 Grant Agreement with Knight Furniture Co. Ltd. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Consent Agenda

E. 1. CONSENT AGENDA
Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Public Hearing

F. 1. **PUBLIC HEARING**
Capital Improvement Program 2023-2028

F. 2. **PUBLIC HEARING**
Request for a Variance to Allow Alcoholic Beverage Sales within 300 Feet of a School (Fairview Elementary); Mark Schuster, Owner, Sherman Sports and Entertainment, LLC, on premises located at Veteran's Field, at Fairview Park, 1121 W. Taylor Street, pursuant to Section 109.33(e) of the Texas Alcoholic Beverage Code

F. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6636**
Approving the 2023 - 24 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

F. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6637**
Amending Ordinance No. 6630 (Ordering a General Election to be Held on November 7, 2023 for the Purpose of Electing Two City Council Members (District 2 and District 4) to Fill Expiring Terms); Providing for Updated Polling Location Information

F. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6638**
Amending Ordinance No. 6631 (Ordering a Special Election to be Held on November 7, 2023 for the Purpose of the Reauthorization of the Local Sales and Use Tax at the Rate of One-Eighth of One Percent (1/8%) to Continue Providing Revenue for Maintenance and Repair of Municipal Streets), Providing for Updated Polling Location Information

F. 6. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6639**
Adopting a Budget and Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2023 and ending September 30, 2024; Declaring that this Budget Will Raise More Total Property Taxes than Last Year's Budget by $5,849,000 and 27%, and of that Amount $1,492,000 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and Effective Date; Providing for the Publication of the Caption Hereof

F. 7. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6640**
Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2023; Distributing the Same Among the Various Funds; Providing for a Penalty and Interest for Failure to Pay the Taxes Levied within the Time Provided by Law; Providing for a Lien on all Real and Personal Property to Secure Payment of Taxes Due Thereon; Providing a Penalty Clause, Savings/Repealing Clause, Severability Clause and An Effective Date

Close Public Hearing and Consider Adoption of Ordinances

F. 8. **OTHER BUSINESS**
Providing for the Ratification of the Property Tax Increase

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

F. 9. **ADOPTION OF ORDINANCE NO. 6639**

Adopting a Budget Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2023 and ending September 30, 2024; Declaring that this Budget Will Raise More Total Property Taxes than Last Year's Budget by $5,849,000 and 27%, and of that Amount $1,492,000 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and Effective Date; Providing for the Publication of the Caption Hereof

F. 10. **PUBLIC HEARING OF ORDINANCE NO. 6640**

Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2023; Distributing the Same Among the Various Funds; Providing for a Penalty and Interest for Failure to Pay the Taxes Levied within the Time Provided by Law; Providing for a Lien on all Real and Personal Property to Secure Payment of Taxes Due Thereon; Providing a Penalty Clause, Savings/Repealing Clause, Severability Clause and An Effective Date

F. 11. **ADOPTION OF ORDINANCES**

Consider Adoption of Ordinance Numbers 6636, 6637, 6638.

Resolutions

G. 1. **RESOLUTION NO. 7125**

Approving and Adopting a Five-Year Capital Improvement Program for the City of Sherman, Texas

G. 2. **RESOLUTION NO. 7126**

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 2.465 acres (Permanent Water Easement) and +/- 2.218 acres, respectively, for a Temporary Construction Easement owned by PIEDMONT LAND & CATTLE, L.C., a Texas Limited Company, Recorded Under Document Number 201900011579 the Official Public Records of Grayson County, Texas, Within the Joseph Deaver Survey, Abstract No. 359, City of Sherman, ETJ, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

G. 3. **RESOLUTION NO. 7127**

Authorizing the Acceptance of Conveyance Documents From Wyldewood Homes, LLC for the Conveyance and Acquisition of Approximately 0.489 Acres of Land, in the J.B. McAnair Survey, Abstract No. 763 being more Particularly Described in the Exhibit "A" Attached Hereto and Made a part hereof for all Purposes, Property Being Located in The City of Sherman, County Of Grayson, State Of Texas.

G. 4. **** RESOLUTION NO. 7128***

Adopting an Investment Policy for the City of Sherman

G. 5. **** RESOLUTION NO. 7129***

Authorizing Execution of a Chapter 380 Grant Agreement with Lindsey H Eichert for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 6. **** RESOLUTION NO. 7130***

Authorizing Execution of a Chapter 380 Grant Agreement with Sandi's Boutique LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 7. **** RESOLUTION NO. 7131***

Authorizing Execution of a Chapter 380 Grant Agreement with Look At Me 3D/4D LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 8. **** RESOLUTION NO. 7132***

Authorizing Execution of a Chapter 380 Grant Agreement with Mac's Shirts and More for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 9. **** RESOLUTION NO. 7133***

Authorizing Execution of a Chapter 380 Grant Agreement with Pickles & Pottery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 10. **** RESOLUTION NO. 7134***

Authorizing Execution of a Chapter 380 Grant Agreement with Courtney Mitchell Photography, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 11. **** RESOLUTION NO. 7135***

Authorizing Execution of a Chapter 380 Grant Agreement with Beth White Ward for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 12. **** RESOLUTION NO. 7136***

Authorizing Execution of a Chapter 380 Grant Agreement with Look-A-Likes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 13. **** RESOLUTION NO. 7137***

Authorizing Execution of a Chapter 380 Grant Agreement with Wall Street Winery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 14. **** RESOLUTION NO. 7138***

Authorizing Execution of a Chapter 380 Grant Agreement with Chef Robert Aranson Inc. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 15. **** RESOLUTION NO. 7139***

Authorizing Execution of a Chapter 380 Grant Agreement with Upholstery Girl LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 16. **** RESOLUTION NO. 7140***

Authorizing Execution of a Chapter 380 Grant Agreement with Barrett Hospitality LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 17. **** RESOLUTION NO. 7141***

Authorizing Execution of a Chapter 380 Grant Agreement with John A Striplin for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 18. **** RESOLUTION NO. 7142***

Authorizing Execution of a Chapter 380 Grant Agreement with Cozy Couture Company Limited Liability Company for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 19. **** RESOLUTION NO. 7143***

Authorizing Execution of a Chapter 380 Grant Agreement with Downtown Escape Rooms, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 20. **** RESOLUTION NO. 7144***

Authorizing Execution of a Chapter 380 Grant Agreement with Nancy J Spiller Sims for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 21. **** RESOLUTION NO. 7145***

Authorizing Execution of a Chapter 380 Grant Agreement with Naif J Risk for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 22. **** RESOLUTION NO. 7146***

Authorizing Execution of a Chapter 380 Grant Agreement with Just Peachy Nails & Lashes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 23. **** RESOLUTION NO. 7147***

Authorizing Execution of a Chapter 380 Grant Agreement with Neva Damron and Kim Williams for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 24. **** RESOLUTION NO. 7148***

Authorizing Execution of a Chapter 380 Grant Agreement with BHH Coffee, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 25. **** RESOLUTION NO. 7149***

Authorizing Execution of a Chapter 380 Grant Agreement with Hannah's Florist LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 26. **** RESOLUTION NO. 7150***

Authorizing Execution of a Chapter 380 Grant Agreement with Gregory Dale Belew for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 27. **** RESOLUTION NO. 7151***

Authorizing Execution of a Chapter 380 Grant Agreement with Harris Group, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 28. **** RESOLUTION NO. 7152***

Authorizing Execution of a Chapter 380 Grant Agreement with Mychah Simpson And Jordan Moore for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 29. **** RESOLUTION NO. 7153***

Authorizing Execution of a Chapter 380 Grant Agreement with Laurel E., LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Requests to Advertise

H. 1. **** REQUEST TO ADVERTISE***

Requesting to Advertise for Asbestos Abatement Services at Fire Station No. 1

Other Business

I. 1. **OTHER BUSINESS**

Consider the Request for a Variance for a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" within 300 feet of a School (Fairview Elementary); Mark Schuster, Owner, Sherman Sports and Entertainment, LLC, on premises located at Veteran's Field, in Fairview Park, at 1121 W. Taylor Street pursuant to Section 109.33(e) of the Texas Alcoholic Beverage Code

I. 2. **** OTHER BUSINESS***

Consider Request of Downtown Sherman NOW to Temporarily Close Certain Streets for the "Stroll on the Square" on Saturday, October 7, 2023

J. **COUNCIL COMMENTS**

Executive Session

K. 1. **EXECUTIVE SESSION**

In accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the City Council may hold an Executive Session if the discussion of any of the items identified in this agenda, or any of the items identified below, concern one or more of the following:

Tex. Gov't Code § 551.071	Seeking the advice of its attorney about pending or contemplated litigation, settlement offers or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.
Tex. Gov't Code § 551.072	Deliberating the purchase, exchange, lease or value of real property if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person. (a) Southgate Apartment Complex
Tex. Gov't Code § 551.073	Deliberating a negotiated contract for a prospective gift or donation to the City if deliberation in an Open Meeting would have a detrimental effect on the position of the City in negotiations with a third person.
Tex. Gov't Code § 551.074	Deliberating the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
Tex. Gov't Code § 551.076	Deliberating the deployment, or specific occasions for implementation, of security personnel or devices or a security audit.
Tex. Gov't Code § 551.087	Discussing or deliberating commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay or expand in or near the City and with which the City is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. (a) Receive an update from City Financial Advisor (b) Bel Air Village (c) Travis Heights (d) The Village (e) Heritage Ranch
Tex. Gov't Code § 551.089	Deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementation of security personnel, critical infrastructure or security devices.

The Council reconvenes into General Session

L. 1. OPEN MEETING

Reconvene into Open Meeting and Consider Action, if any, on items discussed in Executive Session

M. ADJOURNMENT

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Regular Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on Friday, September 1, 2023 at 5:00 p.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 1st day of September 2023.
City of Sherman, Texas

_____
City Clerk

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

All agenda items are subject to final action by the City Council.

An unscheduled closed executive session may be held if the discussion of any of the above agenda items concerns the purchase, exchange, lease or value of real property; the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; the deployment or use of security personnel or equipment; or requires consultations with the City Attorney.

At the discretion of the City Council, non-agenda items under the headings of "Citizens Requests", "Media Questions", and "Council Concerns" may be presented to the Council for informational purposes; however, by law, the Council shall not discuss, deliberate, or vote upon such matters except that a statement of specific factual information, a recitation of existing policy, and deliberations concerning the placing of the subject on a subsequent agenda may take place.

The City Attorney has approved the Executive Session items on this agenda.

PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT LINDA ASHBY AT (903) 892-7204, TWO (2) WORKING DAYS PRIOR TO THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

Mayor	Deputy Mayor	Council Members	
David Plyler	Josh Stevenson	Henry Marroquin, Council-At-Large, PL #1	Josh Stevenson, Council – District #2
		Juston Dobbs, Council-At-Large, PL #2	Pamela L. Howeth, Council – District #3
		Shawn C. Teamann, Council – District #1	Daron Holland, Council – District #4

Any item on this posted agenda may be discussed in Executive Session provided it is within one of the permitted categories under Chapter 551 of the Texas Government Code

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **A. 4.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

APPROVE MINUTES OF THE REGULAR CITY COUNCIL MEETINGS OF AUGUST 7, 2023, AND AUGUST 21, 2023.

Attachments

August 7, 2023
Main Street Reimbursement
Halff Presentation - Tree Ordinance
August 21, 2023
Bond Sale

STATE OF TEXAS §

August 7, 2023

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on August 7, 2023.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR JOSH STEVENSON. COUNCIL MEMBERS DOBBS, HOLLAND, HOWETH, MARROQUIN, TEAMANN.**

MEMBERS ABSENT: **NONE.**

CALL TO ORDER — **CALL TO ORDER**

Mayor Plyler called the meeting to order at 5:00 p.m. The Pledge of Allegiance and Invocation were led by Council Member Juston Dobbs.

APPROVE MINUTES — **APPROVE MINUTES**

The Council reviewed the Minutes of the Regular City Council Meeting of July 17, 2023. Council Member Howeth moved to approve the Minutes, as presented; Second by Council Member Holland; All present voted AYE.
MOTION CARRIED.

CITIZEN'S COMMENTS — **CITIZENS COMMENTS**

There were no citizen's comments.

CONSENT AGENDA — **CONSENT AGENDA**

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately.

The Council reviewed the Consent Agenda. Council Member Howeth moved to approve the Consent Agenda, as presented. Second by Council Member Teamann. All present voted AYE.

CONSENT AGENDA — **CONSENT AGENDA**

Double Asterisked (**) items are considered to be routine and will be enacted in one motion, subject to Staff Review Letter, without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately.

The Council reviewed the Consent Agenda. Council Member Dobbs moved to approve the Consent Agenda, subject to the Staff Review Letter. Second by Council Member Holland. All present voted AYE.

SPECIAL PRESENTATION

RECOGNIZING THE HEROIC, LIFE SAVING EFFORTS OF SHERMAN POLICE OFFICER JACOB FOREMAN — **HEROIC, LIFE SAVING EFFORTS**

Jason Jeffcoat, Police Chief, recognized Police Officer Jacob Foreman for his lifesaving actions. On June 9, 2023, Officer

Foreman arrived on the scene of a motorcycle accident and recognized a life-threatening situation to the motorcyclist's leg. His leg was severely injured and bleeding profusely. Officer Foreman placed a tourniquet on the motorcyclist's left thigh to stop the bleeding. He was care flighted to the hospital and underwent surgery.

While he ultimately lost his leg, Officer Foreman's dedication to performing lifesaving techniques played a key role in stabilizing the patient's condition and helping to ensure his survival.

Chief Jeffcoat said this was a testament to his dedication and outstanding service to the citizens of Sherman. Officer Foreman was presented with the Lifesaving Award.

HEROIC LIFE SAVING EFFORTS

RECOGNIZING THE HEROIC, LIFE SAVING EFFORTS OF SHERMAN EMERGENCY COMMUNICATIONS OFFICER SARA PATTERSON

Chief Jeffcoat recognized Emergency Communications Officer Sara Patterson, who has been employed with the City for 16 years. On April 5, 2023, the Sherman Communications Center received a distressing call about a fire engulfing a building at Hilltop Village Apartments, with residents trapped inside.

Communications Officer Patterson fielded a call from a desperate coupled trapped inside their second floor apartment, with a collapsed building blocking their only known exit.

Remaining composed and focused, Officer Patterson assessed the dire circumstances and encouraged the couple to explore alternate escape routes. She displayed unwavering compassion and reassurance, and after assessing the situation, it was determined the only viable option was to leap from the window. Both individuals survived the catastrophic event.

Officer Patterson's actions far surpassed the expectations of an Emergency Communications Operator. She calmed the situation and her exceptional communication skills were vital to survival. She demonstrated a remarkable commitment to the safety and wellbeing of the community. Emergency Communications Officer Patterson was presented with the Lifesaving Award.

FIRST PUBLIC HEARING ON BUDGET

Mayor Plyler called for a public hearing:

FIRST PUBLIC HEARING REQUIRED BY THE CHARTER TO ADOPT A BUDGET AND PROVIDE FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $5,849,000 AND 27%, AND OF THAT AMOUNT $1,492,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVING/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

Mary Lawrence, Director of Finance, said the City Charter requires that a public hearing is held on the proposed Budget. This Budget is unchanged from the Budget that was presented to Council in July 2023, except for the 1% additional cost-of-living adjustment for non-sworn employees. The Budget contains about $172.6 million in appropriations.

A second public hearing will be held on August 21, 2023, with a Council vote at that same meeting. Robby Hefton, City Manager, said there will be two known absences of Council Members at the August 21 Council Meeting and asked if the public hearing and vote could be moved to the September 5, 2023 Council Meeting. He would like everyone to vote on the Budget. Another notice will be published, if the Council sets the public hearing for the September 5, 2023 Council Meeting.

No citizens appeared before the City Council to discuss the proposed Budget for FY 2023-2024.

Mayor Plyler asked that the captions of Ordinance Nos. 6620 and 6621 be read together.

ORD 6620 ZONE CHANGE FOR CITY PARK

Mayor Plyler introduced Ordinance No. 6620 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 26.598 ACRES IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2400-2500 BLOCKS SOUTH EAST STREET, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE FAMILY RESIDENTIAL) DISTRICT, (CITY OF SHERMAN, OWNER; ROB RAE, REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Rob Rae, Director of Development Services, said these zone changes are related and are zone changes from R-A to R-5, however they are two different property owners.

The City of Sherman is the property owner for Ordinance 6620 and Three Oaks is the property owner for Ordinance 6621. Both ordinances are related to the Post Oak Creek Park Development project. Recently the City posted a bid for the sale of the property, and in return they would receive donated land for the park.

The Planning and Zoning Commission recommended approval of the zone changes.

No citizens appeared before the City Council to discuss Ordinance No. 6620.

Mayor Plyler introduced Ordinance No. 6621 and called for a public hearing:

ORD 6621 ZONE CHANGE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 49.496 ACRES IN THE PRESTON KITCHENS SURVEY, ABSTRACT NO. 667, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 300-400 BLOCKS EAST SHERMAN STREET, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE-FAMILY RESIDENTIAL) DISTRICT, (KIRK ALLEN, OWNER; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 **FOR RESIDENCE**

No citizens appeared before the City Council to discuss Ordinance No. 6621.

Mayor Plyler introduced Ordinance No. 6622 and called for a public hearing: **ORD 6622 SUP FOR MINI-WAREHOUSE (1300 S. FM 1417)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A MINI-WAREHOUSE IN THE C-1 (RETAIL BUSINESS) DISTRICT/FM 1417 OVERLAY DISTRICT, LOCATED AT 1300 SOUTH FM 1417 (HERITAGE PARKWAY), CONSISTING OF 4.9167 ACRES, BEING ALL OF LOTS 2, 3, 4, 5 AND 6, BLOCK 6, HERITAGE FARMS ESTATES, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS. (MICHAEL POSTAR, OWNER; JOSEPH GONZALEZ, REPRESENTATIVE; AND CENTERLINE ENGINEERING & CONSULTING, LLC, SURVEYOR); PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Mr. Rae said this ordinance is for a Specific Use Permit for a mini-warehouse in a C-1 District. The developer applied for a SUP in 2020, but no action had occurred on the site. Since that time, the Zoning Ordinances have changed. Therefore, they were required to bring the request back to the Planning and Zoning Commission and to City Council.

The Planning and Zoning Commission recommended approval of the Specific Use Permit.

No citizens appeared before the City Council to discuss Ordinance No. 6622.

Mayor Plyler introduced Ordinance No. 6623 and called for a public hearing: **ORD 6623 ZONE CHANGE FOR RESIDENCE (2800 BLOCK BLUE FLAME RD)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 67.891 ACRES, BEING A PART OF S. INMAN SURVEY, ABSTRACT NO. 621, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2800 BLOCK BLUE FLAME ROAD, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT

IN THE R-5 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, (CHAD McDUFFIE, MD, OWNERS; D2 INVESTMENTS, INC., REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Mr. Rae said this request is a zone change from R-6 to an R-5 District. The developer is proposing to build a mix of 50' and 60' lots. In their conceptual plan they have 110 50' lots and 106 60' lots, that are intermixed.

The Planning and Zoning Commission recommended approval of the zone change.

<u>David Davis, 1830 Silverside Drive, Grapevine, Texas</u>
Mr. Davis appeared representing D2 Development, and was available to answer any questions the Council might have. He said this was their first project in Sherman.

No other citizens appeared before the City Council to discuss Ordinance No. 6623.

Mayor Plyler introduced Ordinance No. 6624 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.482 ACRES, BEING IN THE G.W. BOND'S THIRD ADDITION, BLOCK 1, LOTS 2, 3 AND 4, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 516-518 EAST CHERRY STREET, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-2 (GENERAL COMMERCIAL) DISTRICT ZONING CLASSIFICATION, (CHEMTICA USA, LLC, OWNERS; AND BURNS SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

ORD 6624
ZONE CHANGE
FOR GENERAL
COMMERCIAL
(516-518 E. CHERRY ST)

Mr. Rae said this was a zone change from an M-2 to a C-2 District. The property owner would like to run their commercial business out of this location.

The Planning and Zoning Commission recommended approval of the zone change.

No citizens appeared before the City Council to discuss Ordinance No. 6624.

Mayor Plyler introduced Ordinance No. 6625 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 29.278 ACRES, CONTAINED IN TRACT ONE, BEING IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2700-3100 BLOCKS NORTH TRAVIS STREET,

ORD 6625
ZONE CHANGE
FOR RESIDENCE
(2700-3100 BLOCKS
N. TRAVIS ST)

HERETOFORE ZONED AN R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT CLASSIFICATION, (TBJB1, LLC, OWNER; BEN McKAY, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Mr. Rae said this is for a rezoning from R-6 to R-4, which is a minimum of 40' lots. The developer is proposing to build 149 of these 40' lots. Any zoning district that is reclassified as an R-4 or R-5, is required to provide 10% of the area as open space.

The Planning and Zoning Commission recommended approval of the zone change.

No citizens appeared before the City Council to discuss Ordinance No. 6625.

Mayor Plyler introduced Ordinance No. 6626 and called for a public hearing:

ORD 6626 ZONE CHANGE FOR NEIGHBORHOOD COMMERCIAL (700 BLOCK OF N. FM 1417)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 2.993 ACRES, BEING IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 700 BLOCK NORTH FM 1417 (HERITAGE PARKWAY), HERETOFORE ZONED C-1 (RETAIL BUSINESS) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-N (NEIGHBORHOOD COMMERCIAL) DISTRICT ZONING CLASSIFICATION, (WYLDEWOOD HOMES, LLC, OWNER; BRYAN BLAGG, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Mr. Rae said the developer would like to rezone to Neighborhood Commercial, in order to get lesser setbacks from residential, however they there are also some reductions in what uses are available.

The Planning and Zoning Commission recommended approval of the zone change.

<u>Bryan Blagg, 618 Pikes Place</u>
Mr. Blagg appeared representing Wyldewood Homes, and was available to answer any questions the Council might have.

No other citizens appeared before the City Council to discuss Ordinance No. 6626.

Mayor Plyler said Ordinance Nos. 6627 and 6628 were being pulled from this Agenda.

ORD 6627 CALLING REGULAR MUNICIPAL ELECTION (PULLED FROM AGENDA)

Ordinance No. 6627:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF

NOVEMBER, 2023, FOR THE PURPOSE OF ELECTING TWO (2) DISTRICT CITY COUNCIL MEMBERS FOR SAID CITY; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

Ordinance No. 6628:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF NOVEMBER, 2023, FOR THE PURPOSE OF THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX AT THE RATE OF ONE-EIGHTH OF ONE PERCENT (1/8%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS; PROVIDING THAT SAID ELECTION SHALL BE HELD JOINTLY WITH GRAYSON COUNTY, TEXAS; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE USE OF DIRECT RECORDING ELECTRONIC VOTING EQUIPMENT; PROVIDING FOR EARLY VOTING.

ORD 6628 CALLING SPECIAL MUNICIPAL ELECTION (PULLED FROM AGENDA)

Mayor Plyler introduced Ordinance No. 6229 and called for a public hearing:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REAPPOINTING A PRESIDING MUNICIPAL COURT OF RECORD JUDGE AND AN ALTERNATE MUNICIPAL COURT OF RECORD JUDGE FOR THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS.

ORD 6629 REAPPOINTING MUNICIPAL COURT OF RECORD JUDGES

Ms. Lawrence said reappointment of the Municipal Court Judges is required every other year, in odd numbered years. This ordinance reappoints Judge Scott Smith as Presiding Judge and Judge Holly Fox as the Alternate Judge. Judge Fox presides over the Civil Court.

No citizens appeared before the City Council to discuss Ordinance No. 6629.

The Public Hearing was closed.

FIRST PUBLIC HEARING ON BUDGET
FIRST PUBLIC HEARING REQUIRED BY THE CHARTER TO ADOPT A BUDGET AND PROVIDE FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $5,849,000 AND 27%, AND OF THAT AMOUNT $1,492,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVING/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

BUDGET

Council Member Teamann verified that this item would just set the public hearing on the Budget, so that it could be considered later for adoption.

Mr. Hefton said normally, the public hearing would "roll to the next meeting," however because of Council absences, he asked that the motion include setting the public hearing for the September 5, 2023 Council Meeting.

ACTION TAKEN.

Motion by Council Member Teamann to set the Public Hearing on the FY 2023-2024 Budget on September 5, 2023, as presented. Second by Council Member Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

Ordinance 6620 — **ORD 6620 ZONE CHANGE FOR CITY PARK**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 26.598 ACRES IN THE PRESTON KITCHEN SURVEY, ABSTRACT NO. 667, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2400-2500 BLOCKS SOUTH EAST STREET, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE FAMILY RESIDENTIAL) DISTRICT, (CITY OF SHERMAN, OWNER; ROB RAE, REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Ordinance 6621 — **ORD 6621 ZONE CHANGE FOR RESIDENCE**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 49.496 ACRES IN THE PRESTON KITCHENS SURVEY, ABSTRACT NO. 667, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 300-400 BLOCKS EAST SHERMAN STREET, HERETOFORE ZONED R-A (RESIDENTIAL AGRICULTURAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE-FAMILY RESIDENTIAL) DISTRICT, (KIRK ALLEN, OWNER; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00

Ordinance 6622 — **ORD 6622 SUP FOR MINI-WAREHOUSE (1300 S. FM 1417)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, AND GRANTING A SPECIFIC USE PERMIT TO ALLOW A MINI-WAREHOUSE IN THE C-1 (RETAIL BUSINESS) DISTRICT/FM 1417 OVERLAY DISTRICT, LOCATED AT 1300 SOUTH FM 1417 (HERITAGE PARKWAY), CONSISTING OF 4.9167 ACRES, BEING

ALL OF LOT 2, 3, 4, 5 AND 6, BLOCK 6, HERITAGE FARMS ESTATES, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS. (MICHAEL POSTAR, OWNER; JOSEPH GONZALEZ, REPRESENTATIVE; AND CENTERLINE ENGINEERING & CONSULTING, LLC, SURVEYOR); PRESCRIBING CONDITIONS TO THE SPECIFIC USE PERMIT; PROVIDING A PENALTY NOT TO EXCEED $2,000.00.

Council Member Dobbs asked on Ordinance 6622, for storage, and Ordinance 6626, for office space, will the proposed updates to the Zoning and Subdivision Ordinances, in Item G-1, impact them as to aesthetics, and for expectations on FM 1417.

Mr. Hefton said it would. Item G-1 is a presentation from Halff Associates, about engaging them to do additional work on the City's Subdivision Ordinance, which would include aesthetics, green space, and a tree ordinance. This would apply to the FM 1417 corridor.

Council Member Dobbs said his question was about "upping the expectations" for the entire City.

Ordinance 6623 — **ORD 6623 ZONE CHANGE FOR RESIDENCE (2800 BLOCK BLUE FLAME RD)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 67.891 ACRES, BEING A PART OF S. INMAN SURVEY, ABSTRACT NO. 621, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2800 BLOCK BLUE FLAME ROAD, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-5 (SINGLE FAMILY RESIDENTIAL) DISTRICT ZONING CLASSIFICATION, (CHAD McDUFFIE, MD, OWNERS; D2 INVESTMENTS, INC., REPRESENTATIVE; AND UNDERWOOD DRAFTING & SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Ordinance 6624 — **ORD 6624 ZONE CHANGE FOR GENERAL COMMERCIAL (516-518 E. CHERRY ST)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND CONSISTING OF 0.482 ACRES, BEING IN THE G.W. BOND'S THIRD ADDITION, BLOCK 1, LOTS 2, 3 AND 4, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED AT 516-518 EAST CHERRY STREET, HERETOFORE ZONED R-6 (SINGLE-FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-2 (GENERAL COMMERCIAL) DISTRICT ZONING CLASSIFICATION, (CHEMTICA USA, LLC, OWNERS; AND BURNS SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Council Member Howeth asked what the company does. Mr. Rae said they are assembling pest control products, such as boxes and traps. The property is too small for the M-2 District, and would need to be replatted. Council Member Howeth confirmed that they would also have a store.

Ordinance 6625 — **ORD 6625 ZONE CHANGE FOR RESIDENCE (2700-3100 BLOCKS N. TRAVIS ST)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 29.278 ACRES, CONTAINED IN TRACT ONE, BEING IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 2700-3100 BLOCKS NORTH TRAVIS STREET, HERETOFORE ZONED AN R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; REZONING AND PLACING THE TRACT IN THE R-4 (SINGLE FAMILY RESIDENTIAL) DISTRICT CLASSIFICATION, (TBJB1, LLC, OWNER; BEN McKAY, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Council Member Dobbs said there are two refineries on the property, and asked if that will limit what can be developed there. Mr. Rae said the developer had to re-plan their site because of those oil wells.

Buildings or future home sites cannot be within 200 feet of the oil wells. The City has adopted the International Fire Code and enforces their distance requirement of 200 feet. Mr. Hefton said they could have put more than the 140 lots on the property if this 200 foot distance had not been in effect.

Council Member Teamann confirmed that the developer may have chose the 40 foot lots because of the density and the need to space them from the oil wells. Mr. Rae said they also have to include the 10% open space requirement.

Ben McKay, 1909 Wren Ct., Edmond, Oklahoma

Mr. McKay appeared representing TBJBA, LLC, the owner, and said that was exactly why they chose the 40 foot lots. When they tried to lay out 60 foot lot lines and stay 200 foot from the oil wells, they could only put 53 lots on approximately 30 acres. This allowed them to add density to the project.

Council Member Dobbs said he understood that density was important, but they had to protect what was already there. He felt 40 foot lots instead of 60 foot lots was not always in the best interest of the City. However, in this case, it does make sense.

Council Member Teamann confirmed that some of the green space was in the 200 foot "buffer" zone. Council Member Marroquin confirmed that there will be a privacy fence around the oil wells.

Ordinance 6626 — **ORD 6626 ZONE CHANGE FOR NEIGHBORHOOD COMMERCIAL (700 BLOCK OF N. FM 1417)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING SHERMAN'S ZONING ORDINANCE/CODE OF ORDINANCES CHAPTER 14, TO REZONE A TRACT OF LAND, CONSISTING OF 2,993 ACRES, BEING IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, LOCATED IN THE 700 BLOCK NORTH

FM 1417 (HERITAGE PARKWAY), HERETOFORE ZONED C-1 (RETAIL BUSINESS) DISTRICT; REZONING AND PLACING THE TRACT IN THE C-N (NEIGHBORHOOD COMMERCIAL) DISTRICT ZONING CLASSIFICATION, (WYLDEWOOD HOMES, LLC, OWNER; BRYAN BLAGG, REPRESENTATIVE; AND PRESTON TRAIL LAND SURVEYING, SURVEYOR); PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00.

Deputy Mayor Stevenson confirmed that moving from a C-1 to a C-N District is more restrictive, and that there is nothing in C-N that is not in a C-1 District.

Ordinance 6627
Ordinance No. 6627 was pulled from the Agenda and not considered for adoption.

ORD 6627 CALLING REGULAR MUNICIPAL ELECTION (PULLED FROM AGENDA)

Ordinance 6628
Ordinance No. 6628 was pulled from the Agenda and not considered for adoption.

ORD 6628 CALLING SPECIAL MUNICIPAL ELECTION (PULLED FROM AGENDA)

Ordinance 6629
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, REAPPOINTING A PRESIDING MUNICIPAL COURT OF RECORD JUDGE AND AN ALTERNATE MUNICIPAL COURT OF RECORD JUDGE FOR THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS.

ORD 6629 REAPPOINTING MUNICIPAL COURT OF RECORD JUDGES

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve Ordinance Nos. 6620, 6621, 6622, 6623, 6624, 6625, 6626, and 6629, as presented. Second by Council Member Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 7109 -- DETERMING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTERESTS FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS CONSISTING OF TWO TRACTS OF LAND COMPRISING +/- 1.953 ACRES (PERMANENT WATER EASEMENT) AND A +/- 1.6956 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY NUO YANG, RECORDED UNDER VOLUME 5411, PAGE 544 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE PLEASANT THOMPSON SURVEY, ABSTRACT NO. 1208, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES;

RES 7109 36" WEST SHERMAN WATER MAIN EMINENT DOMAIN

AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/- 1.953 ACRES (PERMANENT WATER EASEMENT) AND A +/- 1.6956 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY NUO YANG, RECORDED UNDER VOLUME 5411, PAGE 544 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE PLEASANT THOMPSON SURVEY, ABSTRACT NO. 1208, CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Hefton said these are two more properties that the City has made offers on for easements for the 36" West Sherman Water Main, based on the initial appraisal. He said the City and the property owners are "very far off" on an agreement. Now the property owners have cut off communications. The City continues to reach out, but they need authority to go to the next step, if necessary.

Mayor Plyler called for a public hearing on Resolution 7109. No citizens appeared before the City Council to discuss Resolution 7109.

Council Member Howeth said most of the Council is not in favor of Eminent Domain, but with the rising value of property in Sherman, many people have a very high opinion of what their property value should be. This is above and beyond the appraised value.

There are certain projects that the City must do, such as this water easement. She said the Council is not looking forward to eminent domain.

Council Member Teaman said everyone knows his opinion on eminent domain, but both of these projects are outside the realm of what the current property value is on these properties. Mr. Hefton added, "about four and a half times." Both tracts are owned by the same owner.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson that the City Council of the City of Sherman authorize the use of the power of eminent domain to acquire two tracts of land comprising +/- 1.953 acres and a +/- 1.6956 acres, as described in Exhibit A to the resolution, for a permanent water easement and temporary construction easement, for Resolution No. 7109. Second by Council Member Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7110
36" WEST SHERMAN WATER MAIN EMINENT DOMAIN

RESOLUTION NO. 7110 -- DETERMING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS CONSISTING OF TWO TRACTS OF LAND COMPRISING +/- 1.697 ACRES (PERMANENT WATER EASEMENT) AND A +/- 1.508 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY NUO YANG, RECORDED UNDER VOLUME 5409, PAGE 210 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE WILLIAM A DEAVER SURVEY ABSTRACT NO. 347, EXTRATERRITORIAL JURISDICTION OF THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/- 1.697 ACRES (PERMANENT WATER EASEMENT AND A +/- 1.508 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY NUO YANG RECORDED

UNDER VOLUME 5409, PAGE 210 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE WILLIAM A. DEAVER SURVEY, ABSTRACT NO. 347, EXTRATERRITORIAL JURISDICTION OF THE CITY OF SHERMAN, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Hefton said this is the same situation and same owner, just a different tract of property.

Mayor Plyler called for a public hearing on Resolution 7110. No citizens appeared before the City Council to discuss Resolution 7110.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson that the City Council of the City of Sherman authorize the use of the power of eminent domain to acquire two tracts of land comprising +/- 1.697 acres and a +/- 1.508 acres, as described in Exhibit A to the resolution, for a permanent water easement and temporary construction easement, for Resolution No. 7110. Second by Council Member Dobbs.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7111 MAIN STREET REIMBURSEMENT PROGRAM

RESOLUTION NO. 7111 -- ESTABLISHING THE MAIN STREET REIMBURSEMENT PROGRAM AND DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN THE PROGRAM TO PROMOTE ECONOMIC DEVELOPMENT IN CERTAIN AREAS OF THE CITY IN ACCORDANCE WITH CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ESTABLISHING THE MAIN STREET REIMBURSEMENT PROGRAM AND DECLARING THE CITY OF SHERMAN'S ELIGIBILITY AND INTENTION TO PARTICIPATE IN THE PROGRAM TO PROMOTE ECONOMIC DEVELOMENT IN CERTAIN AREAS OF THE CITY IN ACCORDANCE WITH CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE. PRESCRIBING ELIGIBILITY, GUIDELINES AND PROCEDURES FOR THE PROGRAM.

Nate Strauch, Community and Support Services Manager, said in 2022, City staff met with some of the Downtown business owners to discuss struggles they had been going through during the last

few years. With this information, they have designed a program to help those business owners with some of their concerns. If approved, the program would "go live" tomorrow morning.

This program would inject several hundred thousand dollars into Downtown Sherman, over the course of the next few years, and as long as the Council desires.

This program would reimburse sales tax to businesses at the end of the year. It is open to new and existing businesses, to recognize the struggles of the downtown businesses. It will apply retroactively to existing businesses, for 2022 taxes, and continue on for four years after that. For new businesses, the five years will start when they obtain their Certificate of Occupancy.

Mr. Strauch explained tht 8.25% sales tax is collected on taxable items, with the City receiving 2% of that amount. Of the City's 2%, 1% goes to the General Fund, 0.5% goes in lieu of property taxes, 0.375% goes to the Sherman Economic Development Corporation, and 0.125% goes to the Sales Tax for Streets. The portion that would be rebated is the City's 1% that goes to the General Fund.

He said, for new businesses, they want to incentivize downtown as the preferred location for new small businesses that generate sales like retail and restaurants.

For existing businesses, they want to help, since it has been difficult with the Kelly Square fire and the highway construction projects. These businesses have also been hit with higher property valuations and rent increases.

To determine the possible cost, Mr. Strauch said they "ran the numbers for 2022," but they don't know who will sign up in the future. Based on those numbers, there is about $135,000 eligible for rebate. That number would continue, plus whatever amount would be added for new businesses. The cost would peak in 2026, and then those first businesses would "drop off," and it would only be new businesses after that.

Of the 39 businesses that generated sales tax in 2022, 30 of them would receive more than $1,000 back; 12 would receive more than $4,000; and three would receive more than $10,000, for the next five years.

Mr. Strauch said the 1% is actually 1% of gross sales. He said with restaurants, many times the profit margin is between 3% and 5%, and giving them 1% back could be a lot of additional profit.

Discussions were also held about how to make the existing downtown incentive for new businesses, more robust. They decided to focus on the existing businesses that needed help first. The program can be expanded if the Council choses to do so. They also wanted to incentivize the business owners, not the property owners. The other downtown program provides grant assistance to property owners that are investing in downtown.

He added that, if a business decided to come to Downtown Sherman that would be a major business, generating millions of dollars in sales tax, the Council could choose to go "above and beyond" this program.

Council Member Howeth asked how the business owners would be notified about the program. Mr. Strauch said there is a database that they will use and will work with the Main Street Office to make sure everyone is aware of the program.

Council Member Teamann verified that this program will apply only to the Downtown Overlay District, however there are a couple of businesses outside that District that might be "worthy of inclusion."

ACTION TAKEN.
Motion by Deputy Mayor Stevenson to approve Resolution No. 7111, as presented. Second by Council Member Teamann.
VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7112 DOWNTOWN BLDG IMPROVEMENT GRANT (219 W. HOUSTON ST)

RESOLUTION NO. 7112 -- AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S DOWNTOWN BUILDING IMPROVEMENT GRANT PROGRAM FOR RENOVATIONS AT 219 W HOUSTON STREET

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH DAVID DOWNTAIN, D/B/A RP SHERMAN PROPERTIES II, LLC UNDER THE CITY OF SHERMAN'S DOWNTOWN BUILDING IMPROVEMENT GRANT PROGRAM FOR RENOVATIONS TO 219 W. HOUSTON STREET.

Mr. Strauch said this will add an additional grant to the Kreager Building at 219 West Houston Street in Downtown Sherman. It has been vacant "for decades." Part of the project that David Downtain, RP Sherman Properties II, LLC, is working on for that building, includes an elevator.

Mr. Strauch said instead of "tacking" the elevator on the back of the building, he is building an elevator shaft in the center of the structure.

David Downtain, RP Sherman Properties II, LLC
Mr. Downtain thanked the Council for their dedication to Downtown and their consideration of the 380 Agreement program. He addressed the two-story building at 219 West Houston Street, saying it was wrapped on two sides by City parking.

In order to make the upstairs available for retail space, the elevator was needed for access. He said retrofitting an elevator is extremely expensive, with a budget of approximately $225,000, just for the elevator. With the City's assistance, he said it would make that building more "spectacular."

He said there are 27 rooms upstairs that will lend themselves to small personal services, such as family counseling. Over 60% of the space is already leased to a tenant that will be doing spa services.

ACTION TAKEN.
Motion by Deputy Mayor Stevenson to approve Resolution No. 7112, as presented. Second by Council Member Teamann.
VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7113
CDBG & OTHER HUD GRANTS

RESOLUTION NO. 7113 -- AUTHORIZING DELEGATION OF CERTIFYING OFFICER FOR HUD-ADMINISTERED COMMUNITY DEVELOPMENT BLOCK GRANT AND OTHER HUD-ADMINISTERED GRANTS IN ACCORDANCE WITH 24 CFR PART 58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING DELEGATION OF CERTIFYING OFFICER FOR HUD-ADMINISTERED COMMUNITY DEVELOPMENT BLOCK GRANT AND OTHER HUD-ADMINISTERED GRANTS IN ACCORDANCE WITH 24 CFR PART 58.
CONSENT AGENDA.

RES 7114
POLICE VEHICLES

RESOLUTION NO. 7114 -- AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH SOUTHWEST CDJR, LLC FOR THE PURCHASE OF TWO FORD EXPLORERS FOR THE SHERMAN POLICE DEPARTMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH SOUTHWEST CDJR, LLC FOR THE PURCHASE OF TWO FORD EXPLORERS FOR THE SHERMAN POLICE DEPARTMENT.
CONSENT AGENDA.

RES 7115
RESIDENTIAL TAX ABATEMENT (1013 S. FIRST ST)

RESOLUTION NO. 7115 -- AUTHORIZING EXECUTION OF AN AGREEMENT WITH EARNHARTBUILT, LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1013 SOUTH FIRST STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH EARNHARTBUILT, LLC FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1013 SOUTH FIRST STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10).
CONSENT AGENDA.

RES 7116
RESIDENTIAL TAX ABATEMENT (1017 S. FIRST ST)

RESOLUTION NO. 7116 -- AUTHORIZING EXECUTION OF AN AGREEMENT WITH HABITAT FOR HUMANITY FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1017 SOUTH FIRST STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT WITH HABITAT FOR HUMANITY FOR THE ABATEMENT OF AD VALOREM PROPERTY TAXES FOR THE CONSTRUCTION OF A NEW SINGLE-FAMILY RESIDENCE AT 1017 SOUTH FIRST STREET WITHIN CITY OF SHERMAN REINVESTMENT ZONE, NUMBER TEN (#10).
CONSENT AGENDA.

RESOLUTION NO. 7117 -- AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 7, 2023

RES 7117 JOINT ELECTION AGREEMENT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A JOINT ELECTION AGREEMENT WITH GRAYSON COUNTY, TEXAS, TO HOLD A JOINT ELECTION ON NOVEMBER 8, 2023.
CONSENT AGENDA.

OTHER BUSINESS

RECEIVE A PRESENTATION FROM HALFF ASSOCIATES ON UPDATES TO THE ZONING AND/OR SUBDIVISION ORDINANCES

ZONING & SUBDIVISION ORD UPDATES

Mr. Rae introduced Jordan Maddox, Director of Planning, Halff Associates, to present updates to the Zoning and Subdivision Ordinances.

The City contracted with Halff Associates in June 2023 to update the Subdivision Ordinance and create a Development Guide. The Development Guide will help clarify the process for development in Sherman.

Mr. Rae said the staff would like clarification tonight on whether or not the Council wants to continue to review plats and replats, during Council Meetings. State law does not require that the Council review those items, and allows for approval by the Planning and Zoning Commission.

Deputy Mayor Stevenson and Council Member Teamann indicated that they did not want to continue reviewing plats and replats.

Mr. Rae added that the staff has been receiving a lot of calls on tree preservation. Because of that, Mr. Rae said Mr. Maddox will also present a "primer on tree preservation."

Mr. Rae said there is an action item in the City's Comprehensive Plan, that was adopted last year, that encouraged the City to consider establishing a tree preservation ordinance, within zero to two years.

Mr. Hefton wanted to verify whether or not the Council wanted to review plats and replats. Council Member Dobbs wanted to "see" them. Mayor Plyler confirmed that, by State law, the Council could not deny a plat or replat, if they comply with all the minimum regulations from the City, as determined by staff. The Council would be required to approve them, by State law. Therefore, it would be a formality, or ministerial act by the Council.

Ryan Pittman, City Attorney, said that having the plat come before the City Council, would add approximately 30 days to the developer, instead of having it approved by staff. Mayor Plyler added that if a Council Member wanted to see what was on the agenda, they could watch the Planning and Zoning Meeting. Council Members discussed the process.

Mr. Maddox said the discussion about trees came up with the Comprehensive Master Plan discussion. He outlined the types of trees that were common in North Texas.

He said there is a landscaping section in Sherman's current zoning code, that addressed the use of trees, in both residential and commercial development. There are planting requirements for trees in both development areas, however it does not speak to existing trees. The ordinance addresses placing trees on the site, not removing trees from the site.

Mr. Maddox discussed examples of tree ordinances in other Texas cities, saying they all approached their regulations for different reasons. If the City Council would like, Mr. Maddox said they would study other City's ordinances for possible ideas for a Sherman tree ordinance.

He said, currently, Sherman has landscape requirements for trees. Some cities take the next step, which is tree mitigation. He also discussed the various components that these types of ordinances might contain, which are based on the goals that the particular City is trying to accomplish. The ordinance contributes to the City's identity and aesthetic appearance.

Mr. Maddox also discussed impacts to the City that might go with a tree ordinance, including cost, additional staff that might be needed, and less efficient per acre use for new housing. If Sherman would like to consider a tree ordinance, he offered some questions that should be considered to determine what the desired result would be and what concerns they are trying to address.

Mr. Rae said in the development review meetings that are held, the questions that always come up are about impact fees, and if Sherman has a tree survey. He added that it is a concern for developers. The estimated cost for a tree survey will vary, depending on the canopy of the subject property. This variable cost would be passed on to developers.

Mayor Plyler said citizens are upset tht developers remove trees from these old-growth greenspaces, for their developments. Council Member Howeth agreed that citizens are upset about the "scorched earth" where developers bulldoze the trees. She was in favor of some type of tree ordinance. Council Member Dobbs felt they needed to maintain the aesthetics of the City and not just "the pocketbooks" of the developers.

Council Members discussed the need for a tree ordinance and most seemed to be in favor of some type of ordinance. Mr. Hefton

recommended holding a work session to get input for the type of tree ordinance Council Members wanted to see.

Mr. Maddox recommended a fact-finding phase to talk to stakeholders, and do additional research on how other communities are dealing with the issue. It could then be presented to the Council for discussion and consideration.

Mr. Hefton recommended bringing back an adjustment to the existing scope of work that Halff Associates is doing on other issues, to consider an agreement to add this to their study.

Mayor Plyler recommended that the Council consider a "boiler plate" ordinance quickly, to put something in force, while a larger study and more detailed plan is prepared. Council Member Teamann recommended including a tree preservation clause in future Development Agreements.

Mr. Rae emphasized that any changes would only effect new development and not development that has already been approved.

Council Members also discussed including an arborist in the discussions. Council Member Dobbs also wanted to include commercial landscaping in the ordinance.

DRAFT CIP

REVIEW OF THE DRAFT CAPITAL IMPROVEMENT PROGRAM (CIP) 2023-2028 AND SET A PUBLIC HEARING FOR MONDAY, AUGUST 21, 2023

Ms. Lawrence said the Draft of Capital Improvement Projects is the result of the Workshop that was held on May 25, 2023. The CIP is required by the City's Charter; however, approval of the program does not obligate the City to fund or implement any program, project, or plan. It is a planning tool for the future. The projects in the first year of the CIP are included in the Draft Budget.

Staff is asking the Council to set the Public Hearing for the September 5, 2023 City Council Meeting.

ACTION TAKEN.

Motion by Council Member Howeth to set a Public Hearing on the Capital Improvement Program 2023-2028, for Tuesday, September 5, 2023, as presented. Second by Council Member Holland.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

PROPOSED TAX INCREASE

RECORD VOTE ON PROPOSAL TO CONSIDER TAX INCREASE

Ms. Lawrence said the City is required to submit the notice about tax rates to the City Council by August 7, 2023. The proposed rate is $0.508 per $100 valuation, which funds the City's debt service and operations.

She explained that the Tax Code requires the City Council to vote on the proposal to consider a tax increase. A tax increase is considered anytime the proposed rate is greater than the no new revenue rate.

This does not obligate a Council Member to vote yes or no on the tax rate, it just gives the required vote for the Notice of Public Hearing Posting on the tax increase.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson for the City Council to consider the proposal for the tax increase at the Meeting on Tuesday, September 5, 2023, as presented. Second by Council Member Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson.
VOTING NAY: Teamann.
MOTION CARRIED.

APPROVE REPLAT G.W. BOND'S THIRD ADDITION (516-518 E. CHERRY ST)

REPLAT OF LOTS 2, 3, 4 IN BLOCK A OF G.W. BOND'S THIRD ADDITION, CONSISTING OF 0.482 ACRES, BEING IN THE G.W. BOND'S THIRD ADDITION, BLOCK 1, LOTS 2, 3 AND 4, AND IS CURRENTLY ZONED M-2 (HEAVY MANUFACTURING) DISTRICT; CHEMTICA USA, LLC (OWNER) AND BURNS SURVEYING (SURVEYOR) (516-518 EAST CHERRY STREET)

Mr. Rae said this Replat is tied to Agenda Item E-6, that was approved earlier tonight, and had to be considered after that zone change was approved.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve the Replat of Lots 2, 3, 4, in Block A of G.W. Bond's Third Addition, consisting of 0.482 acres, located at 516 through 518 East Cherry Street), as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

APPROVE REPLAT NEU ADDITION (100 JIM LAMB RD)

REPLAT OF NEU ADDITION, LOT 1R, CONSISTING OF 6.500 ACRES, BEING IN THE GARRETT PANGBURN SURVEY, ABSTRACT NO. 945 ALSO BEING LOT 1, NEU ADDITION, AND IS CURRENTLY LOCATED IN THE ETJ (EXTRA TERRITORIAL JURISDICTION); KEVIN AND JULIA WOODS AND SHU FEEI WANG (OWNERS), KEVIN WOODS (REPRESENTATIVE) AND UNDERWOOD DRAFTING & SURVEYING, INC. (SURVEYOR) (100 JIM LAMB ROAD)

The City Council approved the Replat of Neu Addition, a 6.500 acre tract, located at 100 Jim Lamb Road, in the City's Extra Territorial Jurisdiction. The owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

REPLAT OF COHO MOORE ADDITION, LOT 4R-A, CONSISTING OF 0.214 ACRES, BEING A PART OF THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56, AND BEING THE WEST 49 FOOT OF LOT 4, BLOCK 7 OF B.H. MOORE HEIRS ADDITION AND IS CURRENTLY ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; CORBY HOSEA (OWNER) AND HELVEY WAGNER SURVEYING (SURVEYOR) (300 WEST MOORE STREET)

APPROVE REPLAT COHO MOORE ADDITION (300 W. MOORE ST)

The City Council approved the Replat of COHO Moore Addition, a 0.214 acre tract, located at 300 West Moore Street. The property is currently zoned R-6 (Single Family Residential) District. The owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Replat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF MENJIVAR HIGH COUNTRY ADDITION, LOT 1, BLOCK A, CONSISTING OF 2.255 ACRES, BEING IN THE ALFRED HUME SURVEY, ABSTRACT NO. 522, AND IS CURRENTLY LOCATED IN THE ETJ (EXTRA TERRITORIAL JURISDICTION); JOSE MENJIVAR (OWNER) AND HELVEY-WAGNER SURVEYING, INC. (SURVEYOR) (50 HIGH COUNTRY ROAD)

APPROVE FINAL PLAT MENJIVAR HIGH COUNTRY ADDITION (50 HIGH COUNTRY RD)

The City Council approved the Final Plat of Menjivar High Country Addition, a 2.255 acre tract, located at 50 High Country Road, in the City's ETJ. The owner would like to plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF ESTATES AT BAKER PARK, PHASE 1, CONSISTING OF 31.687 ACRES IN THE E. JONES SURVEY, ABSTRACT NO. 625, AND CURRENTLY ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT/FM 1417 OVERLAY DISTRICT; STONEHOLLOW HOMES (OWNER) AND SPIARS ENGINEERING INC. (CIVIL ENGINEER/SURVEYOR) (200 BLOCK SOUTH FM 1417 (HERITAGE PARKWAY))

APPROVE FINAL PLAT ESTATES AT BAKER PARK, PHASE 1 (200 BLOCK S. FM 1417)

The City Council approved the Final Plat of Estates at Baker Park, Phase 1, a 31.687 acre tract, located in the 200 block of South FM 1417. The property is currently zoned R-6 (Single Family Residential) District/FM 1417 Overlay District. The owner would like to plat the property into 79 lots for residential development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF WILLOW BRANCH SUBDIVISION, PHASE 1, CONSISTING OF 2.197 ACRES IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, AND CURRENTLY ZONED R-6 (SINGLE FAMILY RESIDENTIAL) DISTRICT; TBJB1, LLC (OWNER) AND PRESTON TRAIL LAND SURVEYING (SURVEYOR) (3000 BLOCK NORTH HICKORY STREET)

APPROVE FINAL PLAT WILLOW BRANCH SUBDIVISION, PHASE 1 (3000 BLOCK N. HICKORY ST)

The City Council approved the Final Plat of Willow Branch Subdivision, Phase 1, a 2.197 acre tract, located in the 3000 block of North Hickory Street. The property is currently zoned R-6 (Single Family Residential) District. The owner would like to plat the property into 14 lots for residential development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF HOWE SUBSTATION ADDITION, CONSISTING OF 6.00 ACRES, BEING IN THE WILLIAM MARTIN SURVEY, ABSTRACT NO. 765, AND CURRENTLY ZONED BLALOCK INDUSTRIAL PARK PD (PLANNED DEVELOPMENT) DISTRICT; SHERMAN ECONOMIC DEVELOPMENT CORPORATION, KENT SHARP (OWNER) AND UNDERWOOD DRAFTING & SURVEYING (SURVEYOR) (5000 BLOCK HOWE DRIVE)

APPROVE FINAL PLAT HOWE SUBSTATION ADDITION (5000 BLOCK HOWE DR)

The City Council approved the Final Plat of Howe Substation Addition, a 6.00 acre tract, located in the 5000 block of Howe Drive. The property is currently zoned in the Blalock Industrial Park PD (Planned Development) District. The property is owned by the Sherman Economic Development Corporation, and they would like to plat the property into one lot for commercial development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF VEIN CENTER OF NORTH TEXAS ADDITION, CONSISTING OF 0.626 ACRES, BEING IN THE J.B. McANAIR SURVEY, ABSTRACT NO. 763, AND CURRENTLY ZONED C-O (OFFICE) DISTRICT/SAM RAYBURN OVERLAY; VEIN CENTER OF NORTH TEXAS PROPERTIES, LLC (OWNER) AND UNDERWOOD DRAFTING & SURVEYING (SURVEYOR) (1325 NORTH TRAVIS STREET)

APPROVE FINAL PLAT VEIN CENTER OF NORTH TEXAS ADDITION (1325 N. TRAVIS ST)

The City Council approved the Final Plat of Vein Center of North Texas Addition, a 0.626 acre tract, located at 1325 North Travis Street. The property is currently zoned C-O (Office) District/Sam Rayburn Overlay. The owner would like to plat the property into one lot for commercial development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

FINAL PLAT OF EARNHARTBUILT'S 14TH, CONSISTING OF 0.131 ACRES IN THE SAMUEL BLAGG SURVEY, ABSTRACT NO. 56; JASON EARNHART, EARNHARTBUILT, LLC (OWNER) AND COPLEY LAND SURVEYING (SURVEYOR) (419 SOUTH MONTGOMERY STREET)

APPROVE FINAL PLAT EARNHARTBUILT'S 14TH (419 S. MONTGOMERY ST)

The City Council approved the Final Plat of Earnhartbuilt's 14th, a 0.131 acre tract, located at 419 South Montgomery Street. The owner would like to Plat the property into one lot for residential development.

The Planning and Zoning Commission recommended approval of the Final Plat, subject to the Staff Review Letter.
CONSENT AGENDA, SUBJECT TO STAFF REVIEW LETTER.

APPOINT/REMOVE OR CONSIDER QUALIFICATIONS TO BOARDS AND COMMISSIONS

MAIN STREET ADVISORY BOARD (2) — **MAIN STREET ADVISORY BOARD**

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to reappoint David Downtain to the Main Street Advisory Board, for a term from June 8, 2023 to June 8, 2025, and to appoint Stuart Holcomb, for a term from August 8, 2023 to August 8, 2025, as presented. Second by Council Member Teamann.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RED RIVER GROUNDWATER CONSERVATION DISTRICT (1) — **RED RIVER GROUNDWATER CONSERVATION DISTRICT**

ACTION TAKEN.

Motion by Council Member Teamann to reappoint Mark Gibson to the Red River Groundwater Conservation District, for a term from August 31, 2023 to August 31, 2027, as presented. Second by Council Member Holland.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

PLANNING AND ZONING COMMISSION (1) — **PLANNING & ZONING COMMISSION**

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to reappoint Glen Whitaker to the Planning and Zoning Commission, for a term from August 4, 2023 to August 4, 2026, as presented. Second by Council Member Howeth.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

CIVIL SERVICE COMMISSION (1) — **CIVIL SERVICE COMMISSION**

ACTION TAKEN.

Motion by Council Member Teamann to confirm the City Manager's reappointment of Dr. Al Hambrick to the Civil Service Commission, for a term from July 18, 2023 to July 18, 2026, as presented. Second by Deputy Mayor Stevenson.

VOTING AYE: Dobbs, Holland, Howeth, Marroquin, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

COUNCIL COMMENTS

RECOGNIZE LAW ENFORCEMENT PERSONNEL — **RECOGNIZE LAW ENFORCEMENT PERSONNEL**

Council Member Holland recognized Police Officer Jacob Foreman and Emergency Communications Officer Sara Patterson for their life saving efforts.

RECOGNIZE LAW ENFORCEMENT PERSONNEL

RECOGNIZE LAW ENFORCEMENT PERSONNEL

Council Member Dobbs also recognized Officer Foreman and Officer Patterson for their dedication in working to save lives.

MAJOR INTERSECTION WORK

MAJOR INTERSECTION WORK

Council Member Dobbs said he was impressed with some of the major intersection cleanup work that has been done recently. It has been long overdue.

HALFF ASSOCIATES REPORT

HALFF ASSOCIATES REPORT

Council Member Dobbs said he was excited about Halff Associates upcoming work.

ANNOUNCEMENTS

ANNOUNCEMENTS

Mayor Plyler announced the following:

- **Sherman's 42nd Annual Arts Fest will be held on September 16, 2023, beginning at 9 a.m., Kidd-Key Park.**
- **The Sherman Public Library will host an event for local kids to learn about falconry on August 8, 2023, at 6:30 p.m.**
- **The Sherman Museum will sponsor a special event on August 9, 2023, at 10 a.m., dedicated to dinosaurs and meteorites.**

EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)

EXECUTIVE SESSION

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

TEX. GOV'T CODE § 551.071 --
SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

(A) Receive legal advice regarding cement kilns

TEX. GOV'T CODE § 551.072 --
DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --
DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --
DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

- **(A) Red River Groundwater Conservation District (1)**
- **(B) Civil Service Commission (1)**
- **(C) Planning and Zoning Commission (1)**

TEX. GOV'T CODE § 551.076 –
DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

- **(A) Hotel**
- **(B) The Village**

TEXAS GOV'T CODE § 551.089 --
DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

On Motion duly made and carried, the Open Meeting recessed and reconvened in Executive Session at 6:22 p.m.

On Motion duly made and carried, the Executive Session recessed at 7:16 p.m. and reconvened in Open Meeting.

OPEN MEETING **OPEN MEETING**
Reconvene into Open Meeting and take action, if any, on items discussed in Executive Session.

ADJOURNMENT **ADJOURNMENT**

On Motion duly made and carried, the meeting adjourned at 7:17 p.m.

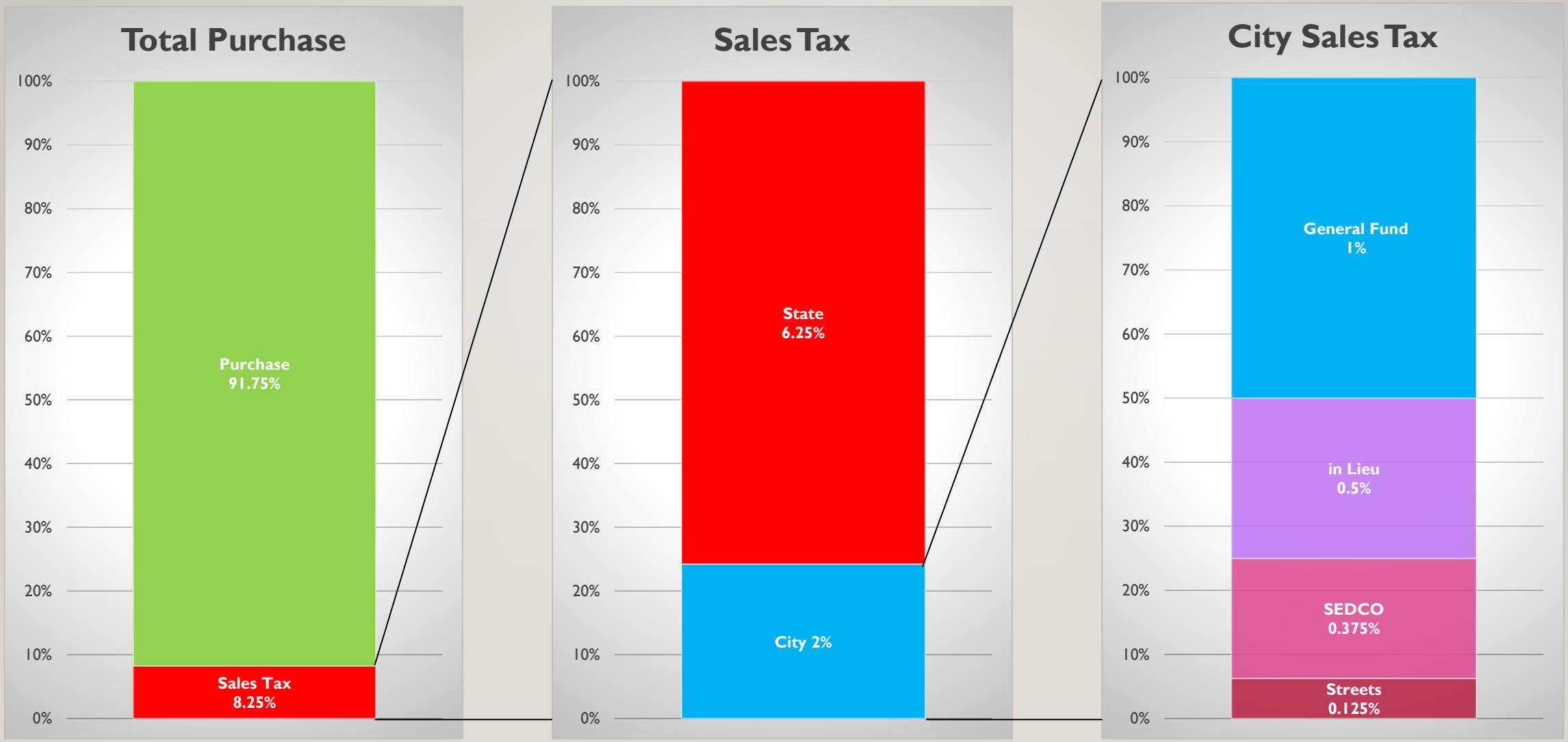
MAYOR

CITY CLERK

MAIN STREET REIMBURSEMENT PROGRAM

WHAT IS IT?

- A program to refund sales taxes to downtown businesses
- Sales-tax-producing-businesses (STPB) in the Downtown Overlay District would be eligible
- All new STPB could apply, and would remain enrolled for a period of 5 years
- Any STPB currently operating in the Overlay could apply as well
  - Date of eligibility would be 10/31/2021 to cover displaced businesses
  - Would apply retroactively to tax year 2022 (or date of CO) - as well as '23-'26
- Only the City-received 1% tax would be eligible for refund
  - Excludes SEDCO, street tax, and sales-tax-in-lieu


Total Purchase
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
Purchase
91.75%
Sales Tax
8.25%
Sales Tax
State
6.25%
City 2%
City Sales Tax
General Fund
1%
in Lieu
0.5%
SEDCO
0.375%
Streets
0.125%

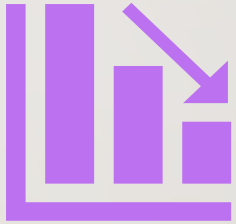
WHY IS IT?

For new businesses…

We want to incentivize downtown as the preferred location for new small businesses

(Businesses that generate sales taxes especially, which are often retail and restaurants)

We want certainty in our offer when approached by prospective tenants



For existing businesses…

The last few years have been rough – only 7 of 39 STPB have increased their sales in 2023

Kelly Square fire removed a major source of foot traffic

Highway construction has disproportionally impacted downtown

Property valuations and corresponding rents have gone up significantly

HOW MUCH IS IT?

Downtown Overlay District generated $270,142 in sale tax in 2022

The portion eligible for rebate would be $135,071	Actual amount dispersed will likely be less	Costs will increase yearly through 2026, then decrease

In 2022, there were 39 eligible businesses

30 eligible for $1,000+	12 eligible for $4,000+	3 eligible for $10,000+

THOUGHTS ON WHAT IT IS

1% of total sales might not sound like a lot, but when operating margins are 3-10%, it can make a legitimate difference, especially for those starting out.

If the program is successful, it could be expanded geographically to replace our existing retail incentive program, which is currently .5% for two years.

We want to incentivize the business owners, not the property owners, which is why we shelved plans for a companion property tax abatement

“Whales” could still be courted with more generous terms

Sherman

CLASSIC TOWN. BROAD HORIZON.

halff

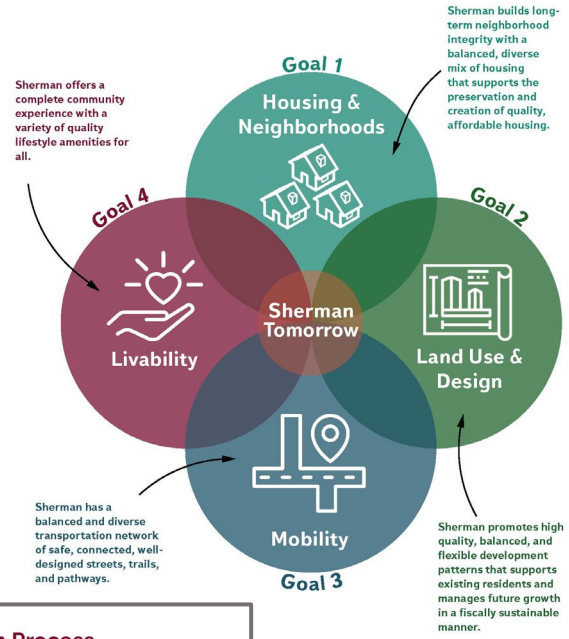
Sherman, Texas

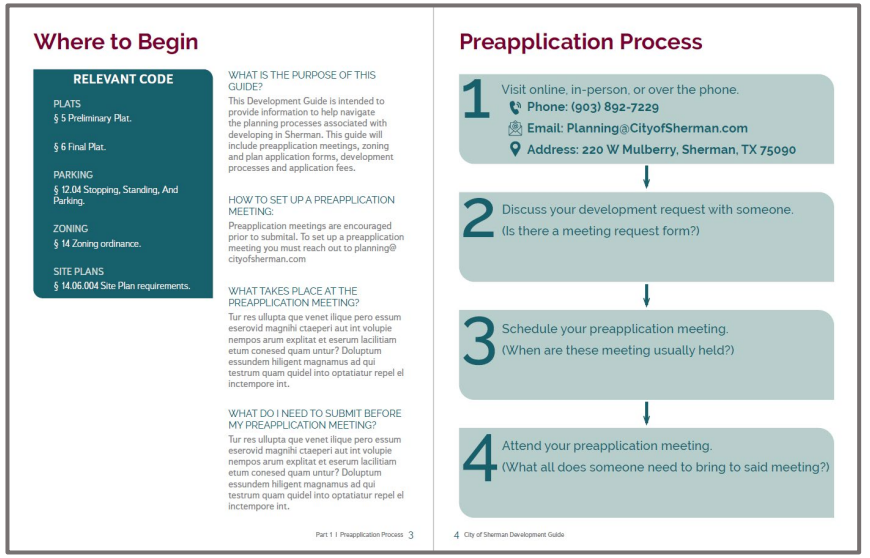
Update on Zoning / Subdivision Regulations and Intro to Trees

August 7, 2023

UPDATE ON ZONING/SUBDIVISION REGULATIONS

- Zoning Ordinance
- Development Guide
- Subdivision Regulations
- Plat Approval Authority
- Quick Guide
- Tree Ordinance Consideration





Where to Begin

RELEVANT CODE

PLATS
§ 5 Preliminary Plat.

§ 6 Final Plat.

PARKING
§ 12.04 Stopping, Standing, And Parking.

ZONING
§ 14 Zoning ordinance.

SITE PLANS
§ 14.06.004 Site Plan requirements.

WHAT IS THE PURPOSE OF THIS GUIDE?

This Development Guide is intended to provide information to help navigate the planning processes associated with developing in Sherman. This guide will include preapplication meetings, zoning and plan application forms, development processes and application fees.

HOW TO SET UP A PREAPPLICATION MEETING:

Preapplication meetings are encouraged prior to submital. To set up a preapplication meeting you must reach out to planning@cityofsherman.com

WHAT TAKES PLACE AT THE PREAPPLICATION MEETING?

Tur res ullupta que venet ilique pero essum eserovid magnihi ctaeperi aut int volupie nempos arum explitat et eserum lacilitiam etum conesed quam untur? Doluptum essundem hiligent magnamus ad qui testrum quam quidel into optatiatur repel el inctempore int.

WHAT DO I NEED TO SUBMIT BEFORE MY PREAPPLICATION MEETING?

Tur res ullupta que venet ilique pero essum eserovid magnihi ctaeperi aut int volupie nempos arum explitat et eserum lacilitiam etum conesed quam untur? Doluptum essundem hiligent magnamus ad qui testrum quam quidel into optatiatur repel el inctempore int.

Part 1 | Preapplication Process 3

Preapplication Process

1 Visit online, in-person, or over the phone.
Phone: (903) 892-7229
Email: Planning@CityofSherman.com
Address: 220 W Mulberry, Sherman, TX 75090

2 Discuss your development request with someone.
(Is there a meeting request form?)

3 Schedule your preapplication meeting.
(When are these meeting usually held?)

4 Attend your preapplication meeting.
(What all does someone need to bring to said meeting?)

4 City of Sherman Development Guide

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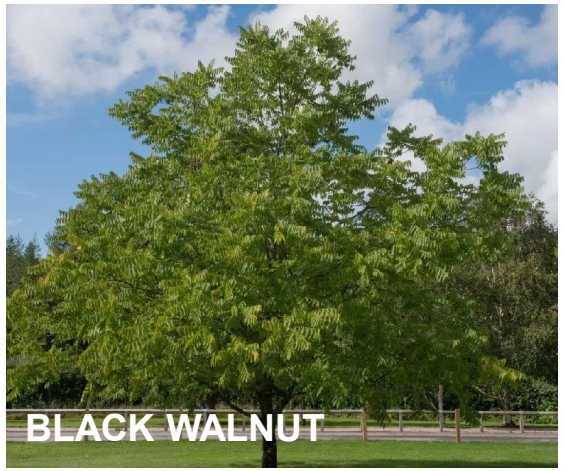
TREES OF NORTH TEXAS

Grayson County is located in Texas Parks and Wildlife Ecoregion 5, Cross Timbers and Prairies and includes the following trees:

- Pecan
- Black Walnut
- Sycamore
- Eastern Cottonwood
- Plateau Liveoak
- Bur Oak
- Blackjack Oak
- American Elm
- Texas Persimmon
- Little Walnut
- Honey Mesquite
- Lance-leaf Sumac
- Mexican Plum
- Ashe Juniper
- Eastern Red Cedar

PECAN TREE


BLACK WALNUT

AMERICAN ELM

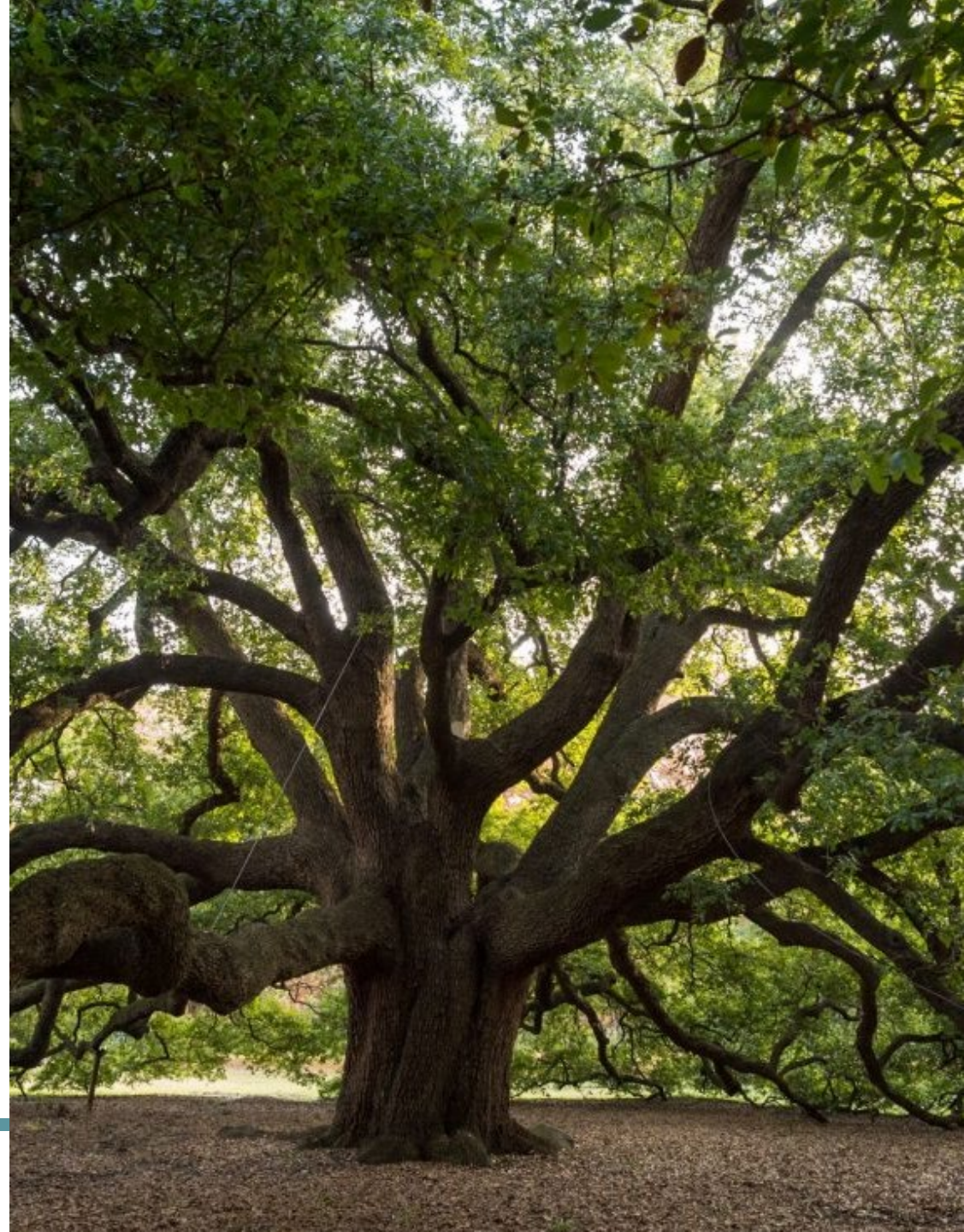
halff

SHERMAN'S CURRENT CODE

- Chapter 14 Zoning Ordinance
  - Article 14.04 Supplementary District Regulations
    - Sec. 14.04.006 Residential and commercial landscaping requirements

For all new residential construction: Two 2-inch caliper trees from the approved tree list are required

Commercial landscaping requirements: Parking lots with 25+ spaces shall have open landscaped areas that are equal to but not less than 10 percent of the parking areas and drives in the parking areas. A minimum of 40 percent of the required landscaped area must be used as islands.



PEER CITIES

Each of the following four identified peer communities contain language related to requirements for tree plantings; however, the amount of tree preservation and protection regulation varies for each.

Further study of these and other ordinances may be necessary.

Denison
Tree Preservation and incentives for preservation of natural areas and trees
1

Burleson
Landscaping, Trees, and Vegetation
2

Waxahachie
Mitigation requirements with credits
3

McKinney
Tree Preservation, Mitigation, and Landscape. The most detailed
4

DENISON'S TREE ORDINANCE

Tree Preservation Requirements:

In all zoning districts, no clear cutting of land is allowed without a permit. An approved tree preservation plan or approved site plan is the permit that allows the removal of trees subject to this ordinance.

No tree 18 inches diameter breast height may be removed unless:

- Located in areas specifically exempted by ordinance
- The city has approved removal based on the tree's health/condition
- The city has approved removal after assessment of a mitigation fee

Ordinance Elements

- Tree survey
- Tree preservation plan
- Requirements for tree preservation
- Tree replacement and mitigation
- Incentives for preservation
- Penalty and enforcement

ORDINANCE TIERS

1. Landscape Requirements
2. Tree Mitigation
3. Tree Preservation

Various components may be found in each of these ordinance types, or tiers, which may include:

- Type, size, spacing of tree to be planted or preserved
- Mitigation ratios to provide for Replacement Trees
- Establishment of tree classifications based on size (Protected, Signature, Heritage, etc.)
- Preservation requirements to guard against clear-cutting

PROS & CONS

- Contributes to a sense of place and community identity by enhancing a city's physical and aesthetic appearance
- Provides for shade and seasonal interest, wildlife habitat, soil stabilization and stormwater protection
- Protects and enhances property values and new development aesthetics

- Impacts to developer through cost, time, and site design considerations
- Impacts to City through time and cost associated with plan review – additional consultant and / or staff
- Less efficiency per acre for new housing / development if tree preservation required.

QUESTIONS TO CONSIDER

To develop a tree ordinance best suited to Sherman, the community must consider:

- What are we currently seeing that concerns us?
- What do we want to protect?
- What does a successful outcome look like?
- Do we prefer a regulatory or incentive-based structure?
- Who is / will be impacted by a tree ordinance?
- How can we ensure a balanced approach to the process?

STATE OF TEXAS §

August 21, 2023

COUNTY OF GRAYSON §

BE IT REMEMBERED THAT A Regular Meeting of the City Council of the City of Sherman, Grayson County, Texas was begun and held in the Council Chambers of City Hall on August 21, 2023.

MEMBERS PRESENT: **MAYOR DAVID PLYLER; DEPUTY MAYOR JOSH STEVENSON. COUNCIL MEMBERS HOLLAND, HOWETH, TEAMANN.**

MEMBERS ABSENT: **COUNCIL MEMBERS DOBBS, MARROQUIN.**

CALL TO ORDER

CALL TO ORDER

Mayor Plyler called the meeting to order at 5:02 p.m. The Pledge of Allegiance and Invocation were led by Council Member Shawn Teamann.

CITIZEN'S COMMENTS

CITIZENS COMMENTS

There were no citizen's comments.

CONSENT AGENDA

CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately.

The Council reviewed the Consent Agenda. Council Member Howeth moved to approve the Consent Agenda, as presented. Second by Council Member Holland. All present voted AYE.

Mayor Plyler introduced Ordinance No. 6630 and called for a public hearing:

ORD 6630 CALLING REGULAR MUNICIPAL ELECTION (NOV. 7, 2023)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF NOVEMBER, 2023, FOR THE PURPOSE OF ELECTING TWO CITY COUNCIL MEMBERS (DISTRICT 2 AND DISTRICT 4) TO FILL EXPIRING TERMS; PROVIDING THAT THE ELECTION SHALL BE ADMINISTERED BY GRAYSON COUNTY, TEXAS; DESIGNATING EARLY VOTING POLLING PLACES AND HOURS; DESIGNATING ELECTION DAY POLLING PLACES AND HOURS; DESIGNATING FILING DEADLINES; ORDERING NOTICES OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW IN CONNECTION WITH SUCH ELECTION; PROVIDING FOR THE APPOINTMENT OF ELECTION JUDGES; AUTHORIZING THE MAYOR AND CITY CLERK TO TAKE ALL ACTIONS NECESSARY TO COMPLY WITH APPLICABLE ELECTION LAWS.

Linda Ashby, City Clerk, said this ordinance calls a Regular Municipal Election to elect two Council Members for District 2 and 4.

No citizens appeared before the City Council to discuss Ordinance No. 6630.

ORD 6631 CALLING SPECIAL MUNICIPAL ELECTION (NOV. 7, 2023)

Mayor Plyler introduced Ordinance No. 6631 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF NOVEMBER, 2023, FOR THE PURPOSE OF THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX AT THE RATE OF ONE-EIGHTH OF ONE PERCENT (1/8%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS; PROVIDING THAT THE ELECTION SHALL BE ADMINISTERED BY GRAYSON COUNTY, TEXAS; DESIGNATING EARLY VOTING POLLING PLACES AND HOURS; DESIGNATING ELECTION DAY POLLING PLACES AND HOURS; ORDERING NOTICES OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW IN CONNECTION WITH SUCH ELECTIONS; PROVIDING FOR THE APPOINTMENT OF ELECTION JUDGES; AUTHORIZING THE MAYOR AND CITY CLERK TO TAKE ALL ACTIONS NECESSARY TO COMPLY WITH APPLICABLE ELECTION LAWS.

Ms. Ashby said this ordinance calls a Special Election for the reauthorization of the local sales and use tax for street maintenance.

No citizens appeared before the City Council to discuss Ordinance No. 6631.

ORD 6632 CERTIFICATES OF OBLIGATION

Mayor Plyler introduced Ordinance No. 6632 and called for a public hearing:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023"; SPECIFYING THE TERMS AND FEATURES OF SAID CERTIFICATES; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF THE NET REVENUES FROM THE OPERATION OF THE CITY'S WATERWORKS AND SEWER SYSTEM; RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AND PROVIDING AN EFFECTIVE DATE.

Robby Hefton, City Manager, said this is the Bond Issue that has been discussed several times, including at the Budget Workshop. Most of the projects are for roads, park improvements, some facility projects, Fire Stations No. 1 and No. 2, and the Communication Core System for the EMS. The total amount is $77.75 million.

Garry Kimball, Specialized Public Finance, said they are actually selling $73.64 million in bonds, but are fully funding a $75.75 million project fund budget, that was previously discussed. That

is a function of the bid parameters that are allowed for premium bonds. He said the winning bidder did bid a significant premium. Therefore, a cash premium will be delivered for the difference between the two amounts.

Five bids were received, and the winning bidder was Jefferies LLC, at 4.49%, rounded. He said that compares favorably to the budget number. Originally, 4.5% was budgeted, which is about $20,000 annually, "to the good," over the 30-year term. That's $600,000 better than budgeted.

Mr. Kimball said the City has a AA rating with Standard & Poor's, with some "pretty positive comments." He said the five bids represent over 20 different firms. The bonds will close in September.

No citizens appeared before the City Council to discuss Ordinance No. 6632.

Mayor Plyler introduced Ordinance No. 6633 and called for a public hearing:

ORD 6633 ATMOS ENERGY NEGOTIATED SETTLEMENT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2023 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

Ryan Pittman, City Attorney, said this relates to the City's involvement with the ATMOS Steering Committee, which is a group of cities that represent themselves before the Railroad Commission, which negotiates with ATMOS gas.

This is a near-annual regulatory process to review their rates. The general counsel for the Steering Committee is recommending approval of the settlement, which would implement a $142 million increase in ATMOS' revenues. This has the net effect of increasing customer rates by 7.31% for the average residential customer, and 5.19% for the average commercial customer.

No citizens appeared before the City Council to discuss Ordinance No. 6633.

Mayor Plyler introduced Ordinance No. 6634 and called for a public hearing:

ORD 6634 CURFEW ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, CHAPTER 8 (OFFENSES AND NUISANCES), ARTICLE 8.04 (OFFENSES INVOLVING PUBLIC MORALS), DIVISION 2 (CURFEW HOURS FOR MINORS); REPEALING ORDINANCE NOS. 5805, 5995, 6271, AND 6557; REPEALING THE CITY'S JUVENILE CURFEW ORDINANCE IN RESPONSE TO HOUSE BILL 1819, EFFECTIVE SEPTEMBER 1, 2023; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Jason Jeffcoat, Police Chief, said this is a request to repeal the City's current ordinance for juvenile curfew, in reference to HB 1819, that will go into effect September 1, 2023. This does not affect any curfew that the City might impose for emergency management.

Chief Jeffcoat said over the last year, the department has only written five curfew citations. He said he did not recommend any other changes.

No citizens appeared before the City Council to discuss Ordinance No. 6634.

Mayor Plyler introduced Ordinance No. 6635 and called for a public hearing:

ORD 6635 ABANDON DRAINAGE EASEMENT (USOW ADDITION)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF A VARIABLE WIDTH DRAINAGE EASEMENT LOCATED IN USOW ADDITION, AND BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH VARIABLE WIDTH DRAINAGE EASEMENT IS ESTABLISHED IN INSTRUMENT NO. 2023-17, PLAT RECORDS, GRAYSON COUNTY, TEXAS.

Wayne Lee, Director of Engineering, said this request is from a developer that had a detention pond/drainage easement layout. He purchased some additional property to the north, and needs to decrease some of that footprint and modify his detention. He said the staff had no objection to the request.

No citizens appeared before the City Council to discuss Ordinance No. 6635.

The Public Hearing was closed.

<u>Ordinance 6630</u>

ORD 6630 CALLING REGULAR MUNICIPAL ELECTION (NOV. 7, 2023)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF NOVEMBER, 2023, FOR THE PURPOSE OF ELECTING TWO CITY COUNCIL MEMBERS (DISTRICT 2 AND DISTRICT 4) TO FILL EXPIRING TERMS; PROVIDING THAT THE ELECTION SHALL BE ADMINISTERED BY GRAYSON COUNTY, TEXAS; DESIGNATING EARLY VOTING POLLING PLACES AND HOURS; DESIGNATING ELECTION DAY POLLING PLACES AND HOURS; DESIGNATING FILING DEADLINES; ORDERING NOTICES OF ELECTION TO BE

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Ordinance 6631

ORD 6631 CALLING SPECIAL MUNICIPAL ELECTION (NOV. 7, 2023)

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ORDERING AN ELECTION OF THE QUALIFIED VOTERS OF THE CITY OF SHERMAN, TEXAS, ON THE 7TH DAY OF NOVEMBER, 2023, FOR THE PURPOSE OF THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX AT THE RATE OF ONE-EIGHTH OF ONE PERCENT (1/8%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS; PROVIDING THAT THE ELECTION SHALL BE ADMINISTERED BY GRAYSON COUNTY, TEXAS; DESIGNATING EARLY VOTING POLLING PLACES AND HOURS; DESIGNATING ELECTION DAY POLLING PLACES AND HOURS; ORDERING NOTICES OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW IN CONNECTION WITH SUCH ELECTIONS; PROVIDING FOR THE APPOINTMENT OF ELECTION JUDGES; AUTHORIZING THE MAYOR AND CITY CLERK TO TAKE ALL ACTIONS NECESSARY TO COMPLY WITH APPLICABLE ELECTION LAWS.

ACTION TAKEN.

Motion by Council Member Teamann to adopt the version of Ordinance Nos. 6630 and 6631, that staff provided to us before the meeting and is in front of our places on the dais. Second by Deputy Mayor Stephenson.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

Ordinance 6632

ORD 6632 CERTIFICATES OF OBLIGATION

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ISSUANCE OF "CITY OF SHERMAN, TEXAS, COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2023"; SPECIFYING THE TERMS AND FEATURES OF SAID CERTIFICATES; PROVIDING FOR THE PAYMENT OF SAID CERTIFICATES OF OBLIGATION BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY AND A LIMITED PLEDGE OF THE NET REVENUES FROM THE OPERATION OF THE CITY'S WATERWORKS AND SEWER SYSTEM; RESOLVING OTHER MATTERS INCIDENT AND RELATING TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID CERTIFICATES, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AND PROVIDING AN EFFECTIVE DATE.

Ordinance 6633

ORD 6633 ATMOS ENERGY NEGOTIATED SETTLEMENT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC")

AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2023 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

Ordinance 6634 — **ORD 6634 CURFEW ORDINANCE**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF SHERMAN, TEXAS, CHAPTER 8 (OFFENSES AND NUISANCES), ARTICLE 8.04 (OFFENSES INVOLVING PUBLIC MORALS), DIVISION 2 (CURFEW HOURS FOR MNORS); REPEALING ORDINANCE NOS. 5805, 5995, 6271, AND 6557; REPEALING THE CITY'S JUVENILE CURFEW ORDINANCE IN RESPONSE TO HOUSE BILL 1819, EFFECTIVE SEPTEMBER 1, 2023; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.

Ordinance 6635 — **ORD 6635 ABANDON DRAINAGE EASEMENT (USOW ADDITION)**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ABANDONING A PORTION OF A VARIABLE WIDTH DRAINAGE EASEMENT LOCATED IN USOW ADDITION, AND BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, WHICH VARIABLE WIDTH DRAINAGE EASEMENT IS ESTABLISHED IN INSTRUMENT NO. 2023-17, PLAT RECORDS, GRAYSON COUNTY, TEXAS.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve Ordinance Nos. 6632, 6633, 6634, and 6635, as presented. Second by Council Member Teamann.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RESOLUTION NO. 7118 -- AUTHORIZING EXECUTION OF AN AGREEMENT FOR RIGHT OF WAY PROCUREMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO ACQUIRE RIGHT OF WAY (ROW) AND RELOCATE EXISTING CITY UTILITIES ALONG FM 1417 BETWEEN SH 56 AND W TRAVIS STREET IN THE CITY OF SHERMAN — **RES 7118 TxDOT ROW FOR UTILITIES (FM 1417, BETWEEN SH 56 & W TRAVIS ST)**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN AGREEMENT FOR RIGHT OF WAY PROCUREMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO ACQUIRE RIGHT OF WAY AND RELOCATE EXISTING CITY UTILITIES ALONG FM

1417 BETWEEN SH 56 AND W TRAVIS STREET IN THE CITY OF SHERMAN.

Clint Philpott, Assistant City Manager, said this is an agreement with the Texas Department of Transportation to allow the City to acquire right-of-way for the project, and lines out who pays for some of the utilities that might need to be moved.

The current estimate on right-of-way is $800,000, and there is approximately $1.5 million budgeted for acquisition costs. After appraisals and negotiations, if the $800,000 needs to be increased, the staff will come back to Council with an addendum to the contract.

There is also an assumption of about $750,000 to relocate a 20" water line from SH 56 to Hwy 82. Through this contract, TxDOT will reimburse the City for the relocation expenses.

Council Member Teamann said he owned property along FM 1417, and asked if he needed to abstain from the vote.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve Resolution No. 7118, as presented. Second by Council Member Holland.

VOTING AYE: Holland, Howeth, Stevenson.
VOTING NAY: None.
ABSTAIN: Teamann.
MOTION CARRIED.

RES 7119 SHEPHERD DR, FROM INTERURBAN PKWY TO HWY 75 PROJECT

RESOLUTION NO. 7119 -- AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH MARIO SINACOLA & SONS EXCAVATING, INC. BASED ON AN INVITATION TO BID FOR THE SHEPHERD DRIVE FROM INTERURBAN PARKWAY TO U.S. HIGHWAY 75 PROJECT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AWARDING A BID TO AND AUTHORIZING EXECUTION OF A CONTRACT WITH MARIO SINACOLA & SONS EXCAVATING, INC. BASED ON AN INVITATION TO BID FOR THE SHEPHERD DRIVE FROM INTERURBAN PARKWAY TO U.S. HIGHWAY 75.

Mr. Lee said this is a construction award for the Shepherd Drive improvements. It turns the narrow, two-lane asphalt road, from Hwy 75 to just past Interurban Parkway, into a four-lane, divided roadway, with an extra wide median, that can one day be expanded to six lanes, when needed.

Their bid was $14,600,000, which was about 0.7% over the engineer's estimate. There is also a $1 million contingency on the project.

ACTION TAKEN.

Motion by Deputy Mayor Stevenson to approve Resolution No. 7119, as presented. Second by Council Member Howeth.

VOTING AYE: Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7120 WATER TREATMENT PLANT - EDR REHABILITATION

RESOLUTION NO. 7120 -- APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO AWARD BID PACKAGE 1 MATERIALS TO MACHINING & VALVE AUTOMATION SERVICES, LLC FOR THE WATER TREATMENT PLANT - EDR REHABILITATION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE GREATER TEXOMA UTILITY AUTHORITY'S INTENTION TO AWARD THE BID PACKAGE 1 MATERIALS TO MACHINING & VALVE AUTOMATION SERVICES, LLC FOR THE WATER TREATMENT PLANT - EDR REHABILITATION.

Mr. Philpott said this was for the purchase of valves and fittings for the EDR Rehabilitation Project. Most of the work is being done in-house, by the staff. Because of that, the parts must be acquired through procurement services. There will probably be several other purchases throughout the process.

There was only one bidder, but it was the bidder that the City often buys parts from, so the staff was confident that the prices were good.

ACTION TAKEN.
Motion by Deputy Mayor Stevenson to approve Resolution No. 7120, as presented. Second by Council Member Teamann.
VOTING AYE: Holland, Howeth, Stevenson, Teamann.
VOTING NAY: None.
MOTION CARRIED.

RES 7121 ENCROACHMENT (2500 TEXOMA PKWY)

RESOLUTION NO. 7121 -- AUTHORIZING EXECUTION OF AN ENCROACHMENT AGREEMENT WITH RFJ AUTO PROPERTIES, LLC FOR THE ENCROACHMENT OF TWO (2) EXISTING VEHICLE CANOPIES AND ONE (1) EXISTING BUILDING WITHIN THE PROPOSED PLATTED 15-FOOT WASTEWATER EASEMENT, APPROVED BY CITY COUNCIL ON JULY 17, 2023, TO BE FILED IN THE PLAT RECORDS, GRAYSON COUNTY, TEXAS, LOCALLY KNOWN AS 2500 TEXOMA PARKWAY IN THE CITY OF SHERMAN, TEXAS

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN ENCROACHMENT AGREEMENT TO RFJ AUTO PROPERTIES, LLC FOR THE ENCROACHMENT FOR TWO (2) EXISTING VEHICLE CANOPIES AND ONE (1) EXISTING BUILDING WITHIN THE PROPOSED PLATTED 15-FOOT WASTEWATER EASEMENT, APPROVED BY CITY COUNCIL ON JULY 17, 2023, TO BE FILED IN THE PLAT RECORDS, GRAYSON COUNTY, TEXAS, LOCALLY KNOWN AS 2500 TEXOMA PARKWAY IN THE CITY OF SHERMAN. CONSENT AGENDA.

RES 7122 JAG GRANT

RESOLUTION NO. 7122 -- AUTHORIZING SUBMISSION OF A JOINT GRANT APPLICATION WITH THE CITY OF DENISON AND GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT

AWARDED UNDER THE 2023 JUSTICE ASSISTANCE GRANT PROGRAM - CFDA #16.738
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A JOINT GRANT APPLICATION WITH THE CITY OF DENISON, AND GRAYSON COUNTY FOR, AND THE ACCEPTANCE OF, A GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2023 JUSTICE ASSISTANCE GRANT PROGRAM - CFDA #16.738.
CONSENT AGENDA.

RESOLUTION NO. 7123 -- AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, THE CITY OF DENISON, AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2023 JUSTICE ASSISTANCE GRANT PROGRAM -- CFDA #16.738 — **RES 7123 JAG GRANT**
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF SHERMAN, THE CITY OF DENISON, AND GRAYSON COUNTY FOR GRANT FUNDING TO BE AWARDED BY THE U.S. DEPARTMENT OF JUSTICE UNDER THE 2023 JUSTICE ASSISTANCE GRANT PROGRAM - CFDA #16.738.
CONSENT AGENDA.

COUNCIL COMMENTS

HOT WEATHER — **HOT WEATHER**
Council Member Howeth reminded citizens that it was hot and asked them to check on their friends and neighbors to make sure they were okay.

BATTLE OF THE AXE — **BATTLE OF THE AXE**
Council Member Teamann said he was looking forward to the Battle of the Axe this week.

KIWANIS PANCAKE MEAL — **KIWANIS PANCAKE MEAL**
Council Member Teamann said the Kiwanis was holding an all you can eat pancake meal on Friday, August 25. 2023, from 7:00 am until 7:00 pm in the Municipal Ballroom. Tickets are $8 each.

HOT WEATHER — **HOT WEATHER**
Council Member Teamann said the weather is hot, and reminded everyone to stay hydrated.

ANNOUNCEMENTS — **ANNOUNCEMENTS**
Mayor Plyler announced the following:

- **Sherman's Hispanic Heritage Festival will be held September 9, 2023, at Kidd-Key Park.**
- **Art's Fest will be held on September 16, 2023, beginning at 9:00 am.**
- **Parks and Recreation is offering tennis and pickleball lessons on September 13 and 14, 2023. Clinics are available for children and adults.**

- **The Inaugural Crossroads Music Festival will be held September 23, 2023, at Pecan Grove Park. Stoney LaRue will be performing.**

EXECUTIVE SESSION

EXECUTIVE SESSION – IN ACCORDANCE WITH CHAPTER 551, GOVT. CODE, V.T.C.S., (OPEN MEETINGS LAW)

THE CITY COUNCIL WILL NOW HOLD AN EXECUTIVE SESSION PURSUANT TO THE PROVISIONS OF THE OPEN MEETINGS LAW, CHAPTER 551, GOVERNMENT CODE, VERNONS TEXAS CODES ANNOTATED, IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN THE FOLLOWING SECTIONS.

TEX. GOV'T CODE § 551.071 --
SEEKING THE ADVICE OF ITS ATTORNEY ABOUT PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS OR ANY MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE CITY COUNCIL UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE TEXAS OPEN MEETINGS ACT

TEX. GOV'T CODE § 551.072 --
DELIBERATING THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.073 --
DELIBERATING A NEGOTIATED CONTRACT FOR A PROSPECTIVE GIFT OR DONATION TO THE CITY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE CITY IN NEGOTIATIONS WITH A THIRD PERSON

TEX. GOV'T CODE § 551.074 --
DELIBERATING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE; OR TO HEAR A COMPLAINT OR CHARGE AGAINST AN OFFICER OR EMPLOYEE UNLESS THE OFFICER OR EMPLOYEE WHO IS THE SUBJECT OF THE DELIBERATION OR HEARING REQUESTS A PUBLIC HEARING

TEX. GOV'T CODE § 551.076 –
DELIBERATING THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION, OF SECURITY PERSONNEL OR DEVICES OR A SECURITY AUDIT

TEX. GOV'T CODE § 551.087 –
DISCUSSING OR DELIBERATING COMMERCIAL OR FINANCIAL INFORMATION THAT THE CITY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE CITY SEEKS TO HAVE LOCATE, STAY OR EXPAND IN OR NEAR THE CITY AND WITH WHICH THE CITY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR DELIBERATING THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT

TEXAS GOV'T CODE § 551.089 --
DELIBERATING SECURITY ASSESSMENTS OR DEPLOYMENTS RELATING TO INFORMATION RESOURCES TECHNOLOGY, NETWORK SECURITY INFORMATION, OR THE DEPLOYMENT OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL, CRITICAL INFRASTRUCTURE OR SECURITY DEVICES

The Executive Session was not needed.

ADJOURNMENT **ADJOURNMENT**
On Motion duly made and carried, the meeting adjourned at 5:22 p.m.

MAYOR

CITY CLERK

$73,640,000 Combination Tax & Revenue Certificates of Obligation, Series 2023

Rank	Firm	Location	Bid Received	True Interest Cost (TIC)
1	Jefferies LLC	New York, NY	9:59:12 AM	4.487354%
2	Robert W. Baird & Co., Inc.	Milwaukee, WI	9:56:39 AM	4.513733%
3	RBC Capital Markets	New York, NY	9:56:04 AM	4.531097%
4	Raymond James & Associates, Inc.	Memphis, TN	9:56:59 AM	4.594349%
5	HilltopSecurities	Dallas, TX	9:59:59 AM	4.666908%

- Bids were due on August 21, 2023 at 10:00 AM, CDST. All bids were submitted via Parity's online bidding system.
- The spread between the low bid and the high bid is approximately 0.180% (or 18.0 basis points).
- The final TIC equated to 4.498558% based on the resized par amount.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B. 1.**

Meeting Date: 09/05/2023
Prepared By: Robby Hefton, City Manager
Approved By: Robby Hefton, City Manager

Caption:

SPECIAL PRESENTATION
Comments from the City Manager on Organizational Changes

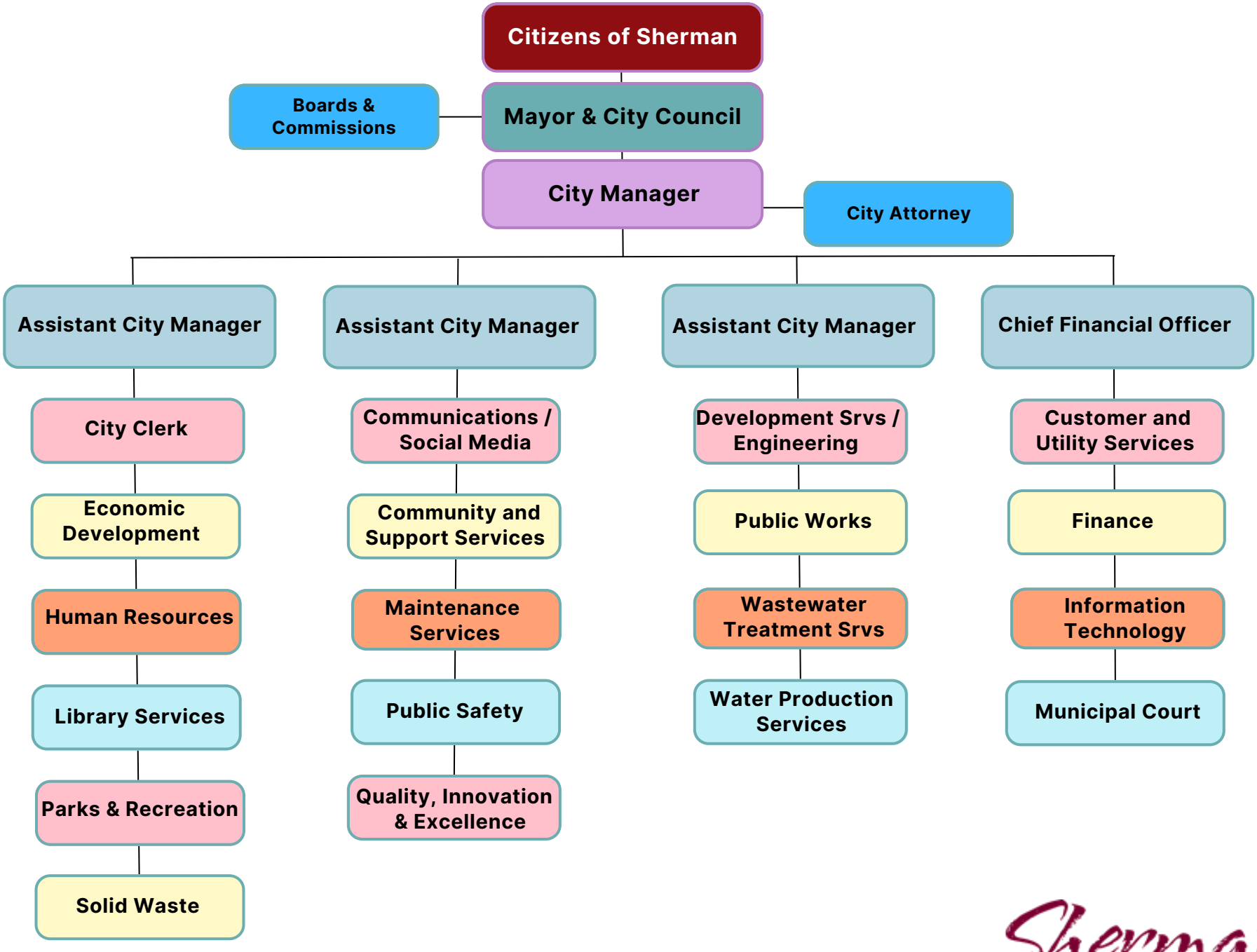
Issue:

Discuss orgainzational changes

Attachments

Organizational Chart

CITY OF SHERMAN ORGANIZATIONAL CHART



Sherman
CLASSIC TOWN. BROAD HORIZON.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **B. 2.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

SPECIAL PRESENTATION

City of Sherman Police Chief Jason Jeffcoat's Presentation of the Department's new Ballistic Armored Tactical Transport (B.A.T.T.-X)

Issue:

To present the 2022 B.A.T.T.-X

Background:

In October of 2021 the City Council approved the purchase of a 2022 Armored Vehicle for the Sherman Police Department from the Armored Group. This vehicle will provide the Sherman Police Department Special Response Team (SRT) with additional ballistic protection to approach barricaded suspects. and to safely rescue injured officers and civilians during active shooter situations.

Origination:

Sherman Police Department

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **D. 1.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7124

Authorizing Execution of a Chapter 380 Grant Agreement with Knight Furniture Co. Ltd. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Knight Furniture Co. Ltd. for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No.
Application
Agreement

RESOLUTION NO. ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH KNIGHT FURNITURE CO LTD FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Knight Furniture Co. Ltd meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Knight Furniture Co. Ltd and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Knight Furniture Co. Ltd for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 16, 2023 at 11:37:18 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Knight Furniture
Name of Company (if different than business name)	*Field not completed.*
Business Address	108 W Lamar St
Name of Person Applying	Joey Gunn
Telephone Number	903-893-9484

(Section Break)

Business Square Footage	80000
Own or lease?	Own
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	5/1/1912
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Furniture Retail

Email not displaying correctly? View it in your browser.

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Date: Wednesday, August 16, 2023 at 11:37:18 AM Central Daylight Time
From: noreply@civicplus.com
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Name of Company (if different than business name)	*Field not completed.*
Business Address	108 W Lamar St
Name of Person Applying	Joey Gunn
Telephone Number	903-893-9484

(Section Break)

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Own or lease?	Own
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	5/1/1912
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Furniture Retail

Email not displaying correctly? View it in your browser.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **E. 1.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

CONSENT AGENDA

Asterisked (*) items are considered to be routine and will be enacted in one motion without discussion unless a Council Member or a citizen requests a specific item be discussed and voted on separately

Issue:

G. 4. *** RESOLUTION NO. 7128**
Adopting an Investment Policy for the City of Sherman

G. 5. **** RESOLUTION NO. 7129***
Authorizing Execution of a Chapter 380 Grant Agreement with Lindsey H Eichert for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 6. **** RESOLUTION NO. 7130***
Authorizing Execution of a Chapter 380 Grant Agreement with Sandi's Boutique LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 7. *** RESOLUTION NO. 7131**
Authorizing Execution of a Chapter 380 Grant Agreement with Look At Me 3D/4D LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 8. **** RESOLUTION NO. 7132***
Authorizing Execution of a Chapter 380 Grant Agreement with Mac's Shirts and More for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 9. **** RESOLUTION NO. 7133***
Authorizing Execution of a Chapter 380 Grant Agreement with Pickles & Pottery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 10. **** RESOLUTION NO. 7134***
Authorizing Execution of a Chapter 380 Grant Agreement with Courtney Mitchell Photography, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 11. **** RESOLUTION NO. 7135***
Authorizing Execution of a Chapter 380 Grant Agreement with Beth White Ward for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 12. **** RESOLUTION NO. 7136***

Authorizing Execution of a Chapter 380 Grant Agreement with Look-A-Likes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 13. **** RESOLUTION NO. 7137***

Authorizing Execution of a Chapter 380 Grant Agreement with Wall Street Winery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 14. **** RESOLUTION NO. 7138***

Authorizing Execution of a Chapter 380 Grant Agreement with Chef Robert Aranson Inc. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 15. **** RESOLUTION NO. 7139***

Authorizing Execution of a Chapter 380 Grant Agreement with Upholstery Girl LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 16. **** RESOLUTION NO. 7140***

Authorizing Execution of a Chapter 380 Grant Agreement with Barrett Hospitality LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 17. **** RESOLUTION NO. 7141***

Authorizing Execution of a Chapter 380 Grant Agreement with John A Striplin for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 18. **** RESOLUTION NO. 7142***

Authorizing Execution of a Chapter 380 Grant Agreement with Cozy Couture Company Limited Liability Company for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 19. **** RESOLUTION NO. 7143***

Authorizing Execution of a Chapter 380 Grant Agreement with Downtown Escape Rooms, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 20. **** RESOLUTION NO. 7144***

Authorizing Execution of a Chapter 380 Grant Agreement with Nancy J Spiller Sims for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 21. *** RESOLUTION NO. 7145**

Authorizing Execution of a Chapter 380 Grant Agreement with Naif J Risk for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 22. **** RESOLUTION NO. 7146***

Authorizing Execution of a Chapter 380 Grant Agreement with Just Peachy Nails & Lashes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 23. **** RESOLUTION NO. 7147***

Authorizing Execution of a Chapter 380 Grant Agreement with Neva Damron and Kim Williams for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 24. **** RESOLUTION NO. 7148***

Authorizing Execution of a Chapter 380 Grant Agreement with BHH Coffee, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 25. **** RESOLUTION NO. 7149***

Authorizing Execution of a Chapter 380 Grant Agreement with Hannah's Florist LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 26. **** RESOLUTION NO. 7150***

Authorizing Execution of a Chapter 380 Grant Agreement with Gregory Dale Belew for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 27. **** RESOLUTION NO. 7151***

Authorizing Execution of a Chapter 380 Grant Agreement with Harris Group, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 28. **** RESOLUTION NO. 7152***

Authorizing Execution of a Chapter 380 Grant Agreement with Mychah Simpson And Jordan Moore for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

G. 29. **** RESOLUTION NO. 7153***

Authorizing Execution of a Chapter 380 Grant Agreement with Laurel E., LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

H. 1. **** REQUEST TO ADVERTISE***

Requesting to Advertise for Asbestos Abatement Services at Fire Station No. 1

I. 2. **** OTHER BUSINESS***

Consider Request of Downtown Sherman NOW to Temporarily Close Certain Streets for the "Stroll on the Square" on Saturday, October 7, 2023

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 1.**

Meeting Date: 09/05/2023
Prepared By: Mary Lawrence, Director of Finance
Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING
Capital Improvement Program 2023-2028

Issue:

Holding a public hearing for the City of Sherman's Capital Improvement Program (CIP) covering the period from October 1, 2023 through September 30, 2028

Background:

Article V, Section 10 of the City Charter requires that the City Council, by resolution, adopt a Capital Improvement Program. As required, before consideration of the resolution, the City published a summary of the program and gave notice of a public hearing on the City of Sherman website. Approval of this CIP is by resolution on this agenda.

Origination:

Finance Department

Financial Consideration:

The first year of projects for the General, Utility and Stormwater Capital Improvement Programs are included in the proposed fiscal year (FY) 2023-2024 budget. There is no financial consideration to holding a public hearing or adopting the Capital Improvement Program.

Staff Recommendation:

It is recommended that the City Council hold a public hearing for the Capital Improvement Program 2023-2028. There is no Council action required on this public hearing.

Alternatives:

Those as may be directed by the City Council

Attachments

Draft CIP 2023-2028

Capital Improvement Plan for the City of Sherman

October 1, 2023 – September 30, 2028

CAPITAL IMPROVEMENT PROGRAM OF THE CITY OF SHERMAN

OCTOBER 1, 2023 - SEPTEMBER 30, 2028

CITY COUNCIL

David Plyler, Mayor
Josh Stevenson, Deputy Mayor

Council Members

Pamela L. Howeth
Daron Holland
Shawn Teamann
Justin Dobbs
Henry Marroquin

Robby Hefton, City Manager

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City of Sherman, Texas

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MAYOR DAVID PLYLER
DEPUTY MAYOR JOSH STEVENSON
CITY COUNCIL PAMELA L. HOWETH, DARON HOLLAND, SHAWN TEAMANN, JUSTON DOBBS, HENRY MARROQUIN
CITY MANAGER ROBBY HEFTON

The Honorable David Plyler, Mayor, and Members of the City Council

Subject: 2023-2024/2027-2028 Five-Year Capital Improvement Program

The Capital Improvement Program for the City of Sherman is submitted to you in compliance with Article V, Section IX of our Charter. This Five-Year Capital Improvement Program covers the planning period beginning October 1, 2023 through September 30, 2028.

Our community continues to experience growth and potential for growth and, in order to meet the needs of the future, we must plan. The Capital Improvement Program forecasts our major capital improvement needs on a yearly priority basis. The plan requires annual revision in order to ensure that it meets the public safety, health and welfare needs of the citizens of Sherman, as well as our ability to finance those needs.

The Capital Improvement Program provides you with a comprehensive planning forecast of Capital Improvement needs. It outlines the recommended projects by fiscal year and estimates cost and funding sources. Each project is described by a brief narrative. The process of reviewing and approving this document requires that you concentrate on the priorities of the projects, due to funding limitations.

The Capital Improvement Program is separated into two functions, that of governmental and of proprietary. The governmental function is accounted for in the General Fund services; and the Capital Improvement Projects under this section are associated with general government and financed by taxation, grants and other General Fund sources. These projects are in the nature of streets, parks, drainage, flood control, refuse, and public safety improvements. The proprietary function is accounted for in the Utility Services section. Projects under this section are primarily for water and sewer improvements. Summaries by fiscal year for General Services and Utility Services are for years one through five.

This Capital Improvement Program has been reviewed and is hereby respectfully submitted for your consideration.

Very truly yours,

Robby Hefton
City Manager

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
ENGINEERING SERVICES					
Phased Construction of Flanary Road - FM 1417 to Progress Drive	$ 900,000	$ 4,500,000	$ -	$ -	$ -
Phased Design & Construction of OB Groner - West of FM 1417	$ 1,000,000	$ 1,500,000	$ -	$ -	$ -
Extend Moore Street - Park Avenue to Center Street	$ 2,200,000	$ 3,000,000	$ -	$ -	$ -
Construct Bel Air Boulevard South to Creek and Beach Boulevard - London Lane	$ 5,600,000	$ -	$ -	$ -	$ -
Phased Design & Construction of Lamberth Road & Friendship Road Thru Hickory Hill	$ 3,500,000	$ -	$ -	$ -	$ -
Allocation for 75% Right-of-Way for Capital Projects	$ 50,516	$ -	$ -	$ -	$ -
Design & Land Acquisition for City Hall Facility	$ 5,000,000	$ -	$ -	$ -	$ -
Construct Road Connecting Progress Drive to Industrial Park Location	$ 700,000	$ -	$ -	$ -	$ -
Construction & Extension of Progress Drive	$ 2,200,000	$ -	$ -	$ -	$ -
Construction of Shepherd Drive	$ 3,070,000	$ -	$ -	$ -	$ -
Engineering of Ramps at Heritage Ranch	$ 1,000,000	$ -	$ -	$ -	$ -
Drainage Improvements for Hills of Sherman	$ 500,000	$ -	$ -	$ -	$ -
TIF #2 - Downtown General Improvements	$ 270,000	$ -	$ -	$ -	$ -
FM 1417 Design & ROW Acquisitions - SH 56 to Travis Street	$ -	$ 3,300,000	$ -	$ -	$ -
FM 1417 Design & ROW Acquisitions - US 75 to RR	$ -	$ 550,000	$ -	$ -	$ -
Improve Sherman Street to a 31-ft Road - Montgomery Street to East Street	$ -	$ 1,200,000	$ -	$ -	$ -
Construct Street Connecting Loy Lake Road to US 75 Frontage Road and Fallon Drive Overpass	$ -	$ 600,000	$ -	$ -	$ -
Engineering & Design for Future Construction of McGee/Washington Street - Washington to SH 289	$ -	$ 1,200,000	$ -	$ -	$ -
Engineering & Construction of McGee Street Bridge Across Sand Creek	$ -	$ 600,000	$ -	$ -	$ -
Design & Construction of Park Street - Lake Street to SH 11	$ -	$ -	$ 360,000	$ 2,100,000	$ -
Final Engineering East of Dripping Springs to Construct 800 LF Adjacent to Development	$ -	$ -	$ 120,000	$ 1,200,000	$ -
Phased Design & Construction of Interurban Parkway - Progress Drive to Shepherd	$ -	$ -	$ 5,000,000	$ 5,800,000	$ 23,000,000
Total Engineering Services	$ 25,990,516	$ 16,450,000	$ 5,480,000	$ 9,100,000	$ 23,000,000
FIRE DEPARTMENT					
Improve Drainage and Replace Defective Concrete at Central Fire Station	$ 250,000	$ -	$ -	$ -	$ -
Combine Fire Stations No. 1 and No. 2	$ 5,000,000	$ -	$ -	$ -	$ -
Breathing Air Compressor for Replenishing SCBA Bottles	$ -	$ 50,000	$ -	$ -	$ -
Total Fire Department	$ 5,250,000	$ 50,000	$ -	$ -	$ -

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
INFORMATION TECHNOLOGY					
Replace Existing Radio System with Trunking Radio System	$ 3,000,000	$ -	$ -	$ -	$ -
Replace Public Safety CAD and RMS Software	$ -	$ 2,500,000	$ -	$ -	$ -
Total Information Technology	$ 3,000,000	$ 2,500,000	$ -	$ -	$ -
PARKS AND RECREATION					
Replace Ballfield Lighting and Add Sidewalks at Old Settlers Park	$ 1,500,000	$ 1,500,000	$ -	$ -	$ -
Creek Erosion Control at West Hill Cemetery	$ 1,000,000	$ -	$ -	$ -	$ -
Install Inclusive Playground and Expand Parking Lot at Pecan Grove East Park	$ 800,000	$ -	$ -	$ -	$ -
Upgrade Fairview Tennis Courts - Resurface and Replace Fencing/Lighting	$ 100,000	$ -	$ -	$ -	$ -
Replace Large Playground at Fairview Park	$ 1,500,000	$ -	$ -	$ -	$ -
Replace Pavilions No. 2 and No. 4 with Large Pavilion at Fairview Park	$ 200,000	$ -	$ -	$ -	$ -
Design & Construct Southwest Trail Per Trails Master Plan	$ 5,746,167	$ -	$ -	$ -	$ -
Replace Large Playground at Hawn Park	$ 1,000,000	$ -	$ -	$ -	$ -
Replace Pavilion at Hawn Park	$ 200,000	$ -	$ -	$ -	$ -
Install Splash Pad at Pecan Grove West Park	$ 1,000,000	$ -	$ -	$ -	$ -
Install Fishing Pier and Kayak Drop at Herman Baker Park	$ 700,000	$ -	$ -	$ -	$ -
Install Turf Athletic Field at a City Park Location	$ 2,000,000	$ -	$ -	$ -	$ -
Design & Install Disc Golf Course at Herman Baker Park	$ 100,000	$ -	$ -	$ -	$ -
Replace Softball Field Lighting at Fairview Park	$ 800,000	$ -	$ -	$ -	$ -
Replace Splash Pad at Hawn Park	$ 800,000	$ -	$ -	$ -	$ -
Acquire Land for Future Park Development	$ -	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -
Install Splash Pad at Old Settlers Park	$ -	$ 750,000	$ -	$ -	$ -
Install Restroom at Binkley Park	$ -	$ 350,000	$ -	$ -	$ -
Install Splash Pad at Martin Luther King Jr. Park	$ -	$ 750,000	$ -	$ -	$ -
Install Fishing Pier and Kayak Drop at Pecan Grove East Park	$ -	$ 700,000	$ -	$ -	$ -
Construct "Shark Tooth Park" at Post Oak Creek	$ -	$ 4,500,000	$ -	$ -	$ -
Install Outdoor Workout Equipment at Fairview Park	$ -	$ 350,000	$ -	$ -	$ -
Expand Existing Skatepark at Hawn Park	$ -	$ 400,000	$ -	$ -	$ -
Construct Food Truck Park	$ -	$ 500,000	$ -	$ -	$ -
Upgrade Building and Expand Parking at Taylor Street Gym	$ -	$ 400,000	$ -	$ -	$ -
Install Second Dog Park	$ -	$ 200,000	$ -	$ -	$ -
Install Branded Signage Throughout Park System	$ -	$ 150,000	$ -	$ -	$ -
Design & Construct New Outdoor Acquatics Center	$ -	$ -	$ 400,000	$ 40,000,000	$ -
Design & Construct Multi-Generational Recreation Center	$ -	$ -	$ 200,000	$ -	$ 7,000,000
Develop Parks Master Plan for 2027-2037	$ -	$ -	$ 125,000	$ -	$ -

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Update Veterans Baseball Field	$ -	$ -	$ 500,000	$ -	$ -
Expand Parking Lot at Center Street Sports Complex	$ -	$ -	$ 2,500,000	$ -	$ -
Install Shading at Fairview Dog Park	$ -	$ -	$ 70,000	$ -	$ -
Install Pavilion at Herman Baker Park	$ -	$ -	$ 100,000	$ -	$ -
Install Covering for Outdoor Basketball Courts at Old Settlers & Pecan Grove West Parks	$ -	$ -	$ 2,000,000	$ -	$ -
Design & Construct Sandy Creek Pedestrian Bridge	$ -	$ -	$ -	$ 250,000	$ -
Design Large Outdoor Athletic Complex	$ -	$ -	$ -	$ 400,000	$ -
Total Parks & Recreation	$ 17,446,167	$ 12,550,000	$ 7,895,000	$ 42,650,000	$ 7,000,000
Total General Services	$51,686,683	$31,550,000	$13,375,000	$51,750,000	$30,000,000

UTILITY SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Oversizing Costs for Annual Water & Sewer Projects	$ 250,000	$ 300,000	$ 300,000	$ 300,000	$ 500,000
Continue High Country Estates Water System Upgrades	$ 70,000	$ 70,000	$ 75,000	$ -	$ -
Add Water Line Across US 75 for Elevated Tank Level Stabilization	$ 73,500	$ 490,000	$ -	$ -	$ -
Increase Existing 6-Inch Water Line Across SH 289 to 12-Inch Line	$ 82,700	$ 551,000	$ -	$ -	$ -
Remove Buildup in Sludge Ponds at WTP	$ 400,000	$ -	$ 420,000	$ -	$ 440,000
Design & Construct Major WWTP Expansion to Treat Industrial Waste	$ 155,000,000	$ -	$ 200,000,000	$ -	$ -
Design & Construct WTP Expansion to 30 MGD UF/RO & Install Components for Additional 15 MGD	$ 14,300,000	$ -	$ 245,000,000	$ -	$ -
Increase UF/RO Capacity by 15 MGD at WTP	$ 7,040,000	$ -	$ -	$ -	$ 30,000,000
Procure & Install Lake Texoma Pump Station Backup Generator & Switchgear for Electrical Upgrades	$ 5,200,000	$ -	$ -	$ -	$ -
Conduct City Lift Station Assessment Study	$ 300,000	$ -	$ -	$ -	$ -
Abandon Preston Club Wastewater Treatment Plant & Old Lift Stations	$ 175,000	$ -	$ -	$ -	$ -
Expand WTP North by 5 MGD	$ 4,500,000	$ -	$ -	$ -	$ -
Design & Construct 36-Inch Water Line West to WTP	$ 23,000,000	$ -	$ -	$ -	$ -
Abandon South Crockett Lift Station & Install Gravity Sewer Connecting to Existing Line	$ 150,000	$ -	$ -	$ -	$ -
WTP Rehabilitation - Flocculation/Sedimentation Units, Filters, EDR Units	$ 20,000,000	$ -	$ -	$ -	$ -
Engineering Management	$ 9,255,000	$ -	$ -	$ -	$ -
Design for Backup Generators for WTP & Lake Texoma	$ 500,000	$ -	$ -	$ -	$ -
Increase Raw Water Pump No. 1 & No. 4 Capacity at Lake Texoma Pump Station	$ 9,200,000	$ -	$ -	$ -	$ -
Construct Emergency Storage Water Reservoir at WTP	$ 31,400,000	$ -	$ -	$ -	$ -
Construct Concentrate Pump Station & Discharge Line at WTP	$ 7,422,000	$ -	$ -	$ -	$ -
Bel Air Construction - Phase III - 20-Inch Surface Water Line	$ 2,220,000	$ -	$ -	$ -	$ -
Relocate New Elevated Tank & Abandon Old Elevated Tank on Shepherd Drive	$ 17,000,000	$ -	$ -	$ -	$ -
Complete Replacement of Deteriorated Southside Industrial Sewer	$ 1,350,000	$ -	$ -	$ -	$ -
Remove & Replace Post Oak Sewer Lines A and B	$ 5,091,000	$ -	$ -	$ -	$ -
Replace Inverted Siphon Sewer Line	$ 500,000	$ -	$ -	$ -	$ -
Improve Safety & Operability of WWTP Electrical System	$ 9,271,208	$ -	$ -	$ -	$ -
Conduct Post Oak WWTP Master Plan/Feasibility Study	$ 11,400,000	$ -	$ -	$ -	$ -
Hickory Hill Utility Improvements	$ 1,820,000	$ -	$ -	$ -	$ -
Increase Size of Post Oak Creek Sewer Lines to WWTP	$ -	$ 3,000,000	$ 4,600,000	$ 9,400,000	$ 3,800,000
Annual Sewer Line Replacement - West Side of Post Oak Creek	$ -	$ 1,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Lead & Copper Rule Revision - Phases 3 Through 6	$ -	$ 490,000	$ 270,000	$ 219,000	$ 210,000
Annual Water Line Replacements	$ -	$ 1,900,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Filtration & Re-Lift Pump Station for WWTP	$ -	$ 1,200,000	$ 12,000,000	$ -	$ -
Design & Replace Downtown Sewer Lines - Phase II	$ -	$ 800,000	$ 4,200,000	$ -	$ -
Upsize 42-Inch Sanitary Sewer Line to 60-Inch Line - Post Oak Road	$ -	$ 1,300,000	$ 8,700,000	$ -	$ -
Upgrade WWTP From 10 MGD to 14 MGD	$ -	$ 10,000,000	$ 80,000,000	$ -	$ -
Rehabilitate & Replace Sludge Digester Complex at WWTP	$ -	$ 550,000	$ 7,300,000	$ -	$ -
Clarifier #3 Rehabilitation at WWTP	$ -	$ 120,000	$ 1,000,000	$ -	$ -
NFPA Upgrades to Grit Building at WWTP	$ -	$ 30,000	$ 290,000	$ -	$ -
Miscellaneous WWTP Improvements	$ -	$ 50,000	$ 170,000	$ -	$ -

UTILITY SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Construction Phase of Equalization Basin Blower Rehabilitation at WWTP	$ -	$ 1,810,000	$ -	$ -	$ -
Remodel & Upgrade Laboratory at WWTP	$ -	$ 3,200,000	$ -	$ -	$ -
Complete Repainting of Rex Cruse Elevated Tank	$ -	$ 500,000	$ -	$ -	$ -
Replace Exposed Water Line - Center Street Bridge Rehabilitation	$ -	$ 650,000	$ -	$ -	$ -
Engineering & Construction of Shepherd Utilities	$ -	$ 550,000	$ -	$ -	$ -
Replace Downtown Sewer Lines - Phase I	$ -	$ 1,500,000	$ -	$ -	$ -
Install Collection System Sewer Line - Heritage Ranch	$ -	$ 900,000	$ -	$ -	$ -
Replace Sewer Line in Southeast Sherman - Rosedale to First Street	$ -	$ 900,000	$ -	$ -	$ -
Replace Base & Apply New Surface Course for WWTP Road	$ -	$ 40,000	$ -	$ -	$ -
Upsize 21-Inch Sanitary Sewer Line to 60-Inch Line - Choctaw	$ -	$ -	$ 2,200,000	$ 14,500,000	$ -
Expand Northeast Sewer Expansion Project to Address Northwest Sherman Development	$ -	$ -	$ 1,000,000	$ 500,000	$ -
Demolish Old Sludge Drying Beds	$ -	$ -	$ 250,000	$ -	$ -
Install 36-Inch Medium Pressure Line to Service Southern Sherman	$ -	$ -	$ -	$ 5,000,000	$ 60,000,000
Convert Wastewater to Re-Use and Send to Lake Texoma	$ -	$ -	$ -	$ 60,000,000	$ -
Sample & Investigate WWTP Pond System	$ -	$ -	$ -	$ 20,000	$ 350,000
Rehabilitation & Safety Improvements to Decant Lift Station at WWTP	$ -	$ -	$ -	$ 50,000	$ 430,000
Construct 84-Inch Water Line from Lake Texoma to WTP	$ -	$ -	$ -	$ -	$ 56,600,000
Construct New Water Line to Service Southern Sherman and Mustang MUD	$ -	$ -	$ -	$ -	$ 2,000,000
Upsize 15-Inch Sanitary Sewer Line to 60-Inch Line - Shepherd Drive	$ -	$ -	$ -	$ -	$ 3,400,000
Total Utility Services	$ 336,970,408	$ 31,901,000	$ 571,775,000	$ 93,989,000	$ 161,730,000

STORMWATER SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
McGee Street Bridge at Post Oak Creek - Erosion Damage Repair and Deck Overlay	$ -	$ 175,000	$ 1,000,000	$ -	$ -
Lambert Road Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ 130,000	$ -	$ -	$ -
Hillcrest/North Woods Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ 110,000	$ -	$ -	$ -
Design & Construct Storm Drainage System - Birge Street to McGee Street	$ -	$ 2,500,000	$ -	$ -	$ -
Taylor-Washington Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ -	$ 135,000	$ -	$ -
Pecan/Ricketts/Centennial Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ -	$ 95,000	$ -	$ -
Increase Culvert Capacity Under Gribble Street	$ -	$ -	$ -	$ 385,000	$ -
Construct Regional Storm Water Detention Facility in Town Center	$ -	$ -	$ -	$ -	$ 580,000
Total Stormwater Services	$ -	$ 2,915,000	$ 1,230,000	$ 385,000	$ 580,000

DRAFT

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is charged with providing a five-year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City; and

WHEREAS, the City Manager has provided to the City Council such a program in a timely fashion; and

WHEREAS, the City Council met to review said plan on the 7th day of August, 2023, at a regular City Council meeting;

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

SECTION 1. That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

SECTION 2. That the effective date of this resolution shall be the 21st day of August, 2023.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the _____ day of _____, 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

CAPITAL BUDGET
2023 - 2028

GENERAL SERVICES
2023 - 2028

GENERAL SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

2023-2024

PROJECT YEAR: 2023 - 2024

PHASED CONSTRUCTION OF FLANARY ROAD - FM 1417 TO PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Flanary Road between FM 1417 and Progress Road.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PHASED DESIGN & CONSTRUCTION OF OB GRONER - WEST OF FM 1417

DESCRIPTION:	**Phased design and construction of OB Groner Road, west of FM 1417, including full intersection and two-lane road.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

EXTEND MOORE STREET - PARK AVENUE TO CENTER STREET

DESCRIPTION:	**Construction will extend Moore Street north between Park Avenue to Center Street and will only include two of the four lanes. Future development will determine additional phases.**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Project is part of a minor thoroughfare, recommended by the the 2020 Grayson County Thoroughfare Plan, to connect FM 1417 to Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCT BEL AIR BOULEVARD SOUTH TO CREEK & BEACH BOULEVARD

DESCRIPTION:	**Continue construction to extend four-lane boulevard south to creek and to construct Beach Boulevard - London Lane.**
ESTIMATED COST:	**$5,600,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Project is included in the master development agreement, as well as recommended by the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

PHASED DESIGN & CONSTRUCTION OF LAMBERTH ROAD AND FRIENDSHIP ROAD

DESCRIPTION:	Project for phased design and construction of Lamberth Road and Friendship Road through Hickory Hill.
ESTIMATED COST:	$3,500,000
PROPOSED FINANCING:	Certificates of Obligation / Impact Fees
PROJECT NECESSITY:	This project will assist in areas of development in West Sherman. The 2020 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Wayne Lee

ALLOCATION FOR 75% RIGHT-OF-WAY AGENT FOR CAPITAL PROJECTS

DESCRIPTION:	Allocation for 75% of a right-of-way agent to oversee the acquisition of right-of-way property relating to future capital projects.
ESTIMATED COST:	$50,516
PROPOSED FINANCING:	Certificates of Obligation
PROJECT NECESSITY:	A dedicated employee is required to efficiently facilitate the acquisitions of right-of-way properties required for an increasing volume of capital projects.
DEPARTMENT/DIRECTOR:	Director of Engineering, Wayne Lee

PROJECT YEAR: 2023 - 2024

DESIGN & LAND ACQUISITION FOR CITY HALL FACILITY

DESCRIPTION:	**Design and land acquisitions to construct a new City Hall facility on the current City Hall site.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**The current City Hall facility has reached staffing capacity and requires a larger footprint to address current and new future staffing needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCT ROAD CONNECTING PROGRESS DRIVE TO INDUSTRIAL PARK

DESCRIPTION:	**Construct road connecting Progress Drive to location of Industrial Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**A north-south road is required to for traffic from Progress Drive to reach the Industrial Park.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

CONSTRUCTION & EXTENSION OF PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Progress Drive between Progress Rail and Flanary Road**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the industrial park.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCTION OF SHEPHERD DRIVE

DESCRIPTION:	**Construction of two lanes of ultimately a six-lane boulevard, adjacent to Shepherd Place development.**
ESTIMATED COST:	**$3,070,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Shepherd Drive is included in the Sherman Master Thoroughfare Plan, in order to ultimately upgrade to a six-lane boulevard. This funding assists with the construction of two of the six lanes.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

ENGINEERING OF RAMPS AT HERITAGE RANCH

DESCRIPTION:	**Engineering phase to design ramps off of US 82 at the Heritage Ranch development.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing traffic at Travis Street and FM 1417 requires the construction of ramps to better address the flow of traffic in the area of Heritage Ranch.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DRAINAGE IMPROVEMENTS FOR HILLS OF SHERMAN

DESCRIPTION:	**City contribution for an oversized detention reservoir for the Hills of Sherman area.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**A detention reservoir is required to address drainage issues caused by existing downstream flooding.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

DOWNTOWN GENERAL IMPROVEMENTS

DESCRIPTION:	**General improvements in the downtown Sherman area.**
ESTIMATED COST:	**$270,000**
PROPOSED FINANCING:	**TIRZ #2 Construction Fund**
PROJECT NECESSITY:	**Council has requested TIRZ #2 revenue and fund balance to be used for infrastructure improvements in Downtown Sherman.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

IMPROVE DRAINAGE & REPLACE CONCRETE AT CENTRAL FIRE STATION

DESCRIPTION:	**Replace area of defective concrete and improve site drainage at Central Fire Station.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project will address damaged areas of concrete and drainage issues, which have resulted in site damages at Central Fire Station, thereby prolonging the life of the property.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

PROJECT YEAR: 2023 - 2024

COMBINE FIRE STATIONS NO. 1 & NO. 2

DESCRIPTION:	**Combining fire station No. 2 with fire station No. 1 (Central Fire Station); Includes some multi-station updates.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Moving fire station No. 2 personnel to Central Fire Station will increase personnel per apparatus, increasing safety and efficiency on scene. Multi-station updates necessary to accommodate increasing staff and City growth.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

REPLACE EXISTING RADIO SYSTEM WITH TRUNK RADIO SYSTEM

DESCRIPTION:	**Replace the City radio system with a trunk radio system.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of existing radio system with a trunk radio system will allow for inter-agency collaboration. The new system includes support for TI plant operability, along with advanced features and security.**
DEPARTMENT/DIRECTOR:	**Executive Director of Public Safety, Zachary Flores**

PROJECT YEAR: 2023 - 2024

REPLACE BALLFIELD LIGHTING & ADD SIDEWALKS AT OLD SETTLERS PARK

DESCRIPTION:	**Replace existing sports field lights with LED lights at Old Settlers Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

CREEK EROSION CONTROL AT WEST HILL CEMETERY

DESCRIPTION:	**Address creek erosion control issues at West Hill Cemetery.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Sand Creek has eroded a portion of the cemetery grounds. Creek banks need securing to prevent burial plots falling into the creek.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

INSTALL PLAYGROUND & EXPAND PARKING LOT AT PECAN GROVE EAST PARK

DESCRIPTION:	**Design & install a large, all-inclusive playground, as well as expand the parking lot, at Pecan Grove East Park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of current park infrastructure is necessary to address increased usage of park facilities and public safety.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPGRADE TENNIS COURTS AT FAIRVIEW PARK

DESCRIPTION:	**Upgrades to the tennis courts at Fairview Park include court resurfacing, replacing fencing, and replacing lighting.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Upgrades are necessary to improve aging park amenities essential for increase park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE LARGE PLAYGROUND AT FAIRVIEW PARK

DESCRIPTION:	**Replace the large playground located at Fairview Park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of current park infrastructure is necessary to address increased usage of park facilities and public safety, as the existing playground is at end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE SMALLER PAVILIONS WITH LARGE PAVILION AT FAIRVIEW PARK

DESCRIPTION:	**Replace pavilions No. 2 and No. 4 with a large pavilion structure at Fairview Park.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increase public activities at Fairview Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT SOUTHWEST TRAIL

DESCRIPTION:	**Design and construct a trail connecting Sherman High School, Herman Baker Park, Sory Elementary, Center Street Park, Binkley Park, and several additional neighborhoods in southwest Sherman.**
ESTIMATED COST:	**$5,746,167**
PROPOSED FINANCING:	**90% TxDOT Grant Funds/10% Certificates of Obligation**
PROJECT NECESSITY:	**The 2022 Trails Master Plan identified the Southwest Trail as a desirable alignment for connectivity from schools to the surrounding neighborhoods, creating safe routes to school.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE LARGE PLAYGROUND AT HAWN PARK

DESCRIPTION:	**Replace the large playground located at Hawn Park.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of current park infrastructure is necessary to address increased usage of park facilities and public safety, as the existing playground is at end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE PAVILION AT HAWN PARK

DESCRIPTION:	**Replace large pavilion structure located Hawn Park.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increase public activities at Hawn Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT PECAN GROVE WEST PARK

DESCRIPTION:	**Design and install a splash pad at Pecan Grove West Park.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

INSTALL FISHING PIER & KAYAK DROP AT HERMAN BAKER PARK

DESCRIPTION:	**Install a fishing pier, along with a kayak drop, at Herman Baker Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Lake suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL TURF ATHLETIC FIELD AT CITY PARK LOCATION

DESCRIPTION:	**Install a turf athletic field at a TBD City Park Location.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities within the City parks system necessitate expansion of available athletic fields. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

DESIGN & INSTALL DISC GOLF COURSE AT HERMAN BAKER PARK

DESCRIPTION:	**Design and install a disc golf course to expand amenities Baker Park.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE SOFTBALL FIELD LIGHTING AT FAIRVIEW PARK

DESCRIPTION:	**Replace existing sports field lights with LED lights at Fairview Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE SPLASH PAD AT HAWN PARK

DESCRIPTION:	**Design and install a splash pad at Hawn Park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2024-2025

PROJECT YEAR: 2024 - 2025

PHASED CONSTRUCTION OF FLANARY ROAD - FM 1417 TO PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Flanary Road between FM 1417 and Progress Road.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PHASED DESIGN & CONSTRUCTION OF OB GRONER - WEST OF FM 1417

DESCRIPTION:	**Phased design and construction of OB Groner Road, west of FM 1417, including full intersection and two-lane road.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

EXTEND MOORE STREET - PARK AVENUE TO CENTER STREET

DESCRIPTION:	**Construction will extend Moore Street north between Park Avenue to Center Street and will only include two of the four lanes. Future development will determine additional phases.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Project is part of a minor thoroughfare, recommended by the the 2020 Grayson County Thoroughfare Plan, to connect FM 1417 to Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

FM 1417 DESIGN & ROW ACQUISITIONS - SH 56 TO TRAVIS STREET

DESCRIPTION:	**Design & right-of-way acquisitions necessary for TxDOT funding on this thoroughfare.**
ESTIMATED COST:	**$3,300,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Traffic volume on the thoroughfare has significantly increased and planning for improvements is required to account for growth.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

FM 1417 DESIGN & ROW ACQUISITIONS - US 75 TO RAILROAD

DESCRIPTION:	**Design & right-of-way acquisitions necessary for TxDOT funding on this thoroughfare.**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Traffic volume on the thoroughfare has significantly increased and planning for improvements is required to account for growth.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

IMPROVE SHERMAN STREET TO 31-FT ROAD - MONTGOMERY STREET TO EAST STREET

DESCRIPTION:	**Project to improve Sherman Street to a 31-foot back-to-back road, between Montgomery Street and East Street.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**With the development of the Three Oaks subdivision to the south, Sherman Street requires expansion to a standard size City street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

FALLON DRIVE CONSTRUCTION - LOY LAKE WEST TO US 75

DESCRIPTION:	**Construction of a street to connect Loy Lake Road to the US 75 southbound frontage road and the overpass at Fallon Drive.**
ESTIMATED COST:	**$600,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**With increasing traffic at Loy Lake Road and US 75, a new street is needed to provide circulation to this developing area in Sherman.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ENGINEER & DESIGN MCGEE/WASHINGTON STREET - WASHINGTON TO SH 289

DESCRIPTION:	**Engineering and design phase for future construction of McGee/Washington Street, from Washington Street to SH 289.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This design will assist in the areas of development in West Sherman. The 2020 Grayson County Thoroughfare Plan recommends a major thoroughfare between FM 1417 and SH 289.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

ENGINEER & CONSTRUCT MCGEE STREET BRIDGE ACROSS SAND CREEK

DESCRIPTION:	**Engineer and construct a bridge across Sand Creek on McGee Street.**
ESTIMATED COST:	**$600,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This design will assist in the areas of development in West Sherman. The 2020 Grayson County Thoroughfare Plan recommends a major thoroughfare between FM 1417 and SH 289.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

BREATHING AIR COMPRESSOR TO REPLENISH SCBA BOTTLES

DESCRIPTION:	**The air compressor is used to replenish the air in SCBA bottles as part of the firefighter breathing apparatus.**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**The current air compressor is twenty years old and at the end of its useful life, requiring a complete replacement.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

PROJECT YEAR: 2024 - 2025

REPLACE PUBLIC SAFETY CAD & RMS SOFTWARE

DESCRIPTION:	**Replace CAD and records management service software for public safety departmental use.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current software is being phased out by vendor and will be limited in future functionality. Replacing software will be necessary for City growth and needs.**
DEPARTMENT/DIRECTOR:	**Executive Director of Public Safety, Zachary Flores**

REPLACE BALLFIELD LIGHTING & ADD SIDEWALKS AT OLD SETTLERS PARK

DESCRIPTION:	**Complete the replacement of existing sports field lights with LED lights at Old Settlers Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT OLD SETTLERS PARK

DESCRIPTION:	**Design and install a splash pad at Old Settlers Park.**
ESTIMATED COST:	**$750,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL RESTROOM AT BINKLEY PARK

DESCRIPTION:	**Install a restroom facility at Binkley Park.**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**A restroom facility is needed to accommodate increasing usage at the Binkley Park Mountain Bike Trail.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT MARTIN LUTHER KING JR. PARK

DESCRIPTION:	**Design and install a splash pad at Martin Luther King Jr. Park.**
ESTIMATED COST:	**$750,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL FISHING PIER & KAYAK DROP AT PECAN GROVE EAST PARK

DESCRIPTION:	**Install a fishing pier, along with a kayak drop, at Pecan Grove East Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Pecan Grove East Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

CONSTRUCT SHARK TOOTH PARK AT POST OAK CREEK

DESCRIPTION:	**Construction phase of a design-build for Shark Tooth Park, to be located on Post Oak Creek east of South Travis Street.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of current park infrastructure to meet increasing growth and demand. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL OUTDOOR WORKOUT EQUIPMENT AT FAIRVIEW PARK

DESCRIPTION:	**Install outdoor workout equipment at Fairview Park.**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Fairview Park suggests the need for additional park amenities. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

EXPAND EXISTING SKATEPARK AT HAWN PARK

DESCRIPTION:	**Continue expansion of the existing skatepark located at Hawn Park.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at the Hawn Park skatepark suggest the need for area expansion. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

CONSTRUCT FOOD TRUCK PARK

DESCRIPTION:	**Construct a food truck park, complete with electrical components, picnic table seating and a side stage for musical entertainment.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing public activity across the City park system suggests the need to expand amenity options. This project is consistent with the Parks Marster Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPGRADE BUILDING & EXPAND PARKING AT TAYLOR STREET GYM

DESCRIPTION:	**Upgrade Taylor Street Gym building, including flooring and walls, and expand parking lot.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Updates are necessary due to wear-and-tear, as well as water damage. Parking expansion is necessary to accommodate increase facility usage.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL ADDITIONAL DOG PARK

DESCRIPTION:	**Install a second dog park within the City parks system.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is consistent with the Trails Master Plan and will address increasing park amenities demand.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL BRANDED SIGNAGE THROUGHOUT CITY PARK SYSTEM

DESCRIPTION:	**Install signage with City branding throughout the City park system.**
ESTIMATED COST:	**$150,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**This project would provide connectivity of park locations and label City parks to be more identifiable as City property.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2025-2026

PROJECT YEAR: 2025 - 2026

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCTION OF PARK STREET - LAKE STREET TO SH 11

DESCRIPTION:	**Design phase to connect Park Street from Lake Street to SH 11.**
ESTIMATED COST:	**$360,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan recommends expansion of East Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2025 - 2026

FINAL ENGINEERING TO CONSTRUCT ROAD EXTENSION EAST OF DRIPPING SPRINGS

DESCRIPTION:	**Final engineering to construct 800 linear feet of road adjacent to current warehouse development, located east of Dripping Springs.**
ESTIMATED COST:	**$120,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT NEW OUTDOOR AQUATICS CENTER

DESCRIPTION:	**Design phase to construct a new outdoor aquatics center.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**The Splash is twenty years old. Growing demands will necessitate expansion of aquatic amenties within the city. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

DESIGN & CONSTRUCT MULTI-GENERATIONAL RECREATION CENTER

DESCRIPTION:	**Design phase to build a multi-generational recreation center.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Addition of a recreation center will address current and future public needs relating to recreational facilities expansion.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

DEVELOP PARKS MASTER PLAN

DESCRIPTION:	**Develop the Parks Master Plan for 2027-2037.**
ESTIMATED COST:	**$125,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**Texas Parks and Wildlife require a ten-year master plan be in place for a City to apply for grant funding. Additionally, the Master Plan assists the City with strategic planning.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPDATE VETERANS BASEBALL FIELD

DESCRIPTION:	**Update Veterans Baseball Field at Fairview Park.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacing and updating existing park amenities is necessary as the existing amenities are nearing end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

EXPAND PARKING LOT AT CENTER STREET SPORTS COMPLEX

DESCRIPTION:	**Expand the parking lot located at the Center Street Sports Complex.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of the existing parking lot is required to accommodate increased facility usage.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SHADING AT FAIRVIEW DOG PARK

DESCRIPTION:	**Install shade structures at the Fairview Dog Park.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Shade structures would provide cover from the elements for patrons of the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

INSTALL PAVILION AT HERMAN BAKER PARK

DESCRIPTION:	**Install a new pavilion for Herman Baker Lake, located at Herman Baker Park.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Lake suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL COVERING FOR OUTDOOR BASKETBALL COURTS AT MULTIPLE PARKS

DESCRIPTION:	**Install covering for outdoor basketball courts at Old Settlers & Pecan Grove West Parks.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project will provide shade and shelter from inclemental weather during sporting events at the various basketball courts. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2026-2027

PROJECT YEAR: 2026 - 2027

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$5,800,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCTION OF PARK STREET TO SH 11

DESCRIPTION:	**Construction phase to connect Park Street from Lake Street to SH 11.**
ESTIMATED COST:	**$2,100,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan recommends expansion of East Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2026 - 2027

CONSTRUCTION OF ROAD EXTENSION EAST OF DRIPPING SPRINGS

DESCRIPTION:	**Construction of 800 linear feet of road adjacent to current warehouse development, located east of Dripping Springs.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2026 - 2027

DESIGN & CONSTRUCT NEW OUTDOOR AQUATICS CENTER

DESCRIPTION:	**Design phase to construct a new outdoor aquatics center.**
ESTIMATED COST:	**$40,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing growth requires expansion of amenities and the current aquatics center is nearing the end of useful life. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

DESIGN & CONSTRUCT SANDY CREEK PEDESTRIAN BRIDGE

DESCRIPTION:	**Design and construct a pedestrian bridge across Sandy Creek.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project would provide connectivity from Binkley Park to the Lamar Greenspace.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2026 - 2027

DESIGN LARGE OUTDOOR ATHLETIC COMPLEX

DESCRIPTION:	**Design a large outdoor athletic complex for the City of Sherman.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional outdoor athletic complex locations are required to accommodate recent and future City growth. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2027-2028

PROJECT YEAR: 2027 - 2028

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$23,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCT MULTI-GENERATIONAL RECREATION CENTER

DESCRIPTION:	**Design phase to build a multi-generational recreation center.**
ESTIMATED COST:	**$7,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Addition of a recreation center will address current and future public needs relating to recreational facilities expansion.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UTILITY SERVICES
2023 - 2028

UTILITY SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Utility Services Projects, being specifically related to the operation of a Water and Sewer System and having certain types of financing requirements different from those typically used for General Services.

2023-2024

PROJECT YEAR: 2023 - 2024

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONTINUE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Continue to upgrade the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT MAJOR WWTP EXPANSION TO TREAT INDUSTRIAL WASTE

DESCRIPTION:	**Design and construction to expand the Wastewater Treatment Plant to treat industrial waste.**
ESTIMATED COST:	**$155,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is a major piece of the wastewater treatment component to treat industrial waste. The specific piece of equipment will be determined by the treatability study being conducted for the City.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ADD WATER LINE ACROSS US 75 FOR ELEVATED TANK LEVEL STABILIZATION

DESCRIPTION:	**Project will add a water line across US 75 for water levels of the Fairview and Harrison elevated tanks.**
ESTIMATED COST:	**$73,500**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Water line addition is necessary to stabilize water tank levels.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

INCREASE EXISTING 6-INCH WATER LINE ACROSS SH 289

DESCRIPTION:	**Increase water line across SH 289 from a 6-inch line to a 12-inch line.**
ESTIMATED COST:	**$82,700**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Increasing the size of the water line is necessary to address increased growth and usage in surrounding areas.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WATER TREATMENT PLANT

DESCRIPTION:	**Dredge out Water Treatment Plant ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT WTP EXPANSION & INSTALL ADDITIONAL COMPONENTS

DESCRIPTION:	**Addition of a new building to house up to 30-MGD UF/RO and install 15-MGD additional UF/RO capacity, chemical feed, pumps, etc. at the Water Treatment Plant.**
ESTIMATED COST:	**$14,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**UF/RO expansion at the Water Treatment Plant (WTP) is critical to meet rapidly increasing demand.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE UF/RO CAPACITY BY 15-MGD AT WTP

DESCRIPTION:	**Design phase to increase the UF/RO capacity at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$7,040,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing the capacity of the UF/RO facility will be required to meet expected future industrial growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

PROCURE & INSTALL LTPS BACKUP GENERATOR & SWITCHGEAR

DESCRIPTION:	**Procure generator and switchgear for installation at Lake Texoma Pump Station (LTPS).**
ESTIMATED COST:	**$5,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Procurement is necessary to mitigate lead time delays. Installation will provide up to 25-MGD capacity in the event of power outages at the Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONDUCT CITY LIFT STATION ASSESSMENT STUDY

DESCRIPTION:	**Conduct study to assess City lift station system.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Necessary to facilitate migration of all lift stations and to develop a comprehensive study of station conditions.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

ABANDON PRESTON CLUB WASTEWATER TREATMENT PLANT & LIFT STATION

DESCRIPTION:	**Abandon Preston Club wastewater treatment plant and old lift stations.**
ESTIMATED COST:	**$175,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Preston Club residents have been moved to the City sewer system. TCEQ requires proper abandonment of old lift stations and wastewater treatment plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

EXPAND WASTEWATER TREATMENT PLANT NORTH BY 5 MGD

DESCRIPTION:	**This project will center on a major piece of wastewater treatment component that will treat industrial waste.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of new filtration units that are better able to treat certain industrial wastes, as recommended by Mead & Hunt and included in the Post Oak WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT 36-INCH WATER LINE WEST TO WTP

DESCRIPTION:	**Design and construct a 36-inch water line west to the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$23,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**New distribution main will carry treated water from the Water Treatment Plant to Shepherd Drive & serve new developments to the west and south sides of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ABANDON SOUTH CROCKETT LIFT STATION & INSTALL GRAVITY SEWER

DESCRIPTION:	**Abandon the South Crockett lift station and install a gravity sewer connecting to the existing line.**
ESTIMATED COST:	**$150,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Area was previously annexed as it stands, but, now is a good candidate to remove the lift station and tie into the existing sewer line with a gravity sewer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

WATER TREATMENT REHABILITATION

DESCRIPTION:	**Rehabilitate the Water Treatment Plant, including flocculation/sedimentation units, filters, and EDR units.**
ESTIMATED COST:	**$20,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This rehabilitation project is necessary to bring the conventional plant back to 10-MGD capacity.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ENGINEERING MANAGEMENT

DESCRIPTION:	**Two-year contract with Pape-Dawson as a city advocate for multiple projects.**
ESTIMATED COST:	**$9,255,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is required for the management of multiple engineering projects across the City. Projects include the expansion of the south Water Treatment Plant campus, the south Wastewater Treatment Plant campus, and the new 36-inch water main project.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN FOR BACKUP GENERATORS FOR WTP AND LAKE TEXOMA

DESCRIPTION:	**Design for backup generator installation for the Water Treatment Plant (WTP) and Lake Texoma Pump Station.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Backup generators are necessary to provide power in the event of an outage at the Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE RAW WATER PUMP CAPACITY AT LTPS

DESCRIPTION:	**Increase raw water pump No. 1 and No. 4 capacity at the Lake Texoma Pump Station (LTPS).**
ESTIMATED COST:	**$9,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Necessary to increase raw water capacity by 32 MGD at the Lake Texoma Pump Station.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

CONSTRUCT EMERGENCY STORAGE WATER RESERVOIR AT WTP

DESCRIPTION:	**Construct an emergency storage water reservoir just south of the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$31,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**100-million gallon capacity reservoir will provide emergency water storage until the North Texas Municipal Water District installs a new 84-inch raw water line.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONSTRUCT CONCENTRATE PUMP STATION & DISCHARGE LINE AT WTP

DESCRIPTION:	**Construct a concentrate pump station and brine disposal line at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$7,422,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Brine line discharge from the Water Treatment Plant to creek is needed to convey concentrate from RO process back to Lake Texoma.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

BEL AIR CONSTRUCTION - PHASE III - 20-INCH SURFACE LINE

DESCRIPTION:	**Construct 20-inch surface water line for Legacy Boulevard area, from creek crossing to end of Phase I line. Includes relocating existing ground water line to follow creek, as well as constructing a new pressure vault at FM 1417.**
ESTIMATED COST:	**$2,220,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Necessary infrastructure to service Bel Air development and tie into the new Legacy water line.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

RELOCATE NEW SHEPHERD ELEVATED TANK & ABANDON OLD ELEVATED TANK

DESCRIPTION:	**Abandon old .75-MG elevated tank; Relocate new 2-MG elevated tank on Shepherd Drive to connect to new 36-inch water line.**
ESTIMATED COST:	**$17,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary to move new elevated tank in order to connect to the new water line on Shepherd Drive.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

COMPLETE DETERIORATED SOUTHSIDE INDUSTRIAL SEWER REPLACEMENT

DESCRIPTION:	**Complete replacement of the deteriorated Southside Industrial Sewer, behind the Wastewater Treatment Plant, extending to Bel Air.**
ESTIMATED COST:	**$1,350,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Current portion of the industrial sewer has deteriorated and is in need of replacement to maintain pipe integrity.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE & REPLACE POST OAK SEWER LINES A & B

DESCRIPTION:	**Remove existing Post Oak sewer lines to replace in the street.**
ESTIMATED COST:	**$5,091,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The location of the existing sewer lines, Line A and Line B, severely limits crew access for repairs or replacement.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

REPLACE INVERTED SIPHON SEWER LINE

DESCRIPTION:	**Replace the inverted siphon sewer line currently serving the Center Street Basin.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Current line is undersized, likely requiring new aerial crossing and an area-wide upsized system.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

SAFETY & OPERABILITY IMPROVEMENTS TO WWTP ELECTRICAL SYSTEM

DESCRIPTION:	**Install safety and operability improvements to the Wastewater Treatment Plant electrical system.**
ESTIMATED COST:	**$9,271,208**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical electrical improvements are required to ensure the operability and safety of the WWTP system. The new system upgrades also set the groundwork for the new emergency backup generator.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

CONDUCT POST OAK WWTP MASTER PLAN / FEASIBILITY STUDY

DESCRIPTION:	**Conduct master plan/feasibility study at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$11,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The industrial treatability study of wastewater influent stream is required to determine the City's future method of treatment componenents, both physical and chemical.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

HICKORY HILL UTILITY IMPROVEMENTS

DESCRIPTION:	**Improvements to the utilities for Hickory Hill.**
ESTIMATED COST:	**$1,820,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Improvements are necessary to extend water and wastewater to serve the Hickory Hill development and existing customers in the area.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2024-2025

PROJECT YEAR: 2024 - 2025

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONTINUE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Continue to upgrade the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

ADD WATER LINE ACROSS US 75 FOR ELEVATED TANK LEVEL STABILIZATION

DESCRIPTION:	**Project will add a water line across US 75 for water levels of the Fairview and Harrison elevated tanks.**
ESTIMATED COST:	**$490,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Water line addition is necessary to stabilize water tank levels.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE EXISTING 6-INCH WATER LINE ACROSS SH 289

DESCRIPTION:	**Increase water line across SH 289 from a 6-inch line to a 12-inch line.**
ESTIMATED COST:	**$551,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Increasing the size of the water line is necessary to address increased growth and usage in surrounding areas.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

INCREASE SIZE OF POST OAK CREEK SEWER LINES TO WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase III - service line inventory completion.**
ESTIMATED COST:	**$490,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$1,900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

FILTRATION & RE-LIFT PUMP STATION FOR WWTP

DESCRIPTION:	**Engineering phase for filtration and re-lift pump station for industrial discharge to the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project was identified in the WWTP Condition Assessment as a critical necessity, and is based on the South Industrial Discharge Technical Memorandum.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

DESIGN & REPLACE DOWNTOWN SEWER LINES - PHASE II

DESCRIPTION:	**Design of phase II for a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

UPSIZE 42-INCH SANITARY SEWER LINE TO 60-INCH LINE - POST OAK ROAD

DESCRIPTION:	**Upsize the Post Oak Road sanitary sewer line from a 42-inch line to a 60-inch line.**
ESTIMATED COST:	**$1,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPGRADE WWTP FROM 10-MGD TO 14-MGD

DESCRIPTION:	**Upgrade the daily treatment capacity at the Wastewater Treatment Plant (WWTP) from 10-MGD to 14-MGD.**
ESTIMATED COST:	**$10,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical upgrade required to meet current wastewater treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

REHABILITATE & REPLACE SLUDGE DIGESTER COMPLEX AT WWTP

DESCRIPTION:	**Engineering phase to rehabilitate the digester electric switchgear and components, ventilation systems, boilers, etc. at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion issues, rehabilitation is necessary to prevent equipment failure and to address safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CLARIFIER #3 REHABILITATION AT WWTP

DESCRIPTION:	**Engineering phase for the rehabilitation of the clarifier #3 at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$120,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Clarifier #3 is aging and in need of rehabilitation to remain in service, as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

NFPA UPGRADES TO GRIT BUILDING AT WWTP

DESCRIPTION:	**Perform NFPA upgrades to the grit building at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$30,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**NFPA upgrades are needed to ensure operator safety and continued operation of the grit building at the Wastewater Treatment Plant (WWTP), as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

MISCELLANEOUS WWTP IMPROVEMENTS

DESCRIPTION:	**Miscellaneous improvements to the Wastewater Treatment Plant (WWTP) include sludge dewatering building corrosion, outfall access safety elements, LED lighting, and sealing seams in the EQ basin.**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Addressing multiple immediate and near-term improvements as recommended in the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

EQUALIZATION BASIN BLOWER REHABILITATION AT WWTP

DESCRIPTION:	**Construction phase to replace worn electrical systems, switchgear, control systems, piping components, and blowers in the equalization basin blower building.**
ESTIMATED COST:	**$1,810,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion, it is necessary to replace worn components to prevent equipment failure and safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMODEL & UPGRADE LABORATORY AT WWTP

DESCRIPTION:	**Construction to expand and upgrade the current laboratory facility for field testing and backup generator samples.**
ESTIMATED COST:	**$3,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion and upgrades are necessary to meet space and TCEQ requirements for an on-site certified laboratory at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

COMPLETE REPAINTING OF REX CRUSE ELEVATED STORAGE TANK

DESCRIPTION:	**Complete the rehabilitation of the elevated water storage tank on Rex Cruse Drive.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Repainting and repairing the tank on the interior and exterior is necessary to extend the useful life of the tank.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE EXPOSED WATER LINE - CENTER STREET BRIDGE REHABILITATION

DESCRIPTION:	**As part of the rehabilitation of the Center Street Bridge, this project will replace the exposed water line.**
ESTIMATED COST:	**$650,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The water line is exposed and in need of replacement.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

ENGINEER & CONSTRUCT SHEPHERD PLACE UTILITIES

DESCRIPTION:	**City contribution to the design and construction of Shepherd Place utilities.**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary for utilities, as required in major City streets not undertaken by the developer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE DOWNTOWN SEWER LINES - PHASE I

DESCRIPTION:	**Construction of phase I of a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

INSTALL COLLECTION SYSTEM SEWER LINE - HERITAGE RANCH

DESCRIPTION:	**Installation of a collection system sewer line for the Heritage Ranch Development.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary for utilities, as required in major City streets not undertaken by the developer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE SEWER LINE IN SOUTHEAST SHERMAN - ROSEDALE TO FIRST STREET

DESCRIPTION:	**Replacement of the sewer line from Rosedale to First Street in southeast Sherman.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Existing sewer line is worn out and reached the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

REPLACE BASE & APPLY NEW SURFACE COURSE FOR WWTP ROAD

DESCRIPTION:	**Replace base material and install new surface course on the Wastewater Treatment Plant (WWTP) access road.**
ESTIMATED COST:	**$40,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Plant access road has deteriorated due to heavy construction activities and solid waste equipment use.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2025-2026

PROJECT YEAR: 2025 - 2026

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

COMPLETE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Complete the upgrade of the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$75,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT MAJOR WWTP EXPANSION TO TREAT INDUSTRIAL WASTE

DESCRIPTION:	**Design and construction to expand the Wastewater Treatment Plant (WWTP) to treat industrial waste.**
ESTIMATED COST:	**$200,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is a major piece of the wastewater treatment component to treat industrial waste. The specific piece of equipment will be determined by the treatability study being conducted for the City.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WTP

DESCRIPTION:	**Dredge out Water Treatment Plant (WTP) ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$420,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT WTP EXPANSION & INSTALL ADDITIONAL COMPONENTS

DESCRIPTION:	**Addition of a new building to house up to 30-MGD UF/RO and install 15-MGD additional UF/RO capacity, chemical feed, pumps, etc. at the Water Treatment Plant.**
ESTIMATED COST:	**$245,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**UF/RO expansion at the Water Treatment Plant (WTP) is critical to meet rapidly increasing demand.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$4,600,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase IV - single plan update and complete preperation.**
ESTIMATED COST:	**$270,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

FILTRATION & RE-LIFT PUMP STATION FOR WWTP

DESCRIPTION:	**Construction phase for filtration and re-lift pump station for industrial discharge to the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$12,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project was identified in the WWTP Condition Assessment as a critical necessity, and is based on the South Industrial Discharge Technical Memorandum.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & REPLACE DOWNTOWN SEWER LINES - PHASE II

DESCRIPTION:	**Construction of phase II for a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$4,200,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 42-INCH SANITARY SEWER LINE TO 60-INCH LINE - POST OAK ROAD

DESCRIPTION:	**Upsize the Post Oak Road sanitary sewer line from a 42-inch line to a 60-inch line.**
ESTIMATED COST:	**$8,700,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

UPGRADE WWTP FROM 10-MGD TO 14-MGD

DESCRIPTION:	**Upgrade the daily treatment capacity at the Wastewater Treatment Plant (WWTP) from 10-MGD to 14-MGD.**
ESTIMATED COST:	**$80,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical upgrade required to meet current wastewater treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REHABILITATE & REPLACE SLUDGE DIGESTER COMPLEX AT WWTP

DESCRIPTION:	**Construction phase to rehabilitate the digester electric switchgear and components, ventilation systems, boilers, etc. at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$7,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion issues, rehabilitation is necessary to prevent equipment failure and to address safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

CLARIFIER #3 REHABILITATION AT WWTP

DESCRIPTION:	**Construction phase for the rehabilitation of the clarifier #3 at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Clarifier #3 is aging and in need of rehabilitation to remain in service, as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

NFPA UPGRADES TO GRIT BUILDING AT WWTP

DESCRIPTION:	**Perform NFPA upgrades to the grit building at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$290,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**NFPA upgrades are needed to ensure operator safety and continued operation of the grit building at the Wastewater Treatment Plant (WWTP), as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

MISCELLANEOUS WWTP IMPROVEMENTS

DESCRIPTION:	**Miscellaneous improvements to the Wastewater Treatment Plant (WWTP) include sludge dewatering building corrosion, outfall access safety elements, LED lighting, and sealing seams in the EQ basin.**
ESTIMATED COST:	**$170,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Addressing multiple immediate and near-term improvements as recommended in the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 21-INCH SANITARY SEWER LINE TO 60-INCH LINE - CHOCTAW

DESCRIPTION:	**Upsize the Choctaw sanitary sewer line from a 21-inch line to a 60-inch line to address flow from The Village.**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

EXPAND NORTHEAST SEWER PROJECT TO ADDRESS DEVELOPMENT

DESCRIPTION:	**Expand the Northeast Sewer Expansion project to address development in northwest Sherman.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion of the Northwest Sewer Expansion project to pick up additional areas of possible development in Northwest Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

DEMOLISH OLD SLUDGE DRYING BEDS

DESCRIPTION:	**At the Wastewater Treatment Plant, remove sludge drying beds that are no longer involved in the treatment process.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Removal of these drying beds would allow for future expansions of the wastewater treatment process.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2026-2027

PROJECT YEAR: 2026 - 2027

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$9,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase V - lead service line replacement planning and mitigation.**
ESTIMATED COST:	**$219,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 21-INCH SANITARY SEWER LINE TO 60-INCH LINE - CHOCTAW

DESCRIPTION:	**Upsize the Choctaw sanitary sewer line from a 21-inch line to a 60-inch line to address flow from The Village.**
ESTIMATED COST:	**$14,500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

EXPAND NORTHEAST SEWER PROJECT TO ADDRESS DEVELOPMENT

DESCRIPTION:	**Expand the Northeast Sewer Expansion project to address development in northwest Sherman.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion of the Northwest Sewer Expansion project to pick up additional areas of possible development in Northwest Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INSTALL 36-INCH MEDIUM PRESSURE LINE TO SERVICE SOUTHERN SHERMAN

DESCRIPTION:	**Engineering phase to install a 36-inch medium pressure water main from the Water Treatment Plant (WTP) to southern Sherman.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of the line will provide the main transmission line serving the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

CONVERT WASTEWATER TO RE-USE & SEND TO LAKE TEXOMA

DESCRIPTION:	**Convert wastewater to re-use and send to creek to Lake Texoma.**
ESTIMATED COST:	**$60,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Indirect Potable ReUse (IPR) system required to put treated wastewater back into Lake Texoma, resulting in additional water rights use.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

SAMPLE & INVESTIGATE WWTP POND SYSTEM

DESCRIPTION:	**Pond sampling to investigate the geotechnical status of the pond liner at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$20,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Prior to major upgrades to the Wastewater Treatment Plant (WWTP) pond system, a thorough geotechnical investigation of the pond liner is recommended by the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

REHAB & SAFETY IMPROVEMENTS TO DECANT LIFT STATION AT WWTP

DESCRIPTION:	**Rehabilitate and implement safety improvements to the decant lift station at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**The decant lift station allows pumping out of the sludge holding ponds. The Condition Assessment determined the station is in need of rehabilitation and missing various safety measures.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2027-2028

PROJECT YEAR: 2027 - 2028

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WTP

DESCRIPTION:	**Dredge out Water Treatment Plant (WTP) ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$440,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

INCREASE UF/RO FACILITY CAPACITY BY 15-MGD AT WTP

DESCRIPTION:	**Construction phase to increase the UF/RO capacity at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$30,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing the capacity of the UF/RO facility will be required to meet expected future industrial growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$3,800,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase VI - citizen yard line replacement assistance.**
ESTIMATED COST:	**$210,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INSTALL 36-INCH MEDIUM PRESSURE LINE TO SERVICE SOUTHERN SHERMAN

DESCRIPTION:	**Construction phase to install a 36-inch medium pressure water main from the Water Treatment Plant (WTP) to southern Sherman.**
ESTIMATED COST:	**$60,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of the line will provide the main transmission line serving the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

SAMPLE & INVESTIGATE WWTP POND SYSTEM

DESCRIPTION:	**Pond sampling to investigate the geotechnical status of the pond liner at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Prior to major upgrades to the Wastewater Treatment Plant (WWTP) pond system, a thorough geotechnical investigation of the pond liner is recommended by the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REHAB & SAFETY IMPROVEMENTS TO DECANT LIFT STATION AT WWTP

DESCRIPTION:	**Rehabilitate and implement safety improvements to the decant lift station at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$430,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**The decant lift station allows pumping out of the sludge holding ponds. The Condition Assessment determined the station is in need of rehabilitation and missing various safety measures.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

CONSTRUCT 84-INCH WATER LINE FROM LAKE TEXOMA TO WTP

DESCRIPTION:	**Construction phase for a new 84-inch raw water line, parallel to existing 72-inch line, from Lake Texoma to the Sherman Water Treatment Plant (WTP).**
ESTIMATED COST:	**$56,600,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Required City contribution by the North Texas Municipal Water District (NTMWD) for an additional raw water pipeline from the Lake Texoma Pump Station to the Sherman Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONSTRUCT NEW WATER LINE TO SERVICE SOUTHERN SHERMAN & MUSTAND MUD

DESCRIPTION:	**Construct a new 18-inch/36-inch water line to service Mustang MUD and southern Sherman.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Water line is necessary to supply Mustang MUD (formerly Marilee SUD) and areas on the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

UPSIZE 15-INCH SANITARY SEWER LINE TO 60-INCH LINE - SHEPHERD DRIVE

DESCRIPTION:	**Upsize the sanitary sewer line along Shepherd Drive from a 15-inch line to a 60-inch line to address flow.**
ESTIMATED COST:	**$3,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

STORMWATER SERVICES
2023 - 2028

STORMWATER SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Stormwater Services Projects, being specifically related to the operation of the Municipal Drainage Utility System and having certain types of financing requirements different from those typically used for General Services.

2023-2024

NO STORMWATER CIP PROJECTS IN FY 2024 BUDGET

2024-2025

PROJECT YEAR: 2024 - 2025

MCGEE STREET BRIDGE - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the McGee Street Bridge at Post Oak Creek.**
ESTIMATED COST:	**$175,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair, due to safety and expanding growth needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

LAMBERTH ROAD BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the Lamberth Road bridges at Post Oak Creek.**
ESTIMATED COST:	**$130,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

HILLCREST/WOODS BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the Hillcrest Street bridge and North Woods bridge at Post Oak Creek.**
ESTIMATED COST:	**$110,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCT STORM DRAINAGE SYSTEM - BIRGE TO MCGEE

DESCRIPTION:	**Design and construct a storm drainage system under Blanton Drive from Birge Street to McGee Street.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Stormwater Fund / Certificates of Obligation**
PROJECT NECESSITY:	**Drainage system is necessary to convey large weather event drainage at Post Oak Creek.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2025-2026

PROJECT YEAR: 2025 - 2026

MCGEE STREET BRIDGE - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the McGee Street Bridge at Post Oak Creek.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Stormwater Fund / Certificates of Obligation**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair, due to safety and expanding growth needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

TAYLOR/WASHINGTON BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the West Taylor Street Bridge and West Washington Bridge at Post Oak Creek Bridge.**
ESTIMATED COST:	**$135,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2025 - 2026

PECAN/RICKETTS/CENTENNIAL BRIDGES - EROSION REPAIRS & DECK OVERLAY

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the North Ricketts Street, Centennial Street, West Pecan Street, and Blue Flame Road bridges.**
ESTIMATED COST:	**$95,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2026-2027

PROJECT YEAR: 2026 - 2027

INCREASE CULVERT CAPACITY UNDER GRIBBLE ROAD

DESCRIPTION:	**Increase the capacity of the Stream G box culvert under Gribble Street.**
ESTIMATED COST:	**$385,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**This project is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flood damage and decrease road closures during 100-year storms.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2027-2028

PROJECT YEAR: 2027 - 2028

CONSTRUCT REGIONAL STORMWATER DETENTION FACILITY IN TOWN CENTER

DESCRIPTION:	**Construct a regional stormwater detention facility in the Town Center.**
ESTIMATED COST:	**$580,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**The construction of this detention facility was identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CAPITAL FINANCING

CAPITAL FINANCING

In preparing a capital improvement program, care must be exercised to keep the proposed program within the financial capabilities of the City. To do this requires that consideration be given to existing revenue funds, as well as existing and proposed debt requirement. The main sources of revenue available to the City of Sherman for Capital Improvements at present are: Ad Valorem Taxes, General Fund Revenues, segregated capital funds, Texas Department of Transportation funds, other governmental grants, private funds, the Stormwater Utility Fee, and Impact Fees.

Ad Valorem Taxes: The form of revenue typically used for General Services Capital Financing is the Ad Valorem Tax. Most often this is used as a covenant of Debt Financing, and the tax is used to pay Debt Service requirements. Other uses of Ad Valorem Tax include the setting aside of a certain percent or amount of tax for "pay-as-you-go" capital financing. The City of Sherman does not currently do this. A history of property taxes for the City of Sherman is noted in Table I.

Debt Service: The City issues General Debt for General Services and Stormwater Services projects and issues debt through the Greater Texoma Utility Authority for Utility Services projects. General Debt is supported by Property Taxes and/or Sales Taxes. Table II shows the General Debt Service Requirements and the bonded debt for Lake Texoma Water Rights, which is attributable to Utility Services. Utility revenues support the contractual debt issued through the Greater Texoma Utility Authority. Table II shows the Debt Service Requirements for this obligation. Possible future debt issues must be considered in light of existing obligations in order to minimize potential tax or utility rate increases.

Private Funds: Funding from developers.

Stormwater Utility Fee: The stormwater utility fee funds drainage-related projects such as flood plain planning, property acquisition, and construction projects.

Impact Fees: - Impact Fees are a mechanism for funding the public infrastructure necessitated by new development. Impact Fees are meant to recover the incremental cost of the impact of each new unit of development towards new infrastructure needs. Impact Fees are a mathematical calculation that determines a maximum fee that would be equivalent to growth paying for growth.

TABLE I

ANALYSIS OF ASSESSED VALUATION
FIVE YEAR PERIOD

FISCAL YEAR ENDED	REAL PROPERTY ASSESSED VALUE	PERSONAL PROPERTY ASSESSED VALUE	TOTAL
2019	$2,432,947,486	$692,401,974	$3,125,349,460
2020	$2,641,162,657	$839,573,445	$3,480,736,102
2021	$2,878,715,276	$941,125,157	$3,819,840,433
2022	$3,247,497,789	$876,451,153	$4,123,948,942
2023	$3,907,168,033	$930,694,928	$4,837,862,961

ANALYSIS OF PROPERTY TAX LEVIES AND COLLECTIONS
FIVE YEAR PERIOD

FISCAL YEAR ENDED	TAX LEVY	CURRENT COLLECTIONS	PERCENT COLLECTIONS	PRIOR YEAR COLLECTIONS	TOTAL COLLECTIONS
2019	$13,354,618	$12,489,427	93.52%	$99,894	$12,589,322
2020	$17,020,800	$15,882,649	93.31%	$100,117	$15,982,766
2021	$18,679,020	$17,505,842	93.72%	$123,474	$17,629,315
2022	$20,166,110	$18,879,386	93.62%	$107,996	$18,987,381
2023	$22,734,666	$21,561,191	94.84%	$0	$21,561,191

NOTE: 2023 COLLECTIONS ARE ESTIMATES AT 6-30-2023

TABLE II

BOND DEBT SERVICE FUNDS
STATEMENT OF BONDED INDEBTEDNESS: 2022-2023

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 09/30/2022
2004	COMBINATION TAX AND TAX INCREMENT REVENUE CERTIFICATES OF OBLIGATION FOR TAX INCREMENT FINANCING ZONE #1 IMPROVEMENTS	20	$2,840,000	$2,600,000	$240,000
2006	LAKE TEXOMA WATER RIGHTS	40	$3,727,060	$1,654,922	$2,072,138
2016	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET AND PARK DEVELOPMENT AND CITY FACILITIES	20	$6,970,000	$1,515,000	$5,455,000
2017	GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017	13	$9,360,000	$3,295,000	$6,065,000
2017	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC WORKS PROJECTS	20	$18,110,000	$2,700,000	$15,410,000
2017A	TAX AND MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE FOR PUBLIC WORKS PROJECTS	20	$3,900,000	$725,000	$3,175,000
2018	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC WORKS PROJECTS	25	$18,980,000	$1,485,000	$17,495,000
2019	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR STREET IMPROVEMENTS	25	$19,130,000	$1,370,000	$17,760,000
2021	LIMITED TAX NOTES SERIES 2021	5	$1,980,000	$650,000	$1,330,000

TABLE II - CONTINUED

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 09/30/2022
2021	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC FACILITY AND STREET IMPROVEMENTS	30	$29,025,000	$390,000	$28,635,000
2022	LIMITED TAX NOTES SERIES 2022	5	$2,100,000	$385,000	$1,715,000

BOND DEBT SERVICE FUND
SCHEDULE OF REQUIREMENTS: 2023 - 2053

FISCAL YEAR ENDING 09/30	PRINCIPAL	INTEREST	TOTAL
2023	$4,950,106	$3,338,239	$8,288,345
2024	$4,851,428	$3,186,640	$8,038,069
2025	$5,055,515	$2,976,154	$8,031,669
2026	$5,299,724	$2,747,395	$8,047,119
2027	$5,064,724	$2,515,345	$7,580,069
2028	$5,284,724	$2,300,495	$7,585,219
2029-2033	$21,814,423	$8,811,315	$30,625,738
2034-2038	$21,462,026	$5,375,705	$26,837,731
2039-2043	$15,915,000	$2,687,088	$18,602,088
2044-2048	$7,100,000	$869,006	$7,969,006
2049-2053	$3,910,000	$177,188	$4,087,188
TOTAL	$100,707,672	$34,984,568	$135,692,240

TABLE III

CONTRACTUAL DEBT SCHEDULE OF REQUIREMENTS
2023 - 2053

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	$4,988,000	$1,722,250	$6,710,250
2024	$5,444,480	$1,671,993	$7,116,473
2025	$5,575,960	$4,381,986	$9,957,946
2026	$5,707,440	$10,563,481	$16,270,921
2027	$6,488,920	$10,409,989	$16,898,909
2028	$6,950,400	$10,221,962	$17,172,362
2029-2033	$40,102,840	$47,530,125	$87,632,965
2034-2038	$46,210,000	$39,776,555	$85,986,555
2039-2043	$46,360,000	$30,417,638	$76,777,638
2044-2048	$53,920,000	$20,193,375	$74,113,375
2049-2053	$60,360,000	$7,388,950	$67,748,950
TOTAL	$282,108,040	$184,278,303	$466,386,343

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 2.**

Meeting Date: 09/05/2023

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING

Request for a Variance to Allow Alcoholic Beverage Sales within 300 Feet of a School (Fairview Elementary); Mark Schuster, Owner, Sherman Sports and Entertainment, LLC, on premises located at Veteran's Field, at Fairview Park, 1121 W. Taylor Street, pursuant to Section 109.33(e) of the Texas Alcoholic Beverage Code

Issue:

To consider the appeal of Sherman Sports and Entertainment, LLC, concerning the property located at 1121 W. Taylor Street, known as Veteran's Field, to allow a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" within 300 feet of a school (Fairview Elementary). Section 109.33(e) of the Texas Alcoholic Beverage Code authorizes the City Council to grant a variance if it determines that enforcement of the 300-foot regulation in this particular instance is not in the best interest of the public, constitutes waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a TABC license or permit, does not serve its intended purpose, is not effective or necessary, or for any other reason the City Council, after consideration of the health, safety, and welfare of the public and the equities of the situation, determines is in the best interest of the community.

Background:

Representatives for Sherman Sports and Entertainment, LLC, recently applied for a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" to sell alcohol at Veteran's Field in Fairview Park, located at 1121 W. Taylor Street. Upon inspection, it was determined that the property line for the store is located within 300 feet from the Fairview Elementary School property line. According to Section 4.14.035 of the City's Code of Ordinances, entitled "Development Standards," the sale of beer and wine for off-premises consumption is not permitted within 300 feet of a public or private school or a day care center. This measurement of distance is provided for in State law and is measured from "property line to property line and in a direct line across intersections."

City Management staff and Parks and Recreation staff have been meeting with Representatives for Sherman Sports and Entertainment, LLC for months to propose an exciting opportunity that could have a positive impact on both our city's recreational scene and local economy. Our community has a rich tradition of supporting sports and recreational activities, the establishment of a semi-professional baseball organization in Sherman would be a home run. Sherman Sports and Entertainment, LLC is agreeing to

make a $197,000 investment at Veteran's Field subject to city staff approval to make necessary improvements to bring the facilities up to the semi-pro baseball standards. Sherman Sports and Entertainment, LLC will host 36 games each year between late May and early August. Semi-professional baseball has gained popularity across the country, offering high-quality entertainment for families, sports enthusiasts, and residents alike. By hosting such an organization in our city, we have the chance to attract a diverse audience, including locals and visitors. This not only promotes community engagement but also contributes to local businesses through increased traffic and tourism. Responsible alcohol consumption would be managed through strict adherence to regulations, including age verification protocols and controlled serving quantities. These measures would ensure the safety and well-being of all attendees while enhancing the overall experience.

Origination:

The request for a variance originated with Mark Schuster, owner of Sherman Sports and Entertainment, LLC.

Financial Consideration:

There is no direct cost to the City of Sherman.

Staff Recommendation:

It is the recommendation of the staff that the City Council consider the appeal.

Alternatives:

The Council could choose not to consider the appeal.

Attachments

TABC Application
Denial Letter
Appeal Letter
Development Standards
Location Map

TEXAS ALCOHOLIC BEVERAGE COMMISSION
Texans Helping Businesses & Protecting Communities

Required Certifications

Join TABC in the fight against human trafficking

L-CERT (7/2022)

Submit this form to the proper officials to obtain certification for the type of license/permit for which you are applying as required by TX Alc. Bev. Code, Sections 11.37, 11.39, 11.46(b), 61.37, 61.38, 61.42 and Rule §33.13. This Required Certifications form must be submitted with your Initial Application form.
Contact your local TABC office for assistance.

LOCATION INFORMATION

1. **Trade Name of Location (Name of restaurant, bar, store, etc.)**
Veteran's Field, Sherman, TX

2. **Owner of Business/Applicant (Name of Corporation, LLC, etc.)**
Sherman Sports and Entertainment, LLC

3. **Type of Owner**
☐ Corporation ☐ Limited Partnership ☒ Limited Liability Company ☐ Limited Liability Partnership ☐ Partnership ☐ Other:

4. **Location Address**
1121 W Taylor Street

City	County	State	Zip Code
Sherman	Grayson	TX	75092

5. **Mailing Address**
1273 Pearwood Court

City	County	State	Zip Code
Mount Pleasant	Charleston	SC	29466

6. **Business Telephone Number** 843 367-3832 | **Alternate Telephone Number** 843 367-3832 | **E-mail Address** mark@vsgsports.com

7. **Application for:**

☒ Original	☐ Reinstatement	License/Permit Number	☐ Reinstatement and Change of Trade Name	License/Permit Number
	☐ Change of Location	License/Permit Number	☐ Change of Location and Trade Name	License/Permit Number

8A. Type of Off-Premise Retailer License/Permit:

☐	BF	Retail Dealer's Off-Premise License	☐ E	Local Cartage Permit	☐ P Package Store Permit
☐	BQ	Wine and Malt Beverage Retail Dealer's Off-Premise Permit	☐ ET	Third-Party Local Cartage Permit	☐ Q Wine Only Package Store
☐	LP	Local Distributor's Permit			

8B. Type of On-Premise Retailer License/Permit

☑	BE	Retail Dealer's On-Premise License	☐ E	Local Cartage Permit	☐ MB Mixed Beverage
☐	BG	Wine and Malt Beverage Retail Dealer's On-Premise Permit	☐ FB	Food and Beverage Certificate	☐ WP Waterpark Permit
☐	BP	Brewpub License	☐ LH	Late Hours Certificate	

8C. Type of Wholesaler's, Distributor's, or Manufacturer's License/Permit

☐	BB	General Distributor's License	☐ D	Distillers and Rectifiers Permit - allows on-premise consumption	☐ S Nonresident Seller's Permit
☐	BC	Branch Distributor's License	☐ DS	Out-of-State Winery Direct Shipper's Permit	☐ SD Brewer's Self-Distribution License
☐	BN	Nonresident Brewer's License	☐ G	Winery - allows on-premise consumption	☐ W Wholesaler's Permit
☐	BW	Brewer's License	☐ J	Bonded Warehouse	☐ X General Class B Wholesaler Permit
☐	JD	Bonded Warehouse (Dry Area)			

9. For On or OFF-Premise Applicants, Indicate Primary Business Type at this Location

☐ Bar	☐ Grocery/Market	☐ Package Store	☐ Sexually Oriented
☐ Civic Center	☐ Hotel	☐ Public Entertainment Fac. (PEF *as defined in Sec. 108.73*)	☐ Sporting Arena
☐ Convenience Store	☐ Motel	☐ Racetrack	
☐ Delivery Company	☐ Movie Theater	☐ Restaurant	

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Off-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary: P, Q, BF, BQ

TX Alc. Bev. Code, Section 11.37 & 61.37

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this _____ day of _____, 20_____, that the location for which the license/permit is sought as the place of business is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**BF**	The legal sale of malt beverages for off-premise consumption only ☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
☐	**BF, BQ, Q**	The legal sale of malt beverages and wine for off-premise consumption only
☐	**BF, BQ, Q, P**	The legal sale of all alcoholic beverages for off-premise consumption only

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

On-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary (FOR MB, MB/FB, BG, BG/FB, BE, & BE/FB)

TX Alc. Bev. Code, Section 11.37 & 61.37

I hereby certify on this_____ day of_____, 20__, that this location address is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**MB**	Mixed Beverage Permit
☐	**MB/FB**	Mixed Beverage Restaurant Permit with **required** Food and Beverage Certificate
☐	**BG***	Wine and Malt Beverage Retail Dealer's On-Premise Permit
☐	**BG/FB***	Wine and Malt Beverage Retail Dealer's On-Premise Permit with required Food and Beverage Certificate
☐	**BE***	Retail Dealer's On-Premise License
☐	**BE/FB***	Retail Dealer's On-Premise License with **required** Food and Beverage Certificate
*Mark box on right for **BE and/or BE/FB**		☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
*Mark box on right for any of the following license or permit types **BG ,BG/FB BE, BE/FB**		**Election for given location was held for:** ☐ legal sale of malt beverage/wine (17%) on-premise ***AFTER*** Sept. 1, 1999 ***OR*** ☐ legal sale of malt beverage/wine (14%) on-premise ***BEFORE*** Sept. 1, 1999

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certification for Late Hours Certificate (LH)

TX Alc. Bev. Code, Chapters 29 & 70 et seq.

I hereby certify on this_____ day of_____, 20___, that one of the below is correct:

☐	The governing body of this city or county has by ordinance or order authorized the sale of ***mixed beverages*** between midnight and 2:00 A.M.;
OR	
☐	The governing body of this city or county has by ordinance or order authorized the sale of ***malt beverage*** between midnight and _____A.M.;
OR	
☐	The population of the city or county where premises are located was 500,000 or more according to the 24th Decennial Census of the United States as released by the Bureau of the Census on April 1, 2020;
OR	
☐	The population of the city or county where premises are located was 800,000 or more according to the last Federal Census (2020).

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Wholesaler, Distributor or Manufacturer Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary for: J

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for Winery (G) Applicants

Per Sec. 16.011, "A winery permit may be issued for premises in an area in which the sale of wine has not been authorized by a local option election..."

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for: BW & D

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages, **and**

☐ **does** ☐ **does not** allow for on-premise consumption **and**

☐ **does** ☐ **does not** allow for off-premise consumption in accordance with 501.035 of the Election Code.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for: BB, BC, W & X

Applicants Per Sec. 251.79 "a wholesaler's permit, general class B wholesaler's permit, or a general or branch distributor's license may be issued and licensed premises maintained ***in any area where the sale of any alcoholic beverage is legal."***

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

I hereby refuse on this _____ day of _____, 20_____ to certify this location.

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Off-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk: P, Q, BF, BQ

TX Alc. Bev. Code, Section 11.37 & 61.37

☐ **CHECK HERE IF NOT IN CITY LIMITS**

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	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**BF**	The legal sale of malt beverages for off-premise consumption only ☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
☐	**BF, BQ, Q**	The legal sale of malt beverages and wine for off-premise consumption only
☐	***BF, BQ, Q, P***	*The legal sale of all alcoholic beverages for off-premise consumption only*

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____ **County**
County Clerk

SEAL

On-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk (FOR MB, MB/FB, BG, BG/FB, BE, & BE/FB)

TX Alc. Bev. Code, Section 11.37 & 61.37

I hereby certify on this_____ day of_____, 20__, that this location address is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

Permits/Licenses Wet For		Based on most recent local option election, area is wet for:
☐	**MB**	Mixed Beverage Permit
☐	**MB/FB**	Mixed Beverage Restaurant Permit with **required** Food and Beverage Certificate
☐	**BG***	Wine and Malt Beverage Retail Dealer's On-Premise Permit
☐	**BG/FB***	Wine and Malt Beverage Retail Dealer's On-Premise Permit with required Food and Beverage Certificate
☐	**BE***	Retail Dealer's On-Premise License
☐	**BE/FB***	Retail Dealer's On-Premise License with **required** Food and Beverage Certificate
*Mark box on right for **BE and/or BE/FB**		☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
*Mark box on right for any of the following license or permit types **BG ,BG/FB BE, BE/FB**		**Election for given location was held for:** ☐ legal sale of malt beverage/wine (17%) on-premise ***AFTER*** Sept. 1, 1999 ***OR*** ☐ legal sale of malt beverage/wine (14%) on-premise ***BEFORE*** Sept. 1, 1999

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certification for Late Hours Certificate (LH)

TX Alc. Bev. Code, Chapters 29 & 70 et seq.

I hereby certify on this_____ day of_____, 20___, that one of the below is correct:

☐	The governing body of this city or county has by ordinance or order authorized the sale of ***mixed beverages*** between midnight and 2:00 A.M.;
OR	
☐	The governing body of this city or county has by ordinance or order authorized the sale of ***malt beverage*** between midnight and _____ A.M.;
OR	
☐	The population of the city or county where premises are located was 500,000 or more according to the 24th Decennial Census of the United States as released by the Bureau of the Census on April 1, 2020;
OR	
☐	The population of the city or county where premises are located was 800,000 or more according to the last Federal Census (2020).

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Wholesaler, Distributor or Manufacturer Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk for: J

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for Winery (G) Applicants

Per Sec. 16.011, "A winery permit may be issued for premises in an area in which the sale of wine has not been authorized by a local option election..."

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

☐ ***I hereby refuse on this _____ day of _____, 20____ to certify this location.***

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for: BW & D

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages, **and**
☐ **does** ☐ **does not** allow for on-premise consumption **and**
☐ **does** ☐ **does not** allow for off-premise consumption in accordance with 501.035 of the Election Code.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for: BB & BC, W & X

Applicants Per Sec. 251.79 "a wholesaler's permit, general class B wholesaler's permit, or a general or branch distributor's license may be issued and licensed premises maintained ***in any area where the sale of any alcoholic beverage is legal."***

I hereby certify on this ____ day of _____, 20___, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

I hereby refuse on this _____ day of _____, 20_____ to certify this location.

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Publisher's Affidavit for All Applicants Except BN, DS, S
TX Alc. Bev. Code, Section 11.39 and 61.38

Name of newspaper	
City, County	
Dates notice published in daily/weekly newspaper (MM/DD/YYYY)	
Publisher or designee certifies attached notice was published in newspaper stated on dates shown.	
Signature of publisher or designee	
Sworn to and subscribed before me on this date (MM/DD/YYYY)	
Signature of Notary Public	
SEAL	

ATTACH PRINTED COPY OF THE NOTICE HERE

Click here to see example of newspaper publication

Comptroller of Public Accounts Certificate for All Applicants
TX Alc. Bev. Code, Section 11.46 (b) & 61.42 (b)

This is to certify on this_____ day of_____, 20_____, the applicant holds or has applied for and satisfies all legal requirements for the issuance of a Sales Tax Permit under the Limited Sales, Excise and Use Tax Act or the applicant as of this date is not required to hold a Sales Tax Permit and that none of the persons making this application are indebted to the State of Texas.

Sales Tax Permit Number_____ Outlet Number_____

Print Name of Comptroller Employee _____

Print Title of Comptroller Employee _____

SIGN HERE _____ **FIELD OFFICE** _____ **SEAL**

TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

Initial Application
Reinstatement
Change of Location

Required Certifications form L-CERT must be included

Join TABC in the fight against Human Trafficking

L-IA (10/2022)

TABC has enhanced our license and permit application process. We encourage you to take advantage of our user-friendly online application process through the Alcohol Industry Management System (AIMS). If you are unable to submit your application via AIMS, you may complete the paper application below. **If you submit a paper application, it will take considerably longer to obtain your license or permit.**

Complete this form to apply for an original license or permit, or to make certain changes to an existing license or permit. Ultimate responsibility for the privilege of holding such license or permit rests on the applicant or license/permit holder. Visit our website (www.tabc.texas.gov) for statutory requirements, authorities or to find your local office.

Initial Information

1. Application for:

☒ Original	☐ Reinstatement	License/Permit Number _____	☐ Reinstatement and Change of Trade Name	License/Permit Number _____
	☐ Change of Location	License/Permit Number _____	☐ Change of Location and Trade Name	License/Permit Number _____

2A. Type of Off-Premise License/Permit

☐ **BF** Retail Dealer's Off-Premise License	☐ **ET** Third-Party Local Cartage Permit	☐ **P** Package Store Permit
☐ **BQ** Wine and Malt Beverage Retail Dealer's Off-Premise Permit	☐ **LP** Local Distributor's Permit	☐ **Q** Wine Only Package Store

2B. Type of On-Premise License/Permit

☒ **BE** Retail Dealer's On-Premise License	☐ **E** Local Cartage Permit	☐ **MB** Mixed Beverage
☒ **BG** Wine and Malt Beverage Retail Dealer's On-Premise Permit	☐ **FB** Food and Beverage Certificate	☐ **RM** Mixed Beverage Permit with required Food and Beverage Certificate
☐ **BP** Brewpub License	☐ **LH** Late Hours Certificate	☐ **WP** Waterpark Permit

2C. Type of Wholesaler's, Distributor's, or Manufacturer's License/Permit

☐ **BB** General Distributor's License	☐ **D** Distillers and Rectifiers Permit - allows on-premise consumption	☐ **SD** Brewer's Self-Distribution License
☐ **BC** Branch Distributor's License	☐ **G** Winery - allows on-premise consumption	☐ **W** Wholesaler's Permit
☐ **BW** Brewer's License	☐ **J** Bonded Warehouse	☐ **X** General Class B Wholesaler Permit
	☐ **JD** *Bonded Warehouse (Dry Area)*	

3. Trade Name of Location (Name of restaurant, bar, store, distribution company, etc.)
Sherman Sports and Entertainment, LLC leased from the City of Sherman, TX

4. Location Address Street Number / Street Name
1121 W. Taylor Street

City	County	State	Zip
Sherman	Grayson	TX	75092

5. Mailing Address Street Number / Street Name
1121 W. Taylor Street

City	State	Zip
Sherman	TX	75092

6.

Business Phone	Alternate Phone	E-mail Address
843 367-3832	843 367-3832	mark@vsgsports.com

Business Information

7. Owner of Business/Applicant (Name of Corporation, Sole Proprietor, LLC, etc.)
Sherman Sports and Entertainment, LLC

8. SSN or Federal Employer Identification Number (FEIN)
93-2559089

- **If you hold an active TABC license/permit** under the SSN or FEIN listed in question #8 and there have been no changes to the ownership structure of the business since you filed your last application, skip to question #11.
- **If you hold an active TABC license/permit** under the SSN or FEIN listed question #8, and there has been a change in the ownership or business structure since you filed your last application you must complete the entire Business Section below and Personal History Sheets (PHS) for any added person or persons.
- **If you do not currently hold an active TABC license/permit**, complete the entire Business Information section, all necessary ownership information and personal history sheets. Select the entity page(s) that correspond with your business structure. All officers, directors, stockholders, and trustees, holding ownership in this business must be disclosed. Individual applicants complete this application and L-PHS (Personal History Sheet).

9. ☐ Individual ☒ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title
Schuster	Mark	W	President

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held
143721268	02/23/1966	Preferred Shares 100%

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

If additional space is necessary, use the appropriate form for your business structure (L-C, L-LLC, L-P).

Background Information

10A. Has any person listed in the business information section, or his or her spouse, been finally convicted or received deferred adjudication for any of the offenses below? If so, indicate by checking all that apply. If any boxes are checked, and it has not been five years since the termination of a sentence, parole or probation served, attach an explanation.

- ☐ any felony offense
- ☐ prostitution
- ☐ *bookmaking*
- ☐ gambling or gaming
- ☐ bootlegging
- ☐ vagrancy offense involving moral turpitude
- ☐ any offense involving dangerous drugs, synthetic cannabinoids or controlled substances as defined in Texas Controlled Substances Act
- ☐ any offense involving firearms or a deadly weapon
- ☐ any offense involving drink solicitation
- ☐ more than three violations of the Texas Alcoholic Beverage Code relating to minors
- ☐ violations of the Texas Alcoholic Beverage Code resulting in a criminal fine of $500
- ☐ violations of an individual's civil rights or discrimination against an individual on the basis of race, color, creed or national origin

10B. If any person listed in the Business Section has had a TABC license or permit canceled, attach an explanation.

Property Ownership/Lease/Sublease/Management Information

Complete question 11A. *or* 11B. to document owner of property. If land and building are owned by different entities, group partners/officers of each entity separately in spaces in 11B.

Individual Property Owner

11A. Full Legal Name (Last, First, Middle):	Date of Birth (mm/dd/yyyy)	SSN

Property Owner Information (If owner is business entity)

11B. Name of Business Entity	Federal Employer Identification Number (FEIN)
City of Sherman, TX	

12. If operating under a lease at the location listed in question 4, complete the following:

Expiration date(s)/Options _____

Monthly rental amount $ _____

If other fees and payments are due to the landlord, indicate amount and reason $ _____ Reason: _____

If you are you operating under any concession, service or management agreement(s) that contain terms for services or management beyond property rental, complete question number 13. Attach copy of all agreements.
If question 13 does not apply, go to question 14

13A. Indicate if you are:
☐ Sublessor ☐ Concessionaire ☐ Management Company

13B. Entity Name of Sublessor, Concessionaire or Management Company:

13C. FEIN of Sublessor, Concessionaire or Management Company:

Enter information for individual or business entity below

Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Mark William Schuster	143 72 1268
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN

Use form L-SL if additional space is needed

13D. Enter contract information below:

Expiration date(s)/Options _____

Monthly fee $ _____

13E. If you have a sublessor that differs from the management company enter sublessor name below.

Sublessor Name _____ FEIN _____

14A. Do you or anyone else at the location operate under a franchise agreement? ☐ Yes ☐ No

14B. If "YES," as required under Section 109.53 do you maintain exclusive control of ALL phases of the purchase, sale, service and brands of alcoholic beverages? ☐ Yes ☐ No

If there are any agreements, excluding questions 13-14, which involve alcohol in any way, you MUST attach copies of those agreements.

Sales Information for Following License/Permit Types: MB/FB, BG/FB, BE/FB

15. **Provide projected (future) sales data for first 12 months of operation.**

Sales Year (YYYY) 2024
Alcoholic Beverage Sales $ 18000.00
Food Sales $ 72000.00
Other Sales $
Total Sales $ 90000.00

Additional Requirements you are Attesting to for Food and Beverage Certificate Only:

- Food service will be maintained on the licensed premise.
- There is a permanently designated food service facility on the licensed location.
- Multiple entrees per meal are available to customers.
- Food items are prepared for consumption on or off the licensed location.
- *Hours of operations for sale and service of food and alcoholic beverages are the same. Note, food may be sold or served before or after the legal hours for sale of alcoholic beverages.*
- If the designated food service facility on the licensed location is operated by a separate business entity, the business entity will provide records for food service for the purpose of inspections or audit.
- If the premise is a hotel, separate food service facility for each separate area for restaurants, lounges or bars are maintained.

Mark only one of the boxes below to identify the method that qualifies the location to hold a Food & Beverage Certificate.
See Food and Beverage Certificate Application Document Guide pg.5 for additional information

☒ In addition to the above requirements, you qualify as a restaurant as defined by Rule 33.5(b)(6)
- The location operates its own permanent food service facility with commercial cooking equipment on its premises; and
- Prepares and offers to sell multiple entrees for consumption on or off the premises

☒ In addition to the above requirements, you qualify based on the projected receipts from the sale of alcoholic beverages by the license or permit holder at the location will be 60% or less of the total receipts from the location.

Location Information

16. **If you share the premises with another business entity enter tradename(s) of business(es) and sales and use tax number(s) below:**
Trade Name
Sales & Use Tax Number

17. **Is the proposed location in a hotel or motel?** If "Yes" attach diagram. ☐ Yes ☒ No

18. **Will the license/permit embrace the entire location address as shown in question #4?** ☒ Yes ☐ No
If "NO," attach a diagram of your premises as required by Section 11.49.

Finance Information

19. **Enter the total amount of investment from all sources for this location.** $ 300000.00
Please be prepared to provide copies of all documents related to the financing of this location.

20. **List all sources of funds advanced to you for your business. If a partnership or corporation, list entity along with partners/officers.**

Name, Corporation, Partner/Officer		Date of Birth mm/dd/yyyy)
Funds have not been advanced yet		
SSN or FEIN	**Terms**	**Amount** $
Name, Corporation, Partner/Officer		**Date of Birth mm/dd/yyyy)**
SSN or FEIN	**Terms**	**Amount** $

If more space is needed, attach additional page

Measurement Information

Click here for measurement instructions, information, and requirements

21. Will the premises be within 1,000 feet of a private/public school? ■ Yes ☐ No

22. Is any property line of your premises within 300 feet of a residential address or established neighborhood association? ☐ Yes ■ No

On-Premise Licenses And Permits Only

Measurement information for applicants in municipalities with a population of 1.5 million or more

23. Will your business be located within 300 feet of a residence, church, school, day care or social service facility? ■ Yes ☐ No
If "YES," will 75% or more of the applicant's actual or anticipated gross revenue be from the sale of alcoholic beverages? ☐ Yes ■ No
If "YES," to both questions; you must notify all tenants or property owners of your intent to apply for an alcoholic beverage license/permit within five days of the filing of an original application. Has such notice been given as required by Section 11.52? ☐ Yes ☐ No

Brewpub (BP) Only

24. Do you, the applicant, intend to sell your alcoholic product directly to other retailers? ☐ Yes ■ No

25. Do you, the applicant, intend to sell your alcoholic product to wholesalers/distributors? ☐ Yes ■ No

26. Will you, the applicant, be engaged in the business of brewing and packaging malt liquor in quantities sufficient to operate a brewpub not later than 6 months after the date of issuance of the original license? ☐ Yes ■ No

27. If required under Section 11.391 and 61.381, provide exact date the required sign was posted at the location. Exact Date:

Bonded Warehouse (J – Wet / JD – Dry)

28. In general terms, specify what other goods and commodities are stored in this warehouse.

N/A

29. Are you providing services to permit holders other than storage — ☐ Yes ■ No

30. Is at least 50% of gross revenue during each three (3) month quarter derived from goods and merchandise other than alcoholic beverages? — ■ Yes ☐ No

31. Is the location in a wet or dry area? — ■ Wet ☐ Dry

Brewers (BW)

32. Do you, the applicant, intend to engage in the business of brewing and packaging malt beverage in Texas within the three-year period covered by the original license and one successive renewal in quantities to qualify as a bona fide brewing manufacturer? — ☐ Yes ☐ No

33A. Do you, the applicant, intend to contract with another brewery to produce your product? — ☐ Yes ☐ No
If "Yes," provide the TABC license/permit number of that brewery. _____

33B. Is your product brewed at their location? — ☐ Yes ☐ No

34A. Do you, the applicant, intend to utilize an alternating proprietorship agreement to produce your product? — ☐ Yes ☐ No
If "Yes," provide the TABC license/permit number of that brewery. _____

34B. Is your product brewed at their location? — ☐ Yes ☐ No

35. If you intend to operate under an alternating or contract brewing agreement; do you, the applicant, own a fee interest in a brewing facility? — ☐ Yes ☐ No
If "No," please submit a Fee Interest Bond which must be on file and approved prior to the issuance of your license/permit. Fee Interest Bond form and instructions can be downloaded here: Forms | TABC (texas.gov)

36. Do you, the applicant, hold a Brewer's Notice issued by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury? — ☐ Yes ☐ No
If "Yes," please provide TTB Brewers Notice Number _____ and attach copy.

Brewers (BW), Distillers and Rectifiers (D), Winery (G)

37. Is any property line of your premises within 300 feet of a residential address or established neighborhood association? — ☐ Yes ☐ No

38. Do you, the applicant, intend to sell for on-premise consumption? — ☐ Yes ☐ No
If "YES," you must notify each residential address and established neighborhood association(s).A copy of the completed notice must be submitted along with a list of all addresses notified; as required by Section 11.393 and 61.38. Click Notice of Application to view and print notice.

Wholesalers (W)

39. Do you, the applicant, intend to sell malt liquor? — ☐ Yes ☐ No
NOTE: You must submit a territorial agreement from the actual manufacturer of the product.

Distributors (D)

40. Do you, the applicant, have an adequate building, storage facilities, sufficient employees, delivery vehicles and rolling stock to provide service and sales for each brand of malt beverage in an amount equal to the demand for the product from all retailers in applicant's assigned territory? — ☐ Yes ☐ No
NOTE: If you are applying for a General Distributor's License, Local Distributor's Permit or Branch Distributor's License, you must submit a territorial agreement from the actual manufacturer of each malt beverage product you are handling.

Winery (G)

41. I, the applicant, declare that I have the appropriate federal authority to qualify as a Texas winery and have all necessary information and documentation to complete the application. — ☐ Yes
If "YES," attach a copy of the approved Application to Establish and Operate a Wine Premises.

42. Do you, the applicant, intend to engage in any activity authorized by the winery permit on the permitted premise of another winery? — ☐ Yes ☐ No
If "YES," provide the TABC permit number of that winery _____ and attach a copy.

WARNING AND SIGNATURE

If applicant is/principal party listed below must sign

Individual/Individual Owner	Corporation/Officer
Partnership/Partner	Limited Liability Company/ Officer or Manager
Limited Partnership/General Partner	

Each licensee or permittee shall have exclusive occupancy and control of the entire licensed location with respect to the sale of alcoholic beverages. Any arrangement that surrenders such control of the employees, premises or business, including profits and losses, to persons other than the licensee or permittee is unlawful.

The applicant, license/permit holder, agent, servant or employee may not directly or indirectly have any overlapping ownerships or other prohibited relationships (including unfair competition and unlawful trade practices) between those engaged in the alcoholic beverage industry at different levels, that is, between a manufacturer and a wholesaler or retailer, or between a wholesaler and a retailer, as the words "wholesaler," "retailer," and "manufacturer" are ordinarily used and understood, regardless of the specific names given a license/permit. Reference Chapter 102 et seq.

WARNING: Section 101.69 of the Texas Alcoholic Beverage Code states: "...a person who makes a false statement or false representation in an application for a permit or license or in a statement, report, or other instrument to be filed with the Commission and required to be sworn commits an offense punishable by imprisonment in the Texas Department of Criminal Justice for not less than 2 nor more than 10 years."

By signing you are swearing to all information and attachments provided are correct.

PRINT NAME Mark Schuster **SIGN HERE** _____

TITLE President

Before me, the undersigned authority, on this_____ day of_____, 20____, the person whose name is signed to the foregoing application personally appeared and, duly sworn by me, states under oath that he or she has read the said application and that all the facts therein set forth are true and correct.

SIGN HERE _____
NOTARY PUBLIC

SEAL

Sherman
CLASSIC TOWN. BROAD HORIZON

City Clerk's Office

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394

August 29, 2023

Sherman Sports and Entertainment, LLC
Attn: Mark Schuster
1273 Pearwood Court
Mount Pleasant, South Carolina 29466

RE: Veteran's Field, Sherman, Texas
1121 W. Taylor Street
Sherman, Texas 75092

Dear Mr. Schuster:

Your application for a "Retail Dealer's On-Premise License" and "Wine and Malt Beverage Retail Dealer's On-Premise Permit" has been denied. Upon inspection, it was found that your business is within 300 feet of a public or private school or day care center.

The City's Code of Ordinances, Section 4.14.035, states that the minimum distance between retail stores that offer the sale of alcoholic beverages for off-premise consumption and public or private schools or day care facilities is 300 feet. Measurements are made from property line to property line and in a direct line across intersections. I have included a copy of the Code for your information.

Sincerely,

Linda Ashby

Linda Ashby
City Clerk

cc: Terrence Steele, Assistant City Manager
Ryan Pittman, City Attorney
Rob Rae, Director of Development Services
Theresa Hutchinson, Parks and Recreation Manager

August 29, 2023

Mr. Terrance Steele, Assistant City Manager
City of Sherman
220 West Mulberry Street
Sherman, TX 75090

Dear Terrance:

Please find attached a letter of denial from Ms. Linda Ashby, City Clerk, with respect to our request to our application for a beer and wine license at Veteran's Field.

I respectfully request to appeal this decision with City Council. I understand the next City Council meeting is Tuesday, September 5th.

Please let me know what the next step is in the process to appeal the denial of the license.

Sincerely,

Mark Schuster

Mark Schuster
Sherman Sports and Entertainment, LLC

Sec. 4.14.035 Development standards

(a) Alcoholic beverages for off-premises consumption only. The sale of alcoholic beverages is permitted only in a zoning district where retail sales are allowed. The minimum distance between retail stores that offer the sale of alcoholic beverages for off-premises consumption and the following uses are:

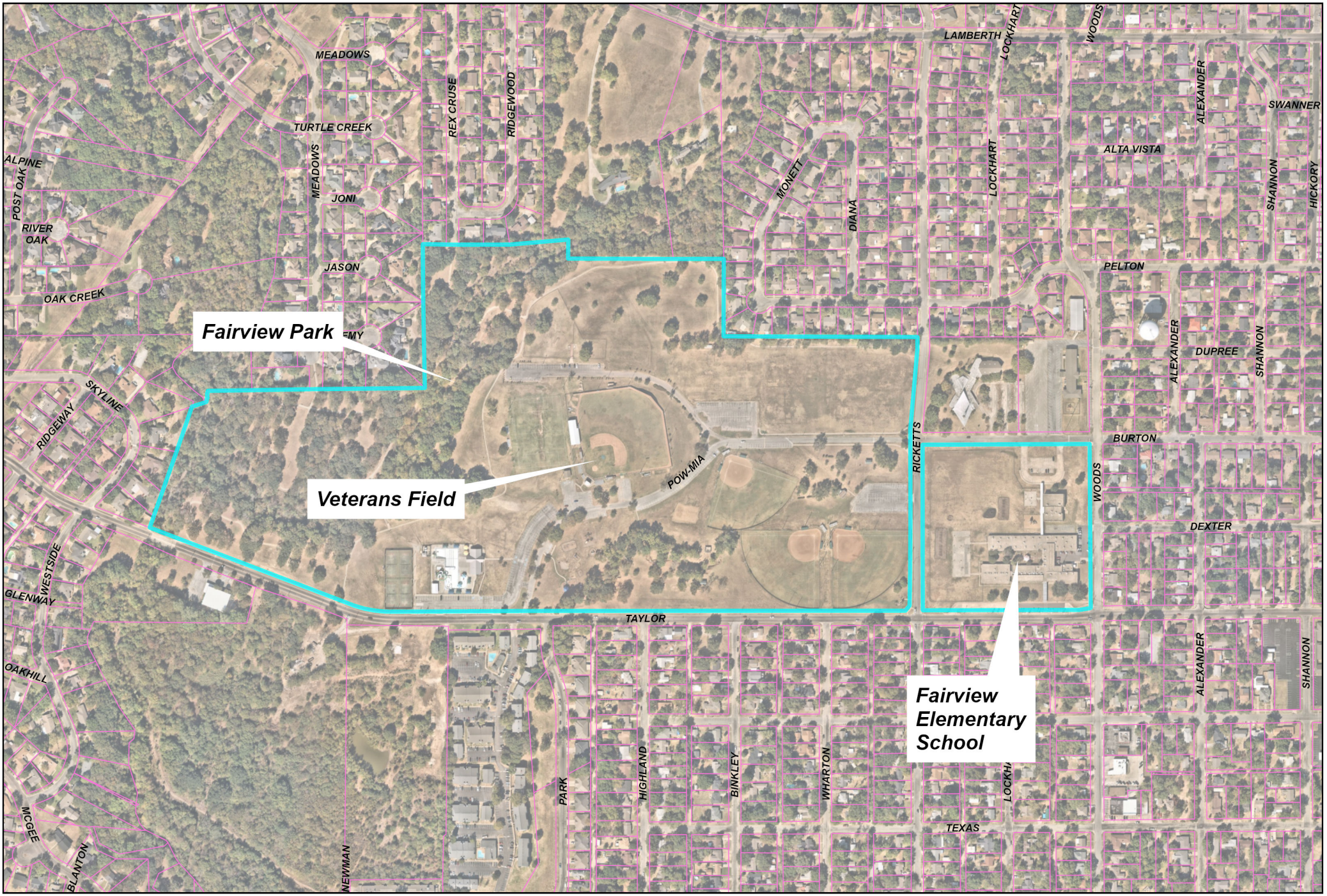
(1) Schools (public and private) and day care centers: 300 feet. As allowed by state law, a school may petition for 1,000 feet. All measurements of distances are as provided for in state law (property line to property line and in a direct line across intersections).

(2) Churches: 300 feet. All measurements of distances are as provided for in state law (along the property lines of the street fronts and from front door to front door, and in a direct line across intersections).

(3) Hospitals: 300 feet. All measurements of distances are as provided for in state law (along the property lines of the street fronts and from front door to front door, and in a direct line across intersections).

(b) Mixed beverages in a restaurant by food and beverage certificate holders only. The sale of mixed beverages in a restaurant by food and beverage certificate holders is allowed in any zoning district where restaurants are allowed. The holder of a permit under this subsection shall be required to meet distance requirements as set forth in subsection (a), above.

(Ordinance 5994 adopted 12/5/16)



Sherman
ENGINEERING DEPT.
220 W. MULBERRY
SHERMAN, TX 75090

Veterans Field Alcohol Appeal

1" = 500'

NORTH

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 3.**

Meeting Date: 09/05/2023
Prepared By: Clint Philpott, Assistant City Manager
Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6636
Approving the 2023 - 24 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

Issue:

To approve the 2023 - 24 Annual Service Plan Update for the Bel Air Village Public Improvement District

Background:

The Bel Air Village Public Improvement District (the "PID") was created pursuant to the PID Act and Resolution No. 6711 of the City Council on March 15, 2021, to finance certain public improvement projects for the benefit of the property in the PID. The PIDs are required to undergo annual review of the Service and Assessment Plan to update any projected changes to the Plan, such as changes in cost estimates or changes in values created with the PID area.

On May 3, 2021, the City approved Phase #1 Reimbursement Agreement in the amount of $7,168,000 (the "Phase #1 Reimbursement Agreement") to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID. Likewise, on April 4, 2022 the Council approved an amendment to the PID plan that increased the amount of reimbursement available to the developer from PID assessments to about $9.1 million. This increase in available assessment dollars was a result of increased projected values and assessments within the PID boundaries. There were no increases in projected development costs as part of that amendment.

A service and assessment plan (the "Service and Assessment Plan") was prepared at the direction of the City identifying the public improvements (the "Authorized Improvements") to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. Pursuant to the PID Act, the Service and Assessment Plan must be reviewed and updated annually.

The City also adopted the Phase #1 Assessment Roll attached as Appendix E to the Service and Assessment Plan, identifying the assessments on each Parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates

the Assessment Rolls for 2023-24

The Developer reported that the actual costs spent to date of the Phase #1 Improvements were $10,361,727 as of July 28, 2023.

Origination:

City Manager's Office

Financial Consideration:

The City determined the estimated total costs of certain public improvements for the benefit of the property within Phase 1 District Improvements and to be financed by the District is $9,060,054, all of which is expected to be collected through the PID Assessments. There is no cost to the City related to this PID.

Staff Recommendation:

Staff recommends approval of this Ordinance.

Alternatives:

As directed by the City Council

Attachments

Ordinance No. 6636

Service and Assessment Plan 2023-24

Presentation

ORDINANCE NO. 6636

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING THE 2023 - 24 ANNUAL SERVICE AND ASSESSMENT PLAN UPDATE FOR THE BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Sherman (the "City") is authorized pursuant to Texas Local Government Code, Chapter 372, as amended (the "PID Act") to create public improvement districts for the purposes described therein; and

WHEREAS, the City received a petition (the "Petition") requesting the creation of the Bel Air Village Public Improvement District (the "PID); and

WHEREAS, on March 15, 2021, the City held a public hearing then passed and adopted Resolution 6711 establishing the Bel Air Village Public Improvement District in accordance with the PID Act; and

WHEREAS, on May 3, 2021, the City passed and adopted Ordinance 6377 approving a Service and Assessment Plan (the "SAP") for the PID;

WHEREAS, the City Council of the City wishes to approve the 2023 - 24 Annual Update of the SAP (the "Annual Service Plan Update") for the PID.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SHERMAN, TEXAS, as follows:

SECTION 1. The facts recited in the preamble hereto are found to be true and correct.

SECTION 2. The 2023 - 2024 Annual Service Plan Update, attached to this Ordinance as Exhibit A, is hereby approved and adopted on behalf of the PID.

SECTION 3. All Ordinances, and agreements and parts of Ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

SECTION 4. It is hereby found and determined that the meeting at which this Ordinance was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law. The Ordinance shall become effective immediately upon passage. The City Secretary shall cause this Ordinance to be filed with the City clerk in each City in which all or a part of the PID us located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS.

INTRODUCED on this the 5th day of September 2023.

ADOPTED on this the 5th day of September 2023

EFFECTIVE DATE on this the 5th day of September 2023

.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____

LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

BEL AIR VILLAGE
PUBLIC IMPROVEMENT DISTRICT

CITY OF SHERMAN, TEXAS

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/23 - 8/31/24)

AS APRROVED BY CITY COUNCIL ON:
SEPTEMBER 5, 2023

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

BEL AIR VILLAGE
PUBLIC IMPROVEMENT DISTRICT

ANNUAL SERVICE PLAN UPDATE
(ASSESSMENT YEAR 9/1/23 – 8/31/24)

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APPENDIX E – PHASE #2 ASSESSMENT ROLL SUMMARY – 2023-24 – ALL PARCELS

APPENDIX F – PID ASSESSMENT NOTICE

I. INTRODUCTION

The Bel Air Village Public Improvement District (the "PID") was created pursuant to the PID Act and Resolution No. 6711 of the City Council on March 15, 2021, to finance certain public improvement projects for the benefit of the property in the PID.

On April 4, 2022, the City approved Phase #1 Reimbursement Agreement in the amount of $9,060,054 (the "Phase #1 Reimbursement Agreement") to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the public improvements provided for the benefit of the property in the PID.

A service and assessment plan (the "Service and Assessment Plan") was prepared at the direction of the City identifying the public improvements (the "Authorized Improvements") to be provided by the PID, the costs of the Authorized Improvements, the indebtedness to be incurred for the Authorized Improvements, and the manner of assessing the property in the PID for the costs of the Authorized Improvements. The Service and Assessment Plan was updated for the Phase #2 Reimbursement Agreement in the aggregate principal amount of $20,186.042 (the "Phase #2 Reimbursement Agreement") on December 5, 2022 (the "Updated Service and Assessment Plan"). Pursuant to Chapter 372 of the Texas Local Government Code, as amended (the "PID Act"), the Updated Service and Assessment Plan must be reviewed and updated annually for the purpose of determining the annual budget for the Authorized Improvements. This document is the annual update of the Updated Service and Assessment Plan for 2023-24 (the "Annual Service Plan Update").

The City also adopted the Phase #1 Assessment Roll and Phase #2 Assessment Roll attached as Appendices F and G, respectively, to the Updated Service and Assessment Plan, identifying the assessments on each Parcel within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for 2023-24.

The Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things, (i) all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days and (ii) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the "PID Assessment Notice") as disclosure of the obligation to pay PID Assessments. In light of these amendments to the PID Act, this Annual Service Plan Update includes a copy of the PID Assessment Notice as Appendix F and copy of this Annual Service Plan Update will be filed with the county clerk in each county in which all or a part of the PID us located not later than seven (7) days after the date the governing body of the City approves this Annual Service Plan Update.

Section 372.013 of the PID Act, as amended, stipulates that a person who proposes to sell or otherwise convey real property that is located in the PID, except in certain situation described in the PID Act, shall first give to the purchaser of the property a copy of the completed PID Assessment Notice. The PID Assessment Notice shall be given to a prospective purchase before

the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller provided the required notice, the purchaser, subject to certain exceptions described in the PID act, is entitled to terminate the contract.

The PID Assessment Notice shall be executed by the seller and must be filed in the real property records of the County in which the property is located at the closing of the purchase and sale of the property.

Capitalized terms shall have the meanings set forth in the Updated Service and Assessment Plan unless otherwise defined herein.

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II. UPDATE OF THE SERVICE PLAN

A. UPDATED SOURCES AND USES FOR PUBLIC IMPROVEMENTS

Phase #1 Improvements Sources and Uses

Pursuant to the original Service and Assessment Plan adopted on April 4, 2022, the initial total estimated costs of the Phase #1 Improvements, including the proportional share of the Major Improvement costs, were equal to $9,060,054. According to the Updated Service and Assessment Plan dated December 5, 2022, the estimated costs of Phase #1 Improvements increased to $9,607,702. According to Bel Air Village SFR, LLC (the "Developer"), the actual costs of the Phase #1 Improvements were equal to $10,361,727.

According to the City, the Phase #1 Improvements were completed and accepted by the City on September 26, 2022.

Table II-A-1 below summarizes the updated sources and uses of funds required to (1) construct the Phase #1 Improvements and (2) establish the PID.

Table II-A-1
Updated Sources and Uses – Phase #1

Sources of Funds	Initial Estimated Budget	Actual Amount Spent	Variance
Assessments	$9,060,054	$9,060,054	$0
Other funding sources	$0	$1,301,673	$1,301,673
Total Sources	**$9,060,054**	**$10,361,727**	**$1,301,673**
Uses of Funds			
Phase #1 Improvements			
Roadway Improvements	$2,168,179	$3,849,764	$1,681,585
Water Improvements	$729,393	$832,756	$103,363
Sanitary Sewer Improvements	$1,021,867	$1,238,197	$216,330
Storm Drainage Improvements	$2,422,332	$1,693,170	($729,162)
Landscaping and Hardscaping	$641,447	$1,235,645	$594,198
Other Soft and Miscellaneous Costs	$2,076,836	$1,512,195	($564,641)
Subtotal: Phase #1 Improvements	*$9,060,054*	*$10,361,727*	*$1,301,673*
Total Uses	**$9,060,054**	**$10,361,727**	**$1,301,673**

1 – According to the Developer as of July 28, 2023.

Phase #1 Improvement Cost Variances

As shown in Table II-A above, the actual cost increases of $1,301,673 were funded by the Developer or other funding sources and did not result in an increase in Phase #1 Assessments.

Phase #2 Improvements Sources and Uses

Pursuant to the Updated Service and Assessment Plan, the initial total estimated costs of the Phase #2 Improvements, including the proportional share of the Major Improvement costs, were equal to $20,186,042. According to the Developer, the costs spent to date for the Phase #2 Improvements were equal to approximately $3,181,791.

Table II-A-2 below summarizes the updated sources and uses of funds required to (1) construct the Phase #2 Improvements and (2) establish the PID according to the Developer as of June 30, 2023.

Table II-A-2
Updated Sources and Uses – Phase #2

Sources of Funds	Initial Estimated Budget	Budget Changes	Revised Budget	Actual Amount Spent	Remaining Balance to Fund
Assessments	$20,186,042	$0	$20,186,042	$3,181,791	$17,004,251
Other funding sources	$0	$0	$0	$0	$0
Total Sources	**$20,186,042**	**$0**	**$20,186,042**	**$3,181,791**	**$17,004,251**
Uses of Funds					
Phase #2 Improvements					
Roadway Improvements	$5,261,258	$0	$5,261,258	$1,082,619	$4,178,639
Water Improvements	$2,012,039	$0	$2,012,039	$0	$2,012,039
Sanitary Sewer Improvements	$2,756,226	$0	$2,756,226	$0	$2,756,226
Storm Drainage Improvements	$4,324,150	$0	$4,324,150	$16,165	$4,307,985
Landscaping and Hardscaping	$1,720,657	$0	$1,720,657	$0	$1,720,657
Other Soft and Miscellaneous Costs	$4,111,712	$0	$4,111,712	$2,083,007	$2,028,705
Subtotal: Phase #2 Improvements	*$20,186,042*	*$0*	*$20,186,042*	*$3,181,791*	*$17,004,251*
Total Uses	**$20,186,042**	**$0**	**$20,186,042**	**$3,181,791**	**$17,004,251**

1 – According to the Developer as of June 30, 2023.

Phase #2 Improvement Cost Variances

As stated in Table II-A-2 above, there are no significant variances to the Phase #2 Improvement aggregate budget.

B. Five Year Service Plan

According to the PID Act, a service plan must cover a period of five years. All of the Phase #1 Improvements and Phase #2 Improvements are expected to be built within a period of five years. The anticipated budget for the Phase #1 Improvements and Phase #2 Improvements are shown in Section II.A of this report, and the Annual Installments expected to be collected for these costs is shown by Tables II-B-1 and Table-II-2 on the following page.

Table II-B-1
Phase #1 Projected Annual Installments (2021-2029)

Assessment Year Ending 9/01	Phase #1 Projected Annual Installments[1,2,3]
2021-23	$199,529
2024	$296,291
2025	$767,933
2026	$768,790
2027	$769,666
2028	$603,909
2029	$613,655
Total	**$4,019,773**

1 – Projected Annual Installments for Assessment Years ending 2021-24 represent actual amounts billed and include applicable credits. Assessment Years ending 2025-2029 represent projected amounts and will be updated in future Annual Service Plan Updates.
2 – Represents the Annual Installments billed for Phase #1 Lots triggered as of July 31, 2023.
3 - Refer to Section D of this report for additional information regarding Phase #1's annual budget and Annual Installments.

Table II-B-2
Phase #2 Projected Annual Installments (2024-2029)

Assessment Year Ending 9/01	Phase #2 Projected Annual Installments[1,2,3]
2024	$0
2025	$1,939,409
2026	$1,940,540
2027	$1,941,695
2028	$1,942,876
2029	$1,705,650
Total	**$9,470,170**

1 – Projected Annual Installments for Assessment Years ending 2024 represent actual amount billed and include applicable credits. Assessment Years ending 2025-2029 represent projected amounts and will be updated in future Annual Service Plan Updates.
2 – Represents the Annual Installments billed for Phase #2 Lots triggered as of July 31, 2023.
3 - Refer to Section F of this report for additional information regarding Phase #2's annual budget and Annual Installments.

C. STATUS OF DEVELOPMENT

According to the City, eighty-six (86) building permits had been issued for Phase #1 of the PID as of June 30, 2022, however, the number of building permits issued as of June 30, 2022 was determined to be inaccurate as the count was initially determined based on building permit applications submitted to the City. The correct building permit issuance information is provided below.

According to the City, the corrected number of building permits issued as of June 30, 2022 was twenty-four (24), representing approximately 7.34 percent of the 327 total building permits expected to be issued within Phase #1.

According to the City, one-hundred and eight-five (185) building permits have been issued for Phase #1 of the PID as of July 31, 2023, representing approximately 56.57 percent of the 327 total building permits expected to be issued within Phase #1.

According to the City, no building permits have been issued for Phase #2 of the PID as of June 30, 2023, representing 0.00 percent of the 561 total building permits expected to be issued within Phase #2.

See Table II-C-1 below for the status of building permits issued within Phase #1 and Phase #2 as of July 31, 2023.

Table II-C-1
Building Permits Issued[1]

	Cumulative as of August 31, 2021	Cumulative as of June 30, 2022	Cumulative as of July 31, 2023
Phase #1 Building Permits	0	24	185
Phase #2 Building Permits	0	0	0

1 – Based on the building permit issuances according to the City.

See Table II-C-2 below for the status of completed homes within Phase #1 and Phase #2 as of June 30, 2023.

Table II-C-2
Completed Homes[1]

Status	Cumulative as of August 31, 2021	Cumulative as of June 30, 2022	Cumulative as of June 30, 2023
Phase #1 Completed Homes	0	0	77
Phase #2 Completed Homes	0	0	0

1 – Based on the certificates of occupancy issuances according to the City.

See Appendix C for 2023 assessed values of all Parcels within Phase #1 of the PID.

D. ANNUAL BUDGET – PHASE #1

Phase #1 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the collection of the first Annual Installment for a Phase #1 Lot or Parcel shall commence upon the earlier of: (i) with tax bills sent the first October following the issuance of the first building permit for each Lot within Phase #1, such that Assessments are billed only for

Lots for which a building permit has been issued, (ii) with tax bills sent the first October after issuance of any Bonds secured by the respective reimbursement agreement for Phase #1 Assessed Property, or (iii) with tax bills sent the first October following the second anniversary of the levy of Assessments on the Phase #1 Assessed Property such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period.

Table II-D-1 below shows the amount of Assessments applicable to all Phase #1 Lots triggered as of June 30, 2023.

Table II-D-1
Assessments on Phase #1 Lots Triggered for Annual Installment Collection as of June 30, 2023[1]

Trigger Period	Annual Installment Condition Trigger	Number of Lots[2]	Total EU	Total Assessments[3]
2022-23	Condition (i)	24	22.78	$708,086.57
2023-24	Condition (i)	161	142.22	$4,421,223.45
Total		**185**	**165.00**	**$5,129,310.02**

1 – Number of Lots represents the building permits issued according to the City.
2 – See Section II.C. of this report for building permit issuance information relating to the reported lots triggered.
3 – Total Assessments for lots triggered as of July 31, 2023 represent 56.61 percent of the total Phase #1 Assessments. See various Assessment Rolls for the current total outstanding Assessment balances.

Pursuant to the Updated Service and Assessment Plan, each Assessment securing the Phase #1 Reimbursement Agreement obligation shall bear interest at the rate on the Phase #1 Reimbursement Agreement obligation commencing with the effective date of the Phase #1 Reimbursement Agreement obligation. The interest rate applicable to the Phase #1 Reimbursement Agreement obligation is 7.95 percent per annum for 2023-24 and is used to calculate the interest on the Assessments securing the Phase #1 Reimbursement Agreement Obligation.

Pursuant to the Updated Service and Assessment Plan, the Annual Service Plan Update shall show the remaining balance of the Assessments, the Annual Installment due for 2023-24 and the Administrative Expenses to be collected from each Parcel. Administrative Expenses shall be allocated to each Parcel pro rata based upon the amount the Annual Installment on a Parcel bears to the total amount of Annual Installments in the PID as a whole that are payable at the time of such allocation. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Updated Service and Assessment.

These payments, the "Annual Installments" of the Assessments, shall be billed by the City in 2023 and will be delinquent on February 1, 2024.

Annual Budget for the Repayment of Indebtedness

Debt service proportionately allocated to each Lot will be paid on the Phase #1 Reimbursement Agreement from the collection of the Annual Installments of the Assessments on the Assessed Property. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments.

Annual Installments to be collected for 2023-24 for Lots Triggered in 2022-23

The proportional Phase #1 budget for the PID will be paid from the collection of Annual Installments collected for 2023-24 as shown in Table II-D-2 below.

Table II-D-2
Phase #1 Budget for the Annual Installments to be Collected for 2023-24

	Budget for Lots Based on Trigger Period		
Descriptions	**2022-23**	**2023-24**	**TOTAL**
Interest payment on or after March 1, 2024	$28,143	$175,744	$203,887
Interest payment on or after September 1, 2024	$28,143	$175,744	$203,887
Principal payment on September 1, 2024	$78	$488	$566
Subtotal debt service on R.A.	*$56,365*	*$351,975*	*$408,340*
Administrative Expenses	$3,587	$21,960	$25,547
Subtotal Expenses	*$59,952*	*$373,935*	*$433,887*
Available Administrative Expense account	$0	$0	$0
Subtotal funds available	*$0*	*$0*	*$0*
2022-23 Annual Installment Credit[1]	*$0*	($137,596)	($137,596)
Annual Installments	**$59,952**	**$236,339**	**$296,291**

1 – 2022-23 Annual Installment Credit represents the aggregate credit amount to be allocated to the respective parcels that were prematurely billed in 2022-23 due to reporting variances as explained in Section II-C of this report.

Debt Service Payments

Table II-D-3 below shows the Annual Installments to be collected for principal and interest based on the outstanding Assessment balance for each trigger period and the effective interest rate of 7.95 percent.

Table II-D-3
Principal and Interest to be Collected for 2023-24

Lots in Trigger Period	Outstanding Assessment Balance	Principal Due	Effective Interest Rate	3/1 Interest Due	9/1 Interest Due	Annual Installments to be Collected for P&I
2022-23	$708,008	$78	7.95%	$28,143	$28,143	$56,365
2023-24	$4,421,223	$488	7.95%	$175,744	$175,744	$351,975
Total	**$5,129,232**	**$566**		**$203,887**	**$203,887**	**$408,340**

Administrative Expenses

The Phase #1 proportional annual administrative expenses include the City, Administrator, and contingency fees for 2023-24 and are shown in Table II-D-4 on the following page.

Table II-D-4
Administrative Budget Breakdown

Lots in Trigger Period	2023-24 Estimated Budget
2022-23	$3,587
2023-24	$21,960
Total	**$25,547**

Available Administrative Expense Account

There are no available administrative expense funds to reduce the 2023-24 Annual Installment.

2022-23 Annul Installment Credit

According to the City, eighty-six (86) building permits had been issued for Phase #1 of the PID as of June 30, 2022, however, the number of building permits issued as of June 30, 2022 was determined to be inaccurate as the count was initially determined based on building permit applications submitted to the City. According to the City, the corrected number of building permits issued as of June 30, 2023 was twenty-four (24).

According to the City's corrected building permit information, as of July 31, 2023, sixty-one (61) of the original eighty-six (86) Parcels were billed in 2022-23. According to the City's corrected building permit information, as of July 31, 2023, a building permit has not been issued for the remaining one parcel (Parcel 437185). As a result, the City has decided to credit the 2022-23 Annual Installment amounts paid to the sixty-one (61) parcels that have been triggered for collection for 2023-24 and refund the 2022-23 Annual Installment amount paid to Parcel 437185.

The 2022-23 Annual Installment Credits applied to each parcel are shown in the Phase #1 2023-24 Assessment Roll for Lots triggered for collection in 2023-24 attached hereto as Appendix D-2.

E. ANNUAL INSTALLMENTS PER UNIT – PHASE #1

According to the Updated Service and Assessment Plan, the Annual Installments shall be collected in an amount sufficient to pay principal and interest on Phase #1 Reimbursement Agreement and to cover Administrative Expenses of the PID.

According to the Updated Service and Assessment Plan, 327 units representing 291.44 total Equivalent Units are anticipated to be built within the PID. As of July 31, 2023, one-hundred and eighty-five (185) Phase #1 Lots have been triggered for Annual Installment collection, representing 165.00 Equivalent Units. See Table II-D-1 of this report for the trigger period breakdown of the lots triggered in Phase #1.

The Annual Installment to be collected from each Parcel within Phase #1 of the PID is calculated by multiplying the Annual Installment for each unit shown in Table II-D-5 on the following page by the total estimated Equivalent Units for each Parcel in the PID.

Table II-D-5
Annual Installment Per Equivalent Unit

Lots in Trigger Period	Principal	Interest	Administrative Expense	Annual Installment
2022-23	$3.43	$2,471.12	$157.49	$2,632.04
2023-24	$3.43	$2,471.39	$154.40	$2,629.23

The corrected list of Parcels triggered per period within the PID, the number of units to be developed on the current residential Parcels, the corresponding total units, the total outstanding Assessment, the annual principal and interest, the Administrative Expenses, and the Annual Installment to be collected for 2023-24 are shown in the Assessment Roll Summaries attached hereto as Appendix D-1, D-2 and D-3.

F. ANNUAL BUDGET – PHASE #2

Phase #2 - Annual Installments

The Assessment imposed on any Parcel may be paid in full at any time. If not paid in full, the Assessment shall be payable in thirty Annual Installments of principal and interest beginning with the tax year following the collection of the first Annual Installment for a Phase #2 Lot or Parcel shall commence upon the earlier of: (i) with tax bills sent the first October following the issuance of the first building permit for each Lot within each Phase, such that Assessments are billed only for Lots for which a building permit has been issued, (ii) with tax bills sent the first October after issuance of any Bonds secured by the respective reimbursement agreement for Phase #2 Assessed Property, or (iii) with tax bills sent the first October following the second anniversary of the levy of Assessments on the Phase #2 Assessed Property such that all Assessments in the applicable Phase begin collection immediately after the expiration of such two year period.

As of August 1, 2023, the above conditions have not been met and as a result, Phase #2 Annual Installments will not be collected for the 2022-23 Assessment Year.

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III. UPDATE OF THE ASSESSMENT PLAN

The Updated Service and Assessment Plan adopted by the City Council describes that the Authorized Improvement costs shall be allocated to the Assessed Property equally based on the equivalent number of residential dwelling units anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the Authorized Improvement costs to Parcels similarly benefited.

Assessment Methodology

This method of assessing the Phase #1 property, as updated in prior Annual Service Plan Updates, has not been changed and Assessed Property will continue to be assessed as provided for in the Updated Service and Assessment Plan.

Projected Tax Rate Equivalent per Unit

According to the Developer, the Phase #2 estimated finished lot value per unit has been revised from the values reported in the Updated Service and Assessment Plan. According to the Developer, the Phase #2 revised estimated finished lot value per unit reported in the Updated Service and Assessment Plan reported the incorrect values in error. Table III-A-1 below shows the corrected estimated finished lot value per unit for Phase #2 of the PID.

Table III-A-1
Revised Projected Tax Rate Equivalent per unit – Phase #2

Lot Type	Planned No. of Units	Estimated Finished Lot Value per unit	Projected Home Value per unit	Projected Average Annual Installment per unit	Tax Rate Equivalent (per $100 Lot Value)	Tax Rate Equivalent (per $100 Home Value)
Lot Type 1 (50 Ft Lot)	123	$100,000	$466,000	$3,287	$3.29	$0.71
Lot Type 2 (40 Ft Lot)	280	$90,000	$446,000	$3,146	$3.50	$0.71
Lot Type 4 (Townhomes)	128	$70,000	$386,000	$2,723	$3.03	$0.71
Lot Type 5 (60 Ft Lot)	30	$120,000	$518,000	$3,654	$5.96	$0.71

[1]Provided by Developer.
[2]Assumes projected home value per unit remains static.

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IV. UPDATE OF THE ASSESSMENT ROLL

Pursuant to the Updated Service and Assessment Plan, the Assessment Rolls shall be updated each year to reflect:

> (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by the Updated Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.I of the Service and Assessment Plan.

The summary of the updated Assessment Roll is shown in Appendix D of this report. Each Parcel in the PID is identified, along with the Assessment on each Parcel and the Annual Installment to be collected from each Parcel. Assessments are to be reallocated for the subdivision of any Parcels.

A. PARCEL UPDATES

According to the Updated Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for each new subdivided Parcel.
B = the Assessment for the Parcel prior to subdivision.
C = the estimated Equivalent Units to be built on each newly subdivided Parcel
D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

According to the Developer and the Grayson Appraisal District, three-hundred and thirty-three (333) Lots in Phase #1 of the PID were subdivided from Parcels 125515, 220351, and 125513 in 2021. The final plat recorded in June of 2021 and the Assessments were allocated proportionally according to Lot Type.

According to the Grayson County Clerk's Office, an amended Phase #1 plat was filed and recorded on March 24, 2022. According to the City, the amended Phase #1 plat was filed to address utility easements needed for the development and did not impact the total lot count, or any lot sizes, subdivided in the original Phase #1 plat.

B. PREPAYMENT OF ASSESSMENTS

As of July 31, 2023, there have been no prepayment of Assessments for any Parcel within the PID.

The complete Assessment Rolls are available for review at the City Hall, located at 222 W. Mulberry Street, Sherman, Texas 75090.

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APPENDIX A
BEL AIR VILLAGE PID MAP

CALLED 21.05 ACRES
GRAYSON COUNTY, TEXAS
VOL. 888, PG. 591
D.R.G.C.T.

CALLED 96.193 ACRES
ANEL A. ALEMAN AND WIFE
JUDY A. ALEMAN
VOL. 3793, PG. 925
O.P.R.G.C.T.

CALLED 379.73 ACRES
CHOCTAW CREEK RANCH, LLC
VOL. 5607, PG. 293
O.P.R.G.C.T.

CALLED 2.4148 ACRES
BNSF RAILWAY COMPANY
INST. NO. 2020-4185
O.P.R.G.C.T.

BURLINGTON NORTHERN SANTA FE RAILROAD

YES COMPANIES EXP2
KEY, LLC
VOL. 5858, PG. 102
O.P.R.G.C.T.

PHASE 1
58.50 ACRES

PHASE 2
119.81 ACRES

EX STREAM
CENTERLINE

TRACT 1 (CALLED 42.869 ACRES)
THANH TRONG BGUYEN AND WIFE,
THU THUY PHAM
INST. NO. 2017-18222
O.P.R.G.C.T.

CALLED 31.841 ACRES
LIBERTY TRUST COMPANY, LTD.
CUSTODIAN f/b/o BECKY ANN FARRIS
VOL. 5645, PG. 497
O.P.R.G.C.T.

F. M. 1417

CALLED 88,972.5 SQ. FT.
GRAYSON COUNTY, TEXAS
VOL. 1660, PG. 420
D.R.G.C.T.

EX STREAM
CENTERLINE

OVERALL PID BOUNDARY
278.38 ACRES

FUTURE PHASES

REMAINING PORTION OF
CALLED 240.9284 ACRES
FISHER CONTROLS COMPANY, INC.
VOL. 1349, PG. 493
D.R.G.C.T.

BLOCK 1, LOT 1
BLALOCK INDUSTRIAL PARK
VOL. 8, PG. 92
P.R.G.C.T.

BLOCK TWO
CONSTITUTION VILLAGE
VOL. 3, PG. 73
R.R.G.C.T.

REMAINING PORTION OF
CALLED 13.41 ACRES
SHERMAN ECONOMIC
DEVELOPMENT CORPORATION
VOL. 5680, PG. 685
O.P.R.G.C.T.

CALLED 25.264 ACRES
LIBERTY TRUST CO., LTD., CUSTODIAN
FBO YING XU ROTH IRA TC005981
INST. NO. 2018-22856
O.P.R.G.C.T.

LOT 4
MBG SHERMAN ADDITION
DOC. 2018-51
P.R.G.C.T.

CALLED 12.156 ACRES
RAMANUJAM K. VANGIPURAM AND,
SAMRAJYAM KOLLURU
VOL. 5848, PG. 638
O.P.R.G.C.T.

0 200' 400'
GRAPHIC SCALE 200'

Know what's **below.**
Call before you dig.

BENCH MARK LIST

TBM #11 X-CUT IN CONCRETE ON BRIDGE 145'+/- SOUTHWEST OF THE CENTERLINE OF BURLINGTON NORTHERN SANTA FE RAIL ROAD AND 26'+/- SOUTHEAST OF THE CENTERLINE OF F. M. HIGHWAY 1417
ELEV: 706.31'

TBM #10 X-CUT IN CONCRETE CURB 70'+/- SOUTHEAST OF THE CENTERLINE OF F. M. HIGHWAY 1417 AND 120'+/- NORTHEAST OF NORTH DAKOTA DRIVE
ELEV: 719.54'

No.	REVISIONS	DATE	BY

Kimley»Horn

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260 EAST DAVIS STREET, SUITE 100, MCKINNEY, TX 75069
PHONE: 469-301-2580 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

PRELIMINARY
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Kimley»Horn
Engineer MICHAEL J. CARLISLE
P.E. No. 132972 Date

KHA PROJECT	064462003
DATE	NOV 2022
SCALE	AS SHOWN
DESIGNED BY	MJC
DRAWN BY	CAT
CHECKED BY	MJC

BEL-AIR VILLAGE

SHERMAN, TEXAS

PID BOUNDARY EXHIBIT

SHEET NUMBER

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IMAGES
XREFS
PLOT STYLE
PLOT DATE
DWG DATE
DWG NAME

dtmp , dtbr , xSite-SF-Ph1 , xSite-SF-Ph1 , xSite-Grand_Ph1 , xSite-SF-Ph1-Parcels , xSite-Grand_Ph1 - Updated 20210330 , xStreams , xSite-SF-Ph2 , xSite-BAB_Ph2 , xSite-West , xSchool , xSite-STO , xSite-MF-Ph1
STANDARD.CTB
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TAMEC (CRS:NAD83(2011)EPOCH:2010.0000)
XUSRN, (CN:3944620233, SHERMAN_BEL-AIR VILLAGE\CAD\EXHIBITS
Scaled to fit Full bleed D (22.00 x 34.00 Inches)

APPENDIX B
PREPAID PARCELS

APPENDIX B

As of July 31, 2023, there have been no prepayment of Assessments for any Parcel within the PID.

APPENDIX C
PHASE #1 ASSESSED VALUES

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437118	$153,573
437119	$156,405
437120	$152,810
437121	$153,185
437122	$17,739
437123	$16,135
437124	$16,135
437125	$16,135
437126	$17,739
437127	$17,739
437128	$16,134
437129	$16,134
437130	$16,134
437131	$25,416
437132	$25,760
437133	$16,134
437134	$16,134
437135	$16,134
437136	$17,739
437137	$17,739
437138	$16,134
437139	$16,134
437140	$16,134
437141	$17,739
437142	$43,731
437143	$40,014
437144	$40,014
437145	$40,014
437146	$43,731
437147	$100
437148	$17,739
437149	$16,134
437150	$16,134
437151	$16,134
437152	$16,134
437153	$17,739
437154	$17,739
437155	$16,134
437156	$16,134
437157	$13,859
437158	$23,356

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437159	$30,912
437160	$16,767
437161	$16,134
437162	$17,739
437163	$17,739
437164	$16,134
437165	$16,134
437166	$29,538
437167	$199,332
437168	$13,859
437169	$16,134
437170	$16,134
437171	$198,684
437172	$197,878
437173	$184,950
437174	$194,304
437175	$194,092
437176	$198,099
437177	$17,739
437178	$16,134
437179	$16,134
437180	$16,135
437181	$17,739
437182	$17,739
437183	$16,135
437184	$16,135
437185	$17,739
437186	$46,315
437187	$314,780
437188	$308,904
437189	$43,731
437190	$17,739
437191	$276,134
437192	$278,023
437193	$288,464
437194	$275,000
437195	$260,000
437196	$277,097
437197	$284,809
437198	$283,975
437199	$276,365

Appendix C

Bel Air Village Public Improvement District

2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437200	$276,922
437201	$262,136
437202	$284,809
437203	$51,065
437204	$16,767
437205	$16,767
437206	$21,195
437207	$21,195
437208	$16,767
437209	$16,767
437210	$16,767
437211	$21,195
437212	$21,195
437213	$16,767
437214	$16,767
437215	$16,767
437216	$26,790
437217	$38,760
437218	$35,166
437219	$352,974
437220	$324,597
437221	$343,417
437222	$39,562
437223	$56,874
437224	$386,912
437225	$408,951
437226	$381,692
437227	$48,942
437228	$51,065
437229	$55,860
437230	$57,259
437231	$54,949
437232	$55,010
437233	$54,431
437234	$53,597
437235	$310,693
437236	$353,920
437237	$54,089
437238	$690,677
437239	$56,396
437240	$100

Appendix C

Bel Air Village Public Improvement District

2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437241	$426,871
437242	$404,050
437243	$337,687
437244	$355,888
437245	$484,414
437246	$401,985
437247	N/A
437248	$292,493
437249	$222,636
437250	$371,840
437251	$402,629
437252	$404,559
437253	$396,869
437254	$404,781
437255	$331,528
437256	$356,336
437257	$463,944
437258	$404,391
437259	$53,451
437260	$55,022
437261	$311,043
437262	$322,872
437263	$269,303
437264	$53,597
437265	$53,597
437266	$53,597
437267	$357,548
437268	$294,927
437269	$288,309
437270	$54,907
437271	$55,048
437272	$55,037
437273	$54,496
437274	$137,462
437275	$61,497
437276	$59,306
437277	$53,354
437278	$55,056
437279	$54,496
437280	$55,054
437281	$374,979

Appendix C

Bel Air Village Public Improvement District

2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437282	$319,745
437283	$382,002
437284	$306,017
437285	$145,166
437286	$137,853
437287	$268,041
437289	$320,723
437290	$57,949
437291	$59,302
437292	$52,327
437293	$51,065
437294	$320,723
437295	$51,065
437296	$51,065
437297	$37,880
442235	$59,339
442236	$51,407
442237	$53,057
442238	$58,234
442239	$57,411
442240	$62,030
442241	$57,484
437306	$39,816
437307	$31,096
437308	$31,096
437309	$31,096
437310	$30,358
437311	$30,358
437312	$36,221
437313	$54,089
437314	$51,628
437315	$51,628
437316	$51,628
437317	$51,628
437318	$50,959
442242	$59,857
442243	$55,744
442244	$52,176
442245	$100
442246	$100
437322	$31,096

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437323	$31,096
437324	$31,096
437325	$31,096
437326	$50,542
437327	$31,096
437328	$31,096
437329	$31,096
437330	$31,096
437331	$31,096
437332	$31,096
437333	$53,354
437334	$53,597
437335	$31,096
437336	$50,542
437337	$50,542
437338	$30,358
437339	$30,358
437340	$30,358
437341	$31,096
437342	$50,542
437343	$50,542
437344	$31,096
437345	$50,959
437346	$35,166
437347	$35,166
437348	$51,322
437349	$51,322
437350	$35,166
437351	$35,166
437352	$38,710
437353	$56,613
437354	$54,170
437355	$39,539
437356	$38,760
437357	$36,774
437358	$35,392
437359	$52,858
437360	$51,628
437361	$30,358
437362	$30,358
437363	$30,358

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437364	$30,358
437365	$31,096
437366	$31,093
437367	$31,096
437368	$31,096
437369	$31,096
437370	$30,358
437371	$37,051
437372	$54,757
437373	$54,801
437374	$54,801
437375	$54,757
437376	$53,682
437377	$53,682
437378	$53,682
437379	$53,682
437380	$53,682
437381	$53,682
437382	$54,089
437383	$54,556
437384	$54,612
437385	$54,612
437386	$54,612
437387	$54,496
437388	$54,757
437389	$53,405
437390	$53,597
437391	$51,196
437392	$51,196
437393	$51,196
437394	$37,604
437395	$31,096
437396	$31,096
437397	$52,858
437398	$52,540
437399	$35,166
437400	$51,407
437401	$51,407
437402	$51,407
437403	$51,407
437404	$51,407

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437405	$50,959
437406	$46,624
437407	$46,624
437408	$46,624
437409	$46,624
437410	$30,310
437411	$46,624
437412	$46,624
437413	$50,666
437414	$54,247
437415	$53,405
437416	$53,780
437417	$53,780
437418	$53,405
437419	$54,907
437420	$55,617
437421	$405,979
437422	$61,169
437423	$56,613
437424	$53,682
437425	$350,138
437426	$53,682
437427	$54,431
437428	$54,431
437429	$350,776
437430	$54,170
437431	$53,405
437432	$53,405
437433	$54,247
437434	$54,247
437435	$53,405
437436	$53,405
437437	$53,682
437438	$54,320
437439	$54,496
437440	$54,612
437441	$54,612
437442	$54,320
437443	$53,914
437444	$53,914
437445	$53,914

Appendix C
Bel Air Village Public Improvement District
2023 Phase #1 Assessed Values

Parcel ID	2023 Assessed Value[1]
437446	$53,914
437447	$53,914
437448	$53,914
437449	$31,257
437450	$290,331
Total	**$32,180,473**

1 - Includes applicable exemptions as provided per the Grayson Central Appraisal District online records as of July 11, 2023. Parcels with an assessed value N/A are confidential.

APPENDIX D-1
PHASE #1 ASSESSMENT ROLL SUMMARY – 2023-24
LOTS TRIGGERED FOR COLLECTION IN 2022-23

Appendix D-1

BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT
PHASE #1 2023-24 ASSESSMENT ROLL
Lots Triggered for Collection in 2022-23

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2023-24 Annual Installment
437219	R711474	C	17	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437220	R711479	C	18	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437221	R711484	C	19	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437224	R711499	C	22	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437225	R711504	C	23	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437226	R711509	C	24	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437238	R711569	C	36	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437241	R711584	E	1	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437242	R711589	E	2	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437245	R711604	E	5	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437246	R711609	E	6	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437247	R711614	E	7	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437251	R711634	E	11	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437252	R711638	E	12	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437253	R711643	E	13	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437256	R711658	E	16	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437257	R711663	E	17	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437258	R711668	E	18	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437279	R711769	E	39	50'	1.00	$31,083.30	$3.43	$2,471.12	$157.49	$2,632.04
437281	R711778	E	41	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437282	R711782	E	42	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437283	R711786	E	43	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437289	R711810	F	2	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
437294	R711835	F	7	40'	0.89	$27,629.60	$3.05	$2,196.55	$139.99	$2,339.60
Total					**22.78**	**$708,008.41**	**$78.15**	**$56,286.67**	**$3,587.30**	**$59,952.13**

APPENDIX D-2
PHASE #1 ASSESSMENT ROLL SUMMARY – 2023-24
LOTS TRIGGERED FOR COLLECTION IN 2023-24

Appendix D-2

BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT
PHASE #1 2023-24 ASSESSMENT ROLL
Lots Triggered for Collection in 2023-24

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2022-23 Annual Installment Credit	2023-24 Annual Installment
437118	R710912	A	1	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437119	R710919	A	2	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437132	R711000	A	15	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437133	R711006	A	16	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437134	R711012	A	17	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437135	R711018	A	18	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437136	R711023	A	19	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437137	R711030	A	20	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437138	R711037	A	21	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437139	R711043	A	22	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437140	R711049	A	23	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437141	R711055	A	24	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437142	R711061	A	25	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437143	R711067	A	26	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437144	R711073	A	27	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437145	R711080	A	28	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437146	R711086	A	29	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437169	R711206	A	52	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437170	R711211	A	53	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437171	R711216	A	54	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437196	R711354	B	20	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437223	R711494	C	21	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437263	R711693	E	23	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437276	R711756	E	36	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437285	R711795	E	45	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437339	R712002	G	6	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437380	R712203	H	9	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437414	R712335	I	1	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437419	R712354	I	6	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437447	R712459	I	34	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437448	R712463	I	35	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437120	R710926	A	3	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437121	R710933	A	4	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437148	R711098	A	31	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437149	R711104	A	32	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437150	R711110	A	33	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437151	R711116	A	34	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437152	R711122	A	35	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437153	R711128	A	36	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437154	R711134	A	37	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437155	R711140	A	38	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437156	R711145	A	39	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437157	R711150	A	40	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437158	R711155	A	41	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437159	R711160	A	42	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437160	R711164	A	43	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437161	R711168	A	44	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437162	R711172	A	45	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437167	R711196	A	50	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437168	R711201	A	51	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437172	R711221	A	55	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437173	R711225	A	56	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437174	R711231	A	57	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437175	R711236	A	58	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437176	R711242	A	59	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437186	R711299	B	10	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437187	R711305	B	11	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437188	R711310	B	12	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437189	R711315	B	13	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437190	R711321	B	14	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437191	R711327	B	15	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437192	R711332	B	16	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437193	R711337	B	17	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437194	R711343	B	18	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437195	R711348	B	19	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437197	R711360	B	21	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	$0.00	$2,044.96
437198	R711365	B	22	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437199	R711370	B	23	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437200	R711375	B	24	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437201	R711380	B	25	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2022-23 Annual Installment Credit	2023-24 Annual Installment
437202	R711386	B	26	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437203	R711392	C	1	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437204	R711397	C	2	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437205	R711403	C	3	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437206	R711409	C	4	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437207	R711414	C	5	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437208	R711419	C	6	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437209	R711424	C	7	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437210	R711429	C	8	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437211	R711434	C	9	25'	0.78	$24,178.57	$2.67	$1,922.20	$120.09	($2,044.96)	$0.00
437217	R711464	C	15	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437218	R711469	C	16	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437222	R711489	C	20	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437227	R711514	C	25	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437229	R711524	C	27	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437230	R711529	C	28	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437235	R711554	C	33	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437236	R711559	C	34	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437237	R711564	C	35	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437243	R711594	E	3	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437244	R711599	E	4	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437248	R711619	E	8	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437249	R711624	E	9	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437250	R711629	E	10	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437254	R711648	E	14	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437255	R711653	E	15	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437261	R711683	E	21	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437262	R711688	E	22	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437267	R711712	E	27	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437268	R711717	E	28	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437269	R711722	E	29	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437270	R711727	E	30	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437272	R711737	E	32	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437273	R711742	E	33	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437274	R711746	E	34	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437275	R711751	E	35	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437278	R711766	E	38	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437280	R711773	E	40	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	($2,629.23)	$0.00
437284	R711791	E	44	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437286	R711800	E	46	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437287	R711805	E	47	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	($2,337.09)	$0.00
437290	R711815	F	3	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437293	R711830	F	6	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437297	R711850	F	10	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
442240	R712494	F	16	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
442243	R712505	F	33	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437334	R711977	G	1	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437336	R711987	G	3	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437337	R711992	G	4	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437338	R711997	G	5	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437340	R712007	G	7	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437341	R712011	G	8	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437342	R712016	G	9	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437343	R712021	G	10	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437348	R712046	G	15	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437349	R712051	G	16	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437353	R712071	G	20	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437372	R712166	H	1	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437373	R712171	H	2	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437374	R712176	H	3	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437375	R712181	H	4	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437377	R712191	H	6	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437378	R712195	H	7	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437379	R712199	H	8	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437381	R712207	H	10	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437385	R712222	H	14	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437388	R712234	H	17	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437389	R712238	H	18	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437406	R712304	H	35	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437410	R712320	H	39	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437413	R712331	H	42	40'	0.89	$27,632.65	$3.05	$2,196.80	$137.25	$0.00	$2,337.09
437415	R712339	I	2	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437416	R712343	I	3	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437420	R712357	I	7	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437421	R712360	I	8	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437424	R712371	I	11	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2022-23 Annual Installment Credit	2023-24 Annual Installment
437425	R712375	I	12	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437429	R712391	I	16	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437430	R712395	I	17	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437431	R712399	I	18	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437436	R712418	I	23	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437437	R712421	I	24	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437438	R712425	I	25	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437439	R712429	I	26	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437440	R712433	I	27	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437441	R712437	I	28	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437442	R712441	I	29	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437443	R712445	I	30	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437444	R712449	I	31	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437445	R712453	I	32	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
437446	R712456	I	33	50'	1.00	$31,086.73	$3.43	$2,471.39	$154.40	$0.00	$2,629.23
Total					**142.22**	**$4,421,223.45**	**$487.99**	**$351,487.26**	**$21,959.59**	**($137,596.34)**	**$236,338.51**

APPENDIX D-3
PHASE #1 ASSESSMENT ROLL SUMMARY – 2023-24
LOTS REMAINING TO BE TRIGGERED FOR COLLECTION

Appendix D-3

BEL AIR VILLAGE PUBLIC IMPROVEMENT DISTRICT
PHASE #1 2023-24 ASSESSMENT ROLL
Lots Not Yet Triggered for Collection

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2023-24 Annual Installment
437122	R710939	A	5	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437123	R710945	A	6	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437124	R710951	A	7	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437125	R710957	A	8	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437126	R710964	A	9	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437127	R710970	A	10	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437128	R710976	A	11	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437129	R710982	A	12	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437130	R710988	A	13	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437131	R710995	A	14	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437147	R711092	A	30-HOA	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
437163	R711177	A	46	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437164	R711182	A	47	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437165	R711187	A	48	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437166	R711191	A	49	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437177	R711248	B	1	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437178	R711254	B	2	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437179	R711259	B	3	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437180	R711265	B	4	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437181	R711271	B	5	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437182	R711277	B	6	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437183	R711283	B	7	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437184	R711288	B	8	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437185	R711294	B	9	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437212	R711439	C	10	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437213	R711444	C	11	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437214	R711449	C	12	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437215	R711454	C	13	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437216	R711459	C	14	25'	0.78	$24,178.57	$0.00	$0.00	$0.00	$0.00
437228	R711519	C	26	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
437231	R711534	C	29	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437232	R711539	C	30	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437233	R711544	C	31	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437234	R711549	C	32	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437239	R711574	C	37	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437240	R711579	D	1-HOA	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
437259	R711673	E	19	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437260	R711678	E	20	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437264	R711697	E	24	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437265	R711702	E	25	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437266	R711707	E	26	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437271	R711732	E	31	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437277	R711761	E	37	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437291	R711820	F	4	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437292	R711825	F	5	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437295	R711840	F	8	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437296	R711845	F	9	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442235	R712475	F	11	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442236	R712479	F	12	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442237	R712483	F	13	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442238	R712487	F	14	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442239	R712490	F	15	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442241	R712497	F	18	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437306	R711855	F	19	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437307	R711860	F	20	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437308	R711865	F	21	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437309	R711870	F	22	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437310	R711874	F	23	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437311	R711879	F	24	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437312	R711884	F	25	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2023-24 Annual Installment
437313	R711889	F	26	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437314	R711894	F	27	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437315	R711899	F	28	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437316	R711904	F	29	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437317	R711909	F	30	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437318	R711913	F	31	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442242	R712501	F	32	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442244	R712509	F	34	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
442245	R712513	F	1-HOA	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
442246	R712517	F	2-HOA	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
437322	R711918	F	35	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437323	R711923	F	36	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437324	R711928	F	37	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437325	R711933	F	38	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437326	R711938	F	39	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437327	R711942	F	40	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437328	R711947	F	41	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437329	R711952	F	42	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437330	R711957	F	43	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437331	R711962	F	44	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437332	R711967	F	45	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437333	R711972	F	46	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437335	R711982	G	2	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437344	R712026	G	11	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437345	R712031	G	12	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437346	R712036	G	13	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437347	R712041	G	14	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437350	R712056	G	17	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437351	R712061	G	18	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437352	R712066	G	19	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437354	R712076	G	21	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437355	R712081	G	22	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437356	R712086	G	23	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437357	R712091	G	24	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437358	R712096	G	25	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437359	R712101	G	26	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437360	R712106	G	27	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437361	R712111	G	28	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437362	R712116	G	29	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437363	R712121	G	30	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437364	R712126	G	31	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437365	R712131	G	32	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437366	R712136	G	33	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437367	R712141	G	34	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437368	R712146	G	35	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437369	R712151	G	36	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437370	R712156	G	37	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437371	R712161	G	38	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437376	R712186	H	5	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437382	R712211	H	11	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437383	R712214	H	12	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437384	R712218	H	13	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437386	R712226	H	15	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437387	R712230	H	16	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437390	R712242	H	19	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437391	R712245	H	20	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437392	R712249	H	21	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437393	R712252	H	22	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437394	R712256	H	23	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437395	R712260	H	24	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437396	R712264	H	25	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437397	R712268	H	26	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437398	R712272	H	27	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437399	R712276	H	28	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437400	R712280	H	29	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437401	R712284	H	30	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00

CAD Parcel ID	Tax Parcel ID	Block	Lot	Lot Size	Equivalent Unit	Outstanding Assessments	Principal	Interest	Administrative Expenses	2023-24 Annual Installment
437402	R712288	H	31	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437403	R712292	H	32	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437404	R712296	H	33	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437405	R712300	H	34	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437407	R712308	H	36	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437408	R712312	H	37	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437409	R712316	H	38	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437411	R712324	H	40	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437412	R712328	H	41	40'	0.89	$27,632.65	$0.00	$0.00	$0.00	$0.00
437417	R712347	I	4	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437418	R712350	I	5	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437422	R712364	I	9	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437423	R712367	I	10	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437426	R712379	I	13	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437427	R712383	I	14	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437428	R712387	I	15	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437432	R712403	I	19	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437433	R712407	I	20	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437434	R712410	I	21	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437435	R712414	I	22	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437449	R712467	I	36	50'	1.00	$31,086.73	$0.00	$0.00	$0.00	$0.00
437450	R712471	J	1	HOA	0.00	$0.00	$0.00	$0.00	$0.00	$0.00
					126.44	**$3,930,743.98**	**$0.00**	**$0.00**	**$0.00**	**$0.00**

APPENDIX E
PHASE #2 ASSESSMENT ROLL SUMMARY – 2023-24
ALL PARCELS

Appendix E
Phase #2 Assessment Roll

Parcel	**437109 and 125515**
Equivalent Units	**$20,186,042**
Assessment	**530.36**

Year[1]	Principal	Interest[2]	Administrative Expenses[3]	Total Annual Installment
1	$1,000	$1,877,302	$60,000	$1,938,302
2	$1,000	$1,877,209	$61,200	$1,939,409
3	$1,000	$1,877,116	$62,424	$1,940,540
4	$1,000	$1,877,023	$63,672	$1,941,695
5	$1,000	$1,876,930	$64,946	$1,942,876
6	$368,000	$1,271,406	$66,245	$1,705,650
7	$389,000	$1,248,222	$67,570	$1,704,791
8	$412,000	$1,223,715	$68,921	$1,704,636
9	$436,000	$1,197,759	$70,300	$1,704,058
10	$462,000	$1,170,291	$71,706	$1,703,996
11	$489,000	$1,141,185	$73,140	$1,703,324
12	$519,000	$1,110,378	$74,602	$1,703,980
13	$550,000	$1,077,681	$76,095	$1,703,775
14	$582,000	$1,043,031	$77,616	$1,702,647
15	$617,000	$1,006,365	$79,169	$1,702,533
16	$655,000	$967,494	$80,752	$1,703,246
17	$694,000	$926,229	$82,367	$1,702,596
18	$736,000	$882,507	$84,014	$1,702,521
19	$781,000	$836,139	$85,695	$1,702,833
20	$829,000	$786,936	$87,409	$1,703,344
21	$879,000	$734,709	$89,157	$1,702,865
22	$933,000	$679,332	$90,940	$1,703,272
23	$990,000	$620,553	$92,759	$1,703,311
24	$1,051,000	$558,183	$94,614	$1,703,797
25	$1,115,000	$491,970	$96,506	$1,703,476
26	$1,184,000	$421,725	$98,436	$1,704,161
27	$1,257,000	$347,133	$100,405	$1,704,538
28	$1,334,000	$267,942	$102,413	$1,704,355
29	$1,416,000	$183,900	$104,461	$1,704,361
30	$1,503,042	$94,692	$106,551	$1,704,284
Total	**$20,186,042**	**$29,675,048**	**$2,434,085**	**$52,295,174**

1 - Each year represents the assessment year ending September 1.
2 - The interest is calculated at an interest rate of 9.30% for years 1 through 5 and 6.30% thereafter on the Phase #2 Reimbursement Agreement.
3 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs.

APPENDIX F
PID ASSESSMENT NOTICE

PID Assessment Notice

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT
TO
CITY OF SHERMAN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

[insert property address]

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Sherman, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the Bel Air Village Public Improvement District (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City. The exact amount of each annual installment will be approved each year by the City Council in the Annual Service Plan Update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City or MuniCap, Inc., the District Administrator for the City, located at 600 E. John Carpenter Fwy, Suite 150, Irving, Texas 75062 and available by telephone at (469) 490-2800 or (866) 648-8482 (toll free) and email at txpid@municap.com.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: _____

_____ _____
Signature of Purchaser Signature of Purchaser

STATE OF TEXAS §
§
COUNTY OF _____ §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

Given under my hand and seal of office on this _____, 20__.

_____

Notary Public, State of Texas

Bel Air Village Public Improvement District
City of Sherman, Texas

Presented to City Council on
September 5, 2023

MuniCap, Inc.
Public Finance

Annual Service and Assessment Plan Update

- Authorized Improvements budget
- Outstanding Assessments
- Annual Budgets
- Annual Installments
- Changes to Assessment Methodology
- Projected Tax Rate Equivalent per Unit
- Parcel Subdivisions and Consolidations
- Prepayments
- Next Steps

Authorized Improvements

- Phase #1 Improvements completed

Sources of Funds	Initial Estimated Budget	Actual Amount Spent	Variance
Assessments	$9,060,054	$9,060,054	$0
Other funding sources	$0	$1,301,673	$1,301,673
Total Sources[1]	**$9,060,054**	**$10,361,727**	**$1,301,673**
Uses of Funds			
Phase #1 Improvements			
Roadway Improvements	$2,168,179	$3,849,764	$1,681,585
Water Improvements	$729,393	$832,756	$103,363
Sanitary Sewer Improvements	$1,021,867	$1,238,197	$216,330
Storm Drainage Improvements	$2,422,332	$1,693,170	($729,162)
Landscaping and Hardscaping	$641,447	$1,235,645	$594,198
Other Soft and Miscellaneous Costs	$2,076,836	$1,512,195	($564,641)
Subtotal: Phase #1 Improvements	*$9,060,054*	*$10,361,727*	*$1,301,673*
Total Uses[1]	**$9,060,054**	**$10,361,727**	**$1,301,673**

1 – According to the Developer as of July 28, 2023.

Authorized Improvements

- Phase #2 Improvements – Under Construction

Sources of Funds	Initial Estimated Budget	Budget Changes	Revised Budget	Actual Amount Spent	Remaining Balance to Fund
Assessments	$20,186,042	$0	$20,186,042	$3,181,791	$17,004,251
Other funding sources	$0	$0	$0	$0	$0
Total Sources	**$20,186,042**	**$0**	**$20,186,042**	**$3,181,791**	**$17,004,251**
Uses of Funds					
Phase #2 Improvements					
Roadway Improvements	$5,261,258	$0	$5,261,258	$1,082,619	$4,178,639
Water Improvements	$2,012,039	$0	$2,012,039	$0	$2,012,039
Sanitary Sewer Improvements	$2,756,226	$0	$2,756,226	$0	$2,756,226
Storm Drainage Improvements	$4,324,150	$0	$4,324,150	$16,165	$4,307,985
Landscaping and Hardscaping	$1,720,657	$0	$1,720,657	$0	$1,720,657
Other Soft and Miscellaneous Costs	$4,111,712	$0	$4,111,712	$2,083,007	$2,028,705
Subtotal: Phase #2 Improvements	*$20,186,042*	*$0*	*$20,186,042*	*$3,181,791*	*$17,004,251*
Total Uses	**$20,186,042**	**$0**	**$20,186,042**	**$3,181,791**	**$17,004,251**

1 – According to the Developer as of June 30, 2023.

Annual Installment Conditions

Annual Installment Conditions refer to when the assessment for each parcel should be collected. The earlier of the three conditions below will trigger the commencement of the collection of Annual Installments for each parcel.

- **Condition i:** Annual Installment collection for a specific parcel shall commence when the building permit for the parcel has been issued.
- **Condition ii:** Annual Installment collection for all parcels in the Phase shall commence the first October after issuance of any Bonds secured by the respective reimbursement agreement for the Assessed Property.
- **Condition iii:** Annual Installment collection for all parcels (or remaining parcels that yet to be triggered) shall commence the first October occurring after the expiration of two years from the date of the levy of Assessments on the Phase.

Phase #1 Lots Triggered

Trigger Period	Annual Installment Condition Trigger	Number of Lots[2]	Total EU	Total Assessments[3]
2022-23[1]	Condition (i)	24	22.78	$708,086.57
2023-24	Condition (i)	161	142.22	$4,421,223.45
Total		**185**	**165.00**	**$5,129,310.02**

1 - According to the City, eighty-six (86) building permits had been issued for Phase #1 of the PID as of June 30, 2022, however, the number of building permits issued as of June 30, 2022 was determined to be inaccurate as the count was initially determined based on building permit applications submitted to the City. The correct number of building permits issued as of June 30, 2022 was twenty-four (24).

- Total expected number of Lots in Phase #1 – 327
- 185 Lots triggered as of July 31st represents 56.57% of the total within Phase #1.
- Each Trigger Period has a separate debt service schedule and annual budget.

Annual Budget

Phase #1

Descriptions	Budget for Lots Based on Trigger Period 2022-23	2023-24	TOTAL
Interest payment on or after March 1, 2024	$28,143	$175,744	$203,887
Interest payment on or after September 1, 2024	$28,143	$175,744	$203,887
Principal payment on September 1, 2024	$78	$488	$566
Subtotal debt service on R.A.	*$56,365*	*$351,975*	*$408,340*
Administrative Expenses	$3,587	$21,960	$25,547
Subtotal Expenses	*$59,952*	*$373,935*	*$433,887*
Available Administrative Expense account	$0	$0	$0
Subtotal funds available	*$0*	*$0*	*$0*
2022-23 Annual Installment Credit[1]	*$0*	($137,596)	($137,596)
Annual Installments	**$59,952**	**$236,339**	**$296,291**

Annual Installments

Phase #1

Lots in Trigger Period	Principal	Interest	Administrative Expense	Annual Installment
2022-23	$3.43	$2,471.12	$157.49	$2,632.04
2023-24	$3.43	$2,471.39	$154.40	$2,629.23

Per Equivalent Unit

Phase #1	Lots in Trigger Period 2022-23	Lots in Trigger Period 2023-24
25' Lots	$2,047.15	$2,044.96
40' Lots	$2,339.60	$2,337.09
50' Lots	$2,632.04	$2,629.23

Annual Budget

Phase #2

- As of August 1, 2023, none of the conditions have been met and as a result, Phase #2 Annual Installments will not be collected for the 2022-23 Assessment Year.

Changes to Assessment Methodology

- No changes to the Assessment methodology that was previously approved in the Service and Assessment Plan.

Parcel Subdivisions and Consolidations

- No additional subdivision have occurred since 2021.

Prepayments

- As of July 31, 2023, there have been no prepayment of Assessments for any Parcel within the PID.

Next Steps

- City Council Options
  - Approve the ordinance as presented
  - Approve the ordinance with revisions
  - Deny the ordinance as presented

- Upon approval of 2023-24 Annual SAP Update, the approved amounts for each Parcel will be provided to the Grayson County Tax Office for billing with the 2023 property taxes.

- Approved 2023-24 Annual SAP Update and ordinance will be filed and recorded with the Grayson County Clerk's office.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 4.**

Meeting Date: 09/05/2023

Prepared By: Linda Ashby, City Clerk

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6637

Amending Ordinance No. 6630 (Ordering a General Election to be Held on November 7, 2023 for the Purpose of Electing Two City Council Members (District 2 and District 4) to Fill Expiring Terms); Providing for Updated Polling Location Information

Issue:

To amend the Ordinance adopted at the August 21, 2023 Council meeting calling a Regular Municipal Election for November 7, 2023, to Elect City Council Members for District 2 and District 4. Positions on the ballot will be for Council Member, District 2 (currently held by Josh Stevenson); and Council Member, District 4 (currently held by Daron Holland). The room number for voting Early and on Election Day at Grayson College South Campus, 1455 W. Van Alstyne Parkway, Van Alstyne, has changed and must be reflected correctly in this amended Ordinance calling the Election.

Background:

In compliance with the City of Sherman Charter and the Election laws of the State of Texas, the City must, by ordinance, call a Regular Municipal Election for the first Tuesday after the first Monday in November. This ordinance also establishes the voting centers for this election.

Origination:

The ordinance originated with the City Clerk's Office.

Financial Consideration:

Cost for the Election is usually around $15,000.

Staff Recommendation:

It is recommended that the City Council approve the ordinance amending the ordinance calling the Regular Municipal Election for Tuesday, November 7, 2023.

Alternatives:

There is no viable alternative.

Attachments

Ordinance No. 6637

ORDINANCE NO. 6637

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 6630 (ORDERING A GENERAL ELECTION TO BE HELD ON NOVEMBER 7, 2023 FOR THE PURPOSE OF ELECTING TWO CITY COUNCIL MEMBERS (DISTRICT 2 AND DISTRICT 4) TO FILL EXPIRING TERMS); PROVIDING FOR UPDATED POLLING LOCATION INFORMATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") duly authorized and ordered a general election to be held within the City of Sherman, Texas ("Sherman") on November 7, 2023, for the purpose of electing two members of the Sherman City Council (District 2 and District 4), with each such term being for a period of three years, pursuant to Ordinance No. 6630; and

WHEREAS, the City Council finds that Ordinance No. 6630 needs to be amended to provide for updated polling location information based on new information received from the Grayson County Elections Administrator after the adoption of Ordinance No. 6630.

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

SECTION 1. Amendment to Section 6 of Ordinance No. 6630. Section 6 of Ordinance No. 6630 is amended as follows[1]:

"SECTION 6. That early voting will begin on October 23, 2023, through October 27, 2023, from 8 a.m. to 5 p.m.; on October 28, 2023, from 7:00 a.m. to 7:00 p.m.; on October 29, 2023, from 11:00 a.m. to 5:00 p.m.; and on October 30, 2023, through November 3, 2023, from 7:00 a.m. to 7:00 p.m. Early voting by personal appearance shall be at: Bells City Hall, Council Chambers, 203 S. Broadway, Bells, Texas; Grayson County Election Administration Building, 115 W. Houston, Main Voting Location, Sherman, Texas; Grayson County Sub-Courthouse, J.P. Court Room, 101 W. Woodard, Denison, Texas; St. John the Apostle Episcopal Church, Main Door, 760 W. FM 120, Pottsboro, Texas; Whitesboro City Hall, Council Chambers, 111 W. Main, Whitesboro, Texas; and Grayson College South Campus, Room ~~TC203~~ *SB113* , 1455 W. Van Alstyne Parkway, Van Alstyne, Texas. The Grayson County Election Administration Building, 115 W. Houston, Sherman, Texas, is designated as the main early voting polling place. Voting times and locations are subject to change. Applications for ballots by mail shall be requested from and mailed to Early Voting Clerk, Elections Administration Building, 115 W. Houston, Sherman, Texas 75090, or faxed to (903) 891-4370 or emailed to votegrayson@co.grayson.tx.us. (If faxed or emailed, the original application must be mailed and received within 4 days.) Applications for ballots by mail must be received no later than the close of business on October 27, 2023."

[1] Additions are underlined and italicized; deletions are evidenced by ~~strikethrough~~.

SECTION 2. Amendment to Section 7 of Ordinance No. 6630. Section 7 of Ordinance No. 6630 is amended as follows[2]:

"**SECTION 7.** That Election Day voting by personal appearance shall be at the following vote centers from 7:00 a.m. until 7:00 p.m.:

LOCATION	JUDGES
Bells City Hall – Council Chambers 203 S. Broadway Bells, Texas 75414	Martha Portman Presiding Judge Billy Jack Portman Alternate Judge
Collinsville Community Center – Main Doors 117 N. Main Collinsville, Texas 76233	Gary Davidson Presiding Judge Sherri Fails Alternate Judge
Grayson College – Baptist Student Ministry (BSM) 6101 Grayson Dr. Denison, Texas 75020	Ramona Popplewell Presiding Judge Susan McManus Alternate Judge
Grayson County Sub-Courthouse, JP Court Room J.P. Courtroom 101 W. Woodard Denison, Texas 75021	Theresa Jones Presiding Judge Jamie Stringfield Alternate Judge
Parkside Baptist Church – South Entrance 301 N. Lillis Lane Denison, Texas 75020	Barbara Hartline Presiding Judge Peggy DeLancy Alternate Judge
Southside Baptist Church – Main Hall 3500 S. Park Denison, Texas 75020	Sue Caylor Presiding Judge Jerri Potter Alternate Judge
Mt. Olive Baptist Church – Gym 1131 S. Scullin Denison, Texas 75020	Debra DeHorney Presiding Judge Rita Williams Alternate Judge

[2] Additions are underlined and italicized; deletions are evidenced by ~~strikethrough~~.

Gordonville Baptist Church Educational Building, East Doors 187 Gordonville Rd. Gordonville, Texas 76245	Helen Hawkins Presiding Judge Dana Tischer Alternate Judge
Gunter First Baptist Church – Main Doors 99 Gentle Creek Lane Gunter, Texas 75058	Fran Mask Presiding Judge Lynn Fletcher Alternate Judge
Howe Community Center – Main Doors 700 W. Haning Howe, Texas 75459	Nancy Nass Presiding Judge Debi Owens Alternate Judge
St. John the Apostle Episcopal Church – Main Doors 760 W. FM 120 Pottsboro, Texas 75076	Johanna Sandlin Presiding Judge Barb Speer Alternate Judge
Sadler Baptist Church – Fellowship Hall 419 S. Main Sadler, Texas 76264	Shirley Covington Presiding Judge Karen Schreiner Alternate Judge
Election Administration Building – East & West Doors 115 W. Houston Sherman, Texas 75090	Jess Davis Presiding Judge Donna Coveny Alternate Judge
Faith Church – West Entrance 1800 N. FM 1417 Sherman, Texas 75092	Mendy Boyer Presiding Judge Dana Speed Alternate Judge
Luella First Baptist Church – Main Door 3162 Hwy 11 Sherman, Texas 75090	Thomas Avalos Presiding Judge Dennis Allen Alternate Judge

Municipal Building – Ballroom 405 N. Rusk Sherman, Texas 75090	Rebecca Lindsey Presiding Judge Cheryl Self Alternate Judge
Texoma Council of Governments Eisenhower Room 1117 Gallagher Drive Sherman, Texas 75090	Donna Fritchman Presiding Judge Rodney Fritchman Alternate Judge
United Way of Grayson County – Main Doors 713 E. Brockett Sherman, Texas 75090	Shari Duncan Presiding Judge Keri Hastings Alternate Judge
Progressive Baptist – Fellowship Hall 1101 E. Houston Sherman, Texas 75090	Wathena Marshall Presiding Judge Stephanie Collins Alternate Judge
Tioga Fire Department – Meeting Room 601 E. Main Tioga, Texas 76271	Randy Barta Presiding Judge Pam Chappell Alternate Judge
Tom Bean First National Bank – Edwards Room 109 S. Britton Tom Bean, Texas 75489	Russell Allen Presiding Judge Ginger Allen Alternate Judge
Grayson College South Campus Room ~~TC203~~ *SB113* 1455 W. Van Alstyne Pkwy Van Alstyne, Texas 75495	Bob Towers Presiding Judge Debbie Reece Alternate Judge
Whitesboro City Hall – Council Chambers 111 W. Main Whitesboro, Texas 76273	Jo Stow Presiding Judge Vicki McComas Alternate Judge

	Sandra Shaw
Whitewright Church of Christ – Fellowship Hall	Presiding Judge
606 S. Carter	
Whitewright, Texas 75491	Dorothy Carpenter
	Alternate Judge

Voting times and locations are subject to change."

SECTION 3. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause and phrase thereof regardless of whether any one or more sections, subsections, sentences, clauses or phrases may be declared unconstitutional and/or invalid.

SECTION 4. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting ordinances shall remain in full force and effect.

SECTION 5. That 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.

INTRODUCED on this the 5th day of September, 2023.

ADOPTED on this the 5th day of September, 2023.

EFFECTIVE DATE on this the 5th day of September, 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 5.**

Meeting Date: 09/05/2023
Prepared By: Linda Ashby, City Clerk
Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6638
Amending Ordinance No. 6631 (Ordering a Special Election to be Held on November 7, 2023 for the Purpose of the Reauthorization of the Local Sales and Use Tax at the Rate of One-Eighth of One Percent (1/8%) to Continue Providing Revenue for Maintenance and Repair of Municipal Streets), Providing for Updated Polling Location Information

Issue:

To amend the Ordinance calling a Special Election for November 7, 2023, to consider the reauthorization of the sales and use tax at the rate of one-eighth of one percent (1/8%) to provide revenue for the maintenance and repair of municipal streets. The room number for voting Early and on Election Day at Grayson College South Campus, 1455 W. Van Alstyne Parkway, Van Alstyne, has changed and must be reflected correctly in the Ordinance calling the Election.

Background:

In compliance with the City Charter and the Election laws for the State of Texas, the City must, by ordinance, call a Special Election for the first Tuesday after the first Monday in November.

Origination:

Mayor and City Council

Financial Consideration:

Cost for the Election is expected to be approximately $15,000.

Staff Recommendation:

It is recommended that the City Council approve the ordinance amending the ordinance calling the Special Municipal Election for Tuesday, November 7, 2023.

Alternatives:

As this is a Council initiative, no alternatives are recommended.

Attachments

Ordinance No. 6638

ORDINANCE NO. 6638

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AMENDING ORDINANCE NO. 6631 (ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 7, 2023 FOR THE PURPOSE OF THE REAUTHORIZATION OF THE LOCAL SALES AND USE TAX AT THE RATE OF ONE-EIGHTH OF ONE PERCENT (1/8%) TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS); PROVIDING FOR UPDATED POLLING LOCATION INFORMATION; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") duly authorized and ordered a special election to be held within the City of Sherman, Texas ("Sherman") on November 7, 2023, for the purpose of the reauthorization of the Local Sales and Use Tax at the rate of one-eighth of one percent (1/8%) to continue providing revenue for maintenance and repair of municipal streets, pursuant to Ordinance No. 6631; and

WHEREAS, the City Council finds that Ordinance No. 6631 needs to be amended to provide for updated polling location information based on new information received from the Grayson County Elections Administrator after the adoption of Ordinance No. 6631.

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

SECTION 1. Amendment to Section 4 of Ordinance No. 6631. Section 4 of Ordinance No. 6631 is amended as follows[1]:

> **"SECTION 4.** That early voting will begin on October 23, 2023, through October 27, 2023, from 8 a.m. to 5 p.m.; on October 28, 2023, from 7:00 a.m. to 7:00 p.m.; on October 29, 2023, from 11:00 a.m. to 5:00 p.m.; and on October 30, 2023, through November 3, 2023, from 7:00 a.m. to 7:00 p.m. Early voting by personal appearance shall be at: Bells City Hall, Council Chambers, 203 S. Broadway, Bells, Texas; Grayson County Election Administration Building, 115 W. Houston, Main Voting Location, Sherman, Texas; Grayson County Sub-Courthouse, J.P. Court Room, 101 W. Woodard, Denison, Texas; St. John the Apostle Episcopal Church, Main Door, 760 W. FM 120, Pottsboro, Texas; Whitesboro City Hall, Council Chambers, 111 W. Main, Whitesboro, Texas; and Grayson College South Campus, Room ~~TC203~~ *SB113*, 1455 W. Van Alstyne Parkway, Van Alstyne, Texas. The Grayson County Election Administration Building, 115 W. Houston, Sherman, Texas, is designated as the main early voting polling place. Voting times and locations are subject to change. Applications for ballots by mail shall be requested from

[1] Additions are underlined and italicized; deletions are evidenced by ~~strikethrough~~.

and mailed to Early Voting Clerk, Elections Administration Building, 115 W. Houston, Sherman, Texas 75090, or faxed to (903) 891-4370 or emailed to votegrayson@co.grayson.tx.us. (If faxed or emailed, the original application must be mailed and received within 4 days.) Applications for ballots by mail must be received no later than the close of business on October 27, 2023.

SECTION 2. Amendment to Section 5 of Ordinance No. 6631. Section 5 of Ordinance No. 6631 is amended as follows[2]:

"SECTION 5. That Election Day voting by personal appearance shall be at the following vote centers from 7:00 a.m. until 7:00 p.m.:

LOCATION	JUDGES
Bells City Hall – Council Chambers 203 S. Broadway Bells, Texas 75414	Martha Portman Presiding Judge Billy Jack Portman Alternate Judge
Collinsville Community Center – Main Doors 117 N. Main Collinsville, Texas 76233	Gary Davidson Presiding Judge Sherri Fails Alternate Judge
Grayson College – Baptist Student Ministry (BSM) 6101 Grayson Dr. Denison, Texas 75020	Ramona Popplewell Presiding Judge Susan McManus Alternate Judge
Grayson County Sub-Courthouse, JP Court Room J.P. Courtroom 101 W. Woodard Denison, Texas 75021	Theresa Jones Presiding Judge Jamie Stringfield Alternate Judge
Parkside Baptist Church – South Entrance 301 N. Lillis Lane Denison, Texas 75020	Barbara Hartline Presiding Judge Peggy DeLancy Alternate Judge

[2] Additions are underlined and italicized; deletions are evidenced by ~~strikethrough~~.

Southside Baptist Church – Main Hall 3500 S. Park Denison, Texas 75020	Sue Caylor Presiding Judge Jerri Potter Alternate Judge
Mt. Olive Baptist Church – Gym 1131 S. Scullin Denison, Texas 75020	Debra DeHorney Presiding Judge Rita Williams Alternate Judge
Gordonville Baptist Church Educational Building, East Doors 187 Gordonville Rd. Gordonville, Texas 76245	Helen Hawkins Presiding Judge Dana Tischer Alternate Judge
Gunter First Baptist Church – Main Doors 99 Gentle Creek Lane Gunter, Texas 75058	Fran Mask Presiding Judge Lynn Fletcher Alternate Judge
Howe Community Center – Main Doors 700 W. Haning Howe, Texas 75459	Nancy Nass Presiding Judge Debi Owens Alternate Judge
St. John the Apostle Episcopal Church – Main Doors 760 W. FM 120 Pottsboro, Texas 75076	Johanna Sandlin Presiding Judge Barb Speer Alternate Judge
Sadler Baptist Church – Fellowship Hall 419 S. Main Sadler, Texas 76264	Shirley Covington Presiding Judge Karen Schreiner Alternate Judge

Election Administration Building – East & West Doors 115 W. Houston Sherman, Texas 75090	Jess Davis Presiding Judge Donna Coveny Alternate Judge
Faith Church – West Entrance 1800 N. FM 1417 Sherman, Texas 75092	Mendy Boyer Presiding Judge Dana Speed Alternate Judge
Luella First Baptist Church – Main Door 3162 Hwy 11 Sherman, Texas 75090	Thomas Avalos Presiding Judge Dennis Allen Alternate Judge
Municipal Building – Ballroom 405 N. Rusk Sherman, Texas 75090	Rebecca Lindsey Presiding Judge Cheryl Self Alternate Judge
Texoma Council of Governments Eisenhower Room 1117 Gallagher Drive Sherman, Texas 75090	Donna Fritchman Presiding Judge Rodney Fritchman Alternate Judge
United Way of Grayson County – Main Doors 713 E. Brockett Sherman, Texas 75090	Shari Duncan Presiding Judge Keri Hastings Alternate Judge
Progressive Baptist – Fellowship Hall 1101 E. Houston Sherman, Texas 75090	Wathena Marshall Presiding Judge Stephanie Collins Alternate Judge

Tioga Fire Department – Meeting Room 601 E. Main Tioga, Texas 76271	Randy Barta Presiding Judge Pam Chappell Alternate Judge
Tom Bean First National Bank – Edwards Room 109 S. Britton Tom Bean, Texas 75489	Russell Allen Presiding Judge Ginger Allen Alternate Judge
Grayson College South Campus Room ~~TC203~~ *SB113* 1455 W. Van Alstyne Pkwy Van Alstyne, Texas 75495	Bob Towers Presiding Judge Debbie Reece Alternate Judge
Whitesboro City Hall – Council Chambers 111 W. Main Whitesboro, Texas 76273	Jo Stow Presiding Judge Vicki McComas Alternate Judge
Whitewright Church of Christ – Fellowship Hall 606 S. Carter Whitewright, Texas 75491	Sandra Shaw Presiding Judge Dorothy Carpenter Alternate Judge

Voting times and locations are subject to change."

SECTION 3. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause and phrase thereof regardless of whether any one or more sections, subsections, sentences, clauses or phrases may be declared unconstitutional and/or invalid.

SECTION 4. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting ordinances shall remain in full force and effect.

SECTION 5. That 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.

INTRODUCED on this the 5th day of September, 2023.

ADOPTED on this the 5th day of September, 2023.

EFFECTIVE DATE on this the 5th day of September, 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
THE LAW FIRM OF ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 6.**

Meeting Date: 09/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6639

Adopting a Budget and Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2023 and ending September 30, 2024; Declaring that this Budget Will Raise More Total Property Taxes than Last Year's Budget by $5,849,000 and 27%, and of that Amount $1,492,000 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and Effective Date; Providing for the Publication of the Caption Hereof

Issue:

To hold the public hearing on the proposed budget for the 2023-2024 fiscal year as required by Local Government Code Chapter 102

Background:

The proposed budget is based on the direction given by the Council at the Budget Workshop held on June 15, 2023. The draft budget contains about $173.3 million in appropriations, which is about $12.9 million more than the prior year's original budget of $160.4 million, due to an increase in personnel and debt service. The draft budget includes an 13% overall increase in salary for fire and police positions, a 5% across-the-board for other personnel, and an increase in full-time positions from 543 to 550, consisting of four in the General Fund, one in the Information Technology Fund, one in the Stormwater Fund, and one in the Solid Waste Fund. Fund balances for the General and Utility Funds are above or within the targeted range of 60 to 90 days. The Solid Waste Fund balance is below target but the expected refund in the fall of landfill fees paid by the City will help restore the fund balance. The capital program is largely funded by the issuance of $77.75 million in Certificates of Obligation in September of 2023 with another issue of about $35 million expected in Summer 2024. Projects include additional thoroughfares in the Bel Air Planned Development, continuation of the construction of Moore Street, Flanary/Progress Road in the industrial park, rebuild and expansion of Shepherd Road, a design and site acquisition for a new City Hall, major renovation of Central Fire Station, and about $16 million in Parks projects including major upgrades at Fairview, Hawn, and Old Settlers. The property tax rate increased from $.469932/$100 to about $.508/$100 of valuation. The utility rate plan has been re-structured from a flat rate per thousand gallons to tiered rates based on consumption. Tax Notes will be used to finance about $3.9 million in fleet and equipment with repayment made from property tax revenues.

Origination:

Director of Finance

Financial Consideration:

The proposed budget contains appropriations of $173.3 million for the 2023-2024 fiscal year.

Staff Recommendation:

Staff recommends that the Council hold the required public hearing then vote to approve the budget ordinance. The vote must be a record vote.

Alternatives:

Any changes to the proposed budget would have to come through a budget amendment after final adoption of the budget and related tax rate.

Attachments

Ordinance No. 6639

Draft Budget 2024

ORDINANCE NO. 6639

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A BUDGET AND PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $5,849,000 AND 27%, AND OF THAT AMOUNT $1,492,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, pursuant to the laws of the State of Texas and Sherman's Home Rule Charter, the City Manager has submitted to the City Council the proposed budget of the revenues and expenditures for conducting the affairs of Sherman and providing a complete financial plan for the fiscal year beginning October 1, 2023, and ending September 30, 2024, and has filed the same with the municipal clerk (the "budget"). A copy of the budget is attached hereto as Exhibit A and incorporated herein for all purposes; and

WHEREAS, public hearings were held by the City Council on said budget on August 7, 2022, and September 5, 2023, at which time said budget was fully considered, and interested taxpayers were given the opportunity to be heard by the City Council; and

WHEREAS, the City Council has studied the budget and listened to the comments of the taxpayers at the public hearings and has investigated and determined that adoption of the budget is in the best interest of the City; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

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

SECTION 1. That, pursuant to Article V of the City Charter, there is hereby appropriated for Operating Expenditures the sums of money as established in the approved Operating Budget Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2023, and ending September 30, 2024.

SECTION 2. That, pursuant to Article V of the City Charter, there is hereby appropriated for Capital Expenditures the sums of money as established in the approved Capital Budget

Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2023, and ending September 30, 2024.

SECTION 3. That specific authority is hereby given to the City Manager to transfer appropriations budgeted from one account classification or activity to another within any individual department or activity, and to transfer appropriations from designated appropriations to any individual department or activity.

SECTION 4. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 5. That should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 6. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 7. That this Ordinance shall become effective from and after its adoption and publication as required by the City Charter and by law.

INTRODUCED on this the 5th day of September 2023.
ADOPTED on this the 5th day of September 2023.
EFFECTIVE DATE on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Dates of Publication: *August 20, 2023*, *Sherman Herald Democrat*

Exhibit A

[*73 pages attached hereto*]

This budget will raise more total property taxes than last year's budget by $5,849,000 and 27%, and of that amount $1,492,000 is tax revenue to be raised from new property added to the tax roll this year.

PROPOSED BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2024
September 5, 2023

SUMMARY

The attached proposed budget for Fiscal Year (FY) 2024 is based on the direction provided by the City Council at the June 15th, 2023, budget workshop.

The draft budget contains about $173.3 million in appropriations, which is about $12.9 million more than the prior year's original budget of $160.4 million, due to an increase in personnel and debt service. The draft budget contains an 13% overall increase in salary for fire and police positions, a 5% across-the-board for other personnel, and an increase in full-time positions from 543 to 550, consisting of four in the General Fund, one in the Information Technology Fund, one in the Stormwater Fund, and one in the Solid Waste Fund. Fund balances for the General and Utility Funds are above or within the targeted range of 60 to 90 days. The Solid Waste Fund balance is below target but the expected refund in the fall of landfill fees paid by the City will help restore the fund balance. The capital program is largely be funded by $77.75 million in Certificates of Obligation issued in September of 2023 with another issue of about $35 million expected Summer 2024. Projects include additional thoroughfares in the Bel Air Planned Development, continuation of the construction of Moore Street, Flanary/Progress Road in the industrial park, rebuild and expansion of Shepherd Road, a design and site acquisition for a new City Hall, major renovation of Central Fire Station, and about $16 million in Parks projects including major upgrades at Fairview, Hawn, and Old Settlers. The property tax rate increased from $.469932/$100 to about $.508/$100 of valuation. The utility rate plan has been re-structured from a flat rate per thousand gallons to tiered rates based on consumption. Tax Notes will be used to finance about $3.9 million in fleet and equipment with repayment made from property tax revenues. More detailed information is available on the attachments.

GENERAL FUND

The **General Fund** is balanced ongoing. Property values increased about 17%. A property tax rate increase from .469932/$100 to $.508/$100 is included due to debt issued to finance major street, facility, and park projects. Sales tax revenue is budgeted to increase about 10% less the effects of one-time revenues, and considering inflation, and the trend since August of 2020. Fleet purchases include a fire pumper truck, an ambulance, skid steer, three police Tahoes, fire department radios, and various other trucks and

equipment. Tax notes will be used to finance about $3.9 million of the fleet and equipment. Fund balance is projected to be $17.5 million or just over 100 days of operating expenses at the end of FY2024. New positions consist of an Accounting Manager, Right-of-Way Agent, Municipal Court Clerk, and a Logistics Coordinator for the Fire Department.

UTILITY FUND

The **Utility Fund** is balanced ongoing. The Utility rate plan now consists of a tiered structure with the rate increasing with higher levels of consumption. No new positions are planned. A dump truck and skid steer are included in the budget. Fund balance at the end of FY2024 is projected to be about $6.6 million, or about 78 days of operating expenses.

SOLID WASTE FUND

The **Solid Waste Fund** is unbalanced on an on-going basis. The landfill is increasing tipping fees for the second year in a row by about 13% beginning January 1, 2024. An additional distribution in FY2024 is expected from the City's joint venture in the landfill. Solid Waste rates will be evaluated after receiving the distribution to determine if an increase will be needed to restore the fund balance to a healthy level. Fund balance is projected to be $1.0 million, or 38 days of operating expenditures before the increased distribution.

CAPITAL IMPROVEMENT FUNDS

The proposed budget of about $51.7 million in the **General Improvement Fund – Bond Funds** primarily consists of funding for street construction of Moore St, Shepherd Drive, Bel Air Blvd, Beach Club Blvd, London Lane, Progress Drive, OB Groner, and Friendship Road. Park projects include lighting improvements at Old Settlers Park and Fairview Park softball fields, a splash pad at Pecan Grove West, updates to existing playgrounds, new pavilions at Fairview, and Hawn Parks, and updates to the Splash Pad at Hawn Park. Design and site acquisition for a new City Hall is also planned.

The **Utility Improvement Fund – GTUA Funds** proposed budget includes projects that will be funded by debt issued by the Greater Texoma Utility Authority (GTUA) on behalf of the City. Projects totaling $335.5 million include a discharge line from the water treatment plant, a waterline for surface water to the Bel Air area, southside industrial sewer replacement, Lake Texoma Pump Station electrical improvements, Shepherd Drive elevated storage tank construction, sewer improvements along Post Oak Creek near Nantucket Lane, additional 5 million gallons per day (MGD) in treatment capacity at the water treatment plant, a pump station for the terminal storage reservoir, construction of a 36-inch water line from the water treatment plant to the south side of the city, an additional facility to add another 15 MGD to the water treatment plan, rehabilitation of

the conventional EDR water treatment plant, and electrical upgrades and major expansion of the wastewater treatment plant.

MAJOR IMPACTS

Tax Revenues

Property tax revenue is expected to increase about $5.9 million over last year due to an increase in the tax rate from .469932/$100 to $.508/$100 to fund major street and park improvements, growth in the value of existing property, and new property added to the tax roll. Sales tax is expected to be about the 10% above what is projected in FY2023 less the expected reduction of one-time payments from a large construction project.

Wage Increase

The proposed budget contains an average 13% increase for fire and police personnel and a 5% across-the-board increase for other employees. The cost is projected to be about $5.1 million across all funds.

Fleet, Equipment and Buildings

Major fleet expenditures for this year include a fire rescue pumper ($620,000), an ambulance ($425,000), two commercial trash truck ($369,000 each), a roll-off trash truck ($295,000), a dump truck for the utility collection and distribution department, and three patrol Tahoes ($300,000).

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft FY2024 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund and a schedule of transfers, a property tax historical summary, debt schedule, itemization of certain expenditures required by Local Government Code Section 140, and the Tax Rate Calculation Worksheet.

City of Sherman
ALL FUNDS
2023-2024 Annual Budget

	General Fund	Enterprise Funds	Capital Improvement Funds	Special Revenue Funds	Internal Service Funds	Debt Service Funds	Trust Fund	Interfund Transfers	Totals
Beginning Fund Balance	$ 16,555,152	$ 6,937,085	$ 95,709,410	$ 775,758	$ 1,225,529	$ 982,971	$ 2,363,123	$ -	$ 124,549,028
Revenues:									
Taxes	50,023,900	-	562,023	817,000	1,940,000	10,179,730	-	-	63,522,653
Water Sales	-	16,850,000	-	-	-	-	-	-	16,850,000
Sewer Sales	-	11,920,000	-	-	-	-	-	-	11,920,000
Solid Waste Sales	-	8,012,000	-	-	-	-	-	-	8,012,000
Sales & Service	6,766,446	1,278,000	2,180,000	2,399,400	15,905,806	-	15,000	(15,945,626)	12,599,026
Intergovernmental	769,650	410,335	1,196,005	98,898	-	-	-	-	2,474,888
Interest Income	340,000	167,000	1,077,500	55,100	147,400	-	100	-	1,787,100
Miscellaneous Revenue	287,300	864,000	6,100,000	94,000	302,000	-	-	-	7,647,300
Debt Proceeds	-	-	35,468,426	-	3,532,790	-	-	-	39,001,216
Transfers In	5,224,583	1,538,092	4,200,000	-	-	1,075,000	-	(12,037,675)	-
Total Revenues	63,411,879	41,039,427	50,783,954	3,464,398	21,827,996	11,254,730	15,100	(27,983,301)	163,814,183
Total Funds Available	79,967,031	47,976,512	146,493,364	4,240,156	23,053,525	12,237,701	2,378,223	(27,983,301)	288,363,211
Expenditures:									
Personnel	41,638,990	11,262,590	-	574,240	2,468,610	-	-	-	55,944,430
Supplies	2,218,811	2,834,829	-	541,499	1,469,837	-	-	-	7,064,976
Repair & Maintenance	2,769,353	3,306,689	-	182,117	1,749,868	-	-	-	8,008,028
Utilities	1,372,690	2,291,360	-	44,800	89,150	-	-	-	3,798,000
Information Technology	1,469,120	526,250	-	11,320	62,240	-	-	(2,068,930)	-
Debt Service	-	7,311,010	-	-	2,696,705	12,074,495	-	-	22,082,210
Services & Charges	6,682,569	4,802,995	250,000	1,288,020	7,808,117	8,000	-	(6,893,000)	13,946,700
Vehicle Usage	2,618,387	2,151,547	-	41,951	-	-	-	(4,803,443)	8,441
Fleet Services & Charges	1,815,453	234,800	-	55,000	75,000	-	-	(2,180,253)	-
Capital Expenses	852,347	362,735	55,809,605	100,000	5,282,655	-	-	-	62,407,342
Transfers Out	1,000,000	5,322,119	5,243,516	427,000	45,040	-	-	(12,037,675)	-
Total Expenditures	62,437,720	40,406,924	61,303,121	3,265,947	21,747,222	12,082,495	-	(27,983,301)	173,260,127
Excess Revenues Over Expenditures	974,159	632,503	(10,519,167)	198,451	80,774	(827,765)	15,100	-	(9,445,944)
Ending Fund Balance	$ 17,529,311	$ 7,569,588	$ 85,190,243	$ 974,209	$ 1,306,303	$ 155,206	$ 2,378,223	$ -	$ 115,103,084

City of Sherman
GENERAL FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 13,005,920	$ 11,837,249	$ 14,195,955	$ 16,555,152
Revenues				
Property Tax	11,932,498	12,038,400	12,660,400	15,239,400
Sales Tax	23,875,173	28,047,000	29,772,000	31,250,000
Franchise Tax	3,133,388	3,021,000	3,262,000	3,362,000
Other Taxes	177,946	164,300	181,000	172,500
Fines & Penalties	413,905	366,800	620,750	624,200
Recreation	324,484	301,000	318,500	328,500
Licenses & Permits	1,096,610	2,341,200	1,741,200	2,576,000
Rentals	14,306	11,950	6,900	1,850
Cemetery	218,179	221,600	215,600	217,600
Sales & Service	1,231,051	1,574,000	1,738,233	1,686,296
Ambulance Service	1,669,394	1,402,400	1,291,900	1,332,000
Interest Income	29,298	75,000	340,000	340,000
Grant Revenue	989,679	9,000	141,683	58,200
Intergovernmental	232,949	169,482	169,484	769,650
Miscellaneous Revenue	392,893	206,200	732,800	229,100
Total Revenues	45,731,753	49,949,332	53,192,450	58,187,296
Transfers In	3,358,139	4,249,742	4,730,974	5,224,583
Total Revenues and Transfers In	49,089,892	54,199,074	57,923,424	63,411,879
Total Funds Available	62,095,813	66,036,323	72,119,379	79,967,031
Expenditures				
Personnel	32,939,438	36,724,590	37,140,786	41,638,990
Supplies	1,971,069	2,075,205	2,013,822	2,218,811
Repair & Maintenance	1,760,563	2,737,418	2,230,052	2,769,353
Utilities	1,042,514	1,217,250	1,169,570	1,372,690
Information Technology	1,046,518	1,259,265	1,256,040	1,469,120
Services & Charges	4,135,552	5,335,178	5,489,875	6,682,569
Vehicle Usage	2,196,212	2,239,270	3,038,131	2,618,387
Capital Expenses	376,335	1,114,763	1,197,858	852,347
Fleet Services & Charges	1,021,658	1,335,781	1,333,095	1,815,453
Transfers Out	1,410,000	375,000	695,000	1,000,000
Total Expenditures	47,899,858	54,413,720	55,564,227	62,437,720
Excess Revenues over Expenditures	1,190,035	(214,646)	2,359,197	974,159
Ending Fund Balance	$ 14,195,955	$ 11,622,603	$ 16,555,152	$ 17,529,311

City of Sherman
ENTERPRISE FUNDS
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 5,996,516	$ 6,931,175	$8,455,424	$6,937,085
Revenues:				
Water Sales	16,213,774	16,411,000	16,497,000	16,850,000
Sewer Sales	8,454,411	8,835,000	9,334,000	11,920,000
Solid Waste Service	7,460,278	7,556,000	7,817,000	8,012,000
Service Charges & Penalties	792,011	780,000	800,000	795,000
Laboratory	117,729	260,430	135,000	183,000
Charges for Services	160,859	168,200	301,000	300,000
Intergovernmental	408,485	817,146	408,573	410,335
Interest Income	66,152	26,200	162,000	167,000
Miscellaneous Revenue	869,526	836,500	925,000	864,000
Transfers In	183,000	406,000	406,000	1,538,092
Total Revenues	34,726,226	36,096,476	36,785,573	41,039,427
Total Funds Available	40,722,742	43,027,651	45,240,997	47,976,512
Expenditures:				
Personnel	8,765,867	10,214,400	9,934,384	11,262,590
Supplies	1,673,170	2,141,323	2,620,908	2,834,829
Repair & Maintenance	2,291,388	2,817,515	4,073,152	3,306,689
Utilities	1,486,217	1,905,220	1,938,600	2,291,360
Information Technology	381,963	433,100	432,020	526,250
Services & Charges	3,788,479	4,339,315	4,185,602	4,802,995
Vehicle Usage	1,918,533	2,124,850	2,237,608	2,151,547
Debt Service	6,983,524	6,937,482	6,936,860	7,311,010
Fleet Services & Charges	-	-	-	-
Capital Expenses	1,437,038	1,727,065	1,650,461	597,535
Transfers Out	3,541,139	4,230,828	4,294,316	5,322,119
Total Expenditures	32,267,317	36,871,099	38,303,913	40,406,924
Excess Revenues over Expenditures	2,458,908	(774,623)	(1,518,340)	632,503
Ending Fund Balance	$ 8,455,424	$ 6,156,552	$ 6,937,085	$ 7,569,588

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

	220 General CIP City Funds	222 General CIP Bond Funds	224 Street Revolving	235 Regional Detention	250 Roadway Impact Fee #1	251 Roadway Impact Fee #2	252 Roadway Impact Fee #3	253 Roadway Impact Fee #4
Beginning Fund Balance	$ -	$ 87,248,866	$ 515,300	$ 218,410	$ 40,726	$ 740,743	$ 61,516	$ 2,688,540
Revenues:								
Interest Income	-	600,000	42,000	8,500	-	-	-	25,000
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Sales & Service	-	-	-	25,000	10,000	500,000	35,000	500,000
Miscellaneous Revenue	-	6,100,000	-	-	-	-	-	-
Debt Proceeds	468,426	35,000,000	-	-	-	-	-	-
Transfers In	1,000,000	3,200,000	-	-	-	-	-	-
Total Revenues	1,468,426	44,900,000	42,000	33,500	10,000	500,000	35,000	525,000
Total Funds Available	1,468,426	132,148,866	557,300	251,910	50,726	1,240,743	96,516	3,213,540
Expenditures								
Capital Expenses	1,071,722	51,416,683	500,000	50,000	-	-	-	-
Services & Charges	-	200,000	-	-	-	-	-	-
Transfers Out	-	50,516	-	-	-	1,200,000	-	2,000,000
Total Expenditures	1,071,722	51,667,199	500,000	50,000	-	1,200,000	-	2,000,000
Excess Revenues over Expenditures	396,704	(6,767,199)	(458,000)	(16,500)	10,000	(700,000)	35,000	(1,475,000)
Ending Fund Balance	$ 396,704	$ 80,481,667	$ 57,300	$ 201,910	$ 50,726	$ 40,743	$ 96,516	$ 1,213,540

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

330 TIRZ #2 Construction	241 TIRZ #5 Construction	242 TIRZ #6 Construction	243 TIRZ #7 Construction	750 Water Impact Fee	751 Sewer Impact Fee	770 Utility CIP City Funds	777 Utility CIP GTUA	Total
$ 416,865	$ (66,754)	$ 740,918	$ (286,855)	$ 1,102,708	$ 156,076	$ 2,132,352	$ -	$ 95,709,410
40,000	2,000	35,000	1,000	24,000	-	300,000	-	1,077,500
357,653	85,381	31,036	87,953	-	-	-	-	562,023
-	81,627	30,292	84,086	-	-	-	1,000,000	1,196,005
10,000	-	-	-	750,000	350,000	-	-	2,180,000
-	-	-	-	-	-	-	-	6,100,000
-	-	-	-	-	-	-	-	35,468,426
-	-	-	-	-	-	-	-	4,200,000
407,653	169,008	96,328	173,039	774,000	350,000	300,000	1,000,000	50,783,954
824,518	102,254	837,246	(113,816)	1,876,708	506,076	2,432,352	1,000,000	146,493,364
270,000	-	-	-	-	-	1,501,200	1,000,000	55,809,605
50,000	-	-	-	-	-	-	-	250,000
200,000	289,000	226,000	178,000	800,000	300,000	-	-	5,243,516
520,000	289,000	226,000	178,000	800,000	300,000	1,501,200	1,000,000	61,303,121
(112,347)	(119,992)	(129,672)	(4,961)	(26,000)	50,000	(1,201,200)	-	(10,519,167)
$ 304,518	$ (186,746)	$ 611,246	$ (291,816)	$ 1,076,708	$ 206,076	$ 931,152	$ -	$ 85,190,243

City of Sherman
SPECIAL REVENUE FUNDS
2023-2024 Annual Budget

	420 Stormwater	430 Bel Air Public Imp District	440 E 911	450 Security & Technology	460 Hotel/ Motel	470 Drug Enforcement	480 Airport
Beginning Fund Balance	$ (269,664)	$ 195,000	$ 205,578	$ 149,826	$ 169,418	$ 126,214	$ 160,086
Revenues							
Taxes	-	-	-	-	817,000	-	-
Sales & Service	904,000	300,000	310,000	50,400	95,000	100,000	640,000
Intergovernmental	-	-	98,898	-	-	-	-
Interest Income	7,000	2,000	25,000	7,000	-	6,200	5,000
Miscellaneous Revenue	-	-	-	-	-	-	50,000
Debt Proceeds	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	911,000	302,000	433,898	57,400	912,000	106,200	695,000
Total Funds Available	641,336	497,000	639,476	207,226	1,081,418	232,414	855,086
Expenditures							
Personnel	208,900	-	108,370	-	256,970	-	-
Supplies	8,659	-	-	26,140	15,050	75,400	396,250
Repair & Maintenance	62,750	-	-	372	83,000	27,000	8,995
Utilities	790	-	-	-	31,920	-	12,090
Information Technology	5,660	-	-	-	5,660	-	-
Services & Charges	16,316	450,000	180,973	3,500	496,500	5,000	105,731
Capital Expenses	-	-	-	-	-	-	100,000
Vehicle Usage	24,808	-	-	-	8,442	-	8,700
Fleet Services & Charges	55,000	-	-	-	-	-	-
Transfers Out	273,000	-	-	45,000	109,000	-	-
Total Expenditures	655,883	450,000	289,343	75,012	1,006,542	107,400	631,766
Excess Revenues over Expenditures	255,117	(148,000)	144,555	(17,612)	(94,542)	(1,200)	63,234
Ending Fund Balance	$ (14,547)	$ 47,000	$ 350,133	$ 132,214	$ 74,875	$ 125,014	$ 223,320

City of Sherman
SPECIAL REVENUE FUNDS
2023-2024 Annual Budget

455 Parks Pride	456 Police Pride	457 Donations	Total
$ 5,654	$ 21,977	$ 11,670	$ 775,758
-	-	-	817,000
-	-	-	2,399,400
-	-	-	98,898
100	1,600	1,200	55,100
21,500	10,500	12,000	94,000
-	-	-	-
-	-	-	-
21,600	12,100	13,200	3,464,398
27,254	34,077	24,870	4,240,156
-	-	-	574,240
-	-	20,000	541,499
-	-	-	182,117
-	-	-	44,800
-	-	-	11,320
25,000	5,000	-	1,288,020
-	-	-	100,000
-	-	-	41,951
-	-	-	55,000
-	-	-	427,000
25,000	5,000	20,000	3,265,947
(3,400)	7,100	(6,800)	198,451
$ 2,254	$ 29,077	$ 4,870	$ 974,209

City of Sherman
INTERNAL SERVICE FUNDS
2023-2024 Annual Budget

	600 Insurance	630 IT	650 Equipment	660 Fleet Replacement	Total
Beginning Fund Balance	$ 354,204	$ 107,673	$ 637,294	$ 126,358	$ 1,225,529
Revenue					
Sales & Service	6,853,180	2,068,930	4,803,443	2,180,253	15,905,806
Taxes	-	-	-	1,940,000	1,940,000
Interest Income	20,000	2,400	-	125,000	147,400
Debt Proceeds	-	-	-	3,532,790	3,532,790
Miscellaneous Revenue	-	2,000	-	300,000	302,000
Total Revenue	6,873,180	2,073,330	4,803,443	8,078,043	21,827,996
Total Funds Available	7,227,384	2,181,003	5,440,737	8,204,401	23,053,525
Expenditures					
Personnel	-	1,211,950	1,256,660	-	2,468,610
Supplies	-	68,382	1,401,455	-	1,469,837
Repair & Maintenance	-	189,324	1,560,544	-	1,749,868
Utilities	-	65,970	23,180	-	89,150
Information Technology	-	-	62,240	-	62,240
Services & Charges	6,893,000	414,857	423,010	77,250	7,808,117
Debt Service	-	-	-	2,696,705	2,696,705
Fleet Services & Charges	-	-	75,000	-	75,000
Capital Expenses	-	83,600	20,000	5,179,055	5,282,655
Transfers Out	-	45,040	-	-	45,040
Total Expenditures	6,893,000	2,079,123	4,822,089	7,953,010	21,747,222
Excess Revenues over Expenditures	(19,820)	(5,793)	(18,646)	125,033	80,774
Ending Fund Balance	$ 334,384	$ 101,881	$ 618,648	$ 251,391	$ 1,306,303

City of Sherman
DEBT SERVICE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 58,714	$ 61,575	$ 982,971
Revenues			
Property Tax	5,804,000	6,976,388	10,179,730
Sales Tax	-	-	-
Transfers In	1,069,000	1,293,000	1,075,000
Interest Income	-	-	-
Miscellaneous Revenue	-	-	-
Total Revenues	6,873,000	8,269,388	11,254,730
Total Funds Available	6,931,714	8,330,963	12,237,701
Expenditures			
Debt Service	6,864,889	7,343,492	12,074,495
Services & Charges	5,250	4,500	8,000
Transfers Out	-	-	-
Total Expenditures	6,870,139	7,347,992	12,082,495
Excess Revenues over Expenditures	2,861	921,396	(827,765)
Ending Fund Balance	$ 61,575	$ 982,971	$ 155,206

City of Sherman
PERPETUAL CARE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 2,004,329	$ 2,348,023	$ 2,363,123
Revenues			
Sales & Service	15,924	15,000	15,000
Interest Income	327,770	100	100
Total Revenues	343,694	15,100	15,100
Total Funds Available	2,348,023	2,363,123	2,378,223
Expenditures			
Miscellaneous	-	-	-
Ending Fund Balance	$ 2,348,023	$ 2,363,123	$ 2,378,223

City of Sherman
UTILITY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Reserve	$ 4,677,913	$ 5,268,132	$ 6,576,940	$ 5,143,093
Revenues				
Water Sales	16,213,774	16,411,000	16,497,000	16,850,000
Sewer Sales	8,454,411	8,835,000	9,334,000	11,920,000
Laboratory	117,910	263,630	136,000	183,000
Service Charges & Penalties	670,961	655,000	675,000	670,000
Charges for Services	160,678	165,000	300,000	300,000
Interest Income	46,785	25,000	100,000	100,000
Intergovernmental	408,485	817,146	408,573	410,335
Grant Revenue	159,979	-	-	-
Miscellaneous Revenue	44,794	76,500	117,000	77,000
Total Revenues	26,277,775	27,248,276	27,567,573	30,510,335
Transfers In	183,000	406,000	406,000	1,538,092
Total Revenues and Transfers In	26,460,775	27,654,276	27,973,573	32,048,427
Total Funds Available	31,138,688	32,922,408	34,550,513	37,191,520
Expenditures				
Personnel	6,834,763	7,957,960	7,712,020	8,719,960
Supplies	1,472,257	1,823,230	2,206,257	2,399,491
Repair & Maintenance	2,228,091	2,757,607	4,012,026	3,251,968
Utilities	1,449,358	1,858,230	1,875,710	2,219,890
Information Technology	295,012	332,630	331,800	411,200
Debt Service	6,982,667	6,937,482	6,936,860	7,311,010
Services & Charges	1,592,202	1,730,879	1,511,636	1,882,797
Vehicle Usage	576,529	631,190	695,726	599,096
Fleet Services & Charges	388,457	428,072	428,072	187,800
Capital Expenses	316,412	800,816	724,212	189,735
Total Expenditures	22,135,749	25,258,096	26,434,319	27,172,948
Transfers Out	2,426,000	2,927,112	2,973,100	3,456,458
Total Expenditures and Transfers Out	24,561,749	28,185,208	29,407,419	30,629,406
Excess Revenues over Expenditures	1,899,027	(530,932)	(1,433,846)	1,419,021
Ending Reserve	$ 6,576,940	$ 4,737,200	$ 5,143,093	$ 6,562,114

City of Sherman
SOLID WASTE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,248,206	$ 1,663,043	$ 1,878,485	$ 1,793,992
Revenues				
Solid Waste Service	7,460,278	7,556,000	7,817,000	8,012,000
Service Charges & Penalties	121,051	125,000	125,000	125,000
Interest Income	19,368	1,200	62,000	67,000
Miscellaneous Revenue	882,440	760,000	808,000	787,000
Total Revenues	8,483,137	8,442,200	8,812,000	8,991,000
Total Funds Available	9,731,343	10,105,243	10,690,485	10,784,992
Expenditures				
Personnel	1,931,104	2,256,440	2,222,364	2,542,630
Supplies	200,912	318,093	414,651	435,338
Repair & Maintenance	63,297	59,908	61,126	54,721
Utilities	36,859	46,990	62,890	71,470
Information Technology	86,951	100,470	100,220	115,050
Services & Charges	2,344,423	2,608,436	2,673,966	2,920,197
Vehicle Usage	1,342,004	1,493,660	1,541,882	1,552,451
Capital Expenses	126,385	123,650	123,650	173,000
Fleet Services & Charges	605,784	374,527	374,527	47,000
Transfers Out	1,115,139	1,303,716	1,321,216	1,865,661
Total Expenditures	7,852,859	8,685,891	8,896,493	9,777,518
Excess Revenues over Expenditures	630,278	(243,691)	(84,493)	(786,518)
Ending Fund Balance	$ 1,878,485	$ 1,419,352	$ 1,793,992	$ 1,007,473

City of Sherman
GENERAL IMPROVEMENT FUND - City Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ -	$ -	$ -
Revenues				
Transfers In	-	-	-	1,000,000
Intergovernmental	-	-	-	-
Grant Revenue	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Debt Proceeds	-	-	-	468,426
Total Revenues	-	-	-	1,468,426
Total Funds Available	-	-	-	1,468,426
Expenditures				
Capital Expenses	-	-	-	1,071,722
Services & Charges				
Transfers Out	-	-	-	-
Total Expenditures	-	-	-	1,071,722
Excess Revenues over Expenditures	-	-	-	396,704
Ending Fund Balance	$ -	$ -	$ -	$ 396,704

City of Sherman
GENERAL IMPROVEMENT FUND - City Funds

	Actual 2021-2022	Total Project Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
Other				
Projects				
Airport Pavement Maintenance-City				
(1) match	$ -	$ 182,500	$ -	$ 182,500
(1) Land Sale at W. Travis & FM 1417	1,947	-	8,125	-
(1) Energov Implementation	-	-	-	328,000
(1) Watchguard Video Evidence	-	-	-	92,796
(2) Handgun replacements	-	-	-	66,699
(2) Rifle replacements	-	-	-	161,727
(2) Rubrik Backup Device	-	-	-	150,000
(2) IT Storage	-	-	-	90,000
Total	1,947	182,500	8,125	1,071,722
Funding Sources				
(1) General Fund transfers/Land sales	-	182,500	-	182,500
(2) Tax Notes	-	-	-	-
Total Expenditures	$ 1,322,037	$ 4,941,918	$ 3,610,861	$ 1,071,722

City of Sherman
GENERAL IMPROVEMENT FUND - Bond Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 38,189,809	$ 21,689,968	$ 21,834,430	$87,248,866
Revenues				
Transfers In	1,269,000	375,000	434,878	3,200,000
Intergovernmental	-	-	-	-
Grant Revenue	65,008	-	-	4,600,000
Interest Income	146,108	50,000	600,000	600,000
Miscellaneous Revenue	316,215	-	-	1,500,000
Debt Proceeds	334,000	39,045,000	77,747,250	35,000,000
Total Revenues	2,130,332	39,470,000	78,782,128	44,900,000
Total Funds Available	40,320,141	61,159,968	100,616,558	132,148,866
Expenditures				
Capital Expenses	18,485,711	58,017,862	13,142,778	51,416,683
Services & Charges	-	-	-	200,000
Transfers Out	-	224,914	224,914	50,516
Total Expenditures	18,485,711	58,242,776	13,367,692	51,667,199
Excess Revenues over Expenditures	(16,355,379)	(18,772,776)	65,414,436	(6,767,199)
Ending Fund Balance	$ 21,834,430	$ 2,917,192	$ 87,248,866	$80,481,667

City of Sherman
GENERAL IMPROVEMENT FUND - Bond Funds

	Actual 2021-2022	Total Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
Transportation				
Projects				
(1) Taylor St Extension Eng & ROW/McGee St Ext	$ 1,209,389	$ 2,500,000	$ 2,643,547	$ -
(1) FM 1417 (82 to 56) Eng, ROW & Match	18,824	5,400,000	5,385,898	-
(1) Travis St West	-	9,600,000	9,746,421	-
(1) Lamberth Rd Thoroughfare	289,141	800,000	720,711	-
(1) Friendship ROW 56 to Lamberth	188,378	1,400,000	947,918	-
(1) Park Ave Realignment	165,701	2,000,000	2,105,391	-
(1) Ramp Reversal Northbound 75 at FM 1417	-	2,500,000	2,523,963	-
(1) TxDOT 1417 & W. Travis Intersection	1,040	1,950,000	1,957,444	-
(1) Flanary Rd and Progress Rd Engineering	-	200,000	182,571	-
(1) Moore Street	2,872,102	9,900,000	5,931,063	2,200,000
(1) Steeplechase Dr Extension	-	500,000	120,894	-
(1) Hilre Drive Extension	246,742	500,000	449,406	-
(1) FM 1417 design/ROW - SH 56 to W. Travis	73,594	3,600,000	383,613	-
(1) Shepherd Dr	260,092	12,000,000	811,664	3,070,000
(1) Bel Air Blvd Ph II/Beach Club/London Ln	-	9,000,000	458,109	5,600,000
(1) Major Street Rebuilds	-	1,500,000	-	-
(2) Flanary Rd Alignment Study	135,259	254,185	248,789	-
(1) Sherman St Improvements	-	1,200,000	112,956	-
(2) Progress Drive	-	4,300,000	-	2,200,000
(2) Flanary Road	-	5,400,000	-	900,000
(1) Hospital Road Construction	-	750,000	-	-
(1) OB Groner - west of FM 1417 Design	-	1,500,000	-	1,000,000
(1) FM 1417 Design/ROW - Hwy 75 to RR	-	550,000	-	-
(1) Blanton St Drainage-Birge to McGee	-	500,000	-	-
(1) CIP Crew	-	600,000	-	-
(1) Center St Bridge at Post Oak Creek	-	750,000	-	-
(1) Bridges-Center/McGee/Travis	584,921	1,500,000	788,360	-
(1) McGee St Bridge	-	150,000	-	-
(1) Lamberth & Friendship-Shady Oaks thur Hickory Hill		8,100,000	133,700	3,500,000
(1) FM 1417 signal at Bel Air Blvd Design	-	500,000	-	-
(1) Heritage Ranch Ramps -Eng	-	-	-	1,000,000
(1) Right-of-Way Agent	-	-	-	50,516
(2) North-South Road	-	-	-	700,000
Total	6,045,184	89,404,185	35,652,417	20,220,516
Funding Sources				
(1) Certificates of Obligation		79,450,000		16,420,516
(2) Certificates of Obligation - SEDCO participation		9,954,185		3,800,000
Total		89,404,185		20,220,516
Parks and Recreation				
Projects				
(1) Asphalt Pump Track at Binkley Park	-	350,000	-	-
(1) Ballfield and Trail Lighting at PGW	-	1,350,000	21,240	-
(1) Design "Shark Tooth Park"	-	150,000	-	-
(1) Electrical at PGW	-	175,000	-	-
(1) Master Plan Trail Construction	-	750,000	4,383	-
(1) Northcreek Subdivision Park	-	500,000	-	-
(1) Restroom and Concession at Fairview Park	-	500,000	-	-
(1) Trail Lighting and Restroom and PGE	-	650,000	-	-
(3) Potential grant-funded Southwest Trail	-	-	-	4,596,934
(1) Potential grant-funded Southwest Trail-match	-	-	-	1,149,233
(1) Creek Erosion at Westhill Cemetery	-	-	-	1,000,000
(1) PGE Inclusive playground and parking	-	-	-	800,000
(1) Fairview Tennis Court resurface/fence/lighting	-	-	-	100,000
(1) Baker Park Fishing Pier	-	-	-	700,000
(1) OSP Lighting - Phase I	-	-	-	1,500,000
(1) PGW Splash Pad	-	-	-	1,000,000
(1) Fairview Park playground	-	-	-	1,500,000

	Actual 2021-2022	Total Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
(1) Hawn Park playground	-	-	-	1,000,000
(1) Hawn Park Pavilion	-	-	-	200,000
(1) Fairview Park Large Pavilion	-	-	-	200,000
(1) Hawn Park Splash Pad	-	-	-	800,000
(1) Turf Athletic Field	-	-	-	2,000,000
(1) Herman Baker Park Disc Golf	-	-	-	100,000
(1) Fairview Softball Fields Lighting	-	-	-	800,000
Total	-	4,425,000	25,623	17,446,167
Funding Sources				
(1) Certificates of Obligation		4,425,000		12,849,233
(3) Grant		-		4,596,934
Total		4,425,000		17,446,167
Facilities				
Projects				
(1) City Hall Design, land purchase, site work		7,000,000	73,677	5,000,000
Total		7,000,000	73,677	5,000,000
Funding Sources				
(1) Certificates of Obligation		7,000,000		-
Public Safety				
Projects				
(1) New police HQ - Construction	11,118,489	17,700,000	17,620,863	-
(1) Combine Fire Sta. 1 & 2	-	7,000,000	62,003	5,000,000
(1) Public Safety Training Facility Design	-	250,000	-	
(1) Station #4 Concrete Rebuild	-	-	-	250,000
(1) Public Safety Trunking System	-	-	-	3,000,000
Total	11,118,489	24,950,000		8,250,000
Funding Sources				
(1) Certificates of Obligation		24,950,000		8,250,000
Drainage				
Projects				
(1) Hills of Sherman Detention	-	-	-	500,000
Total	-	-	-	500,000
Funding Sources				
(1) Certificates of Obligation		-		500,000
Total Expenditures	$ 17,163,674	$ 125,779,185	$ 35,751,717	$ 51,416,683

City of Sherman
UTILITY IMPROVEMENT FUND - City Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Requested 2023-2024
Beginning Fund Balance	$ 580,689	$ 2,560,075	$ 1,530,832	$ 2,132,352
Revenues				
Transfers In	-	1,600,000	1,600,000	-
Intergovernmental	404,005	-	803,695	-
Grant Revenue	3,174,158	1,843,000	3,960,969	-
Interest Income	26,524	10,000	300,000	300,000
Miscellaneous Revenue	-	-	-	-
Debt Proceeds	-	-	-	-
Total Revenues	3,604,686	3,453,000	6,664,664	300,000
Total Funds Available	4,185,375	6,013,075	8,195,495	2,432,352
Expenditures				
Capital Expenses	22,058	4,996,659	6,063,143	1,501,200
Transfers Out	2,632,485	-	-	-
Total Expenditures	2,654,543	4,996,659	6,063,143	1,501,200
Excess Revenues over Expenditures	950,143	(1,543,659)	601,521	(1,201,200)
Ending Fund Balance	$ 1,530,832	$ 1,016,416	$ 2,132,352	$ 931,152

City of Sherman
UTILITY IMPROVEMENT FUND - City Funds

	Actual 2021-2022	Total Budget	Project-to-date 6/6/2023	Proposed 2023-2024
Projects				
(1) Annual line replacements	$ -	$ 238,000	$ 211,200	$ -
(1) Arapaho Sewer	207,648	210,000	208,946	-
(1) AWIA Security Upgrades @ WTP	-	200,000	22,104	-
(1) Brine Line Phase II Engineering (City Funds)	17,871	80,000	66,753	-
(2) Ida Road ground storage tank repair	-	1,000,000	1,120,050	-
(1) Lead & Copper Rule Revision	-	-	582,934	-
(1) Lift Station Flow Metering & SCADA	-	60,000	-	-
(1) Modular Office-Water Quality	-	203,000	194,775	-
(1) Primary Clarifier #1 Rehab Engineering	9,419	83,000	305,820	-
(2) Replace Texoma Pkwy 12" water line	626,193	1,920,474	1,823,320	-
(1) Texoma Pkwy 12" main engineering	18,683	162,457	161,337	-
(1) Upgrade High Country Estates water system	-	120,000	58,611	70,000
(1) Utility oversizing/annual replacements	2,965	200,000	2,965	250,000
(1) Water and Wastewater oversizing and Repairs		250,000	361,504	-
(2) WTP Backup Generator Construction	100	1,640,000	1,469,469	-
(2) WTP Land purchase (Escrow)	35,000	35,000	35,000	-
(2) WTP Land purchase	2,513,422	3,725,636	3,723,305	-
(1) Downtown Sewer Line Replacements Study	-	184,410	136,410	-
(1) WWTP Fencing/Gate Repairs	5,532	75,000	16,452	-
(1) WWTP Sludge Thickener Replacement	27,795	274,000	550,515	-
(1) Aerial Pipe Crossing by Center St	-	342,500	338,450	-
(1) Increase 6" water line to 12" line across SH 289	-	-	-	82,700
(1) Water line across US 75 to stabilize EST levels	-	-	-	73,500
(1) Abandon Preston Club WWTP & lift stations	-	-	-	175,000
(1) Remove Build-up in WTP sludge ponds	-	-	-	400,000
(1) Abandon S. Crockett lift station for gravity sewer	-	-	-	150,000
(1) Conduct City lift station assessment				300,000
(1) High Country Estates Water	956	171,620	-	-
(1) Fairview Ground Storage Balance Line	-	170,000	-	-
Total	$ 3,465,582	$ 11,345,097	$ 11,389,919	$ 1,501,200
Funding Sources				
(1) Utility Fund Transfer/Reserves		$ 3,023,987		$ 1,501,200
(2) Grant-funded		8,321,110		-
		$ 11,345,097		$ 1,501,200

City of Sherman
UTILITY IMPROVEMENT FUND - GTUA Funds

	Actual 2021-2022	Total Budget	Total Project-to-date	Proposed 2023-2024
Projects				
Security Upgrades at WWTP	-	100,000	-	-
Northwest Sewer	-	3,000,000	2,599,811	-
Preston Club Water Line	1,333	118,000	69,414	-
Aeration Basin Upgrade & Biological Clarifier Rehab	-	6,440,000	5,498,890	-
WTP Concentrate Discharge (Brine Line)	-	3,000,000	204,418	7,422,000
WWTP Control Building Expansion	-	1,362,000	1,289,808	-
WWTP Equalization basin blower bldg	-	1,000,000	111,486	-
Texoma Pkwy sewer overflow relief	13,375	230,000	185,319	-
Moore St Sewer (through Munson Dev) (SISD $400m)	-	400,000	278,533	-
Bel Air Phase Legacy Waterline	-	2,500,000	602,574	2,220,000
Laboratory Expansion	-	3,200,000	99,471	-
WTP & Lake Texoma Backup Generator Eng & Switchgear/ATS	47,648	500,000	476,820	500,000
AWIA Security Upgrades Construction		100,000	13,865	-
WWTP Backup Generator, Switchgear & Electrical	22,400	112,000	112,000	-
Refurbish flocculation/sedimentation basin at WTP	27,471	30,000	27,471	-
Shepherd Utilities	30,950	594,970	25,017	-
Southside Industrial Sewer Replacement	8,826	5,750,000	265,429	1,350,000
SE Sewer Line-Rosedale to First	-	1,000,000	99,805	-
Wastewater Master Plan		600,000	489,209	-
Water Master Plan		300,000	210,941	-
Lake Texoma Pump Station 25MGD #1	-	5,100,000	678,869	9,200,000
Shepherd EST	-	400,000	178,586	17,000,000
Replace inverted siphon sewer line	-	65,000	-	500,000
Lake Texoma Pipeline Forensic Investigation		50,000	-	-
Lake Texoma Pipeline Leak Repair		100,000	94,856	-
Rex Cruz EST Rehab	-	495,000	14,211	-
WTP Vulnerability Assessment	4,493	200,000	-	-
Post Oak Creek Sanitary Sewer Improvements	-	600,000	364,300	5,091,000
Lake Texoma Pump Station Electrical Upgrade		-	99,854	5,200,000
5 MGD WTP North Exp (UF/RO)	-	11,000,000	-	4,500,000
Reservoir Pump Station	-	800,000	-	31,400,000
36" Water Line west to WTP	-	58,000,000	3,244,390	23,000,000
15 MGD WTP South	-	-	-	14,300,000
Engineering Management	-	-	2,879,579	9,255,000
Pre-procurement for water projects/ROW	-	2,428,869	1,635,652	-
Downtown Sewer Improvements		3,000,000	106,050	-
Lead & Copper Rule Revision	-	671,000	24,201	-
WWTP Electrical System Switchgear, ATS, Generator	-	6,410,000	277,457	9,271,208
Emergency Backup Generator at LTPS	-	1,600,000	-	-
Heritage Ranch Sewer	-	500,000	-	-
Upsize Sewer W of Industrial Park (Post Oak Rd)	-	570,000	-	-
Post Oak WWTP Exp Feasibility Study	-	2,075,000	998,342	11,400,000
Hickory Hill Utility Improvements	-	312,000	266,013	1,820,000
Brine Disposal Line	-	78,400	78,400	-
Brine Disposal Line	-	1,050,000	324,878	-
15 MGD WTP, EDR to UF/RO Conversion (Eng)	-	7,200,000	1,501,028	7,040,000
Crossroads Sewer for Hospital	-	1,200,000	-	-
Ida Road GST Rehab Engineering	-	73,592	73,592	-
Post Oak WWTP Industrial Expansion	-	-	-	155,000,000
Rehab WTP EDR	-	-	-	20,000,000
Total	$ 156,496	$ 134,315,831	$ 25,500,537	$ 335,469,208

City of Sherman
STREET REVOLVING FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 461,770	$ 473,300	$ 515,300
Revenues			
Sales & Service	-	-	-
Interest Income	11,530	42,000	42,000
Total Revenues	11,530	42,000	42,000
Total Funds Available	473,300	515,300	557,300
Expenditures			
Capital Expenses	-	-	500,000
Total Expenditures	-	-	500,000
Excess Revenues over Expenditures	11,530	42,000	(458,000)
Ending Fund Balance	$ 473,300	$ 515,300	$ 57,300

City of Sherman
TIRZ #2 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 528,688	$ 640,372	$ 416,865
Revenues			
Property Tax	194,189	286,493	357,653
Rentals	-	-	10,000
Interest Income	13,585	40,000	40,000
Total Revenues	207,774	326,493	407,653
Total Funds Available	736,462	966,865	824,518
Expenditures:			
Services & Charges	-	50,000	50,000
Capital Expenses	96,091	300,000	270,000
Transfers Out	-	200,000	200,000
Total Expenditures	96,091	550,000	520,000
Excess Revenues over Expenditures	111,684	(223,507)	(112,347)
Ending Fund Balance	$ 640,372	$ 416,865	$ 304,518

City of Sherman
TIRZ #3 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 15,478	$ 5,999	$ -
Revenues			
Property Tax	190,397	237,502	-
Interest Income	124	5,100	-
Total Revenues	190,521	242,602	-
Total Funds Available	205,999	248,601	-
Expenditures			
Capital Expenses	200,000	-	-
Transfers Out	-	248,601	-
Total Expenditures	200,000	248,601	-
Excess Revenues over Expenditures	(9,479)	(5,999)	-
Ending Fund Balance	$ 5,999	$ -	$ -

City of Sherman
REGIONAL DETENTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 382,841	$ 269,788	$ 218,410
Revenues			
Sales & Service	-	-	25,000
Interest Income	5,947	8,500	8,500
Total Revenues	5,947	8,500	33,500
Total Funds Available	388,788	278,288	251,910
Expenditures			
Capital Expenses	-	-	50,000
Transfers Out	119,000	59,878	-
Total Expenditures	119,000	59,878	50,000
Excess Revenues over Expenditures	(113,053)	(51,378)	(16,500)
Ending Fund Balance	$ 269,788	$ 218,410	$ 201,910

City of Sherman
TIRZ #5 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 208,201	$ 62,236	$ (66,754)
Revenues			
Property Tax	70,665	80,321	85,381
Intergovernmental	67,645	76,789	81,627
Interest Income	4,726	2,100	2,000
Total Revenues	143,035	159,210	169,008
Total Funds Available	351,236	221,446	102,254
Expenditures			
Capital Expenses	-	-	-
Transfers Out	289,000	288,200	289,000
Total Expenditures	289,000	288,200	289,000
Excess Revenues over Expenditures	(145,965)	(128,990)	(119,992)
Ending Fund Balance	$ 62,236	$ (66,754)	$ (186,746)

City of Sherman
TIRZ #6 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,032,953	$ 871,795	$ 740,918
Revenues			
Property Tax	28,319	29,408	31,036
Intergovernmental	27,109	28,115	30,292
Interest Income	9,414	37,000	35,000
Total Revenues	64,842	94,523	96,328
Total Funds Available	1,097,795	966,318	837,246
Expenditures			
Capital Expenses	-	-	-
Transfers Out	226,000	225,400	226,000
Total Expenditures	226,000	225,400	226,000
Excess Revenues over Expenditures	(161,158)	(130,877)	(129,672)
Ending Fund Balance	$ 871,795	$ 740,918	$ 611,246

City of Sherman
TIRZ #7 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ (103,240)	$ (200,128)	$ (286,855)
Revenues			
Property Tax	41,318	45,640	87,953
Intergovernmental	39,552	43,633	84,086
Interest Income	242	1,400	1,000
Transfers In	-	-	-
Total Revenues	81,112	90,673	173,039
Total Funds Available	(22,128)	(109,455)	(113,816)
Expenditures			
Capital Expenses	-	-	-
Transfers Out	178,000	177,400	178,000
Total Expenditures	178,000	177,400	178,000
Excess Revenues over Expenditures	(96,888)	(86,727)	(4,961)
Ending Fund Balance	$ (200,128)	$ (286,855)	$ (291,816)

City of Sherman
ROADWAY IMPACT FEES ZONE #1
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 5,726	$ 40,726
Revenues			
Interest Income	-	-	-
Sales & Service	5,726	35,000	10,000
Total Revenues	5,726	35,000	10,000
Total Funds Available	5,726	40,726	50,726
Expenditures			
Capital Expenses			
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	5,726	35,000	10,000
Ending Fund Balance	$ 5,726	$ 40,726	$ 50,726

City of Sherman
ROADWAY IMPACT FEES ZONE #2
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 90,743	$ 740,743
Revenues			
Interest Income	-	-	-
Sales & Service	90,743	650,000	500,000
Total Revenues	90,743	650,000	500,000
Total Funds Available	90,743	740,743	1,240,743
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	1,200,000
Total Expenditures	-	-	1,200,000
Excess Revenues over Expenditures	90,743	650,000	(700,000)
Ending Fund Balance	$ 90,743	$ 740,743	$ 40,743

City of Sherman
ROADWAY IMPACT FEES ZONE #3
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,056	$ 26,516	$ 61,516
Revenues			
Interest Income	-	-	-
Sales & Service	25,460	35,000	35,000
Total Revenues	25,460	35,000	35,000
Total Funds Available	26,516	61,516	96,516
Expenditures			
Capital Expenses			
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	25,460	35,000	35,000
Ending Fund Balance	$ 26,516	$ 61,516	$ 96,516

City of Sherman
ROADWAY IMPACT FEES ZONE #4
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 2,106,540	$ 2,688,540
Revenues			
Interest Income	-	22,000	25,000
Sales & Service	2,106,540	560,000	500,000
Total Revenues	2,106,540	582,000	525,000
Total Funds Available	2,106,540	2,688,540	3,213,540
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	2,000,000
Total Expenditures	-	-	2,000,000
Excess Revenues over Expenditures	2,106,540	582,000	(1,475,000)
Ending Fund Balance	$ 2,106,540	$ 2,688,540	$ 1,213,540

City of Sherman
WATER IMPACT FEES
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 703,708	$ 1,102,708
Revenues			
Interest Income	-	24,000	24,000
Charges for Services	703,708	1,375,000	750,000
Total Revenues	703,708	1,399,000	774,000
Total Funds Available	703,708	2,102,708	1,876,708
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	1,000,000	800,000
Total Expenditures	-	1,000,000	800,000
Excess Revenues over Expenditures	703,708	399,000	(26,000)
Ending Fund Balance	$ 703,708	$ 1,102,708	$ 1,076,708

City of Sherman
SEWER IMPACT FEES
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 356,076	$ 156,076
Revenues			
Interest Income	-	-	-
Charges for Services	356,076	400,000	350,000
Total Revenues	356,076	400,000	350,000
Total Funds Available	356,076	756,076	506,076
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	600,000	300,000
Total Expenditures	-	600,000	300,000
Excess Revenues over Expenditures	356,076	(200,000)	50,000
Ending Fund Balance	$ 356,076	$ 156,076	$ 206,076

City of Sherman
TIRZ #1 DEBT SERVICE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 377,204	$ 389,106	$ -
Revenues			
Property Tax	321,717	348,415	-
Interest Income	11,799	26,000	-
Total Revenues	333,516	374,415	-
Total Funds Available	710,720	763,521	-
Expenditures			
Debt Service	321,414	323,378	-
Services & Charges	200	-	-
Transfers Out	-	440,143	-
Total Expenditures	321,614	763,521	-
Excess Revenues over Expenditures	11,902	(389,106)	-
Ending Fund Balance	$ 389,106	$ -	$ -

City of Sherman
STORMWATER FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,524,698	$ 149,170	$ (269,664)
Revenues			
Sales & Service	450,795	452,000	904,000
Fines & Penalties	-	-	-
Grant Revenue	1,718	-	-
Interest Income	11,525	7,000	7,000
Total Revenues	464,038	459,000	911,000
Total Funds Available	1,988,736	608,170	641,336
Expenditures			
Personnel	61,798	107,525	208,900
Supplies	1,462	4,109	8,659
Repair & Maintenance	55,980	62,750	62,750
Utilities	-	-	790
Information Technology	3,105	1,730	5,660
Services & Charges	-	3,540	16,316
Capital Expenses	1,440,688	416,582	55,000
Vehicle Usage	7,533	7,597	24,808
Transfers Out	269,000	274,000	273,000
Fleet Services & Charges	-	-	-
Total Expenditures	1,839,567	877,834	655,883
Excess Revenues over Expenditures	(1,375,528)	(418,834)	255,117
Ending Fund Balance	$ 149,170	$ (269,664)	$ (14,547)

City of Sherman
BEL AIR PUBLIC IMPROVEMENT DISTRICT
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ -	$ 195,000
Revenues			
Sales & Service	-	195,000	300,000
Interest Income	-	-	2,000
Total Revenues	-	195,000	302,000
Total Funds Available	-	195,000	497,000
Expenditures			
Services & Charges	-	-	450,000
Total Expenditures	-	-	450,000
Excess Revenues over Expenditures	-	195,000	(148,000)
Ending Fund Balance	$ -	$ 195,000	$ 47,000

City of Sherman
EMERGENCY 9-1-1 FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 437,935	$ 521,640	$ 205,578
Revenues			
Sales & Service	308,553	310,000	310,000
Grant Revenue	-	98,898	98,898
Interest Income	9,226	23,000	25,000
Total Revenues	317,779	431,898	433,898
Total Funds Available	755,714	953,537	639,476
Expenditures			
Personnel	108,300	108,040	108,370
Supplies	-	-	-
Repair & Maintenance	-	-	-
Services & Charges	63,274	176,744	180,973
Capital Expenses	62,500	463,175	-
Total Expenditures	234,074	747,959	289,343
Excess Revenues over Expenditures	83,705	(316,061)	144,555
Ending Fund Balance	$ 521,640	$ 205,578	$ 350,133

City of Sherman
COURT SECURITY & TECHNOLOGY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 62,113	$ 92,926	$ 149,826
Revenues			
Fines & Penalties	36,022	51,900	50,400
Interest Income	1,636	7,000	7,000
Total Revenues	37,658	58,900	57,400
Total Funds Available	99,771	151,826	207,226
Expenditures			
Supplies	6,229	-	26,140
Repair & Maintenance	602	-	372
Services & Charges	14	2,000	3,500
Capital Expenses	-	-	-
Transfers Out	-	-	45,000
Total Expenditures	6,845	2,000	75,012
Excess Revenues over Expenditures	30,813	56,900	(17,612)
Ending Fund Balance	$ 92,926	$ 149,826	$ 132,214

City of Sherman
PARKS PRIDE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 17,786	$ (15,971)	$ 5,654
Revenues			
Miscellaneous Revenue	22,226	21,625	21,500
Interest Income	165	-	100
Total Revenues	22,391	21,625	21,600
Total Funds Available	40,177	5,654	27,254
Expenditures			
Services & Charges	991	-	25,000
Capital Expenses	55,158	-	-
Total Expenditures	56,149	-	25,000
Excess Revenues over Expenditures	(33,757)	21,625	(3,400)
Ending Fund Balance	$ (15,971)	$ 5,654	$ 2,254

City of Sherman
POLICE PRIDE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 16,648	$ 22,977	$ 21,977
Revenues			
Miscellaneous Revenue	10,372	18,000	10,500
Interest Income	453	1,600	1,600
Total Revenues	10,825	19,600	12,100
Total Funds Available	27,473	42,577	34,077
Expenditures			
Supplies	-	-	-
Services & Charges	4,495	2,600	5,000
Capital Expenses	-	18,000	-
Total Expenditures	4,495	20,600	5,000
Excess Revenues over Expenditures	6,329	(1,000)	7,100
Ending Fund Balance	$ 22,977	$ 21,977	$ 29,077

City of Sherman
DONATIONS FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 7,997	$ 18,470	$ 11,670
Revenues			
Miscellaneous Revenue	11,987	12,000	12,000
Interest Income	279	1,200	1,200
Total Revenues	12,266	13,200	13,200
Total Funds Available	20,263	31,670	24,870
Expenditures			
Supplies	1,793	20,000	20,000
Excess Revenues over Expenditures	10,473	(6,800)	(6,800)
Ending Fund Balance	$ 18,470	$ 11,670	$ 4,870

City of Sherman
HOTEL/MOTEL TAX FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 8,755	$ 115,806	$ 169,418
Revenues			
Hotel-Motel Taxes	730,529	781,030	817,000
Fines & Penalties	-	-	-
Miscellaneous Revenue	4,600	-	-
Interest Income	469	1,000	-
Sales & Service	63,275	60,000	60,000
Rentals	22,550	35,000	35,000
Grant Revenue	5,886	-	-
Transfers In	260,000	100,000	-
Total Revenues	1,087,309	977,030	912,000
Total Funds Available	1,096,064	1,092,836	1,081,418
Expenditures			
Personnel	232,018	245,990	256,970
Supplies	15,546	21,530	15,050
Repair & Maintenance	11,147	30,000	83,000
Utilities	24,361	25,710	31,920
Information Technology	13,974	15,560	5,660
Services & Charges	545,677	465,500	496,500
Vehicle Usage	-	10,128	8,442
Capital Expenses	30,535	-	-
Transfers Out	107,000	109,000	109,000
Total Expenditures	980,258	923,418	1,006,542
Excess Revenues over Expenditures	107,051	53,612	(94,542)
Ending Fund Balance	$ 115,806	$ 169,418	$ 74,875

City of Sherman
DRUG ENFORCEMENT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 215,819	$ 263,014	$ 126,214
Revenues			
Fines & Penalties	55,772	50,000	100,000
Interest Income	1,272	6,200	6,200
Miscellaneous Revenue	5,776	6,000	-
Total Revenues	62,820	62,200	106,200
Total Funds Available	278,639	325,214	232,414
Expenditures			
Supplies	4,843	19,000	75,400
Repair & Maintenance	-	-	27,000
Services & Charges	13	-	5,000
Capital Expenses	10,769	180,000	-
Fleet Services & Charges	-	-	-
Total Expenditures	15,625	199,000	107,400
Excess Revenues over Expenditures	47,195	(136,800)	(1,200)
Ending Fund Balance	$ 263,014	$ 126,214	$ 125,014

City of Sherman
MUNICIPAL AIRPORT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 58,747	$ 104,752	$ 160,086
Revenues			
Interest Income	2,746	6,000	5,000
Rentals	139,174	140,000	140,000
Sales & Service	526,278	500,000	500,000
Grant Revenue	50,000	25,000	50,000
Miscellaneous Revenue	20,061	2,309	-
Total Revenues	738,259	673,309	695,000
Total Funds Available	797,006	778,061	- 855,086
Expenditures			
Supplies	482,945	396,200	396,250
Repair & Maintenance	26,283	6,995	8,995
Services & Charges	105,490	104,240	105,731
Utilities	8,845	10,540	12,090
Vehicle Usage	-	-	8,700
Capital Expenses	68,691	100,000	100,000
Total Expenditures	692,254	617,975	631,766
Excess Revenues over Expenditures	46,005	55,334	63,234
Ending Fund Balance	$ 104,752	$ 160,086	$ 223,320

City of Sherman
EMPLOYEE INSURANCE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 511,656	$ 374,093	$ 503,954	$ 354,204
Revenues				
Employer Contributions	3,819,919	4,847,750	4,738,550	5,511,680
Employee Contributions	922,969	975,000	1,055,000	1,160,500
Retiree Contributions	196,221	200,000	180,000	180,000
COBRA Contributions	5,114	2,000	700	1,000
Miscellaneous Revenue	-	-	-	-
Interest Income	19,739	2,500	80,000	20,000
Transfers In	-	-	300,000	-
Total Revenues	4,963,962	6,027,250	6,354,250	6,873,180
Total Funds Available	5,475,618	6,401,343	6,858,204	7,227,384
Expenditures				
Health Insurance Claims	4,011,818	4,929,000	5,350,000	5,500,000
Administration & Premiums	917,800	1,233,000	1,100,000	1,336,000
Life Insurance Premiums	42,047	43,000	54,000	57,000
Transfers Out	-	-	-	-
Total Expenditures	4,971,664	6,205,000	6,504,000	6,893,000
Excess Revenues over Expenditures	(7,702)	(177,750)	(149,750)	(19,820)
Ending Fund Balance	$ 503,954	$ 196,343	$ 354,204	$ 334,384

City of Sherman
INFORMATION TECHNOLOGY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 313,985	$ 105,791	$ 107,673
Revenues			
Technology Services:			
General Fund	1,046,518	1,256,040	1,469,120
Stormwater	3,105	1,730	5,660
Tourism	13,974	15,560	5,660
Equipment Services Fund	46,581	60,480	62,240
Utility Fund	295,012	331,800	411,200
Solid Waste Fund	86,951	100,220	115,050
Interest Income	1,243	2,400	2,400
Grant Revenue	15,037	-	-
Miscellaneous Revenue	1,297	2,000	2,000
Total Revenues	1,509,719	1,770,230	2,073,330
Total Funds Available	1,823,704	1,876,021	2,181,003
Expenditures			
Personnel	870,645	918,642	1,211,950
Supplies	53,293	83,670	68,382
Repair & Maintenance	178,436	173,153	189,324
Utilities	42,086	53,830	65,970
Services & Charges	439,716	328,018	414,857
Capital Expenses	133,737	204,034	83,600
Transfers Out	-	7,000	45,040
Total Expenditures	1,717,913	1,768,348	2,079,123
Excess Revenues over Expenditures	(208,194)	1,882	(5,793)
Ending Fund Balance	$ 105,791	$ 107,673	$ 101,881

City of Sherman
EQUIPMENT SERVICES FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ (269,004)	$ (20,529)	$ 637,294
Revenues			
Internal Service Revenue	3,996,337	5,283,337	4,803,443
Interest Income	-	-	-
Grant Revenue	26,719	-	-
Miscellaneous Revenue	19,001	-	-
Total Revenues	4,042,056	5,283,337	4,803,443
Total Funds Available	3,773,052	5,262,808	5,440,737
Expenditures			
Personnel	833,208	1,152,962	1,256,660
Supplies	1,299,678	1,285,471	1,401,455
Repair & Maintenance	1,265,171	1,653,047	1,560,544
Utilities	16,127	18,370	23,180
Information Technology	46,581	60,480	62,240
Services & Charges	319,838	362,184	423,010
Capital Expenses	12,978	86,000	95,000
Fleet Services & Charges	-	-	-
Vehicle Usage	-	-	-
Transfers Out	-	7,000	-
Total Expenditures	3,793,581	4,625,514	4,822,089
Excess Revenues over Expenditures	248,475	657,823	(18,646)
Ending Fund Balance	$ (20,529)	$ 637,294	$ 618,648

City of Sherman
FLEET REPLACEMENT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,566,711	$ 1,760,988	$ 1,731,628	$ 126,358
Revenues				
Fleet Replacement Revenue	2,015,899	2,213,380	2,390,694	2,180,253
Property Tax	698,333	1,472,000	1,291,000	1,940,000
Interest Income	30,155	-	121,500	125,000
Debt Proceeds	1,766,000	4,873,103	3,258,027	3,532,790
Miscellaneous Revenue	17,022	-	136,000	300,000
Total Revenues	4,527,409	8,558,483	7,197,221	8,078,043
Total Funds Available	6,094,120	10,319,471	8,928,849	8,204,401
Expenditures				
Debt Service	1,459,037	2,230,185	2,160,285	2,696,705
Supplies	8,652	-	-	-
Services & Charges	46,642	-	57,776	77,250
Capital Expenses	2,848,162	8,052,634	6,584,430	5,179,055
Total Expenditures	4,362,493	10,282,819	8,802,491	7,953,010
Excess Revenues over Expenditures	164,916	(1,724,336)	(1,605,270)	125,033
Ending Fund Balance	$ 1,731,628	$ 36,652	$ 126,358	$ 251,391

BUDGET FY23/24

FUND	DETAILS	*Expense TRANSFER FROM* Debit	*Revenue TRANSFER TO* Credit
100	From fund 700 5% franchise, admin cost		$ 3,277,000.00
	From fund 790, dept 243, 244		$ 1,002,000.00
	From 790, debt service		$ 625,569.00
	From fund 222, ROW Agent		$ 50,516.00
	From Fund 630, debt service		$ 45,040.00
	From fund 700, debt service		$ 179,458.00
	From fund 450, truancy clerk		$ 45,000.00
	To fund 220, capital projects	$ 1,000,000.00	
220	From fund 100, capital projects		$ 1,000,000.00
	To fund 100, ROW Agent	$ 50,516.00	
222	From fund 251, Moore St		$ 1,200,000.00
	From fund 253, Shepherd Rd		$ 2,000,000.00
241	To fund 300, debt service	$ 289,000.00	
242	To fund 300, debt service	$ 226,000.00	
243	To fund 300, debt service	$ 178,000.00	
251	To fund 222, Moore Street	$ 1,200,000.00	
253	To fund 222, Shepherd Rd	$ 2,000,000.00	
300	From fund 420, debt service		$ 273,000.00
	From fund 241, debt service		$ 289,000.00
	From fund 242, debt service		$ 226,000.00
	From fund 243, debt service		$ 178,000.00
	From fund 460, debt service		$ 109,000.00
330	To fund 700, debt service	$ 200,000.00	
420	To fund 300, debt service	$ 273,000.00	
460	To fund 100, truancy clerk	$ 45,000.00	
460	To fund 300, debt service	$ 109,000.00	
630	To fund 100, debt service	$ 45,040.00	
700	To fund 100 5% franchise, admin cost	$ 3,277,000.00	
	To fund 100, debt service	$ 179,458.00	
	From fund 790, admin cost		$ 238,092.00
	From fund 330, debt service		$ 200,000.00
	From fund 750, water impact fee		$ 800,000.00
	From fund 751, sewer impact fee		$ 300,000.00
750	To fund 770, Bel Air, Heritage Rch, Shepherd		
	To fund 700, debt service water plant	$ 800,000.00	
751	To fund 700, debt service sewer	$ 300,000.00	
790	To fund 100 8% franchise, admin cost RSW	$ 275,000.00	
790	To fund 100 8% franchise, admin cost CSW	$ 727,000.00	
790	To fund 700 admin cost	$ 238,092.00	
790	To fund 100, debt service	$ 625,569.00	
	TOTALS	$ 12,037,675.00	$ 12,037,675.00

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 7.**

Meeting Date: 09/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6640

Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2023; Distributing the Same Among the Various Funds; Providing for a Penalty and Interest for Failure to Pay the Taxes Levied within the Time Provided by Law; Providing for a Lien on all Real and Personal Property to Secure Payment of Taxes Due Thereon; Providing a Penalty Clause, Savings/Repealing Clause, Severability Clause and An Effective Date

Issue:

To introduce and hold a public hearing on the Ad Valorem Tax Rate proposed for the upcoming fiscal year, as required by the Texas Tax Code and Local Government Code

Background:

The no-new-revenue tax rate is the rate for the 2023 tax year that will raise the same amount of property tax revenue from the same properties in both the 2022 tax year and the 2023 tax year. The voter-approval rate is the highest tax rate that may be adopted without holding an election to seek voter approval of the rate. This year's no-new-revenue tax rate is $0.431328/$100, with a voter-approval rate of $0.529258/$100 (with sales tax-in-lieu-of property tax adjustment). The actual total tax rate of $.508000/$100 is higher than last year's actual tax rate of $.469932/$100. The tax rate is split between a debt service component called Interest and Sinking (I&S) and a Maintenance & Operations (M&O) component. The debt rate is $0.244229/$100; and the M&O rate is $0.263771/$100.

Origination:

Director of Finance

Financial Consideration:

The proposed tax rate will generate approximately $27.8 million in property tax revenues.

Staff Recommendation:

Based on the Budget Workshop and discussion of the draft budget, the staff recommends the Council hold the public hearing on the tax rates as indicated above. A motion to adopt must be made in the following form:
"I move that the property tax rate be increased by the adoption of a tax rate of $.508000/$100, which is effectively an 18 percent increase in the tax rate."

Alternatives:

Since notice has already been published, changing the proposed rates would require re-publication of the notice and setting an additional public hearing.

Attachments

Ordinance No. 6640

ORDINANCE NO. 6640

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE LEVY OF AD VALOREM TAXES FOR THE CITY OF SHERMAN, TEXAS, FOR THE TAX YEAR 2023; DISTRIBUTING THE SAME AMONG THE VARIOUS FUNDS; PROVIDING FOR A PENALTY AND INTEREST FOR FAILURE TO PAY THE TAXES LEVIED WITHIN THE TIME PROVIDED BY LAW; PROVIDING FOR A LIEN ON ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREON; PROVIDING A PENALTY CLAUSE, SAVINGS/ REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Council hereby levies, approves and orders to be assessed and collected for the Tax Year 2023 beginning on January 1, 2023, and for each subsequent tax year until otherwise ordained, a Maintenance and Operations (M&O) ad valorem tax at the rate of $0.263771/$100 Dollars of taxable value and a debt service ad valorem tax at the rate of $0.244229/$100 Dollars of taxable value on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Sherman that is not exempt from taxation by the constitution and laws of the State of Texas, apportioned as follows, with each such component being separately approved by the City Council:

FOR GENERAL FUND EXPENDITURES, $0.263771 on each One Hundred Dollars ($100.00) assessed valuation of such property.

FOR DEBT SERVICE EXPENDITURES, $0.244229 on each One Hundred Dollars ($100.00) assessed valuation of such property.

The total tax rate of $0.508000 is based on one hundred percent (100%) market value on each One Hundred Dollars ($100.00) of assessed valuation of all taxable property within the City.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000

HOME BY APPROXIMATELY $21.56.

SECTION 2. That a penalty shall be charged and collected from all persons who do not pay their taxes prior to the first day of February, 2024. Penalty charges shall be in accordance with the following schedule.

If paid in February, 2024	6%
If paid in March, 2024	7%
If paid in April, 2024	8%
If paid in May, 2024	9%
If paid in June, 2024	10%
If paid on or after July 1, 2024	12%

All delinquent taxes shall accrue interest from the date of delinquency at the rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Pursuant to Section 33.07 of the Texas Property Tax Code, an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest that remain due after July 1, 2024, shall be assessed to defray the cost of collection.

A tax imposed on tangible personal property that is delinquent on or after February 1 of the year in which it becomes delinquent shall incur an additional penalty sixty (60) days after the date the tax becomes delinquent. Pursuant to Section 33.11 of the Texas Property Tax Code, the tangible personal property taxes that remain delinquent on April 1 of the year in which they become delinquent shall incur an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest due to defray the costs of collection.

The City shall have a lien on all taxable property located in the City to secure the payment of taxes, penalty and interest, and all costs of collection, assessed and levied hereby.

SECTION 3: Taxes are payable at the office of the Grayson County Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 4: The tax roll, as presented to the City Council, together with any supplement thereto, is hereby accepted.

SECTION 5. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 6. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection,

sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION 7. That it is found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the 5th day of September 2023.

ADOPTED on this the 5th day of September 2023.

EFFECTIVE DATE on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
ABERNATHY, ROEDER,
BOYD, & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 8.**

Meeting Date: 09/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Providing for the Ratification of the Property Tax Increase

Issue:

To ratify the property tax increase in the 2023-2024 Operating Budget

Background:

Texas Local Government Code Section 102.007 requires the City Council to ratify the property tax revenue increase separate from the adoption of the budget and the adoption of the tax rate if the adoption of the budget requires raising more revenue from property taxes than in the previous year. This budget will raise more revenue from property taxes than last year's budget by an amount of $5,849,000 which is a 27% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is $1,492,000.

Origination:

Director of Finance

Financial Consideration:

There is no cost associated with this item.

Staff Recommendation:

The staff recommends the Council, **by motion and order**, ratify the property tax increase. The vote must be a record vote.

Alternatives:

This action is required by State law; therefore, no alternatives are recommended by the staff.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 9.**

Meeting Date: 09/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCE NO. 6639

Adopting a Budget Providing for the Appropriation of Funds for Operating and Capital Expenditures for the Fiscal Year Beginning October 1, 2023 and ending September 30, 2024; Declaring that this Budget Will Raise More Total Property Taxes than Last Year's Budget by $5,849,000 and 27%, and of that Amount $1,492,000 is Tax Revenue to be Raised from New Property Added to the Tax Roll this Year; Providing a Savings/Repealing Clause, Severability Clause and Effective Date; Providing for the Publication of the Caption Hereof

Issue:

To hold the public hearing on the proposed budget for the 2023-2024 fiscal year as required by Local Government Code Chapter 102

Background:

The proposed budget is based on the direction given by the Council at the Budget Workshop held on June 15, 2023. The draft budget contains about $173.3 million in appropriations, which is about $12.9 million more than the prior year's original budget of $160.4 million, due to an increase in personnel and debt service. The draft budget includes an 13% overall increase in salary for fire and police positions, a 5% across-the-board for other personnel, and an increase in full-time positions from 543 to 550, consisting of four in the General Fund, one in the Information Technology Fund, one in the Stormwater Fund, and one in the Solid Waste Fund. The fund balance for the Utility Fund is within the targeted range of 60 to 90 days and the fund balance in the General Fund is just above 100 days. The Solid Waste Fund balance is below target but the expected refund in the fall of landfill fees paid by the City will help restore the fund balance. The capital program is largely funded by the issuance of $77.75 million in Certificates of Obligation in September of 2023 with another issue of about $35 million expected in Summer 2024. Projects include additional thoroughfares in the Bel Air Planned Development, continuation of the construction of Moore Street, Flanary/Progress Road in the industrial park, rebuild and expansion of Shepherd Road, a design and site acquisition for a new City Hall, major renovation of Central Fire Station, and about $16 million in Parks projects including major upgrades at Fairview, Hawn, and Old Settlers. The property tax rate increased from $.469932/$100 to about $.508/$100 of valuation. The utility rate plan has been re-structured from a flat rate per thousand gallons to tiered rates based on consumption. Tax Notes will be used to finance about $3.9 million in fleet and equipment with repayment made from property tax revenues. More detailed information is available in the attachments.

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Origination:

Director of Finance

Financial Consideration:

The proposed budget includes appropriations of $173.3 million for the 2023-2024 fiscal year.

Staff Recommendation:

Staff recommends that the Council approve the budget ordinance.

Alternatives:

Any changes to the proposed budget would have to come through a budget amendment after final adoption of the budget and related tax rate.

Attachments

Ordinance No. 6639

Draft Budget 2024

ORDINANCE NO. 6639

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING A BUDGET AND PROVIDING FOR THE APPROPRIATION OF FUNDS FOR OPERATING AND CAPITAL EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; DECLARING THAT THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY $5,849,000 AND 27%, AND OF THAT AMOUNT $1,492,000 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR; PROVIDING A SAVINGS/REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, pursuant to the laws of the State of Texas and Sherman's Home Rule Charter, the City Manager has submitted to the City Council the proposed budget of the revenues and expenditures for conducting the affairs of Sherman and providing a complete financial plan for the fiscal year beginning October 1, 2023, and ending September 30, 2024, and has filed the same with the municipal clerk (the "budget"). A copy of the budget is attached hereto as Exhibit A and incorporated herein for all purposes; and

WHEREAS, public hearings were held by the City Council on said budget on August 7, 2022, and September 5, 2023, at which time said budget was fully considered, and interested taxpayers were given the opportunity to be heard by the City Council; and

WHEREAS, the City Council has studied the budget and listened to the comments of the taxpayers at the public hearings and has investigated and determined that adoption of the budget is in the best interest of the City; and

WHEREAS, the City Council finds that all legal notices, hearings, procedures and publishing requirements for the adoption of the budget have been performed or completed in the manner and form set forth by law.

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

SECTION 1. That, pursuant to Article V of the City Charter, there is hereby appropriated for Operating Expenditures the sums of money as established in the approved Operating Budget Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2023, and ending September 30, 2024.

SECTION 2. That, pursuant to Article V of the City Charter, there is hereby appropriated for Capital Expenditures the sums of money as established in the approved Capital Budget

Document, attached as Exhibit A hereto, for fiscal year beginning October 1, 2023, and ending September 30, 2024.

SECTION 3. That specific authority is hereby given to the City Manager to transfer appropriations budgeted from one account classification or activity to another within any individual department or activity, and to transfer appropriations from designated appropriations to any individual department or activity.

SECTION 4. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 5. That should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof, regardless of whether any one or more sections, subsections, sentences, clauses or phrases is declared unconstitutional and/or invalid.

SECTION 6. That it is hereby officially found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

SECTION 7. That this Ordinance shall become effective from and after its adoption and publication as required by the City Charter and by law.

INTRODUCED on this the 5th day of September 2023.
ADOPTED on this the 5th day of September 2023.
EFFECTIVE DATE on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Dates of Publication: *August 20, 2023*, *Sherman Herald Democrat*

Exhibit A

[*73 pages attached hereto*]

This budget will raise more total property taxes than last year's budget by $5,849,000 and 27%, and of that amount $1,492,000 is tax revenue to be raised from new property added to the tax roll this year.

PROPOSED BUDGET FOR THE CITY OF SHERMAN
FOR FISCAL YEAR 2024
September 5, 2023

SUMMARY

The attached proposed budget for Fiscal Year (FY) 2024 is based on the direction provided by the City Council at the June 15th, 2023, budget workshop.

The draft budget contains about $173.3 million in appropriations, which is about $12.9 million more than the prior year's original budget of $160.4 million, due to an increase in personnel and debt service. The draft budget contains an 13% overall increase in salary for fire and police positions, a 5% across-the-board for other personnel, and an increase in full-time positions from 543 to 550, consisting of four in the General Fund, one in the Information Technology Fund, one in the Stormwater Fund, and one in the Solid Waste Fund. Fund balances for the General and Utility Funds are above or within the targeted range of 60 to 90 days. The Solid Waste Fund balance is below target but the expected refund in the fall of landfill fees paid by the City will help restore the fund balance. The capital program is largely be funded by $77.75 million in Certificates of Obligation issued in September of 2023 with another issue of about $35 million expected Summer 2024. Projects include additional thoroughfares in the Bel Air Planned Development, continuation of the construction of Moore Street, Flanary/Progress Road in the industrial park, rebuild and expansion of Shepherd Road, a design and site acquisition for a new City Hall, major renovation of Central Fire Station, and about $16 million in Parks projects including major upgrades at Fairview, Hawn, and Old Settlers. The property tax rate increased from $.469932/$100 to about $.508/$100 of valuation. The utility rate plan has been re-structured from a flat rate per thousand gallons to tiered rates based on consumption. Tax Notes will be used to finance about $3.9 million in fleet and equipment with repayment made from property tax revenues. More detailed information is available on the attachments.

GENERAL FUND

The **General Fund** is balanced ongoing. Property values increased about 17%. A property tax rate increase from .469932/$100 to $.508/$100 is included due to debt issued to finance major street, facility, and park projects. Sales tax revenue is budgeted to increase about 10% less the effects of one-time revenues, and considering inflation, and the trend since August of 2020. Fleet purchases include a fire pumper truck, an ambulance, skid steer, three police Tahoes, fire department radios, and various other trucks and

equipment. Tax notes will be used to finance about $3.9 million of the fleet and equipment. Fund balance is projected to be $17.5 million or just over 100 days of operating expenses at the end of FY2024. New positions consist of an Accounting Manager, Right-of-Way Agent, Municipal Court Clerk, and a Logistics Coordinator for the Fire Department.

UTILITY FUND

The **Utility Fund** is balanced ongoing. The Utility rate plan now consists of a tiered structure with the rate increasing with higher levels of consumption. No new positions are planned. A dump truck and skid steer are included in the budget. Fund balance at the end of FY2024 is projected to be about $6.6 million, or about 78 days of operating expenses.

SOLID WASTE FUND

The **Solid Waste Fund** is unbalanced on an on-going basis. The landfill is increasing tipping fees for the second year in a row by about 13% beginning January 1, 2024. An additional distribution in FY2024 is expected from the City's joint venture in the landfill. Solid Waste rates will be evaluated after receiving the distribution to determine if an increase will be needed to restore the fund balance to a healthy level. Fund balance is projected to be $1.0 million, or 38 days of operating expenditures before the increased distribution.

CAPITAL IMPROVEMENT FUNDS

The proposed budget of about $51.7 million in the **General Improvement Fund – Bond Funds** primarily consists of funding for street construction of Moore St, Shepherd Drive, Bel Air Blvd, Beach Club Blvd, London Lane, Progress Drive, OB Groner, and Friendship Road. Park projects include lighting improvements at Old Settlers Park and Fairview Park softball fields, a splash pad at Pecan Grove West, updates to existing playgrounds, new pavilions at Fairview, and Hawn Parks, and updates to the Splash Pad at Hawn Park. Design and site acquisition for a new City Hall is also planned.

The **Utility Improvement Fund – GTUA Funds** proposed budget includes projects that will be funded by debt issued by the Greater Texoma Utility Authority (GTUA) on behalf of the City. Projects totaling $335.5 million include a discharge line from the water treatment plant, a waterline for surface water to the Bel Air area, southside industrial sewer replacement, Lake Texoma Pump Station electrical improvements, Shepherd Drive elevated storage tank construction, sewer improvements along Post Oak Creek near Nantucket Lane, additional 5 million gallons per day (MGD) in treatment capacity at the water treatment plant, a pump station for the terminal storage reservoir, construction of a 36-inch water line from the water treatment plant to the south side of the city, an additional facility to add another 15 MGD to the water treatment plan, rehabilitation of

the conventional EDR water treatment plant, and electrical upgrades and major expansion of the wastewater treatment plant.

MAJOR IMPACTS

Tax Revenues

Property tax revenue is expected to increase about $5.9 million over last year due to an increase in the tax rate from .469932/$100 to $.508/$100 to fund major street and park improvements, growth in the value of existing property, and new property added to the tax roll. Sales tax is expected to be about the 10% above what is projected in FY2023 less the expected reduction of one-time payments from a large construction project.

Wage Increase

The proposed budget contains an average 13% increase for fire and police personnel and a 5% across-the-board increase for other employees. The cost is projected to be about $5.1 million across all funds.

Fleet, Equipment and Buildings

Major fleet expenditures for this year include a fire rescue pumper ($620,000), an ambulance ($425,000), two commercial trash truck ($369,000 each), a roll-off trash truck ($295,000), a dump truck for the utility collection and distribution department, and three patrol Tahoes ($300,000).

SUMMARY SCHEDULES, DETAILED FUND STATEMENTS, AND OTHER INFORMATION

The following pages include a schedule that summarizes the draft FY2024 budget, eliminating double counting for internal service funds and inter-fund transfers. Also included are statements of revenues and expenditures/expenses for each fund and a schedule of transfers, a property tax historical summary, debt schedule, itemization of certain expenditures required by Local Government Code Section 140, and the Tax Rate Calculation Worksheet.

City of Sherman
ALL FUNDS
2023-2024 Annual Budget

	General Fund	Enterprise Funds	Capital Improvement Funds	Special Revenue Funds	Internal Service Funds	Debt Service Funds	Trust Fund	Interfund Transfers	Totals
Beginning Fund Balance	$ 16,555,152	$ 6,937,085	$ 95,709,410	$ 775,758	$ 1,225,529	$ 982,971	$ 2,363,123	$ -	$ 124,549,028
Revenues:									
Taxes	50,023,900	-	562,023	817,000	1,940,000	10,179,730	-	-	63,522,653
Water Sales	-	16,850,000	-	-	-	-	-	-	16,850,000
Sewer Sales	-	11,920,000	-	-	-	-	-	-	11,920,000
Solid Waste Sales	-	8,012,000	-	-	-	-	-	-	8,012,000
Sales & Service	6,766,446	1,278,000	2,180,000	2,399,400	15,905,806	-	15,000	(15,945,626)	12,599,026
Intergovernmental	769,650	410,335	1,196,005	98,898	-	-	-	-	2,474,888
Interest Income	340,000	167,000	1,077,500	55,100	147,400	-	100	-	1,787,100
Miscellaneous Revenue	287,300	864,000	6,100,000	94,000	302,000	-	-	-	7,647,300
Debt Proceeds	-	-	35,468,426	-	3,532,790	-	-	-	39,001,216
Transfers In	5,224,583	1,538,092	4,200,000	-	-	1,075,000	-	(12,037,675)	-
Total Revenues	63,411,879	41,039,427	50,783,954	3,464,398	21,827,996	11,254,730	15,100	(27,983,301)	163,814,183
Total Funds Available	79,967,031	47,976,512	146,493,364	4,240,156	23,053,525	12,237,701	2,378,223	(27,983,301)	288,363,211
Expenditures:									
Personnel	41,638,990	11,262,590	-	574,240	2,468,610	-	-	-	55,944,430
Supplies	2,218,811	2,834,829	-	541,499	1,469,837	-	-	-	7,064,976
Repair & Maintenance	2,769,353	3,306,689	-	182,117	1,749,868	-	-	-	8,008,028
Utilities	1,372,690	2,291,360	-	44,800	89,150	-	-	-	3,798,000
Information Technology	1,469,120	526,250	-	11,320	62,240	-	-	(2,068,930)	-
Debt Service	-	7,311,010	-	-	2,696,705	12,074,495	-	-	22,082,210
Services & Charges	6,682,569	4,802,995	250,000	1,288,020	7,808,117	8,000	-	(6,893,000)	13,946,700
Vehicle Usage	2,618,387	2,151,547	-	41,951	-	-	-	(4,803,443)	8,441
Fleet Services & Charges	1,815,453	234,800	-	55,000	75,000	-	-	(2,180,253)	-
Capital Expenses	852,347	362,735	55,809,605	100,000	5,282,655	-	-	-	62,407,342
Transfers Out	1,000,000	5,322,119	5,243,516	427,000	45,040	-	-	(12,037,675)	-
Total Expenditures	62,437,720	40,406,924	61,303,121	3,265,947	21,747,222	12,082,495	-	(27,983,301)	173,260,127
Excess Revenues Over Expenditures	974,159	632,503	(10,519,167)	198,451	80,774	(827,765)	15,100	-	(9,445,944)
Ending Fund Balance	$ 17,529,311	$ 7,569,588	$ 85,190,243	$ 974,209	$ 1,306,303	$ 155,206	$ 2,378,223	$ -	$ 115,103,084

City of Sherman
GENERAL FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 13,005,920	$ 11,837,249	$ 14,195,955	$ 16,555,152
Revenues				
Property Tax	11,932,498	12,038,400	12,660,400	15,239,400
Sales Tax	23,875,173	28,047,000	29,772,000	31,250,000
Franchise Tax	3,133,388	3,021,000	3,262,000	3,362,000
Other Taxes	177,946	164,300	181,000	172,500
Fines & Penalties	413,905	366,800	620,750	624,200
Recreation	324,484	301,000	318,500	328,500
Licenses & Permits	1,096,610	2,341,200	1,741,200	2,576,000
Rentals	14,306	11,950	6,900	1,850
Cemetery	218,179	221,600	215,600	217,600
Sales & Service	1,231,051	1,574,000	1,738,233	1,686,296
Ambulance Service	1,669,394	1,402,400	1,291,900	1,332,000
Interest Income	29,298	75,000	340,000	340,000
Grant Revenue	989,679	9,000	141,683	58,200
Intergovernmental	232,949	169,482	169,484	769,650
Miscellaneous Revenue	392,893	206,200	732,800	229,100
Total Revenues	45,731,753	49,949,332	53,192,450	58,187,296
Transfers In	3,358,139	4,249,742	4,730,974	5,224,583
Total Revenues and Transfers In	49,089,892	54,199,074	57,923,424	63,411,879
Total Funds Available	62,095,813	66,036,323	72,119,379	79,967,031
Expenditures				
Personnel	32,939,438	36,724,590	37,140,786	41,638,990
Supplies	1,971,069	2,075,205	2,013,822	2,218,811
Repair & Maintenance	1,760,563	2,737,418	2,230,052	2,769,353
Utilities	1,042,514	1,217,250	1,169,570	1,372,690
Information Technology	1,046,518	1,259,265	1,256,040	1,469,120
Services & Charges	4,135,552	5,335,178	5,489,875	6,682,569
Vehicle Usage	2,196,212	2,239,270	3,038,131	2,618,387
Capital Expenses	376,335	1,114,763	1,197,858	852,347
Fleet Services & Charges	1,021,658	1,335,781	1,333,095	1,815,453
Transfers Out	1,410,000	375,000	695,000	1,000,000
Total Expenditures	47,899,858	54,413,720	55,564,227	62,437,720
Excess Revenues over Expenditures	1,190,035	(214,646)	2,359,197	974,159
Ending Fund Balance	$ 14,195,955	$ 11,622,603	$ 16,555,152	$ 17,529,311

City of Sherman
ENTERPRISE FUNDS
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 5,996,516	$ 6,931,175	$8,455,424	$6,937,085
Revenues:				
Water Sales	16,213,774	16,411,000	16,497,000	16,850,000
Sewer Sales	8,454,411	8,835,000	9,334,000	11,920,000
Solid Waste Service	7,460,278	7,556,000	7,817,000	8,012,000
Service Charges & Penalties	792,011	780,000	800,000	795,000
Laboratory	117,729	260,430	135,000	183,000
Charges for Services	160,859	168,200	301,000	300,000
Intergovernmental	408,485	817,146	408,573	410,335
Interest Income	66,152	26,200	162,000	167,000
Miscellaneous Revenue	869,526	836,500	925,000	864,000
Transfers In	183,000	406,000	406,000	1,538,092
Total Revenues	34,726,226	36,096,476	36,785,573	41,039,427
Total Funds Available	40,722,742	43,027,651	45,240,997	47,976,512
Expenditures:				
Personnel	8,765,867	10,214,400	9,934,384	11,262,590
Supplies	1,673,170	2,141,323	2,620,908	2,834,829
Repair & Maintenance	2,291,388	2,817,515	4,073,152	3,306,689
Utilities	1,486,217	1,905,220	1,938,600	2,291,360
Information Technology	381,963	433,100	432,020	526,250
Services & Charges	3,788,479	4,339,315	4,185,602	4,802,995
Vehicle Usage	1,918,533	2,124,850	2,237,608	2,151,547
Debt Service	6,983,524	6,937,482	6,936,860	7,311,010
Fleet Services & Charges	-	-	-	-
Capital Expenses	1,437,038	1,727,065	1,650,461	597,535
Transfers Out	3,541,139	4,230,828	4,294,316	5,322,119
Total Expenditures	32,267,317	36,871,099	38,303,913	40,406,924
Excess Revenues over Expenditures	2,458,908	(774,623)	(1,518,340)	632,503
Ending Fund Balance	$ 8,455,424	$ 6,156,552	$ 6,937,085	$ 7,569,588

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

	220 General CIP City Funds	222 General CIP Bond Funds	224 Street Revolving	235 Regional Detention	250 Roadway Impact Fee #1	251 Roadway Impact Fee #2	252 Roadway Impact Fee #3	253 Roadway Impact Fee #4
Beginning Fund Balance	$ -	$ 87,248,866	$ 515,300	$ 218,410	$ 40,726	$ 740,743	$ 61,516	$ 2,688,540
Revenues:								
Interest Income	-	600,000	42,000	8,500	-	-	-	25,000
Taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Sales & Service	-	-	-	25,000	10,000	500,000	35,000	500,000
Miscellaneous Revenue	-	6,100,000	-	-	-	-	-	-
Debt Proceeds	468,426	35,000,000	-	-	-	-	-	-
Transfers In	1,000,000	3,200,000	-	-	-	-	-	-
Total Revenues	1,468,426	44,900,000	42,000	33,500	10,000	500,000	35,000	525,000
Total Funds Available	1,468,426	132,148,866	557,300	251,910	50,726	1,240,743	96,516	3,213,540
Expenditures								
Capital Expenses	1,071,722	51,416,683	500,000	50,000	-	-	-	-
Services & Charges	-	200,000	-	-	-	-	-	-
Transfers Out	-	50,516	-	-	-	1,200,000	-	2,000,000
Total Expenditures	1,071,722	51,667,199	500,000	50,000	-	1,200,000	-	2,000,000
Excess Revenues over Expenditures	396,704	(6,767,199)	(458,000)	(16,500)	10,000	(700,000)	35,000	(1,475,000)
Ending Fund Balance	$ 396,704	$ 80,481,667	$ 57,300	$ 201,910	$ 50,726	$ 40,743	$ 96,516	$ 1,213,540

City of Sherman
CAPITAL IMPROVEMENT FUNDS
2021-2022 Annual Budget

330 TIRZ #2 Construction	241 TIRZ #5 Construction	242 TIRZ #6 Construction	243 TIRZ #7 Construction	750 Water Impact Fee	751 Sewer Impact Fee	770 Utility CIP City Funds	777 Utility CIP GTUA	Total
$ 416,865	$ (66,754)	$ 740,918	$ (286,855)	$ 1,102,708	$ 156,076	$ 2,132,352	$ -	$ 95,709,410
40,000	2,000	35,000	1,000	24,000	-	300,000	-	1,077,500
357,653	85,381	31,036	87,953	-	-	-	-	562,023
-	81,627	30,292	84,086	-	-	-	1,000,000	1,196,005
10,000	-	-	-	750,000	350,000	-	-	2,180,000
-	-	-	-	-	-	-	-	6,100,000
-	-	-	-	-	-	-	-	35,468,426
-	-	-	-	-	-	-	-	4,200,000
407,653	169,008	96,328	173,039	774,000	350,000	300,000	1,000,000	50,783,954
824,518	102,254	837,246	(113,816)	1,876,708	506,076	2,432,352	1,000,000	146,493,364
270,000	-	-	-	-	-	1,501,200	1,000,000	55,809,605
50,000	-	-	-	-	-	-	-	250,000
200,000	289,000	226,000	178,000	800,000	300,000	-	-	5,243,516
520,000	289,000	226,000	178,000	800,000	300,000	1,501,200	1,000,000	61,303,121
(112,347)	(119,992)	(129,672)	(4,961)	(26,000)	50,000	(1,201,200)	-	(10,519,167)
$ 304,518	$ (186,746)	$ 611,246	$ (291,816)	$ 1,076,708	$ 206,076	$ 931,152	$ -	$ 85,190,243

City of Sherman
SPECIAL REVENUE FUNDS
2023-2024 Annual Budget

	420 Stormwater	430 Bel Air Public Imp District	440 E 911	450 Security & Technology	460 Hotel/ Motel	470 Drug Enforcement	480 Airport
Beginning Fund Balance	$ (269,664)	$ 195,000	$ 205,578	$ 149,826	$ 169,418	$ 126,214	$ 160,086
Revenues							
Taxes	-	-	-	-	817,000	-	-
Sales & Service	904,000	300,000	310,000	50,400	95,000	100,000	640,000
Intergovernmental	-	-	98,898	-	-	-	-
Interest Income	7,000	2,000	25,000	7,000	-	6,200	5,000
Miscellaneous Revenue	-	-	-	-	-	-	50,000
Debt Proceeds	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Total Revenues	911,000	302,000	433,898	57,400	912,000	106,200	695,000
Total Funds Available	641,336	497,000	639,476	207,226	1,081,418	232,414	855,086
Expenditures							
Personnel	208,900	-	108,370	-	256,970	-	-
Supplies	8,659	-	-	26,140	15,050	75,400	396,250
Repair & Maintenance	62,750	-	-	372	83,000	27,000	8,995
Utilities	790	-	-	-	31,920	-	12,090
Information Technology	5,660	-	-	-	5,660	-	-
Services & Charges	16,316	450,000	180,973	3,500	496,500	5,000	105,731
Capital Expenses	-	-	-	-	-	-	100,000
Vehicle Usage	24,808	-	-	-	8,442	-	8,700
Fleet Services & Charges	55,000	-	-	-	-	-	-
Transfers Out	273,000	-	-	45,000	109,000	-	-
Total Expenditures	655,883	450,000	289,343	75,012	1,006,542	107,400	631,766
Excess Revenues over Expenditures	255,117	(148,000)	144,555	(17,612)	(94,542)	(1,200)	63,234
Ending Fund Balance	$ (14,547)	$ 47,000	$ 350,133	$ 132,214	$ 74,875	$ 125,014	$ 223,320

City of Sherman
SPECIAL REVENUE FUNDS
2023-2024 Annual Budget

455 Parks Pride	456 Police Pride	457 Donations	Total
$ 5,654	$ 21,977	$ 11,670	$ 775,758
-	-	-	817,000
-	-	-	2,399,400
-	-	-	98,898
100	1,600	1,200	55,100
21,500	10,500	12,000	94,000
-	-	-	-
-	-	-	-
21,600	12,100	13,200	3,464,398
27,254	34,077	24,870	4,240,156
-	-	-	574,240
-	-	20,000	541,499
-	-	-	182,117
-	-	-	44,800
-	-	-	11,320
25,000	5,000	-	1,288,020
-	-	-	100,000
-	-	-	41,951
-	-	-	55,000
-	-	-	427,000
25,000	5,000	20,000	3,265,947
(3,400)	7,100	(6,800)	198,451
$ 2,254	$ 29,077	$ 4,870	$ 974,209

City of Sherman
INTERNAL SERVICE FUNDS
2023-2024 Annual Budget

	600 Insurance	630 IT	650 Equipment	660 Fleet Replacement	Total
Beginning Fund Balance	$ 354,204	$ 107,673	$ 637,294	$ 126,358	$ 1,225,529
Revenue					
Sales & Service	6,853,180	2,068,930	4,803,443	2,180,253	15,905,806
Taxes	-	-	-	1,940,000	1,940,000
Interest Income	20,000	2,400	-	125,000	147,400
Debt Proceeds	-	-	-	3,532,790	3,532,790
Miscellaneous Revenue	-	2,000	-	300,000	302,000
Total Revenue	6,873,180	2,073,330	4,803,443	8,078,043	21,827,996
Total Funds Available	7,227,384	2,181,003	5,440,737	8,204,401	23,053,525
Expenditures					
Personnel	-	1,211,950	1,256,660	-	2,468,610
Supplies	-	68,382	1,401,455	-	1,469,837
Repair & Maintenance	-	189,324	1,560,544	-	1,749,868
Utilities	-	65,970	23,180	-	89,150
Information Technology	-	-	62,240	-	62,240
Services & Charges	6,893,000	414,857	423,010	77,250	7,808,117
Debt Service	-	-	-	2,696,705	2,696,705
Fleet Services & Charges	-	-	75,000	-	75,000
Capital Expenses	-	83,600	20,000	5,179,055	5,282,655
Transfers Out	-	45,040	-	-	45,040
Total Expenditures	6,893,000	2,079,123	4,822,089	7,953,010	21,747,222
Excess Revenues over Expenditures	(19,820)	(5,793)	(18,646)	125,033	80,774
Ending Fund Balance	$ 334,384	$ 101,881	$ 618,648	$ 251,391	$ 1,306,303

City of Sherman
DEBT SERVICE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 58,714	$ 61,575	$ 982,971
Revenues			
Property Tax	5,804,000	6,976,388	10,179,730
Sales Tax	-	-	-
Transfers In	1,069,000	1,293,000	1,075,000
Interest Income	-	-	-
Miscellaneous Revenue	-	-	-
Total Revenues	6,873,000	8,269,388	11,254,730
Total Funds Available	6,931,714	8,330,963	12,237,701
Expenditures			
Debt Service	6,864,889	7,343,492	12,074,495
Services & Charges	5,250	4,500	8,000
Transfers Out	-	-	-
Total Expenditures	6,870,139	7,347,992	12,082,495
Excess Revenues over Expenditures	2,861	921,396	(827,765)
Ending Fund Balance	$ 61,575	$ 982,971	$ 155,206

City of Sherman
PERPETUAL CARE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 2,004,329	$ 2,348,023	$ 2,363,123
Revenues			
Sales & Service	15,924	15,000	15,000
Interest Income	327,770	100	100
Total Revenues	343,694	15,100	15,100
Total Funds Available	2,348,023	2,363,123	2,378,223
Expenditures			
Miscellaneous	-	-	-
Ending Fund Balance	$ 2,348,023	$ 2,363,123	$ 2,378,223

City of Sherman
UTILITY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Reserve	$ 4,677,913	$ 5,268,132	$ 6,576,940	$ 5,143,093
Revenues				
Water Sales	16,213,774	16,411,000	16,497,000	16,850,000
Sewer Sales	8,454,411	8,835,000	9,334,000	11,920,000
Laboratory	117,910	263,630	136,000	183,000
Service Charges & Penalties	670,961	655,000	675,000	670,000
Charges for Services	160,678	165,000	300,000	300,000
Interest Income	46,785	25,000	100,000	100,000
Intergovernmental	408,485	817,146	408,573	410,335
Grant Revenue	159,979	-	-	-
Miscellaneous Revenue	44,794	76,500	117,000	77,000
Total Revenues	26,277,775	27,248,276	27,567,573	30,510,335
Transfers In	183,000	406,000	406,000	1,538,092
Total Revenues and Transfers In	26,460,775	27,654,276	27,973,573	32,048,427
Total Funds Available	31,138,688	32,922,408	34,550,513	37,191,520
Expenditures				
Personnel	6,834,763	7,957,960	7,712,020	8,719,960
Supplies	1,472,257	1,823,230	2,206,257	2,399,491
Repair & Maintenance	2,228,091	2,757,607	4,012,026	3,251,968
Utilities	1,449,358	1,858,230	1,875,710	2,219,890
Information Technology	295,012	332,630	331,800	411,200
Debt Service	6,982,667	6,937,482	6,936,860	7,311,010
Services & Charges	1,592,202	1,730,879	1,511,636	1,882,797
Vehicle Usage	576,529	631,190	695,726	599,096
Fleet Services & Charges	388,457	428,072	428,072	187,800
Capital Expenses	316,412	800,816	724,212	189,735
Total Expenditures	22,135,749	25,258,096	26,434,319	27,172,948
Transfers Out	2,426,000	2,927,112	2,973,100	3,456,458
Total Expenditures and Transfers Out	24,561,749	28,185,208	29,407,419	30,629,406
Excess Revenues over Expenditures	1,899,027	(530,932)	(1,433,846)	1,419,021
Ending Reserve	$ 6,576,940	$ 4,737,200	$ 5,143,093	$ 6,562,114

City of Sherman
SOLID WASTE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,248,206	$ 1,663,043	$ 1,878,485	$ 1,793,992
Revenues				
Solid Waste Service	7,460,278	7,556,000	7,817,000	8,012,000
Service Charges & Penalties	121,051	125,000	125,000	125,000
Interest Income	19,368	1,200	62,000	67,000
Miscellaneous Revenue	882,440	760,000	808,000	787,000
Total Revenues	8,483,137	8,442,200	8,812,000	8,991,000
Total Funds Available	9,731,343	10,105,243	10,690,485	10,784,992
Expenditures				
Personnel	1,931,104	2,256,440	2,222,364	2,542,630
Supplies	200,912	318,093	414,651	435,338
Repair & Maintenance	63,297	59,908	61,126	54,721
Utilities	36,859	46,990	62,890	71,470
Information Technology	86,951	100,470	100,220	115,050
Services & Charges	2,344,423	2,608,436	2,673,966	2,920,197
Vehicle Usage	1,342,004	1,493,660	1,541,882	1,552,451
Capital Expenses	126,385	123,650	123,650	173,000
Fleet Services & Charges	605,784	374,527	374,527	47,000
Transfers Out	1,115,139	1,303,716	1,321,216	1,865,661
Total Expenditures	7,852,859	8,685,891	8,896,493	9,777,518
Excess Revenues over Expenditures	630,278	(243,691)	(84,493)	(786,518)
Ending Fund Balance	$ 1,878,485	$ 1,419,352	$ 1,793,992	$ 1,007,473

City of Sherman
GENERAL IMPROVEMENT FUND - City Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ -	$ -	$ -
Revenues				
Transfers In	-	-	-	1,000,000
Intergovernmental	-	-	-	-
Grant Revenue	-	-	-	-
Interest Income	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Debt Proceeds	-	-	-	468,426
Total Revenues	-	-	-	1,468,426
Total Funds Available	-	-	-	1,468,426
Expenditures				
Capital Expenses	-	-	-	1,071,722
Services & Charges				
Transfers Out	-	-	-	-
Total Expenditures	-	-	-	1,071,722
Excess Revenues over Expenditures	-	-	-	396,704
Ending Fund Balance	$ -	$ -	$ -	$ 396,704

City of Sherman
GENERAL IMPROVEMENT FUND - City Funds

	Actual 2021-2022	Total Project Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
Other				
Projects				
Airport Pavement Maintenance-City				
(1) match	$ -	$ 182,500	$ -	$ 182,500
(1) Land Sale at W. Travis & FM 1417	1,947	-	8,125	-
(1) Energov Implementation	-	-	-	328,000
(1) Watchguard Video Evidence	-	-	-	92,796
(2) Handgun replacements	-	-	-	66,699
(2) Rifle replacements	-	-	-	161,727
(2) Rubrik Backup Device	-	-	-	150,000
(2) IT Storage	-	-	-	90,000
Total	1,947	182,500	8,125	1,071,722
Funding Sources				
(1) General Fund transfers/Land sales	-	182,500	-	182,500
(2) Tax Notes	-	-	-	-
Total Expenditures	$ 1,322,037	$ 4,941,918	$ 3,610,861	$ 1,071,722

City of Sherman
GENERAL IMPROVEMENT FUND - Bond Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 38,189,809	$ 21,689,968	$ 21,834,430	$87,248,866
Revenues				
Transfers In	1,269,000	375,000	434,878	3,200,000
Intergovernmental	-	-	-	-
Grant Revenue	65,008	-	-	4,600,000
Interest Income	146,108	50,000	600,000	600,000
Miscellaneous Revenue	316,215	-	-	1,500,000
Debt Proceeds	334,000	39,045,000	77,747,250	35,000,000
Total Revenues	2,130,332	39,470,000	78,782,128	44,900,000
Total Funds Available	40,320,141	61,159,968	100,616,558	132,148,866
Expenditures				
Capital Expenses	18,485,711	58,017,862	13,142,778	51,416,683
Services & Charges	-	-	-	200,000
Transfers Out	-	224,914	224,914	50,516
Total Expenditures	18,485,711	58,242,776	13,367,692	51,667,199
Excess Revenues over Expenditures	(16,355,379)	(18,772,776)	65,414,436	(6,767,199)
Ending Fund Balance	$ 21,834,430	$ 2,917,192	$ 87,248,866	$80,481,667

City of Sherman
GENERAL IMPROVEMENT FUND - Bond Funds

	Actual 2021-2022	Total Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
Transportation				
Projects				
(1) Taylor St Extension Eng & ROW/McGee St Ext	$ 1,209,389	$ 2,500,000	$ 2,643,547	$ -
(1) FM 1417 (82 to 56) Eng, ROW & Match	18,824	5,400,000	5,385,898	-
(1) Travis St West	-	9,600,000	9,746,421	-
(1) Lamberth Rd Thoroughfare	289,141	800,000	720,711	-
(1) Friendship ROW 56 to Lamberth	188,378	1,400,000	947,918	-
(1) Park Ave Realignment	165,701	2,000,000	2,105,391	-
(1) Ramp Reversal Northbound 75 at FM 1417	-	2,500,000	2,523,963	-
(1) TxDOT 1417 & W. Travis Intersection	1,040	1,950,000	1,957,444	-
(1) Flanary Rd and Progress Rd Engineering	-	200,000	182,571	-
(1) Moore Street	2,872,102	9,900,000	5,931,063	2,200,000
(1) Steeplechase Dr Extension	-	500,000	120,894	-
(1) Hilre Drive Extension	246,742	500,000	449,406	-
(1) FM 1417 design/ROW - SH 56 to W. Travis	73,594	3,600,000	383,613	-
(1) Shepherd Dr	260,092	12,000,000	811,664	3,070,000
(1) Bel Air Blvd Ph II/Beach Club/London Ln	-	9,000,000	458,109	5,600,000
(1) Major Street Rebuilds	-	1,500,000	-	-
(2) Flanary Rd Alignment Study	135,259	254,185	248,789	-
(1) Sherman St Improvements	-	1,200,000	112,956	-
(2) Progress Drive	-	4,300,000	-	2,200,000
(2) Flanary Road	-	5,400,000	-	900,000
(1) Hospital Road Construction	-	750,000	-	-
(1) OB Groner - west of FM 1417 Design	-	1,500,000	-	1,000,000
(1) FM 1417 Design/ROW - Hwy 75 to RR	-	550,000	-	-
(1) Blanton St Drainage-Birge to McGee	-	500,000	-	-
(1) CIP Crew	-	600,000	-	-
(1) Center St Bridge at Post Oak Creek	-	750,000	-	-
(1) Bridges-Center/McGee/Travis	584,921	1,500,000	788,360	-
(1) McGee St Bridge	-	150,000	-	-
(1) Lamberth & Friendship-Shady Oaks thur Hickory Hill		8,100,000	133,700	3,500,000
(1) FM 1417 signal at Bel Air Blvd Design	-	500,000	-	-
(1) Heritage Ranch Ramps -Eng	-	-	-	1,000,000
(1) Right-of-Way Agent	-	-	-	50,516
(2) North-South Road	-	-	-	700,000
Total	6,045,184	89,404,185	35,652,417	20,220,516
Funding Sources				
(1) Certificates of Obligation		79,450,000		16,420,516
(2) Certificates of Obligation - SEDCO participation		9,954,185		3,800,000
Total		89,404,185		20,220,516
Parks and Recreation				
Projects				
(1) Asphalt Pump Track at Binkley Park	-	350,000	-	-
(1) Ballfield and Trail Lighting at PGW	-	1,350,000	21,240	-
(1) Design "Shark Tooth Park"	-	150,000	-	-
(1) Electrical at PGW	-	175,000	-	-
(1) Master Plan Trail Construction	-	750,000	4,383	-
(1) Northcreek Subdivision Park	-	500,000	-	-
(1) Restroom and Concession at Fairview Park	-	500,000	-	-
(1) Trail Lighting and Restroom and PGE	-	650,000	-	-
(3) Potential grant-funded Southwest Trail	-	-	-	4,596,934
(1) Potential grant-funded Southwest Trail-match	-	-	-	1,149,233
(1) Creek Erosion at Westhill Cemetery	-	-	-	1,000,000
(1) PGE Inclusive playground and parking	-	-	-	800,000
(1) Fairview Tennis Court resurface/fence/lighting	-	-	-	100,000
(1) Baker Park Fishing Pier	-	-	-	700,000
(1) OSP Lighting - Phase I	-	-	-	1,500,000
(1) PGW Splash Pad	-	-	-	1,000,000
(1) Fairview Park playground	-	-	-	1,500,000

	Actual 2021-2022	Total Budget	Project-to-Date 6/6/2023	Proposed 2023-2024
(1) Hawn Park playground	-	-	-	1,000,000
(1) Hawn Park Pavilion	-	-	-	200,000
(1) Fairview Park Large Pavilion	-	-	-	200,000
(1) Hawn Park Splash Pad	-	-	-	800,000
(1) Turf Athletic Field	-	-	-	2,000,000
(1) Herman Baker Park Disc Golf	-	-	-	100,000
(1) Fairview Softball Fields Lighting	-	-	-	800,000
Total	-	4,425,000	25,623	17,446,167
Funding Sources				
(1) Certificates of Obligation		4,425,000		12,849,233
(3) Grant		-		4,596,934
Total		4,425,000		17,446,167
Facilities				
Projects				
(1) City Hall Design, land purchase, site work		7,000,000	73,677	5,000,000
Total		7,000,000	73,677	5,000,000
Funding Sources				
(1) Certificates of Obligation		7,000,000		-
Public Safety				
Projects				
(1) New police HQ - Construction	11,118,489	17,700,000	17,620,863	-
(1) Combine Fire Sta. 1 & 2	-	7,000,000	62,003	5,000,000
(1) Public Safety Training Facility Design	-	250,000	-	
(1) Station #4 Concrete Rebuild	-	-	-	250,000
(1) Public Safety Trunking System	-	-	-	3,000,000
Total	11,118,489	24,950,000		8,250,000
Funding Sources				
(1) Certificates of Obligation		24,950,000		8,250,000
Drainage				
Projects				
(1) Hills of Sherman Detention	-	-	-	500,000
Total	-	-	-	500,000
Funding Sources				
(1) Certificates of Obligation		-		500,000
Total Expenditures	$ 17,163,674	$ 125,779,185	$ 35,751,717	$ 51,416,683

City of Sherman
UTILITY IMPROVEMENT FUND - City Funds
2022-2023 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Requested 2023-2024
Beginning Fund Balance	$ 580,689	$ 2,560,075	$ 1,530,832	$ 2,132,352
Revenues				
Transfers In	-	1,600,000	1,600,000	-
Intergovernmental	404,005	-	803,695	-
Grant Revenue	3,174,158	1,843,000	3,960,969	-
Interest Income	26,524	10,000	300,000	300,000
Miscellaneous Revenue	-	-	-	-
Debt Proceeds	-	-	-	-
Total Revenues	3,604,686	3,453,000	6,664,664	300,000
Total Funds Available	4,185,375	6,013,075	8,195,495	2,432,352
Expenditures				
Capital Expenses	22,058	4,996,659	6,063,143	1,501,200
Transfers Out	2,632,485	-	-	-
Total Expenditures	2,654,543	4,996,659	6,063,143	1,501,200
Excess Revenues over Expenditures	950,143	(1,543,659)	601,521	(1,201,200)
Ending Fund Balance	$ 1,530,832	$ 1,016,416	$ 2,132,352	$ 931,152

City of Sherman
UTILITY IMPROVEMENT FUND - City Funds

	Actual 2021-2022	Total Budget	Project-to-date 6/6/2023	Proposed 2023-2024
Projects				
(1) Annual line replacements	$ -	$ 238,000	$ 211,200	$ -
(1) Arapaho Sewer	207,648	210,000	208,946	-
(1) AWIA Security Upgrades @ WTP	-	200,000	22,104	-
(1) Brine Line Phase II Engineering (City Funds)	17,871	80,000	66,753	-
(2) Ida Road ground storage tank repair	-	1,000,000	1,120,050	-
(1) Lead & Copper Rule Revision	-	-	582,934	-
(1) Lift Station Flow Metering & SCADA	-	60,000	-	-
(1) Modular Office-Water Quality	-	203,000	194,775	-
(1) Primary Clarifier #1 Rehab Engineering	9,419	83,000	305,820	-
(2) Replace Texoma Pkwy 12" water line	626,193	1,920,474	1,823,320	-
(1) Texoma Pkwy 12" main engineering	18,683	162,457	161,337	-
(1) Upgrade High Country Estates water system	-	120,000	58,611	70,000
(1) Utility oversizing/annual replacements	2,965	200,000	2,965	250,000
(1) Water and Wastewater oversizing and Repairs		250,000	361,504	-
(2) WTP Backup Generator Construction	100	1,640,000	1,469,469	-
(2) WTP Land purchase (Escrow)	35,000	35,000	35,000	-
(2) WTP Land purchase	2,513,422	3,725,636	3,723,305	-
(1) Downtown Sewer Line Replacements Study	-	184,410	136,410	-
(1) WWTP Fencing/Gate Repairs	5,532	75,000	16,452	-
(1) WWTP Sludge Thickener Replacement	27,795	274,000	550,515	-
(1) Aerial Pipe Crossing by Center St	-	342,500	338,450	-
(1) Increase 6" water line to 12" line across SH 289	-	-	-	82,700
(1) Water line across US 75 to stabilize EST levels	-	-	-	73,500
(1) Abandon Preston Club WWTP & lift stations	-	-	-	175,000
(1) Remove Build-up in WTP sludge ponds	-	-	-	400,000
(1) Abandon S. Crockett lift station for gravity sewer	-	-	-	150,000
(1) Conduct City lift station assessment				300,000
(1) High Country Estates Water	956	171,620	-	-
(1) Fairview Ground Storage Balance Line	-	170,000	-	-
Total	$ 3,465,582	$ 11,345,097	$ 11,389,919	$ 1,501,200
Funding Sources				
(1) Utility Fund Transfer/Reserves		$ 3,023,987		$ 1,501,200
(2) Grant-funded		8,321,110		-
		$ 11,345,097		$ 1,501,200

City of Sherman
UTILITY IMPROVEMENT FUND - GTUA Funds

	Actual 2021-2022	Total Budget	Total Project-to-date	Proposed 2023-2024
Projects				
Security Upgrades at WWTP	-	100,000	-	-
Northwest Sewer	-	3,000,000	2,599,811	-
Preston Club Water Line	1,333	118,000	69,414	-
Aeration Basin Upgrade & Biological Clarifier Rehab	-	6,440,000	5,498,890	-
WTP Concentrate Discharge (Brine Line)	-	3,000,000	204,418	7,422,000
WWTP Control Building Expansion	-	1,362,000	1,289,808	-
WWTP Equalization basin blower bldg	-	1,000,000	111,486	-
Texoma Pkwy sewer overflow relief	13,375	230,000	185,319	-
Moore St Sewer (through Munson Dev) (SISD $400m)	-	400,000	278,533	-
Bel Air Phase Legacy Waterline	-	2,500,000	602,574	2,220,000
Laboratory Expansion	-	3,200,000	99,471	-
WTP & Lake Texoma Backup Generator Eng & Switchgear/ATS	47,648	500,000	476,820	500,000
AWIA Security Upgrades Construction		100,000	13,865	-
WWTP Backup Generator, Switchgear & Electrical	22,400	112,000	112,000	-
Refurbish flocculation/sedimentation basin at WTP	27,471	30,000	27,471	-
Shepherd Utilities	30,950	594,970	25,017	-
Southside Industrial Sewer Replacement	8,826	5,750,000	265,429	1,350,000
SE Sewer Line-Rosedale to First	-	1,000,000	99,805	-
Wastewater Master Plan		600,000	489,209	-
Water Master Plan		300,000	210,941	-
Lake Texoma Pump Station 25MGD #1	-	5,100,000	678,869	9,200,000
Shepherd EST	-	400,000	178,586	17,000,000
Replace inverted siphon sewer line	-	65,000	-	500,000
Lake Texoma Pipeline Forensic Investigation		50,000	-	-
Lake Texoma Pipeline Leak Repair		100,000	94,856	-
Rex Cruz EST Rehab	-	495,000	14,211	-
WTP Vulnerability Assessment	4,493	200,000	-	-
Post Oak Creek Sanitary Sewer Improvements	-	600,000	364,300	5,091,000
Lake Texoma Pump Station Electrical Upgrade		-	99,854	5,200,000
5 MGD WTP North Exp (UF/RO)	-	11,000,000	-	4,500,000
Reservoir Pump Station	-	800,000	-	31,400,000
36" Water Line west to WTP	-	58,000,000	3,244,390	23,000,000
15 MGD WTP South	-	-	-	14,300,000
Engineering Management	-	-	2,879,579	9,255,000
Pre-procurement for water projects/ROW	-	2,428,869	1,635,652	-
Downtown Sewer Improvements		3,000,000	106,050	-
Lead & Copper Rule Revision	-	671,000	24,201	-
WWTP Electrical System Switchgear, ATS, Generator	-	6,410,000	277,457	9,271,208
Emergency Backup Generator at LTPS	-	1,600,000	-	-
Heritage Ranch Sewer	-	500,000	-	-
Upsize Sewer W of Industrial Park (Post Oak Rd)	-	570,000	-	-
Post Oak WWTP Exp Feasibility Study	-	2,075,000	998,342	11,400,000
Hickory Hill Utility Improvements	-	312,000	266,013	1,820,000
Brine Disposal Line	-	78,400	78,400	-
Brine Disposal Line	-	1,050,000	324,878	-
15 MGD WTP, EDR to UF/RO Conversion (Eng)	-	7,200,000	1,501,028	7,040,000
Crossroads Sewer for Hospital	-	1,200,000	-	-
Ida Road GST Rehab Engineering	-	73,592	73,592	-
Post Oak WWTP Industrial Expansion	-	-	-	155,000,000
Rehab WTP EDR	-	-	-	20,000,000
Total	$ 156,496	$ 134,315,831	$ 25,500,537	$ 335,469,208

City of Sherman
STREET REVOLVING FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 461,770	$ 473,300	$ 515,300
Revenues			
Sales & Service	-	-	-
Interest Income	11,530	42,000	42,000
Total Revenues	11,530	42,000	42,000
Total Funds Available	473,300	515,300	557,300
Expenditures			
Capital Expenses	-	-	500,000
Total Expenditures	-	-	500,000
Excess Revenues over Expenditures	11,530	42,000	(458,000)
Ending Fund Balance	$ 473,300	$ 515,300	$ 57,300

City of Sherman
TIRZ #2 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 528,688	$ 640,372	$ 416,865
Revenues			
Property Tax	194,189	286,493	357,653
Rentals	-	-	10,000
Interest Income	13,585	40,000	40,000
Total Revenues	207,774	326,493	407,653
Total Funds Available	736,462	966,865	824,518
Expenditures:			
Services & Charges	-	50,000	50,000
Capital Expenses	96,091	300,000	270,000
Transfers Out	-	200,000	200,000
Total Expenditures	96,091	550,000	520,000
Excess Revenues over Expenditures	111,684	(223,507)	(112,347)
Ending Fund Balance	$ 640,372	$ 416,865	$ 304,518

City of Sherman
TIRZ #3 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 15,478	$ 5,999	$ -
Revenues			
Property Tax	190,397	237,502	-
Interest Income	124	5,100	-
Total Revenues	190,521	242,602	-
Total Funds Available	205,999	248,601	-
Expenditures			
Capital Expenses	200,000	-	-
Transfers Out	-	248,601	-
Total Expenditures	200,000	248,601	-
Excess Revenues over Expenditures	(9,479)	(5,999)	-
Ending Fund Balance	$ 5,999	$ -	$ -

City of Sherman
REGIONAL DETENTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 382,841	$ 269,788	$ 218,410
Revenues			
Sales & Service	-	-	25,000
Interest Income	5,947	8,500	8,500
Total Revenues	5,947	8,500	33,500
Total Funds Available	388,788	278,288	251,910
Expenditures			
Capital Expenses	-	-	50,000
Transfers Out	119,000	59,878	-
Total Expenditures	119,000	59,878	50,000
Excess Revenues over Expenditures	(113,053)	(51,378)	(16,500)
Ending Fund Balance	$ 269,788	$ 218,410	$ 201,910

City of Sherman
TIRZ #5 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 208,201	$ 62,236	$ (66,754)
Revenues			
Property Tax	70,665	80,321	85,381
Intergovernmental	67,645	76,789	81,627
Interest Income	4,726	2,100	2,000
Total Revenues	143,035	159,210	169,008
Total Funds Available	351,236	221,446	102,254
Expenditures			
Capital Expenses	-	-	-
Transfers Out	289,000	288,200	289,000
Total Expenditures	289,000	288,200	289,000
Excess Revenues over Expenditures	(145,965)	(128,990)	(119,992)
Ending Fund Balance	$ 62,236	$ (66,754)	$ (186,746)

City of Sherman
TIRZ #6 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,032,953	$ 871,795	$ 740,918
Revenues			
Property Tax	28,319	29,408	31,036
Intergovernmental	27,109	28,115	30,292
Interest Income	9,414	37,000	35,000
Total Revenues	64,842	94,523	96,328
Total Funds Available	1,097,795	966,318	837,246
Expenditures			
Capital Expenses	-	-	-
Transfers Out	226,000	225,400	226,000
Total Expenditures	226,000	225,400	226,000
Excess Revenues over Expenditures	(161,158)	(130,877)	(129,672)
Ending Fund Balance	$ 871,795	$ 740,918	$ 611,246

City of Sherman
TIRZ #7 CONSTRUCTION FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ (103,240)	$ (200,128)	$ (286,855)
Revenues			
Property Tax	41,318	45,640	87,953
Intergovernmental	39,552	43,633	84,086
Interest Income	242	1,400	1,000
Transfers In	-	-	-
Total Revenues	81,112	90,673	173,039
Total Funds Available	(22,128)	(109,455)	(113,816)
Expenditures			
Capital Expenses	-	-	-
Transfers Out	178,000	177,400	178,000
Total Expenditures	178,000	177,400	178,000
Excess Revenues over Expenditures	(96,888)	(86,727)	(4,961)
Ending Fund Balance	$ (200,128)	$ (286,855)	$ (291,816)

City of Sherman
ROADWAY IMPACT FEES ZONE #1
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 5,726	$ 40,726
Revenues			
Interest Income	-	-	-
Sales & Service	5,726	35,000	10,000
Total Revenues	5,726	35,000	10,000
Total Funds Available	5,726	40,726	50,726
Expenditures			
Capital Expenses			
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	5,726	35,000	10,000
Ending Fund Balance	$ 5,726	$ 40,726	$ 50,726

City of Sherman
ROADWAY IMPACT FEES ZONE #2
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 90,743	$ 740,743
Revenues			
Interest Income	-	-	-
Sales & Service	90,743	650,000	500,000
Total Revenues	90,743	650,000	500,000
Total Funds Available	90,743	740,743	1,240,743
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	1,200,000
Total Expenditures	-	-	1,200,000
Excess Revenues over Expenditures	90,743	650,000	(700,000)
Ending Fund Balance	$ 90,743	$ 740,743	$ 40,743

City of Sherman
ROADWAY IMPACT FEES ZONE #3
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,056	$ 26,516	$ 61,516
Revenues			
Interest Income	-	-	-
Sales & Service	25,460	35,000	35,000
Total Revenues	25,460	35,000	35,000
Total Funds Available	26,516	61,516	96,516
Expenditures			
Capital Expenses			
Transfers Out	-	-	-
Total Expenditures	-	-	-
Excess Revenues over Expenditures	25,460	35,000	35,000
Ending Fund Balance	$ 26,516	$ 61,516	$ 96,516

City of Sherman
ROADWAY IMPACT FEES ZONE #4
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 2,106,540	$ 2,688,540
Revenues			
Interest Income	-	22,000	25,000
Sales & Service	2,106,540	560,000	500,000
Total Revenues	2,106,540	582,000	525,000
Total Funds Available	2,106,540	2,688,540	3,213,540
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	-	2,000,000
Total Expenditures	-	-	2,000,000
Excess Revenues over Expenditures	2,106,540	582,000	(1,475,000)
Ending Fund Balance	$ 2,106,540	$ 2,688,540	$ 1,213,540

City of Sherman
WATER IMPACT FEES
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 703,708	$ 1,102,708
Revenues			
Interest Income	-	24,000	24,000
Charges for Services	703,708	1,375,000	750,000
Total Revenues	703,708	1,399,000	774,000
Total Funds Available	703,708	2,102,708	1,876,708
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	1,000,000	800,000
Total Expenditures	-	1,000,000	800,000
Excess Revenues over Expenditures	703,708	399,000	(26,000)
Ending Fund Balance	$ 703,708	$ 1,102,708	$ 1,076,708

City of Sherman
SEWER IMPACT FEES
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ 356,076	$ 156,076
Revenues			
Interest Income	-	-	-
Charges for Services	356,076	400,000	350,000
Total Revenues	356,076	400,000	350,000
Total Funds Available	356,076	756,076	506,076
Expenditures			
Capital Expenses	-	-	-
Transfers Out	-	600,000	300,000
Total Expenditures	-	600,000	300,000
Excess Revenues over Expenditures	356,076	(200,000)	50,000
Ending Fund Balance	$ 356,076	$ 156,076	$ 206,076

City of Sherman
TIRZ #1 DEBT SERVICE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 377,204	$ 389,106	$ -
Revenues			
Property Tax	321,717	348,415	-
Interest Income	11,799	26,000	-
Total Revenues	333,516	374,415	-
Total Funds Available	710,720	763,521	-
Expenditures			
Debt Service	321,414	323,378	-
Services & Charges	200	-	-
Transfers Out	-	440,143	-
Total Expenditures	321,614	763,521	-
Excess Revenues over Expenditures	11,902	(389,106)	-
Ending Fund Balance	$ 389,106	$ -	$ -

City of Sherman
STORMWATER FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,524,698	$ 149,170	$ (269,664)
Revenues			
Sales & Service	450,795	452,000	904,000
Fines & Penalties	-	-	-
Grant Revenue	1,718	-	-
Interest Income	11,525	7,000	7,000
Total Revenues	464,038	459,000	911,000
Total Funds Available	1,988,736	608,170	641,336
Expenditures			
Personnel	61,798	107,525	208,900
Supplies	1,462	4,109	8,659
Repair & Maintenance	55,980	62,750	62,750
Utilities	-	-	790
Information Technology	3,105	1,730	5,660
Services & Charges	-	3,540	16,316
Capital Expenses	1,440,688	416,582	55,000
Vehicle Usage	7,533	7,597	24,808
Transfers Out	269,000	274,000	273,000
Fleet Services & Charges	-	-	-
Total Expenditures	1,839,567	877,834	655,883
Excess Revenues over Expenditures	(1,375,528)	(418,834)	255,117
Ending Fund Balance	$ 149,170	$ (269,664)	$ (14,547)

City of Sherman
BEL AIR PUBLIC IMPROVEMENT DISTRICT
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ -	$ -	$ 195,000
Revenues			
Sales & Service	-	195,000	300,000
Interest Income	-	-	2,000
Total Revenues	-	195,000	302,000
Total Funds Available	-	195,000	497,000
Expenditures			
Services & Charges	-	-	450,000
Total Expenditures	-	-	450,000
Excess Revenues over Expenditures	-	195,000	(148,000)
Ending Fund Balance	$ -	$ 195,000	$ 47,000

City of Sherman
EMERGENCY 9-1-1 FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 437,935	$ 521,640	$ 205,578
Revenues			
Sales & Service	308,553	310,000	310,000
Grant Revenue	-	98,898	98,898
Interest Income	9,226	23,000	25,000
Total Revenues	317,779	431,898	433,898
Total Funds Available	755,714	953,537	639,476
Expenditures			
Personnel	108,300	108,040	108,370
Supplies	-	-	-
Repair & Maintenance	-	-	-
Services & Charges	63,274	176,744	180,973
Capital Expenses	62,500	463,175	-
Total Expenditures	234,074	747,959	289,343
Excess Revenues over Expenditures	83,705	(316,061)	144,555
Ending Fund Balance	$ 521,640	$ 205,578	$ 350,133

City of Sherman
COURT SECURITY & TECHNOLOGY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 62,113	$ 92,926	$ 149,826
Revenues			
Fines & Penalties	36,022	51,900	50,400
Interest Income	1,636	7,000	7,000
Total Revenues	37,658	58,900	57,400
Total Funds Available	99,771	151,826	207,226
Expenditures			
Supplies	6,229	-	26,140
Repair & Maintenance	602	-	372
Services & Charges	14	2,000	3,500
Capital Expenses	-	-	-
Transfers Out	-	-	45,000
Total Expenditures	6,845	2,000	75,012
Excess Revenues over Expenditures	30,813	56,900	(17,612)
Ending Fund Balance	$ 92,926	$ 149,826	$ 132,214

City of Sherman
PARKS PRIDE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 17,786	$ (15,971)	$ 5,654
Revenues			
Miscellaneous Revenue	22,226	21,625	21,500
Interest Income	165	-	100
Total Revenues	22,391	21,625	21,600
Total Funds Available	40,177	5,654	27,254
Expenditures			
Services & Charges	991	-	25,000
Capital Expenses	55,158	-	-
Total Expenditures	56,149	-	25,000
Excess Revenues over Expenditures	(33,757)	21,625	(3,400)
Ending Fund Balance	$ (15,971)	$ 5,654	$ 2,254

City of Sherman
POLICE PRIDE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 16,648	$ 22,977	$ 21,977
Revenues			
Miscellaneous Revenue	10,372	18,000	10,500
Interest Income	453	1,600	1,600
Total Revenues	10,825	19,600	12,100
Total Funds Available	27,473	42,577	34,077
Expenditures			
Supplies	-	-	-
Services & Charges	4,495	2,600	5,000
Capital Expenses	-	18,000	-
Total Expenditures	4,495	20,600	5,000
Excess Revenues over Expenditures	6,329	(1,000)	7,100
Ending Fund Balance	$ 22,977	$ 21,977	$ 29,077

City of Sherman
DONATIONS FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 7,997	$ 18,470	$ 11,670
Revenues			
Miscellaneous Revenue	11,987	12,000	12,000
Interest Income	279	1,200	1,200
Total Revenues	12,266	13,200	13,200
Total Funds Available	20,263	31,670	24,870
Expenditures			
Supplies	1,793	20,000	20,000
Excess Revenues over Expenditures	10,473	(6,800)	(6,800)
Ending Fund Balance	$ 18,470	$ 11,670	$ 4,870

City of Sherman
HOTEL/MOTEL TAX FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 8,755	$ 115,806	$ 169,418
Revenues			
Hotel-Motel Taxes	730,529	781,030	817,000
Fines & Penalties	-	-	-
Miscellaneous Revenue	4,600	-	-
Interest Income	469	1,000	-
Sales & Service	63,275	60,000	60,000
Rentals	22,550	35,000	35,000
Grant Revenue	5,886	-	-
Transfers In	260,000	100,000	-
Total Revenues	1,087,309	977,030	912,000
Total Funds Available	1,096,064	1,092,836	1,081,418
Expenditures			
Personnel	232,018	245,990	256,970
Supplies	15,546	21,530	15,050
Repair & Maintenance	11,147	30,000	83,000
Utilities	24,361	25,710	31,920
Information Technology	13,974	15,560	5,660
Services & Charges	545,677	465,500	496,500
Vehicle Usage	-	10,128	8,442
Capital Expenses	30,535	-	-
Transfers Out	107,000	109,000	109,000
Total Expenditures	980,258	923,418	1,006,542
Excess Revenues over Expenditures	107,051	53,612	(94,542)
Ending Fund Balance	$ 115,806	$ 169,418	$ 74,875

City of Sherman
DRUG ENFORCEMENT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 215,819	$ 263,014	$ 126,214
Revenues			
Fines & Penalties	55,772	50,000	100,000
Interest Income	1,272	6,200	6,200
Miscellaneous Revenue	5,776	6,000	-
Total Revenues	62,820	62,200	106,200
Total Funds Available	278,639	325,214	232,414
Expenditures			
Supplies	4,843	19,000	75,400
Repair & Maintenance	-	-	27,000
Services & Charges	13	-	5,000
Capital Expenses	10,769	180,000	-
Fleet Services & Charges	-	-	-
Total Expenditures	15,625	199,000	107,400
Excess Revenues over Expenditures	47,195	(136,800)	(1,200)
Ending Fund Balance	$ 263,014	$ 126,214	$ 125,014

City of Sherman
MUNICIPAL AIRPORT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 58,747	$ 104,752	$ 160,086
Revenues			
Interest Income	2,746	6,000	5,000
Rentals	139,174	140,000	140,000
Sales & Service	526,278	500,000	500,000
Grant Revenue	50,000	25,000	50,000
Miscellaneous Revenue	20,061	2,309	-
Total Revenues	738,259	673,309	695,000
Total Funds Available	797,006	778,061	- 855,086
Expenditures			
Supplies	482,945	396,200	396,250
Repair & Maintenance	26,283	6,995	8,995
Services & Charges	105,490	104,240	105,731
Utilities	8,845	10,540	12,090
Vehicle Usage	-	-	8,700
Capital Expenses	68,691	100,000	100,000
Total Expenditures	692,254	617,975	631,766
Excess Revenues over Expenditures	46,005	55,334	63,234
Ending Fund Balance	$ 104,752	$ 160,086	$ 223,320

City of Sherman
EMPLOYEE INSURANCE FUND
2023-2024 Annual Budget

	Actual 2021-2022	Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 511,656	$ 374,093	$ 503,954	$ 354,204
Revenues				
Employer Contributions	3,819,919	4,847,750	4,738,550	5,511,680
Employee Contributions	922,969	975,000	1,055,000	1,160,500
Retiree Contributions	196,221	200,000	180,000	180,000
COBRA Contributions	5,114	2,000	700	1,000
Miscellaneous Revenue	-	-	-	-
Interest Income	19,739	2,500	80,000	20,000
Transfers In	-	-	300,000	-
Total Revenues	4,963,962	6,027,250	6,354,250	6,873,180
Total Funds Available	5,475,618	6,401,343	6,858,204	7,227,384
Expenditures				
Health Insurance Claims	4,011,818	4,929,000	5,350,000	5,500,000
Administration & Premiums	917,800	1,233,000	1,100,000	1,336,000
Life Insurance Premiums	42,047	43,000	54,000	57,000
Transfers Out	-	-	-	-
Total Expenditures	4,971,664	6,205,000	6,504,000	6,893,000
Excess Revenues over Expenditures	(7,702)	(177,750)	(149,750)	(19,820)
Ending Fund Balance	$ 503,954	$ 196,343	$ 354,204	$ 334,384

City of Sherman
INFORMATION TECHNOLOGY FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 313,985	$ 105,791	$ 107,673
Revenues			
Technology Services:			
General Fund	1,046,518	1,256,040	1,469,120
Stormwater	3,105	1,730	5,660
Tourism	13,974	15,560	5,660
Equipment Services Fund	46,581	60,480	62,240
Utility Fund	295,012	331,800	411,200
Solid Waste Fund	86,951	100,220	115,050
Interest Income	1,243	2,400	2,400
Grant Revenue	15,037	-	-
Miscellaneous Revenue	1,297	2,000	2,000
Total Revenues	1,509,719	1,770,230	2,073,330
Total Funds Available	1,823,704	1,876,021	2,181,003
Expenditures			
Personnel	870,645	918,642	1,211,950
Supplies	53,293	83,670	68,382
Repair & Maintenance	178,436	173,153	189,324
Utilities	42,086	53,830	65,970
Services & Charges	439,716	328,018	414,857
Capital Expenses	133,737	204,034	83,600
Transfers Out	-	7,000	45,040
Total Expenditures	1,717,913	1,768,348	2,079,123
Excess Revenues over Expenditures	(208,194)	1,882	(5,793)
Ending Fund Balance	$ 105,791	$ 107,673	$ 101,881

City of Sherman
EQUIPMENT SERVICES FUND
2023-2024 Annual Budget

	Actual 2021-2022	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ (269,004)	$ (20,529)	$ 637,294
Revenues			
Internal Service Revenue	3,996,337	5,283,337	4,803,443
Interest Income	-	-	-
Grant Revenue	26,719	-	-
Miscellaneous Revenue	19,001	-	-
Total Revenues	4,042,056	5,283,337	4,803,443
Total Funds Available	3,773,052	5,262,808	5,440,737
Expenditures			
Personnel	833,208	1,152,962	1,256,660
Supplies	1,299,678	1,285,471	1,401,455
Repair & Maintenance	1,265,171	1,653,047	1,560,544
Utilities	16,127	18,370	23,180
Information Technology	46,581	60,480	62,240
Services & Charges	319,838	362,184	423,010
Capital Expenses	12,978	86,000	95,000
Fleet Services & Charges	-	-	-
Vehicle Usage	-	-	-
Transfers Out	-	7,000	-
Total Expenditures	3,793,581	4,625,514	4,822,089
Excess Revenues over Expenditures	248,475	657,823	(18,646)
Ending Fund Balance	$ (20,529)	$ 637,294	$ 618,648

City of Sherman
FLEET REPLACEMENT FUND
2023-2024 Annual Budget

	Actual 2021-2022	Adjusted Budget 2022-2023	Projected 2022-2023	Proposed 2023-2024
Beginning Fund Balance	$ 1,566,711	$ 1,760,988	$ 1,731,628	$ 126,358
Revenues				
Fleet Replacement Revenue	2,015,899	2,213,380	2,390,694	2,180,253
Property Tax	698,333	1,472,000	1,291,000	1,940,000
Interest Income	30,155	-	121,500	125,000
Debt Proceeds	1,766,000	4,873,103	3,258,027	3,532,790
Miscellaneous Revenue	17,022	-	136,000	300,000
Total Revenues	4,527,409	8,558,483	7,197,221	8,078,043
Total Funds Available	6,094,120	10,319,471	8,928,849	8,204,401
Expenditures				
Debt Service	1,459,037	2,230,185	2,160,285	2,696,705
Supplies	8,652	-	-	-
Services & Charges	46,642	-	57,776	77,250
Capital Expenses	2,848,162	8,052,634	6,584,430	5,179,055
Total Expenditures	4,362,493	10,282,819	8,802,491	7,953,010
Excess Revenues over Expenditures	164,916	(1,724,336)	(1,605,270)	125,033
Ending Fund Balance	$ 1,731,628	$ 36,652	$ 126,358	$ 251,391

BUDGET FY23/24

FUND	DETAILS	*Expense TRANSFER FROM* Debit	*Revenue TRANSFER TO* Credit
100	From fund 700 5% franchise, admin cost		$ 3,277,000.00
	From fund 790, dept 243, 244		$ 1,002,000.00
	From 790, debt service		$ 625,569.00
	From fund 222, ROW Agent		$ 50,516.00
	From Fund 630, debt service		$ 45,040.00
	From fund 700, debt service		$ 179,458.00
	From fund 450, truancy clerk		$ 45,000.00
	To fund 220, capital projects	$ 1,000,000.00	
220	From fund 100, capital projects		$ 1,000,000.00
	To fund 100, ROW Agent	$ 50,516.00	
222	From fund 251, Moore St		$ 1,200,000.00
	From fund 253, Shepherd Rd		$ 2,000,000.00
241	To fund 300, debt service	$ 289,000.00	
242	To fund 300, debt service	$ 226,000.00	
243	To fund 300, debt service	$ 178,000.00	
251	To fund 222, Moore Street	$ 1,200,000.00	
253	To fund 222, Shepherd Rd	$ 2,000,000.00	
300	From fund 420, debt service		$ 273,000.00
	From fund 241, debt service		$ 289,000.00
	From fund 242, debt service		$ 226,000.00
	From fund 243, debt service		$ 178,000.00
	From fund 460, debt service		$ 109,000.00
330	To fund 700, debt service	$ 200,000.00	
420	To fund 300, debt service	$ 273,000.00	
460	To fund 100, truancy clerk	$ 45,000.00	
460	To fund 300, debt service	$ 109,000.00	
630	To fund 100, debt service	$ 45,040.00	
700	To fund 100 5% franchise, admin cost	$ 3,277,000.00	
	To fund 100, debt service	$ 179,458.00	
	From fund 790, admin cost		$ 238,092.00
	From fund 330, debt service		$ 200,000.00
	From fund 750, water impact fee		$ 800,000.00
	From fund 751, sewer impact fee		$ 300,000.00
750	To fund 770, Bel Air, Heritage Rch, Shepherd		
	To fund 700, debt service water plant	$ 800,000.00	
751	To fund 700, debt service sewer	$ 300,000.00	
790	To fund 100 8% franchise, admin cost RSW	$ 275,000.00	
790	To fund 100 8% franchise, admin cost CSW	$ 727,000.00	
790	To fund 700 admin cost	$ 238,092.00	
790	To fund 100, debt service	$ 625,569.00	
	TOTALS	$ 12,037,675.00	$ 12,037,675.00

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 10.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

PUBLIC HEARING OF ORDINANCE NO. 6640

Providing for the Levy of Ad Valorem Taxes for the City of Sherman, Texas, for the Tax Year 2023; Distributing the Same Among the Various Funds; Providing for a Penalty and Interest for Failure to Pay the Taxes Levied within the Time Provided by Law; Providing for a Lien on all Real and Personal Property to Secure Payment of Taxes Due Thereon; Providing a Penalty Clause, Savings/Repealing Clause, Severability Clause and An Effective Date

Issue:

To introduce and hold a public hearing on the Ad Valorem Tax Rate proposed for the upcoming fiscal year, as required by the Texas Tax Code and Local Government Code

Background:

The no-new-revenue tax rate is the rate for the 2023 tax year that will raise the same amount of property tax revenue from the same properties in both the 2022 tax year and the 2023 tax year. The voter-approval rate is the highest tax rate that may be adopted without holding an election to seek voter approval of the rate. This year's no-new-revenue tax rate is $0.431328/$100, with a voter-approval rate of $0.529258/$100 (with sales tax-in-lieu-of property tax adjustment). The actual total tax rate of $.508000/$100 is higher than last year's actual tax rate of $.469932/$100. The tax rate is split between a debt service component called Interest and Sinking (I&S) and a Maintenance & Operations (M&O) component. The debt rate is $0.244229/$100; and the M&O rate is $0.263771/$100.

Origination:

Director of Finance

Financial Consideration:

The proposed tax rate will generate approximately $27.8 million in property tax revenues.

Staff Recommendation:

Based on the Budget Workshop and discussion of the draft budget, the staff recommends the Council hold the public hearing on the tax rates as indicated above. A motion to adopt must be made in the following form:

"I move that the property tax rate be increased by the adoption of a tax rate of $.508000/$100, which is effectively an 18 percent increase in the tax rate."

Alternatives:

Since notice has already been published, changing the proposed rates would require re-publication of the notice and setting an additional public hearing.

Attachments

Ordinance No. 6640

ORDINANCE NO. 6640

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, PROVIDING FOR THE LEVY OF AD VALOREM TAXES FOR THE CITY OF SHERMAN, TEXAS, FOR THE TAX YEAR 2023; DISTRIBUTING THE SAME AMONG THE VARIOUS FUNDS; PROVIDING FOR A PENALTY AND INTEREST FOR FAILURE TO PAY THE TAXES LEVIED WITHIN THE TIME PROVIDED BY LAW; PROVIDING FOR A LIEN ON ALL REAL AND PERSONAL PROPERTY TO SECURE PAYMENT OF TAXES DUE THEREON; PROVIDING A PENALTY CLAUSE, SAVINGS/ REPEALING CLAUSE, SEVERABILITY CLAUSE AND AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Council hereby levies, approves and orders to be assessed and collected for the Tax Year 2023 beginning on January 1, 2023, and for each subsequent tax year until otherwise ordained, a Maintenance and Operations (M&O) ad valorem tax at the rate of $0.263771/$100 Dollars of taxable value and a debt service ad valorem tax at the rate of $0.244229/$100 Dollars of taxable value on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Sherman that is not exempt from taxation by the constitution and laws of the State of Texas, apportioned as follows, with each such component being separately approved by the City Council:

FOR GENERAL FUND EXPENDITURES, $0.263771 on each One Hundred Dollars ($100.00) assessed valuation of such property.

FOR DEBT SERVICE EXPENDITURES, $0.244229 on each One Hundred Dollars ($100.00) assessed valuation of such property.

The total tax rate of $0.508000 is based on one hundred percent (100%) market value on each One Hundred Dollars ($100.00) of assessed valuation of all taxable property within the City.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 9 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A $100,000

HOME BY APPROXIMATELY $21.56.

SECTION 2. That a penalty shall be charged and collected from all persons who do not pay their taxes prior to the first day of February, 2024. Penalty charges shall be in accordance with the following schedule.

If paid in February, 2024	6%
If paid in March, 2024	7%
If paid in April, 2024	8%
If paid in May, 2024	9%
If paid in June, 2024	10%
If paid on or after July 1, 2024	12%

All delinquent taxes shall accrue interest from the date of delinquency at the rate of one percent (1%) for each month or portion of a month the tax remains unpaid. Pursuant to Section 33.07 of the Texas Property Tax Code, an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest that remain due after July 1, 2024, shall be assessed to defray the cost of collection.

A tax imposed on tangible personal property that is delinquent on or after February 1 of the year in which it becomes delinquent shall incur an additional penalty sixty (60) days after the date the tax becomes delinquent. Pursuant to Section 33.11 of the Texas Property Tax Code, the tangible personal property taxes that remain delinquent on April 1 of the year in which they become delinquent shall incur an additional penalty of twenty percent (20%) of the amount of taxes, penalty and interest due to defray the costs of collection.

The City shall have a lien on all taxable property located in the City to secure the payment of taxes, penalty and interest, and all costs of collection, assessed and levied hereby.

SECTION 3: Taxes are payable at the office of the Grayson County Tax Assessor/Collector. The City shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 4: The tax roll, as presented to the City Council, together with any supplement thereto, is hereby accepted.

SECTION 5. All provisions of any ordinance in conflict with this Ordinance are hereby repealed; but such repeal shall not abate any pending prosecution for violation of the repealed Ordinance, nor shall the repeal prevent prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of conflicting ordinances shall remain in full force and effect.

SECTION 6. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection,

sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION 7. That it is found and determined that the meetings at which this ordinance was introduced and passed were open to the public and that public notice of the time, place and purpose of said meetings were given all as required by law.

INTRODUCED on this the 5th day of September 2023.

ADOPTED on this the 5th day of September 2023.

EFFECTIVE DATE on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
ABERNATHY, ROEDER,
BOYD, & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **F. 11.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Numbers 6636, 6637, 6638.

Issue:

F. 3. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6636**
Approving the 2023 - 24 Annual Service and Assessment Plan Update for the Bel Air Village Public Improvement District

F. 4. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6637**
Amending Ordinance No. 6630 (Ordering a General Election to be Held on November 7, 2023 for the Purpose of Electing Two City Council Members (District 2 and District 4) to Fill Expiring Terms); Providing for Updated Polling Location Information

F. 5. **INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6638**
Amending Ordinance No. 6631 (Ordering a Special Election to be Held on November 7, 2023 for the Purpose of the Reauthorization of the Local Sales and Use Tax at the Rate of One-Eighth of One Percent (1/8%) to Continue Providing Revenue for Maintenance and Repair of Municipal Streets), Providing for Updated Polling Location Information

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 1.**

Meeting Date: 09/05/2023

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7125

Approving and Adopting a Five-Year Capital Improvement Program for the City of Sherman, Texas

Issue:

To approve and adopt the City of Sherman's Capital Improvement Program 2023-2028

Background:

Article V, Section 10 of the City Charter requires that the City Council, by resolution, adopt a Capital Improvement Program. As required, before consideration of the resolution, the City published a summary of the Program on the City of Sherman website and gave notice of a public hearing in a newspaper of general circulation in the City and also held the required public hearing on the Program.

Origination:

Finance Department

Financial Consideration:

The first year of projects for the General, Utility and Stormwater Capital Improvement Programs are included in the proposed fiscal year (FY) 2023-2024 budget. Therefore, there is no additional financial consideration to adopting the Capital Improvement Program.

Staff Recommendation:

The staff recommends approval of the five-year Capital Improvement Plan.

Alternatives:

The Council may amend the Program and then adopt the Program with or without amendments.

Attachments

Resolution No. 7125

CIP Draft 2023-2028

RESOLUTION NO. 7125

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is charged with providing a five-year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City; and

WHEREAS, the City Manager has provided to the City Council such a program in a timely fashion; and

WHEREAS, the City Council met to review said plan on the 7th day of August, 2023, at a regular City Council meeting;

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

SECTION 1. That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

SECTION 2. That the effective date of this resolution shall be the 5th day of September, 2023.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Capital Improvement Plan for the City of Sherman

October 1, 2023 – September 30, 2028

CAPITAL IMPROVEMENT PROGRAM OF THE CITY OF SHERMAN

OCTOBER 1, 2023 - SEPTEMBER 30, 2028

CITY COUNCIL

David Plyler, Mayor
Josh Stevenson, Deputy Mayor

Council Members

Pamela L. Howeth
Daron Holland
Shawn Teamann
Justin Dobbs
Henry Marroquin

Robby Hefton, City Manager

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City of Sherman, Texas

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MAYOR DAVID PLYLER
DEPUTY MAYOR JOSH STEVENSON
CITY COUNCIL PAMELA L. HOWETH, DARON HOLLAND, SHAWN TEAMANN, JUSTON DOBBS, HENRY MARROQUIN
CITY MANAGER ROBBY HEFTON

The Honorable David Plyler, Mayor, and Members of the City Council

Subject: 2023-2024/2027-2028 Five-Year Capital Improvement Program

The Capital Improvement Program for the City of Sherman is submitted to you in compliance with Article V, Section IX of our Charter. This Five-Year Capital Improvement Program covers the planning period beginning October 1, 2023 through September 30, 2028.

Our community continues to experience growth and potential for growth and, in order to meet the needs of the future, we must plan. The Capital Improvement Program forecasts our major capital improvement needs on a yearly priority basis. The plan requires annual revision in order to ensure that it meets the public safety, health and welfare needs of the citizens of Sherman, as well as our ability to finance those needs.

The Capital Improvement Program provides you with a comprehensive planning forecast of Capital Improvement needs. It outlines the recommended projects by fiscal year and estimates cost and funding sources. Each project is described by a brief narrative. The process of reviewing and approving this document requires that you concentrate on the priorities of the projects, due to funding limitations.

The Capital Improvement Program is separated into two functions, that of governmental and of proprietary. The governmental function is accounted for in the General Fund services; and the Capital Improvement Projects under this section are associated with general government and financed by taxation, grants and other General Fund sources. These projects are in the nature of streets, parks, drainage, flood control, refuse, and public safety improvements. The proprietary function is accounted for in the Utility Services section. Projects under this section are primarily for water and sewer improvements. Summaries by fiscal year for General Services and Utility Services are for years one through five.

This Capital Improvement Program has been reviewed and is hereby respectfully submitted for your consideration.

Very truly yours,

Robby Hefton
City Manager

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
ENGINEERING SERVICES					
Phased Construction of Flanary Road - FM 1417 to Progress Drive	$ 900,000	$ 4,500,000	$ -	$ -	$ -
Phased Design & Construction of OB Groner - West of FM 1417	$ 1,000,000	$ 1,500,000	$ -	$ -	$ -
Extend Moore Street - Park Avenue to Center Street	$ 2,200,000	$ 3,000,000	$ -	$ -	$ -
Construct Bel Air Boulevard South to Creek and Beach Boulevard - London Lane	$ 5,600,000	$ -	$ -	$ -	$ -
Phased Design & Construction of Lamberth Road & Friendship Road Thru Hickory Hill	$ 3,500,000	$ -	$ -	$ -	$ -
Allocation for 75% Right-of-Way for Capital Projects	$ 50,516	$ -	$ -	$ -	$ -
Design & Land Acquisition for City Hall Facility	$ 5,000,000	$ -	$ -	$ -	$ -
Construct Road Connecting Progress Drive to Industrial Park Location	$ 700,000	$ -	$ -	$ -	$ -
Construction & Extension of Progress Drive	$ 2,200,000	$ -	$ -	$ -	$ -
Construction of Shepherd Drive	$ 3,070,000	$ -	$ -	$ -	$ -
Engineering of Ramps at Heritage Ranch	$ 1,000,000	$ -	$ -	$ -	$ -
Drainage Improvements for Hills of Sherman	$ 500,000	$ -	$ -	$ -	$ -
TIF #2 - Downtown General Improvements	$ 270,000	$ -	$ -	$ -	$ -
FM 1417 Design & ROW Acquisitions - SH 56 to Travis Street	$ -	$ 3,300,000	$ -	$ -	$ -
FM 1417 Design & ROW Acquisitions - US 75 to RR	$ -	$ 550,000	$ -	$ -	$ -
Improve Sherman Street to a 31-ft Road - Montgomery Street to East Street	$ -	$ 1,200,000	$ -	$ -	$ -
Construct Street Connecting Loy Lake Road to US 75 Frontage Road and Fallon Drive Overpass	$ -	$ 600,000	$ -	$ -	$ -
Engineering & Design for Future Construction of McGee/Washington Street - Washington to SH 289	$ -	$ 1,200,000	$ -	$ -	$ -
Engineering & Construction of McGee Street Bridge Across Sand Creek	$ -	$ 600,000	$ -	$ -	$ -
Design & Construction of Park Street - Lake Street to SH 11	$ -	$ -	$ 360,000	$ 2,100,000	$ -
Final Engineering East of Dripping Springs to Construct 800 LF Adjacent to Development	$ -	$ -	$ 120,000	$ 1,200,000	$ -
Phased Design & Construction of Interurban Parkway - Progress Drive to Shepherd	$ -	$ -	$ 5,000,000	$ 5,800,000	$ 23,000,000
Total Engineering Services	$ 25,990,516	$ 16,450,000	$ 5,480,000	$ 9,100,000	$ 23,000,000
FIRE DEPARTMENT					
Improve Drainage and Replace Defective Concrete at Central Fire Station	$ 250,000	$ -	$ -	$ -	$ -
Combine Fire Stations No. 1 and No. 2	$ 5,000,000	$ -	$ -	$ -	$ -
Breathing Air Compressor for Replenishing SCBA Bottles	$ -	$ 50,000	$ -	$ -	$ -
Total Fire Department	$ 5,250,000	$ 50,000	$ -	$ -	$ -

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
INFORMATION TECHNOLOGY					
Replace Existing Radio System with Trunking Radio System	$ 3,000,000	$ -	$ -	$ -	$ -
Replace Public Safety CAD and RMS Software	$ -	$ 2,500,000	$ -	$ -	$ -
Total Information Technology	$ 3,000,000	$ 2,500,000	$ -	$ -	$ -
PARKS AND RECREATION					
Replace Ballfield Lighting and Add Sidewalks at Old Settlers Park	$ 1,500,000	$ 1,500,000	$ -	$ -	$ -
Creek Erosion Control at West Hill Cemetery	$ 1,000,000	$ -	$ -	$ -	$ -
Install Inclusive Playground and Expand Parking Lot at Pecan Grove East Park	$ 800,000	$ -	$ -	$ -	$ -
Upgrade Fairview Tennis Courts - Resurface and Replace Fencing/Lighting	$ 100,000	$ -	$ -	$ -	$ -
Replace Large Playground at Fairview Park	$ 1,500,000	$ -	$ -	$ -	$ -
Replace Pavilions No. 2 and No. 4 with Large Pavilion at Fairview Park	$ 200,000	$ -	$ -	$ -	$ -
Design & Construct Southwest Trail Per Trails Master Plan	$ 5,746,167	$ -	$ -	$ -	$ -
Replace Large Playground at Hawn Park	$ 1,000,000	$ -	$ -	$ -	$ -
Replace Pavilion at Hawn Park	$ 200,000	$ -	$ -	$ -	$ -
Install Splash Pad at Pecan Grove West Park	$ 1,000,000	$ -	$ -	$ -	$ -
Install Fishing Pier and Kayak Drop at Herman Baker Park	$ 700,000	$ -	$ -	$ -	$ -
Install Turf Athletic Field at a City Park Location	$ 2,000,000	$ -	$ -	$ -	$ -
Design & Install Disc Golf Course at Herman Baker Park	$ 100,000	$ -	$ -	$ -	$ -
Replace Softball Field Lighting at Fairview Park	$ 800,000	$ -	$ -	$ -	$ -
Replace Splash Pad at Hawn Park	$ 800,000	$ -	$ -	$ -	$ -
Acquire Land for Future Park Development	$ -	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ -
Install Splash Pad at Old Settlers Park	$ -	$ 750,000	$ -	$ -	$ -
Install Restroom at Binkley Park	$ -	$ 350,000	$ -	$ -	$ -
Install Splash Pad at Martin Luther King Jr. Park	$ -	$ 750,000	$ -	$ -	$ -
Install Fishing Pier and Kayak Drop at Pecan Grove East Park	$ -	$ 700,000	$ -	$ -	$ -
Construct "Shark Tooth Park" at Post Oak Creek	$ -	$ 4,500,000	$ -	$ -	$ -
Install Outdoor Workout Equipment at Fairview Park	$ -	$ 350,000	$ -	$ -	$ -
Expand Existing Skatepark at Hawn Park	$ -	$ 400,000	$ -	$ -	$ -
Construct Food Truck Park	$ -	$ 500,000	$ -	$ -	$ -
Upgrade Building and Expand Parking at Taylor Street Gym	$ -	$ 400,000	$ -	$ -	$ -
Install Second Dog Park	$ -	$ 200,000	$ -	$ -	$ -
Install Branded Signage Throughout Park System	$ -	$ 150,000	$ -	$ -	$ -
Design & Construct New Outdoor Acquatics Center	$ -	$ -	$ 400,000	$ 40,000,000	$ -
Design & Construct Multi-Generational Recreation Center	$ -	$ -	$ 200,000	$ -	$ 7,000,000
Develop Parks Master Plan for 2027-2037	$ -	$ -	$ 125,000	$ -	$ -

GENERAL SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Update Veterans Baseball Field	$ -	$ -	$ 500,000	$ -	$ -
Expand Parking Lot at Center Street Sports Complex	$ -	$ -	$ 2,500,000	$ -	$ -
Install Shading at Fairview Dog Park	$ -	$ -	$ 70,000	$ -	$ -
Install Pavilion at Herman Baker Park	$ -	$ -	$ 100,000	$ -	$ -
Install Covering for Outdoor Basketball Courts at Old Settlers & Pecan Grove West Parks	$ -	$ -	$ 2,000,000	$ -	$ -
Design & Construct Sandy Creek Pedestrian Bridge	$ -	$ -	$ -	$ 250,000	$ -
Design Large Outdoor Athletic Complex	$ -	$ -	$ -	$ 400,000	$ -
Total Parks & Recreation	$ 17,446,167	$ 12,550,000	$ 7,895,000	$ 42,650,000	$ 7,000,000
Total General Services	$51,686,683	$31,550,000	$13,375,000	$51,750,000	$30,000,000

UTILITY SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Oversizing Costs for Annual Water & Sewer Projects	$ 250,000	$ 300,000	$ 300,000	$ 300,000	$ 500,000
Continue High Country Estates Water System Upgrades	$ 70,000	$ 70,000	$ 75,000	$ -	$ -
Add Water Line Across US 75 for Elevated Tank Level Stabilization	$ 73,500	$ 490,000	$ -	$ -	$ -
Increase Existing 6-Inch Water Line Across SH 289 to 12-Inch Line	$ 82,700	$ 551,000	$ -	$ -	$ -
Remove Buildup in Sludge Ponds at WTP	$ 400,000	$ -	$ 420,000	$ -	$ 440,000
Design & Construct Major WWTP Expansion to Treat Industrial Waste	$ 155,000,000	$ -	$ 200,000,000	$ -	$ -
Design & Construct WTP Expansion to 30 MGD UF/RO & Install Components for Additional 15 MGD	$ 14,300,000	$ -	$ 245,000,000	$ -	$ -
Increase UF/RO Capacity by 15 MGD at WTP	$ 7,040,000	$ -	$ -	$ -	$ 30,000,000
Procure & Install Lake Texoma Pump Station Backup Generator & Switchgear for Electrical Upgrades	$ 5,200,000	$ -	$ -	$ -	$ -
Conduct City Lift Station Assessment Study	$ 300,000	$ -	$ -	$ -	$ -
Abandon Preston Club Wastewater Treatment Plant & Old Lift Stations	$ 175,000	$ -	$ -	$ -	$ -
Expand WTP North by 5 MGD	$ 4,500,000	$ -	$ -	$ -	$ -
Design & Construct 36-Inch Water Line West to WTP	$ 23,000,000	$ -	$ -	$ -	$ -
Abandon South Crockett Lift Station & Install Gravity Sewer Connecting to Existing Line	$ 150,000	$ -	$ -	$ -	$ -
WTP Rehabilitation - Flocculation/Sedimentation Units, Filters, EDR Units	$ 20,000,000	$ -	$ -	$ -	$ -
Engineering Management	$ 9,255,000	$ -	$ -	$ -	$ -
Design for Backup Generators for WTP & Lake Texoma	$ 500,000	$ -	$ -	$ -	$ -
Increase Raw Water Pump No. 1 & No. 4 Capacity at Lake Texoma Pump Station	$ 9,200,000	$ -	$ -	$ -	$ -
Construct Emergency Storage Water Reservoir at WTP	$ 31,400,000	$ -	$ -	$ -	$ -
Construct Concentrate Pump Station & Discharge Line at WTP	$ 7,422,000	$ -	$ -	$ -	$ -
Bel Air Construction - Phase III - 20-Inch Surface Water Line	$ 2,220,000	$ -	$ -	$ -	$ -
Relocate New Elevated Tank & Abandon Old Elevated Tank on Shepherd Drive	$ 17,000,000	$ -	$ -	$ -	$ -
Complete Replacement of Deteriorated Southside Industrial Sewer	$ 1,350,000	$ -	$ -	$ -	$ -
Remove & Replace Post Oak Sewer Lines A and B	$ 5,091,000	$ -	$ -	$ -	$ -
Replace Inverted Siphon Sewer Line	$ 500,000	$ -	$ -	$ -	$ -
Improve Safety & Operability of WWTP Electrical System	$ 9,271,208	$ -	$ -	$ -	$ -
Conduct Post Oak WWTP Master Plan/Feasibility Study	$ 11,400,000	$ -	$ -	$ -	$ -
Hickory Hill Utility Improvements	$ 1,820,000	$ -	$ -	$ -	$ -
Increase Size of Post Oak Creek Sewer Lines to WWTP	$ -	$ 3,000,000	$ 4,600,000	$ 9,400,000	$ 3,800,000
Annual Sewer Line Replacement - West Side of Post Oak Creek	$ -	$ 1,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Lead & Copper Rule Revision - Phases 3 Through 6	$ -	$ 490,000	$ 270,000	$ 219,000	$ 210,000
Annual Water Line Replacements	$ -	$ 1,900,000	$ 2,000,000	$ 2,000,000	$ 2,000,000
Filtration & Re-Lift Pump Station for WWTP	$ -	$ 1,200,000	$ 12,000,000	$ -	$ -
Design & Replace Downtown Sewer Lines - Phase II	$ -	$ 800,000	$ 4,200,000	$ -	$ -
Upsize 42-Inch Sanitary Sewer Line to 60-Inch Line - Post Oak Road	$ -	$ 1,300,000	$ 8,700,000	$ -	$ -
Upgrade WWTP From 10 MGD to 14 MGD	$ -	$ 10,000,000	$ 80,000,000	$ -	$ -
Rehabilitate & Replace Sludge Digester Complex at WWTP	$ -	$ 550,000	$ 7,300,000	$ -	$ -
Clarifier #3 Rehabilitation at WWTP	$ -	$ 120,000	$ 1,000,000	$ -	$ -
NFPA Upgrades to Grit Building at WWTP	$ -	$ 30,000	$ 290,000	$ -	$ -
Miscellaneous WWTP Improvements	$ -	$ 50,000	$ 170,000	$ -	$ -

UTILITY SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
Construction Phase of Equalization Basin Blower Rehabilitation at WWTP	$ -	$ 1,810,000	$ -	$ -	$ -
Remodel & Upgrade Laboratory at WWTP	$ -	$ 3,200,000	$ -	$ -	$ -
Complete Repainting of Rex Cruse Elevated Tank	$ -	$ 500,000	$ -	$ -	$ -
Replace Exposed Water Line - Center Street Bridge Rehabilitation	$ -	$ 650,000	$ -	$ -	$ -
Engineering & Construction of Shepherd Utilities	$ -	$ 550,000	$ -	$ -	$ -
Replace Downtown Sewer Lines - Phase I	$ -	$ 1,500,000	$ -	$ -	$ -
Install Collection System Sewer Line - Heritage Ranch	$ -	$ 900,000	$ -	$ -	$ -
Replace Sewer Line in Southeast Sherman - Rosedale to First Street	$ -	$ 900,000	$ -	$ -	$ -
Replace Base & Apply New Surface Course for WWTP Road	$ -	$ 40,000	$ -	$ -	$ -
Upsize 21-Inch Sanitary Sewer Line to 60-Inch Line - Choctaw	$ -	$ -	$ 2,200,000	$ 14,500,000	$ -
Expand Northeast Sewer Expansion Project to Address Northwest Sherman Development	$ -	$ -	$ 1,000,000	$ 500,000	$ -
Demolish Old Sludge Drying Beds	$ -	$ -	$ 250,000	$ -	$ -
Install 36-Inch Medium Pressure Line to Service Southern Sherman	$ -	$ -	$ -	$ 5,000,000	$ 60,000,000
Convert Wastewater to Re-Use and Send to Lake Texoma	$ -	$ -	$ -	$ 60,000,000	$ -
Sample & Investigate WWTP Pond System	$ -	$ -	$ -	$ 20,000	$ 350,000
Rehabilitation & Safety Improvements to Decant Lift Station at WWTP	$ -	$ -	$ -	$ 50,000	$ 430,000
Construct 84-Inch Water Line from Lake Texoma to WTP	$ -	$ -	$ -	$ -	$ 56,600,000
Construct New Water Line to Service Southern Sherman and Mustang MUD	$ -	$ -	$ -	$ -	$ 2,000,000
Upsize 15-Inch Sanitary Sewer Line to 60-Inch Line - Shepherd Drive	$ -	$ -	$ -	$ -	$ 3,400,000
Total Utility Services	$ 336,970,408	$ 31,901,000	$ 571,775,000	$ 93,989,000	$ 161,730,000

STORMWATER SERVICES

PROJECT	FY 2024 Budgeted	FY 2025 Proposed	FY 2026 Proposed	FY 2027 Proposed	FY 2028 Proposed
McGee Street Bridge at Post Oak Creek - Erosion Damage Repair and Deck Overlay	$ -	$ 175,000	$ 1,000,000	$ -	$ -
Lambert Road Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ 130,000	$ -	$ -	$ -
Hillcrest/North Woods Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ 110,000	$ -	$ -	$ -
Design & Construct Storm Drainage System - Birge Street to McGee Street	$ -	$ 2,500,000	$ -	$ -	$ -
Taylor-Washington Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ -	$ 135,000	$ -	$ -
Pecan/Ricketts/Centennial Bridges - Erosion Damage Repair and Deck Overlay	$ -	$ -	$ 95,000	$ -	$ -
Increase Culvert Capacity Under Gribble Street	$ -	$ -	$ -	$ 385,000	$ -
Construct Regional Storm Water Detention Facility in Town Center	$ -	$ -	$ -	$ -	$ 580,000
Total Stormwater Services	$ -	$ 2,915,000	$ 1,230,000	$ 385,000	$ 580,000

DRAFT

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, APPROVING AND ADOPTING A FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF SHERMAN, TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council is charged with providing a five-year capital improvement program for the City of Sherman, pursuant to Article V of the Charter of said City; and

WHEREAS, the City Manager has provided to the City Council such a program in a timely fashion; and

WHEREAS, the City Council met to review said plan on the 7th day of August, 2023, at a regular City Council meeting;

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

SECTION 1. That the Five-Year Capital Improvement Program, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Sherman, Texas.

SECTION 2. That the effective date of this resolution shall be the 21st day of August, 2023.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the _____ day of _____, 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

CAPITAL BUDGET
2023 - 2028

GENERAL SERVICES
2023 - 2028

GENERAL SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

2023-2024

PROJECT YEAR: 2023 - 2024

PHASED CONSTRUCTION OF FLANARY ROAD - FM 1417 TO PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Flanary Road between FM 1417 and Progress Road.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PHASED DESIGN & CONSTRUCTION OF OB GRONER - WEST OF FM 1417

DESCRIPTION:	**Phased design and construction of OB Groner Road, west of FM 1417, including full intersection and two-lane road.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

EXTEND MOORE STREET - PARK AVENUE TO CENTER STREET

DESCRIPTION:	**Construction will extend Moore Street north between Park Avenue to Center Street and will only include two of the four lanes. Future development will determine additional phases.**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Project is part of a minor thoroughfare, recommended by the the 2020 Grayson County Thoroughfare Plan, to connect FM 1417 to Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCT BEL AIR BOULEVARD SOUTH TO CREEK & BEACH BOULEVARD

DESCRIPTION:	**Continue construction to extend four-lane boulevard south to creek and to construct Beach Boulevard - London Lane.**
ESTIMATED COST:	**$5,600,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Project is included in the master development agreement, as well as recommended by the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

PHASED DESIGN & CONSTRUCTION OF LAMBERTH ROAD AND FRIENDSHIP ROAD

DESCRIPTION:	Project for phased design and construction of Lamberth Road and Friendship Road through Hickory Hill.
ESTIMATED COST:	$3,500,000
PROPOSED FINANCING:	Certificates of Obligation / Impact Fees
PROJECT NECESSITY:	This project will assist in areas of development in West Sherman. The 2020 updated Grayson County Thoroughfare Plan recommended a major thoroughfare between FM 1417 and SH 289.
DEPARTMENT/DIRECTOR:	Director of Engineering, Wayne Lee

ALLOCATION FOR 75% RIGHT-OF-WAY AGENT FOR CAPITAL PROJECTS

DESCRIPTION:	Allocation for 75% of a right-of-way agent to oversee the acquisition of right-of-way property relating to future capital projects.
ESTIMATED COST:	$50,516
PROPOSED FINANCING:	Certificates of Obligation
PROJECT NECESSITY:	A dedicated employee is required to efficiently facilitate the acquisitions of right-of-way properties required for an increasing volume of capital projects.
DEPARTMENT/DIRECTOR:	Director of Engineering, Wayne Lee

PROJECT YEAR: 2023 - 2024

DESIGN & LAND ACQUISITION FOR CITY HALL FACILITY

DESCRIPTION:	**Design and land acquisitions to construct a new City Hall facility on the current City Hall site.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**The current City Hall facility has reached staffing capacity and requires a larger footprint to address current and new future staffing needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCT ROAD CONNECTING PROGRESS DRIVE TO INDUSTRIAL PARK

DESCRIPTION:	**Construct road connecting Progress Drive to location of Industrial Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**A north-south road is required to for traffic from Progress Drive to reach the Industrial Park.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

CONSTRUCTION & EXTENSION OF PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Progress Drive between Progress Rail and Flanary Road**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the industrial park.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CONSTRUCTION OF SHEPHERD DRIVE

DESCRIPTION:	**Construction of two lanes of ultimately a six-lane boulevard, adjacent to Shepherd Place development.**
ESTIMATED COST:	**$3,070,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Shepherd Drive is included in the Sherman Master Thoroughfare Plan, in order to ultimately upgrade to a six-lane boulevard. This funding assists with the construction of two of the six lanes.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

ENGINEERING OF RAMPS AT HERITAGE RANCH

DESCRIPTION:	**Engineering phase to design ramps off of US 82 at the Heritage Ranch development.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing traffic at Travis Street and FM 1417 requires the construction of ramps to better address the flow of traffic in the area of Heritage Ranch.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DRAINAGE IMPROVEMENTS FOR HILLS OF SHERMAN

DESCRIPTION:	**City contribution for an oversized detention reservoir for the Hills of Sherman area.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**A detention reservoir is required to address drainage issues caused by existing downstream flooding.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2023 - 2024

DOWNTOWN GENERAL IMPROVEMENTS

DESCRIPTION:	**General improvements in the downtown Sherman area.**
ESTIMATED COST:	**$270,000**
PROPOSED FINANCING:	**TIRZ #2 Construction Fund**
PROJECT NECESSITY:	**Council has requested TIRZ #2 revenue and fund balance to be used for infrastructure improvements in Downtown Sherman.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

IMPROVE DRAINAGE & REPLACE CONCRETE AT CENTRAL FIRE STATION

DESCRIPTION:	**Replace area of defective concrete and improve site drainage at Central Fire Station.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project will address damaged areas of concrete and drainage issues, which have resulted in site damages at Central Fire Station, thereby prolonging the life of the property.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

PROJECT YEAR: 2023 - 2024

COMBINE FIRE STATIONS NO. 1 & NO. 2

DESCRIPTION:	**Combining fire station No. 2 with fire station No. 1 (Central Fire Station); Includes some multi-station updates.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Moving fire station No. 2 personnel to Central Fire Station will increase personnel per apparatus, increasing safety and efficiency on scene. Multi-station updates necessary to accommodate increasing staff and City growth.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

REPLACE EXISTING RADIO SYSTEM WITH TRUNK RADIO SYSTEM

DESCRIPTION:	**Replace the City radio system with a trunk radio system.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of existing radio system with a trunk radio system will allow for inter-agency collaboration. The new system includes support for TI plant operability, along with advanced features and security.**
DEPARTMENT/DIRECTOR:	**Executive Director of Public Safety, Zachary Flores**

PROJECT YEAR: 2023 - 2024

REPLACE BALLFIELD LIGHTING & ADD SIDEWALKS AT OLD SETTLERS PARK

DESCRIPTION:	**Replace existing sports field lights with LED lights at Old Settlers Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

CREEK EROSION CONTROL AT WEST HILL CEMETERY

DESCRIPTION:	**Address creek erosion control issues at West Hill Cemetery.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Sand Creek has eroded a portion of the cemetery grounds. Creek banks need securing to prevent burial plots falling into the creek.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

INSTALL PLAYGROUND & EXPAND PARKING LOT AT PECAN GROVE EAST PARK

DESCRIPTION:	**Design & install a large, all-inclusive playground, as well as expand the parking lot, at Pecan Grove East Park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of current park infrastructure is necessary to address increased usage of park facilities and public safety.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPGRADE TENNIS COURTS AT FAIRVIEW PARK

DESCRIPTION:	**Upgrades to the tennis courts at Fairview Park include court resurfacing, replacing fencing, and replacing lighting.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Upgrades are necessary to improve aging park amenities essential for increase park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE LARGE PLAYGROUND AT FAIRVIEW PARK

DESCRIPTION:	**Replace the large playground located at Fairview Park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of current park infrastructure is necessary to address increased usage of park facilities and public safety, as the existing playground is at end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE SMALLER PAVILIONS WITH LARGE PAVILION AT FAIRVIEW PARK

DESCRIPTION:	**Replace pavilions No. 2 and No. 4 with a large pavilion structure at Fairview Park.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increase public activities at Fairview Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT SOUTHWEST TRAIL

DESCRIPTION:	**Design and construct a trail connecting Sherman High School, Herman Baker Park, Sory Elementary, Center Street Park, Binkley Park, and several additional neighborhoods in southwest Sherman.**
ESTIMATED COST:	**$5,746,167**
PROPOSED FINANCING:	**90% TxDOT Grant Funds/10% Certificates of Obligation**
PROJECT NECESSITY:	**The 2022 Trails Master Plan identified the Southwest Trail as a desirable alignment for connectivity from schools to the surrounding neighborhoods, creating safe routes to school.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE LARGE PLAYGROUND AT HAWN PARK

DESCRIPTION:	**Replace the large playground located at Hawn Park.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacement of current park infrastructure is necessary to address increased usage of park facilities and public safety, as the existing playground is at end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE PAVILION AT HAWN PARK

DESCRIPTION:	**Replace large pavilion structure located Hawn Park.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increase public activities at Hawn Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT PECAN GROVE WEST PARK

DESCRIPTION:	**Design and install a splash pad at Pecan Grove West Park.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

INSTALL FISHING PIER & KAYAK DROP AT HERMAN BAKER PARK

DESCRIPTION:	**Install a fishing pier, along with a kayak drop, at Herman Baker Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Lake suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL TURF ATHLETIC FIELD AT CITY PARK LOCATION

DESCRIPTION:	**Install a turf athletic field at a TBD City Park Location.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities within the City parks system necessitate expansion of available athletic fields. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

DESIGN & INSTALL DISC GOLF COURSE AT HERMAN BAKER PARK

DESCRIPTION:	**Design and install a disc golf course to expand amenities Baker Park.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

REPLACE SOFTBALL FIELD LIGHTING AT FAIRVIEW PARK

DESCRIPTION:	**Replace existing sports field lights with LED lights at Fairview Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2023 - 2024

REPLACE SPLASH PAD AT HAWN PARK

DESCRIPTION:	**Design and install a splash pad at Hawn Park.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2024-2025

PROJECT YEAR: 2024 - 2025

PHASED CONSTRUCTION OF FLANARY ROAD - FM 1417 TO PROGRESS DRIVE

DESCRIPTION:	**Phased construction of Flanary Road between FM 1417 and Progress Road.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**SEDCO**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PHASED DESIGN & CONSTRUCTION OF OB GRONER - WEST OF FM 1417

DESCRIPTION:	**Phased design and construction of OB Groner Road, west of FM 1417, including full intersection and two-lane road.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan has identified this project to address growth in the area.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

EXTEND MOORE STREET - PARK AVENUE TO CENTER STREET

DESCRIPTION:	**Construction will extend Moore Street north between Park Avenue to Center Street and will only include two of the four lanes. Future development will determine additional phases.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**Project is part of a minor thoroughfare, recommended by the the 2020 Grayson County Thoroughfare Plan, to connect FM 1417 to Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

FM 1417 DESIGN & ROW ACQUISITIONS - SH 56 TO TRAVIS STREET

DESCRIPTION:	**Design & right-of-way acquisitions necessary for TxDOT funding on this thoroughfare.**
ESTIMATED COST:	**$3,300,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Traffic volume on the thoroughfare has significantly increased and planning for improvements is required to account for growth.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

FM 1417 DESIGN & ROW ACQUISITIONS - US 75 TO RAILROAD

DESCRIPTION:	**Design & right-of-way acquisitions necessary for TxDOT funding on this thoroughfare.**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Traffic volume on the thoroughfare has significantly increased and planning for improvements is required to account for growth.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

IMPROVE SHERMAN STREET TO 31-FT ROAD - MONTGOMERY STREET TO EAST STREET

DESCRIPTION:	**Project to improve Sherman Street to a 31-foot back-to-back road, between Montgomery Street and East Street.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**With the development of the Three Oaks subdivision to the south, Sherman Street requires expansion to a standard size City street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

FALLON DRIVE CONSTRUCTION - LOY LAKE WEST TO US 75

DESCRIPTION:	**Construction of a street to connect Loy Lake Road to the US 75 southbound frontage road and the overpass at Fallon Drive.**
ESTIMATED COST:	**$600,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**With increasing traffic at Loy Lake Road and US 75, a new street is needed to provide circulation to this developing area in Sherman.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ENGINEER & DESIGN MCGEE/WASHINGTON STREET - WASHINGTON TO SH 289

DESCRIPTION:	**Engineering and design phase for future construction of McGee/Washington Street, from Washington Street to SH 289.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This design will assist in the areas of development in West Sherman. The 2020 Grayson County Thoroughfare Plan recommends a major thoroughfare between FM 1417 and SH 289.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

ENGINEER & CONSTRUCT MCGEE STREET BRIDGE ACROSS SAND CREEK

DESCRIPTION:	**Engineer and construct a bridge across Sand Creek on McGee Street.**
ESTIMATED COST:	**$600,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This design will assist in the areas of development in West Sherman. The 2020 Grayson County Thoroughfare Plan recommends a major thoroughfare between FM 1417 and SH 289.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

BREATHING AIR COMPRESSOR TO REPLENISH SCBA BOTTLES

DESCRIPTION:	**The air compressor is used to replenish the air in SCBA bottles as part of the firefighter breathing apparatus.**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**The current air compressor is twenty years old and at the end of its useful life, requiring a complete replacement.**
DEPARTMENT/DIRECTOR:	**Fire Chief, Billy Hartsfield**

PROJECT YEAR: 2024 - 2025

REPLACE PUBLIC SAFETY CAD & RMS SOFTWARE

DESCRIPTION:	**Replace CAD and records management service software for public safety departmental use.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current software is being phased out by vendor and will be limited in future functionality. Replacing software will be necessary for City growth and needs.**
DEPARTMENT/DIRECTOR:	**Executive Director of Public Safety, Zachary Flores**

REPLACE BALLFIELD LIGHTING & ADD SIDEWALKS AT OLD SETTLERS PARK

DESCRIPTION:	**Complete the replacement of existing sports field lights with LED lights at Old Settlers Park. Additionally, install sidewalks at the park.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Current Halite lighting used at older sports fields are no longer available from manufacturers. LED light installation is therefore required and more energy efficient. Addition of sidewalks will improve pedestrian navigation at the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT OLD SETTLERS PARK

DESCRIPTION:	**Design and install a splash pad at Old Settlers Park.**
ESTIMATED COST:	**$750,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL RESTROOM AT BINKLEY PARK

DESCRIPTION:	**Install a restroom facility at Binkley Park.**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**A restroom facility is needed to accommodate increasing usage at the Binkley Park Mountain Bike Trail.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SPLASH PAD AT MARTIN LUTHER KING JR. PARK

DESCRIPTION:	**Design and install a splash pad at Martin Luther King Jr. Park.**
ESTIMATED COST:	**$750,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional amenities are recommended for increasing park usage. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL FISHING PIER & KAYAK DROP AT PECAN GROVE EAST PARK

DESCRIPTION:	**Install a fishing pier, along with a kayak drop, at Pecan Grove East Park.**
ESTIMATED COST:	**$700,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Pecan Grove East Park suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

CONSTRUCT SHARK TOOTH PARK AT POST OAK CREEK

DESCRIPTION:	**Construction phase of a design-build for Shark Tooth Park, to be located on Post Oak Creek east of South Travis Street.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of current park infrastructure to meet increasing growth and demand. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL OUTDOOR WORKOUT EQUIPMENT AT FAIRVIEW PARK

DESCRIPTION:	**Install outdoor workout equipment at Fairview Park.**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Fairview Park suggests the need for additional park amenities. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

EXPAND EXISTING SKATEPARK AT HAWN PARK

DESCRIPTION:	**Continue expansion of the existing skatepark located at Hawn Park.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at the Hawn Park skatepark suggest the need for area expansion. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

CONSTRUCT FOOD TRUCK PARK

DESCRIPTION:	**Construct a food truck park, complete with electrical components, picnic table seating and a side stage for musical entertainment.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing public activity across the City park system suggests the need to expand amenity options. This project is consistent with the Parks Marster Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPGRADE BUILDING & EXPAND PARKING AT TAYLOR STREET GYM

DESCRIPTION:	**Upgrade Taylor Street Gym building, including flooring and walls, and expand parking lot.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Updates are necessary due to wear-and-tear, as well as water damage. Parking expansion is necessary to accommodate increase facility usage.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2024 - 2025

INSTALL ADDITIONAL DOG PARK

DESCRIPTION:	**Install a second dog park within the City parks system.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is consistent with the Trails Master Plan and will address increasing park amenities demand.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL BRANDED SIGNAGE THROUGHOUT CITY PARK SYSTEM

DESCRIPTION:	**Install signage with City branding throughout the City park system.**
ESTIMATED COST:	**$150,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**This project would provide connectivity of park locations and label City parks to be more identifiable as City property.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2025-2026

PROJECT YEAR: 2025 - 2026

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCTION OF PARK STREET - LAKE STREET TO SH 11

DESCRIPTION:	**Design phase to connect Park Street from Lake Street to SH 11.**
ESTIMATED COST:	**$360,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan recommends expansion of East Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2025 - 2026

FINAL ENGINEERING TO CONSTRUCT ROAD EXTENSION EAST OF DRIPPING SPRINGS

DESCRIPTION:	**Final engineering to construct 800 linear feet of road adjacent to current warehouse development, located east of Dripping Springs.**
ESTIMATED COST:	**$120,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT NEW OUTDOOR AQUATICS CENTER

DESCRIPTION:	**Design phase to construct a new outdoor aquatics center.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**The Splash is twenty years old. Growing demands will necessitate expansion of aquatic amenties within the city. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

DESIGN & CONSTRUCT MULTI-GENERATIONAL RECREATION CENTER

DESCRIPTION:	**Design phase to build a multi-generational recreation center.**
ESTIMATED COST:	**$200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Addition of a recreation center will address current and future public needs relating to recreational facilities expansion.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

DEVELOP PARKS MASTER PLAN

DESCRIPTION:	**Develop the Parks Master Plan for 2027-2037.**
ESTIMATED COST:	**$125,000**
PROPOSED FINANCING:	**General Fund Revenue**
PROJECT NECESSITY:	**Texas Parks and Wildlife require a ten-year master plan be in place for a City to apply for grant funding. Additionally, the Master Plan assists the City with strategic planning.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UPDATE VETERANS BASEBALL FIELD

DESCRIPTION:	**Update Veterans Baseball Field at Fairview Park.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Replacing and updating existing park amenities is necessary as the existing amenities are nearing end of useful life.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

EXPAND PARKING LOT AT CENTER STREET SPORTS COMPLEX

DESCRIPTION:	**Expand the parking lot located at the Center Street Sports Complex.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Expansion of the existing parking lot is required to accommodate increased facility usage.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL SHADING AT FAIRVIEW DOG PARK

DESCRIPTION:	**Install shade structures at the Fairview Dog Park.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Shade structures would provide cover from the elements for patrons of the park.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2025 - 2026

INSTALL PAVILION AT HERMAN BAKER PARK

DESCRIPTION:	**Install a new pavilion for Herman Baker Lake, located at Herman Baker Park.**
ESTIMATED COST:	**$100,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increased public activities at Herman Baker Lake suggest the need for more improvements. This project is consistent with the Comprehensive Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

INSTALL COVERING FOR OUTDOOR BASKETBALL COURTS AT MULTIPLE PARKS

DESCRIPTION:	**Install covering for outdoor basketball courts at Old Settlers & Pecan Grove West Parks.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project will provide shade and shelter from inclemental weather during sporting events at the various basketball courts. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2026-2027

PROJECT YEAR: 2026 - 2027

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$5,800,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCTION OF PARK STREET TO SH 11

DESCRIPTION:	**Construction phase to connect Park Street from Lake Street to SH 11.**
ESTIMATED COST:	**$2,100,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**The 2020 Grayson County Thoroughfare Plan recommends expansion of East Park Street.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2026 - 2027

CONSTRUCTION OF ROAD EXTENSION EAST OF DRIPPING SPRINGS

DESCRIPTION:	**Construction of 800 linear feet of road adjacent to current warehouse development, located east of Dripping Springs.**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

ACQUIRE LAND FOR FUTURE PARK DEVELOPMENT

DESCRIPTION:	**Acquire land for the development of a large regional City park.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Trends in residential development suggest the need for an increase in park locations. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2026 - 2027

DESIGN & CONSTRUCT NEW OUTDOOR AQUATICS CENTER

DESCRIPTION:	**Design phase to construct a new outdoor aquatics center.**
ESTIMATED COST:	**$40,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Increasing growth requires expansion of amenities and the current aquatics center is nearing the end of useful life. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

DESIGN & CONSTRUCT SANDY CREEK PEDESTRIAN BRIDGE

DESCRIPTION:	**Design and construct a pedestrian bridge across Sandy Creek.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**This project would provide connectivity from Binkley Park to the Lamar Greenspace.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

PROJECT YEAR: 2026 - 2027

DESIGN LARGE OUTDOOR ATHLETIC COMPLEX

DESCRIPTION:	**Design a large outdoor athletic complex for the City of Sherman.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Additional outdoor athletic complex locations are required to accommodate recent and future City growth. This project is consistent with the Parks Master Plan.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

2027-2028

PROJECT YEAR: 2027 - 2028

PHASED DESIGN & CONSTRUCTION OF INTERURBAN PARKWAY

DESCRIPTION:	**Project for the phased design and construction of the Interurban Parkway, between Progress Drive and Shepherd Drive.**
ESTIMATED COST:	**$23,000,000**
PROPOSED FINANCING:	**Certificates of Obligation / Impact Fees**
PROJECT NECESSITY:	**This project is included in the 2020 Grayson County Thoroughfare Plan.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCT MULTI-GENERATIONAL RECREATION CENTER

DESCRIPTION:	**Design phase to build a multi-generational recreation center.**
ESTIMATED COST:	**$7,000,000**
PROPOSED FINANCING:	**Certificates of Obligation**
PROJECT NECESSITY:	**Addition of a recreation center will address current and future public needs relating to recreational facilities expansion.**
DEPARTMENT/DIRECTOR:	**Assistant City Manager, Terrence Steele**

UTILITY SERVICES
2023 - 2028

UTILITY SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Utility Services Projects, being specifically related to the operation of a Water and Sewer System and having certain types of financing requirements different from those typically used for General Services.

2023-2024

PROJECT YEAR: 2023 - 2024

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONTINUE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Continue to upgrade the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT MAJOR WWTP EXPANSION TO TREAT INDUSTRIAL WASTE

DESCRIPTION:	**Design and construction to expand the Wastewater Treatment Plant to treat industrial waste.**
ESTIMATED COST:	**$155,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is a major piece of the wastewater treatment component to treat industrial waste. The specific piece of equipment will be determined by the treatability study being conducted for the City.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ADD WATER LINE ACROSS US 75 FOR ELEVATED TANK LEVEL STABILIZATION

DESCRIPTION:	**Project will add a water line across US 75 for water levels of the Fairview and Harrison elevated tanks.**
ESTIMATED COST:	**$73,500**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Water line addition is necessary to stabilize water tank levels.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

INCREASE EXISTING 6-INCH WATER LINE ACROSS SH 289

DESCRIPTION:	**Increase water line across SH 289 from a 6-inch line to a 12-inch line.**
ESTIMATED COST:	**$82,700**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Increasing the size of the water line is necessary to address increased growth and usage in surrounding areas.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WATER TREATMENT PLANT

DESCRIPTION:	**Dredge out Water Treatment Plant ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$400,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT WTP EXPANSION & INSTALL ADDITIONAL COMPONENTS

DESCRIPTION:	**Addition of a new building to house up to 30-MGD UF/RO and install 15-MGD additional UF/RO capacity, chemical feed, pumps, etc. at the Water Treatment Plant.**
ESTIMATED COST:	**$14,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**UF/RO expansion at the Water Treatment Plant (WTP) is critical to meet rapidly increasing demand.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE UF/RO CAPACITY BY 15-MGD AT WTP

DESCRIPTION:	**Design phase to increase the UF/RO capacity at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$7,040,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing the capacity of the UF/RO facility will be required to meet expected future industrial growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

PROCURE & INSTALL LTPS BACKUP GENERATOR & SWITCHGEAR

DESCRIPTION:	**Procure generator and switchgear for installation at Lake Texoma Pump Station (LTPS).**
ESTIMATED COST:	**$5,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Procurement is necessary to mitigate lead time delays. Installation will provide up to 25-MGD capacity in the event of power outages at the Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONDUCT CITY LIFT STATION ASSESSMENT STUDY

DESCRIPTION:	**Conduct study to assess City lift station system.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Necessary to facilitate migration of all lift stations and to develop a comprehensive study of station conditions.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

ABANDON PRESTON CLUB WASTEWATER TREATMENT PLANT & LIFT STATION

DESCRIPTION:	**Abandon Preston Club wastewater treatment plant and old lift stations.**
ESTIMATED COST:	**$175,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Preston Club residents have been moved to the City sewer system. TCEQ requires proper abandonment of old lift stations and wastewater treatment plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

EXPAND WASTEWATER TREATMENT PLANT NORTH BY 5 MGD

DESCRIPTION:	**This project will center on a major piece of wastewater treatment component that will treat industrial waste.**
ESTIMATED COST:	**$4,500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of new filtration units that are better able to treat certain industrial wastes, as recommended by Mead & Hunt and included in the Post Oak WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN & CONSTRUCT 36-INCH WATER LINE WEST TO WTP

DESCRIPTION:	**Design and construct a 36-inch water line west to the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$23,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**New distribution main will carry treated water from the Water Treatment Plant to Shepherd Drive & serve new developments to the west and south sides of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ABANDON SOUTH CROCKETT LIFT STATION & INSTALL GRAVITY SEWER

DESCRIPTION:	**Abandon the South Crockett lift station and install a gravity sewer connecting to the existing line.**
ESTIMATED COST:	**$150,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Area was previously annexed as it stands, but, now is a good candidate to remove the lift station and tie into the existing sewer line with a gravity sewer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

WATER TREATMENT REHABILITATION

DESCRIPTION:	**Rehabilitate the Water Treatment Plant, including flocculation/sedimentation units, filters, and EDR units.**
ESTIMATED COST:	**$20,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This rehabilitation project is necessary to bring the conventional plant back to 10-MGD capacity.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ENGINEERING MANAGEMENT

DESCRIPTION:	**Two-year contract with Pape-Dawson as a city advocate for multiple projects.**
ESTIMATED COST:	**$9,255,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is required for the management of multiple engineering projects across the City. Projects include the expansion of the south Water Treatment Plant campus, the south Wastewater Treatment Plant campus, and the new 36-inch water main project.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

DESIGN FOR BACKUP GENERATORS FOR WTP AND LAKE TEXOMA

DESCRIPTION:	**Design for backup generator installation for the Water Treatment Plant (WTP) and Lake Texoma Pump Station.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Backup generators are necessary to provide power in the event of an outage at the Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE RAW WATER PUMP CAPACITY AT LTPS

DESCRIPTION:	**Increase raw water pump No. 1 and No. 4 capacity at the Lake Texoma Pump Station (LTPS).**
ESTIMATED COST:	**$9,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Necessary to increase raw water capacity by 32 MGD at the Lake Texoma Pump Station.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

CONSTRUCT EMERGENCY STORAGE WATER RESERVOIR AT WTP

DESCRIPTION:	**Construct an emergency storage water reservoir just south of the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$31,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**100-million gallon capacity reservoir will provide emergency water storage until the North Texas Municipal Water District installs a new 84-inch raw water line.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONSTRUCT CONCENTRATE PUMP STATION & DISCHARGE LINE AT WTP

DESCRIPTION:	**Construct a concentrate pump station and brine disposal line at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$7,422,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Brine line discharge from the Water Treatment Plant to creek is needed to convey concentrate from RO process back to Lake Texoma.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

BEL AIR CONSTRUCTION - PHASE III - 20-INCH SURFACE LINE

DESCRIPTION:	**Construct 20-inch surface water line for Legacy Boulevard area, from creek crossing to end of Phase I line. Includes relocating existing ground water line to follow creek, as well as constructing a new pressure vault at FM 1417.**
ESTIMATED COST:	**$2,220,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Necessary infrastructure to service Bel Air development and tie into the new Legacy water line.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

RELOCATE NEW SHEPHERD ELEVATED TANK & ABANDON OLD ELEVATED TANK

DESCRIPTION:	**Abandon old .75-MG elevated tank; Relocate new 2-MG elevated tank on Shepherd Drive to connect to new 36-inch water line.**
ESTIMATED COST:	**$17,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary to move new elevated tank in order to connect to the new water line on Shepherd Drive.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

COMPLETE DETERIORATED SOUTHSIDE INDUSTRIAL SEWER REPLACEMENT

DESCRIPTION:	**Complete replacement of the deteriorated Southside Industrial Sewer, behind the Wastewater Treatment Plant, extending to Bel Air.**
ESTIMATED COST:	**$1,350,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Current portion of the industrial sewer has deteriorated and is in need of replacement to maintain pipe integrity.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE & REPLACE POST OAK SEWER LINES A & B

DESCRIPTION:	**Remove existing Post Oak sewer lines to replace in the street.**
ESTIMATED COST:	**$5,091,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The location of the existing sewer lines, Line A and Line B, severely limits crew access for repairs or replacement.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

REPLACE INVERTED SIPHON SEWER LINE

DESCRIPTION:	**Replace the inverted siphon sewer line currently serving the Center Street Basin.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Current line is undersized, likely requiring new aerial crossing and an area-wide upsized system.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

SAFETY & OPERABILITY IMPROVEMENTS TO WWTP ELECTRICAL SYSTEM

DESCRIPTION:	**Install safety and operability improvements to the Wastewater Treatment Plant electrical system.**
ESTIMATED COST:	**$9,271,208**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical electrical improvements are required to ensure the operability and safety of the WWTP system. The new system upgrades also set the groundwork for the new emergency backup generator.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2023 - 2024

CONDUCT POST OAK WWTP MASTER PLAN / FEASIBILITY STUDY

DESCRIPTION:	**Conduct master plan/feasibility study at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$11,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The industrial treatability study of wastewater influent stream is required to determine the City's future method of treatment componenents, both physical and chemical.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

HICKORY HILL UTILITY IMPROVEMENTS

DESCRIPTION:	**Improvements to the utilities for Hickory Hill.**
ESTIMATED COST:	**$1,820,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Improvements are necessary to extend water and wastewater to serve the Hickory Hill development and existing customers in the area.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2024-2025

PROJECT YEAR: 2024 - 2025

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONTINUE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Continue to upgrade the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$70,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

ADD WATER LINE ACROSS US 75 FOR ELEVATED TANK LEVEL STABILIZATION

DESCRIPTION:	**Project will add a water line across US 75 for water levels of the Fairview and Harrison elevated tanks.**
ESTIMATED COST:	**$490,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Water line addition is necessary to stabilize water tank levels.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE EXISTING 6-INCH WATER LINE ACROSS SH 289

DESCRIPTION:	**Increase water line across SH 289 from a 6-inch line to a 12-inch line.**
ESTIMATED COST:	**$551,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Increasing the size of the water line is necessary to address increased growth and usage in surrounding areas.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

INCREASE SIZE OF POST OAK CREEK SEWER LINES TO WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$3,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase III - service line inventory completion.**
ESTIMATED COST:	**$490,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$1,900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

FILTRATION & RE-LIFT PUMP STATION FOR WWTP

DESCRIPTION:	**Engineering phase for filtration and re-lift pump station for industrial discharge to the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$1,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project was identified in the WWTP Condition Assessment as a critical necessity, and is based on the South Industrial Discharge Technical Memorandum.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

DESIGN & REPLACE DOWNTOWN SEWER LINES - PHASE II

DESCRIPTION:	**Design of phase II for a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$800,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

UPSIZE 42-INCH SANITARY SEWER LINE TO 60-INCH LINE - POST OAK ROAD

DESCRIPTION:	**Upsize the Post Oak Road sanitary sewer line from a 42-inch line to a 60-inch line.**
ESTIMATED COST:	**$1,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPGRADE WWTP FROM 10-MGD TO 14-MGD

DESCRIPTION:	**Upgrade the daily treatment capacity at the Wastewater Treatment Plant (WWTP) from 10-MGD to 14-MGD.**
ESTIMATED COST:	**$10,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical upgrade required to meet current wastewater treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

REHABILITATE & REPLACE SLUDGE DIGESTER COMPLEX AT WWTP

DESCRIPTION:	**Engineering phase to rehabilitate the digester electric switchgear and components, ventilation systems, boilers, etc. at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion issues, rehabilitation is necessary to prevent equipment failure and to address safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CLARIFIER #3 REHABILITATION AT WWTP

DESCRIPTION:	**Engineering phase for the rehabilitation of the clarifier #3 at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$120,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Clarifier #3 is aging and in need of rehabilitation to remain in service, as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

NFPA UPGRADES TO GRIT BUILDING AT WWTP

DESCRIPTION:	**Perform NFPA upgrades to the grit building at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$30,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**NFPA upgrades are needed to ensure operator safety and continued operation of the grit building at the Wastewater Treatment Plant (WWTP), as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

MISCELLANEOUS WWTP IMPROVEMENTS

DESCRIPTION:	**Miscellaneous improvements to the Wastewater Treatment Plant (WWTP) include sludge dewatering building corrosion, outfall access safety elements, LED lighting, and sealing seams in the EQ basin.**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Addressing multiple immediate and near-term improvements as recommended in the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

EQUALIZATION BASIN BLOWER REHABILITATION AT WWTP

DESCRIPTION:	**Construction phase to replace worn electrical systems, switchgear, control systems, piping components, and blowers in the equalization basin blower building.**
ESTIMATED COST:	**$1,810,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion, it is necessary to replace worn components to prevent equipment failure and safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMODEL & UPGRADE LABORATORY AT WWTP

DESCRIPTION:	**Construction to expand and upgrade the current laboratory facility for field testing and backup generator samples.**
ESTIMATED COST:	**$3,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion and upgrades are necessary to meet space and TCEQ requirements for an on-site certified laboratory at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

COMPLETE REPAINTING OF REX CRUSE ELEVATED STORAGE TANK

DESCRIPTION:	**Complete the rehabilitation of the elevated water storage tank on Rex Cruse Drive.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Repainting and repairing the tank on the interior and exterior is necessary to extend the useful life of the tank.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE EXPOSED WATER LINE - CENTER STREET BRIDGE REHABILITATION

DESCRIPTION:	**As part of the rehabilitation of the Center Street Bridge, this project will replace the exposed water line.**
ESTIMATED COST:	**$650,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**The water line is exposed and in need of replacement.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

ENGINEER & CONSTRUCT SHEPHERD PLACE UTILITIES

DESCRIPTION:	**City contribution to the design and construction of Shepherd Place utilities.**
ESTIMATED COST:	**$550,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary for utilities, as required in major City streets not undertaken by the developer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE DOWNTOWN SEWER LINES - PHASE I

DESCRIPTION:	**Construction of phase I of a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$1,500,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

INSTALL COLLECTION SYSTEM SEWER LINE - HERITAGE RANCH

DESCRIPTION:	**Installation of a collection system sewer line for the Heritage Ranch Development.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Project is necessary for utilities, as required in major City streets not undertaken by the developer.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REPLACE SEWER LINE IN SOUTHEAST SHERMAN - ROSEDALE TO FIRST STREET

DESCRIPTION:	**Replacement of the sewer line from Rosedale to First Street in southeast Sherman.**
ESTIMATED COST:	**$900,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Existing sewer line is worn out and reached the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2024 - 2025

REPLACE BASE & APPLY NEW SURFACE COURSE FOR WWTP ROAD

DESCRIPTION:	**Replace base material and install new surface course on the Wastewater Treatment Plant (WWTP) access road.**
ESTIMATED COST:	**$40,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Plant access road has deteriorated due to heavy construction activities and solid waste equipment use.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2025-2026

PROJECT YEAR: 2025 - 2026

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

COMPLETE HIGH COUNTRY ESTATES WATER SYSTEM UPGRADES

DESCRIPTION:	**Complete the upgrade of the water system at the High Country Estates subdivision, approximately 9,000 linear feet, annually, over a four-year period.**
ESTIMATED COST:	**$75,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT MAJOR WWTP EXPANSION TO TREAT INDUSTRIAL WASTE

DESCRIPTION:	**Design and construction to expand the Wastewater Treatment Plant (WWTP) to treat industrial waste.**
ESTIMATED COST:	**$200,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project is a major piece of the wastewater treatment component to treat industrial waste. The specific piece of equipment will be determined by the treatability study being conducted for the City.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WTP

DESCRIPTION:	**Dredge out Water Treatment Plant (WTP) ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$420,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & CONSTRUCT WTP EXPANSION & INSTALL ADDITIONAL COMPONENTS

DESCRIPTION:	**Addition of a new building to house up to 30-MGD UF/RO and install 15-MGD additional UF/RO capacity, chemical feed, pumps, etc. at the Water Treatment Plant.**
ESTIMATED COST:	**$245,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**UF/RO expansion at the Water Treatment Plant (WTP) is critical to meet rapidly increasing demand.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$4,600,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase IV - single plan update and complete preperation.**
ESTIMATED COST:	**$270,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

FILTRATION & RE-LIFT PUMP STATION FOR WWTP

DESCRIPTION:	**Construction phase for filtration and re-lift pump station for industrial discharge to the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$12,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**This project was identified in the WWTP Condition Assessment as a critical necessity, and is based on the South Industrial Discharge Technical Memorandum.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

DESIGN & REPLACE DOWNTOWN SEWER LINES - PHASE II

DESCRIPTION:	**Construction of phase II for a multi-phase replacement of sewer lines in downtown Sherman.**
ESTIMATED COST:	**$4,200,000**
PROPOSED FINANCING:	**GTUA - paid by the Dowtown Tax Increment Reinvestment Zone**
PROJECT NECESSITY:	**The downtown sewer line system is deteriorating and reaching the end of its useful life.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 42-INCH SANITARY SEWER LINE TO 60-INCH LINE - POST OAK ROAD

DESCRIPTION:	**Upsize the Post Oak Road sanitary sewer line from a 42-inch line to a 60-inch line.**
ESTIMATED COST:	**$8,700,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

UPGRADE WWTP FROM 10-MGD TO 14-MGD

DESCRIPTION:	**Upgrade the daily treatment capacity at the Wastewater Treatment Plant (WWTP) from 10-MGD to 14-MGD.**
ESTIMATED COST:	**$80,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Critical upgrade required to meet current wastewater treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REHABILITATE & REPLACE SLUDGE DIGESTER COMPLEX AT WWTP

DESCRIPTION:	**Construction phase to rehabilitate the digester electric switchgear and components, ventilation systems, boilers, etc. at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$7,300,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Due to age and corrosion issues, rehabilitation is necessary to prevent equipment failure and to address safety hazards at the Wastewater Treatment Plant (WWTP).**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

CLARIFIER #3 REHABILITATION AT WWTP

DESCRIPTION:	**Construction phase for the rehabilitation of the clarifier #3 at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Clarifier #3 is aging and in need of rehabilitation to remain in service, as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

NFPA UPGRADES TO GRIT BUILDING AT WWTP

DESCRIPTION:	**Perform NFPA upgrades to the grit building at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$290,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**NFPA upgrades are needed to ensure operator safety and continued operation of the grit building at the Wastewater Treatment Plant (WWTP), as recommended by the WWTP Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

MISCELLANEOUS WWTP IMPROVEMENTS

DESCRIPTION:	**Miscellaneous improvements to the Wastewater Treatment Plant (WWTP) include sludge dewatering building corrosion, outfall access safety elements, LED lighting, and sealing seams in the EQ basin.**
ESTIMATED COST:	**$170,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Addressing multiple immediate and near-term improvements as recommended in the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 21-INCH SANITARY SEWER LINE TO 60-INCH LINE - CHOCTAW

DESCRIPTION:	**Upsize the Choctaw sanitary sewer line from a 21-inch line to a 60-inch line to address flow from The Village.**
ESTIMATED COST:	**$2,200,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2025 - 2026

EXPAND NORTHEAST SEWER PROJECT TO ADDRESS DEVELOPMENT

DESCRIPTION:	**Expand the Northeast Sewer Expansion project to address development in northwest Sherman.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion of the Northwest Sewer Expansion project to pick up additional areas of possible development in Northwest Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

DEMOLISH OLD SLUDGE DRYING BEDS

DESCRIPTION:	**At the Wastewater Treatment Plant, remove sludge drying beds that are no longer involved in the treatment process.**
ESTIMATED COST:	**$250,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Removal of these drying beds would allow for future expansions of the wastewater treatment process.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2026-2027

PROJECT YEAR: 2026 - 2027

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$300,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$9,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase V - lead service line replacement planning and mitigation.**
ESTIMATED COST:	**$219,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

UPSIZE 21-INCH SANITARY SEWER LINE TO 60-INCH LINE - CHOCTAW

DESCRIPTION:	**Upsize the Choctaw sanitary sewer line from a 21-inch line to a 60-inch line to address flow from The Village.**
ESTIMATED COST:	**$14,500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

EXPAND NORTHEAST SEWER PROJECT TO ADDRESS DEVELOPMENT

DESCRIPTION:	**Expand the Northeast Sewer Expansion project to address development in northwest Sherman.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Expansion of the Northwest Sewer Expansion project to pick up additional areas of possible development in Northwest Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INSTALL 36-INCH MEDIUM PRESSURE LINE TO SERVICE SOUTHERN SHERMAN

DESCRIPTION:	**Engineering phase to install a 36-inch medium pressure water main from the Water Treatment Plant (WTP) to southern Sherman.**
ESTIMATED COST:	**$5,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of the line will provide the main transmission line serving the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

CONVERT WASTEWATER TO RE-USE & SEND TO LAKE TEXOMA

DESCRIPTION:	**Convert wastewater to re-use and send to creek to Lake Texoma.**
ESTIMATED COST:	**$60,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Indirect Potable ReUse (IPR) system required to put treated wastewater back into Lake Texoma, resulting in additional water rights use.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

SAMPLE & INVESTIGATE WWTP POND SYSTEM

DESCRIPTION:	**Pond sampling to investigate the geotechnical status of the pond liner at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$20,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Prior to major upgrades to the Wastewater Treatment Plant (WWTP) pond system, a thorough geotechnical investigation of the pond liner is recommended by the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2026 - 2027

REHAB & SAFETY IMPROVEMENTS TO DECANT LIFT STATION AT WWTP

DESCRIPTION:	**Rehabilitate and implement safety improvements to the decant lift station at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$50,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**The decant lift station allows pumping out of the sludge holding ponds. The Condition Assessment determined the station is in need of rehabilitation and missing various safety measures.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

2027-2028

PROJECT YEAR: 2027 - 2028

OVERSIZING COSTS FOR ANNUAL WATER & SEWER PROJECTS

DESCRIPTION:	**Includes oversizing for annual water and sewer projects, as well as line replacements.**
ESTIMATED COST:	**$500,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Required to meet costs of oversizing and line replacement to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REMOVE BUILDUP IN SLUDGE PONDS AT WTP

DESCRIPTION:	**Dredge out Water Treatment Plant (WTP) ponds and haul accumulated sludge to the landfill.**
ESTIMATED COST:	**$440,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Recurring project, every 2-3 years, to remove sediment build up from Texoma Lake raw water, which is slowly deposited in WTP sludge ponds.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

INCREASE UF/RO FACILITY CAPACITY BY 15-MGD AT WTP

DESCRIPTION:	**Construction phase to increase the UF/RO capacity at the Water Treatment Plant (WTP).**
ESTIMATED COST:	**$30,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing the capacity of the UF/RO facility will be required to meet expected future industrial growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INCREASE SIZE OF POST OAK CREEK SEWER LINES AT WWTP

DESCRIPTION:	**Replace existing 27-inch, 39-inch, and 42-inch Post Oak Creek sewer lines with 48-inch, 60-inch, and 72-inch lines, respectively.**
ESTIMATED COST:	**$3,800,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Increasing size of creek sewer lines running to the Wastewater Treatment Plant (WWTP) is necessary to accommodate increasing sewer demands tied to recent and future growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

ANNUAL SEWER LINE REPLACEMENT - WEST SIDE OF POST OAK CREEK

DESCRIPTION:	**This fiscal year annual sewer line replacement will focus on the west side of Post Oak Creek.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Annual sewer line replacements are necessary to address annual wear and tear & development demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

LEAD & COPPER RULE REVISION - PHASES III THROUGH VI

DESCRIPTION:	**Application of USEPA and TCEQ Lead and Copper Rule Revision (LCRR) and sampling & reporting program - Phase VI - citizen yard line replacement assistance.**
ESTIMATED COST:	**$210,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**This project is required to meet TCEQ implementation deadlines.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

ANNUAL WATER LINE REPLACEMENTS

DESCRIPTION:	**Annual water line replacements to address water quality improvements.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Replacing aging water lines is crucial to maintain water quality and meet increasing demand due to City growth.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

INSTALL 36-INCH MEDIUM PRESSURE LINE TO SERVICE SOUTHERN SHERMAN

DESCRIPTION:	**Construction phase to install a 36-inch medium pressure water main from the Water Treatment Plant (WTP) to southern Sherman.**
ESTIMATED COST:	**$60,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Installation of the line will provide the main transmission line serving the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

SAMPLE & INVESTIGATE WWTP POND SYSTEM

DESCRIPTION:	**Pond sampling to investigate the geotechnical status of the pond liner at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$350,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**Prior to major upgrades to the Wastewater Treatment Plant (WWTP) pond system, a thorough geotechnical investigation of the pond liner is recommended by the Condition Assessment.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

REHAB & SAFETY IMPROVEMENTS TO DECANT LIFT STATION AT WWTP

DESCRIPTION:	**Rehabilitate and implement safety improvements to the decant lift station at the Wastewater Treatment Plant (WWTP).**
ESTIMATED COST:	**$430,000**
PROPOSED FINANCING:	**Utility Improvement Fund**
PROJECT NECESSITY:	**The decant lift station allows pumping out of the sludge holding ponds. The Condition Assessment determined the station is in need of rehabilitation and missing various safety measures.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

CONSTRUCT 84-INCH WATER LINE FROM LAKE TEXOMA TO WTP

DESCRIPTION:	**Construction phase for a new 84-inch raw water line, parallel to existing 72-inch line, from Lake Texoma to the Sherman Water Treatment Plant (WTP).**
ESTIMATED COST:	**$56,600,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Required City contribution by the North Texas Municipal Water District (NTMWD) for an additional raw water pipeline from the Lake Texoma Pump Station to the Sherman Water Treatment Plant.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

CONSTRUCT NEW WATER LINE TO SERVICE SOUTHERN SHERMAN & MUSTAND MUD

DESCRIPTION:	**Construct a new 18-inch/36-inch water line to service Mustang MUD and southern Sherman.**
ESTIMATED COST:	**$2,000,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Water line is necessary to supply Mustang MUD (formerly Marilee SUD) and areas on the south side of Sherman.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

PROJECT YEAR: 2027 - 2028

UPSIZE 15-INCH SANITARY SEWER LINE TO 60-INCH LINE - SHEPHERD DRIVE

DESCRIPTION:	**Upsize the sanitary sewer line along Shepherd Drive from a 15-inch line to a 60-inch line to address flow.**
ESTIMATED COST:	**$3,400,000**
PROPOSED FINANCING:	**GTUA**
PROJECT NECESSITY:	**Recent City growth requires increasing the size of the sanitary sewer system, in order to effectively meet wastewater collection and treatment demands.**
DEPARTMENT/DIRECTOR:	**Utilities Engineer P.E., Tom Pruitt**

STORMWATER SERVICES
2023 - 2028

STORMWATER SERVICES

CAPITAL BUDGET: 2023-2028

Within the Five-year Capital Improvement Program, the first year is considered the Capital Budget. The appropriation ordinance will give initial authorization for the staff to prepare and execute all projects listed for the coming year. City Council will consider the projects in subsequent years for approval and funding during the budget process for each year. These projects listed are for information and planning purposes and do not obligate the Council to approve or fund beyond the current approved appropriations ordinance.

These are Stormwater Services Projects, being specifically related to the operation of the Municipal Drainage Utility System and having certain types of financing requirements different from those typically used for General Services.

2023-2024

NO STORMWATER CIP PROJECTS IN FY 2024 BUDGET

2024-2025

PROJECT YEAR: 2024 - 2025

MCGEE STREET BRIDGE - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the McGee Street Bridge at Post Oak Creek.**
ESTIMATED COST:	**$175,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair, due to safety and expanding growth needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

LAMBERTH ROAD BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the Lamberth Road bridges at Post Oak Creek.**
ESTIMATED COST:	**$130,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2024 - 2025

HILLCREST/WOODS BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the Hillcrest Street bridge and North Woods bridge at Post Oak Creek.**
ESTIMATED COST:	**$110,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

DESIGN & CONSTRUCT STORM DRAINAGE SYSTEM - BIRGE TO MCGEE

DESCRIPTION:	**Design and construct a storm drainage system under Blanton Drive from Birge Street to McGee Street.**
ESTIMATED COST:	**$2,500,000**
PROPOSED FINANCING:	**Stormwater Fund / Certificates of Obligation**
PROJECT NECESSITY:	**Drainage system is necessary to convey large weather event drainage at Post Oak Creek.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2025-2026

PROJECT YEAR: 2025 - 2026

MCGEE STREET BRIDGE - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the McGee Street Bridge at Post Oak Creek.**
ESTIMATED COST:	**$1,000,000**
PROPOSED FINANCING:	**Stormwater Fund / Certificates of Obligation**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair, due to safety and expanding growth needs.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

TAYLOR/WASHINGTON BRIDGES - EROSION & BRIDGE DECK OVERLAY REPAIRS

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the West Taylor Street Bridge and West Washington Bridge at Post Oak Creek Bridge.**
ESTIMATED COST:	**$135,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

PROJECT YEAR: 2025 - 2026

PECAN/RICKETTS/CENTENNIAL BRIDGES - EROSION REPAIRS & DECK OVERLAY

DESCRIPTION:	**Repair erosion damage and overlay the bridge deck on the North Ricketts Street, Centennial Street, West Pecan Street, and Blue Flame Road bridges.**
ESTIMATED COST:	**$95,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**These bridges were identified in the 2016 Bridge Inventory, Inspection, and Appraisal Program as in need of repair.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2026-2027

PROJECT YEAR: 2026 - 2027

INCREASE CULVERT CAPACITY UNDER GRIBBLE ROAD

DESCRIPTION:	**Increase the capacity of the Stream G box culvert under Gribble Street.**
ESTIMATED COST:	**$385,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**This project is identified in the Post Oak Creek Flood Protection Plan as necessary to mitigate flood damage and decrease road closures during 100-year storms.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

2027-2028

PROJECT YEAR: 2027 - 2028

CONSTRUCT REGIONAL STORMWATER DETENTION FACILITY IN TOWN CENTER

DESCRIPTION:	**Construct a regional stormwater detention facility in the Town Center.**
ESTIMATED COST:	**$580,000**
PROPOSED FINANCING:	**Stormwater Fund**
PROJECT NECESSITY:	**The construction of this detention facility was identified in the Post Oak Creek Flood Protection Plan as needed in order to mitigate flooding.**
DEPARTMENT/DIRECTOR:	**Director of Engineering, Wayne Lee**

CAPITAL FINANCING

CAPITAL FINANCING

In preparing a capital improvement program, care must be exercised to keep the proposed program within the financial capabilities of the City. To do this requires that consideration be given to existing revenue funds, as well as existing and proposed debt requirement. The main sources of revenue available to the City of Sherman for Capital Improvements at present are: Ad Valorem Taxes, General Fund Revenues, segregated capital funds, Texas Department of Transportation funds, other governmental grants, private funds, the Stormwater Utility Fee, and Impact Fees.

Ad Valorem Taxes: The form of revenue typically used for General Services Capital Financing is the Ad Valorem Tax. Most often this is used as a covenant of Debt Financing, and the tax is used to pay Debt Service requirements. Other uses of Ad Valorem Tax include the setting aside of a certain percent or amount of tax for "pay-as-you-go" capital financing. The City of Sherman does not currently do this. A history of property taxes for the City of Sherman is noted in Table I.

Debt Service: The City issues General Debt for General Services and Stormwater Services projects and issues debt through the Greater Texoma Utility Authority for Utility Services projects. General Debt is supported by Property Taxes and/or Sales Taxes. Table II shows the General Debt Service Requirements and the bonded debt for Lake Texoma Water Rights, which is attributable to Utility Services. Utility revenues support the contractual debt issued through the Greater Texoma Utility Authority. Table II shows the Debt Service Requirements for this obligation. Possible future debt issues must be considered in light of existing obligations in order to minimize potential tax or utility rate increases.

Private Funds: Funding from developers.

Stormwater Utility Fee: The stormwater utility fee funds drainage-related projects such as flood plain planning, property acquisition, and construction projects.

Impact Fees: - Impact Fees are a mechanism for funding the public infrastructure necessitated by new development. Impact Fees are meant to recover the incremental cost of the impact of each new unit of development towards new infrastructure needs. Impact Fees are a mathematical calculation that determines a maximum fee that would be equivalent to growth paying for growth.

TABLE I

ANALYSIS OF ASSESSED VALUATION
FIVE YEAR PERIOD

FISCAL YEAR ENDED	REAL PROPERTY ASSESSED VALUE	PERSONAL PROPERTY ASSESSED VALUE	TOTAL
2019	$2,432,947,486	$692,401,974	$3,125,349,460
2020	$2,641,162,657	$839,573,445	$3,480,736,102
2021	$2,878,715,276	$941,125,157	$3,819,840,433
2022	$3,247,497,789	$876,451,153	$4,123,948,942
2023	$3,907,168,033	$930,694,928	$4,837,862,961

ANALYSIS OF PROPERTY TAX LEVIES AND COLLECTIONS
FIVE YEAR PERIOD

FISCAL YEAR ENDED	TAX LEVY	CURRENT COLLECTIONS	PERCENT COLLECTIONS	PRIOR YEAR COLLECTIONS	TOTAL COLLECTIONS
2019	$13,354,618	$12,489,427	93.52%	$99,894	$12,589,322
2020	$17,020,800	$15,882,649	93.31%	$100,117	$15,982,766
2021	$18,679,020	$17,505,842	93.72%	$123,474	$17,629,315
2022	$20,166,110	$18,879,386	93.62%	$107,996	$18,987,381
2023	$22,734,666	$21,561,191	94.84%	$0	$21,561,191

NOTE: 2023 COLLECTIONS ARE ESTIMATES AT 6-30-2023

TABLE II

BOND DEBT SERVICE FUNDS
STATEMENT OF BONDED INDEBTEDNESS: 2022-2023

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 09/30/2022
2004	COMBINATION TAX AND TAX INCREMENT REVENUE CERTIFICATES OF OBLIGATION FOR TAX INCREMENT FINANCING ZONE #1 IMPROVEMENTS	20	$2,840,000	$2,600,000	$240,000
2006	LAKE TEXOMA WATER RIGHTS	40	$3,727,060	$1,654,922	$2,072,138
2016	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR STREET AND PARK DEVELOPMENT AND CITY FACILITIES	20	$6,970,000	$1,515,000	$5,455,000
2017	GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017	13	$9,360,000	$3,295,000	$6,065,000
2017	TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC WORKS PROJECTS	20	$18,110,000	$2,700,000	$15,410,000
2017A	TAX AND MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE FOR PUBLIC WORKS PROJECTS	20	$3,900,000	$725,000	$3,175,000
2018	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC WORKS PROJECTS	25	$18,980,000	$1,485,000	$17,495,000
2019	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR STREET IMPROVEMENTS	25	$19,130,000	$1,370,000	$17,760,000
2021	LIMITED TAX NOTES SERIES 2021	5	$1,980,000	$650,000	$1,330,000

TABLE II - CONTINUED

DATE	TITLE & PURPOSE	TERM (YEARS)	ORIGINAL ISSUE AMOUNT	RETIRED IN PREVIOUS YEARS	DEBT BALANCE 09/30/2022
2021	COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION FOR PUBLIC FACILITY AND STREET IMPROVEMENTS	30	$29,025,000	$390,000	$28,635,000
2022	LIMITED TAX NOTES SERIES 2022	5	$2,100,000	$385,000	$1,715,000

BOND DEBT SERVICE FUND
SCHEDULE OF REQUIREMENTS: 2023 - 2053

FISCAL YEAR ENDING 09/30	PRINCIPAL	INTEREST	TOTAL
2023	$4,950,106	$3,338,239	$8,288,345
2024	$4,851,428	$3,186,640	$8,038,069
2025	$5,055,515	$2,976,154	$8,031,669
2026	$5,299,724	$2,747,395	$8,047,119
2027	$5,064,724	$2,515,345	$7,580,069
2028	$5,284,724	$2,300,495	$7,585,219
2029-2033	$21,814,423	$8,811,315	$30,625,738
2034-2038	$21,462,026	$5,375,705	$26,837,731
2039-2043	$15,915,000	$2,687,088	$18,602,088
2044-2048	$7,100,000	$869,006	$7,969,006
2049-2053	$3,910,000	$177,188	$4,087,188
TOTAL	$100,707,672	$34,984,568	$135,692,240

TABLE III

CONTRACTUAL DEBT SCHEDULE OF REQUIREMENTS
2023 - 2053

YEAR	PRINCIPAL	INTEREST	TOTAL
2023	$4,988,000	$1,722,250	$6,710,250
2024	$5,444,480	$1,671,993	$7,116,473
2025	$5,575,960	$4,381,986	$9,957,946
2026	$5,707,440	$10,563,481	$16,270,921
2027	$6,488,920	$10,409,989	$16,898,909
2028	$6,950,400	$10,221,962	$17,172,362
2029-2033	$40,102,840	$47,530,125	$87,632,965
2034-2038	$46,210,000	$39,776,555	$85,986,555
2039-2043	$46,360,000	$30,417,638	$76,777,638
2044-2048	$53,920,000	$20,193,375	$74,113,375
2049-2053	$60,360,000	$7,388,950	$67,748,950
TOTAL	$282,108,040	$184,278,303	$466,386,343

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 2.**

Meeting Date: 09/05/2023

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7126

Determining a Public Necessity to Acquire by Eminent Domain Certain Property Interests for Public Use, Including Permanent Water Easement and Temporary Construction Easements for the Construction, Expansion, Access, Repair and Maintenance of Public Water and Other Utility Improvements Consisting of Two Tracts of Land Comprising +/- 2.465 acres (Permanent Water Easement) and +/- 2.218 acres, respectively, for a Temporary Construction Easement owned by PIEDMONT LAND & CATTLE, L.C., a Texas Limited Company, Recorded Under Document Number 201900011579 the Official Public Records of Grayson County, Texas, Within the Joseph Deaver Survey, Abstract No. 359, City of Sherman, ETJ, Grayson County, Texas, as Deemed Necessary by the City Manager or His Designee; Giving Notice of an Official Determination to Acquire the Permanent Water Easement and Temporary Construction Easement for Public Use by Eminent Domain for Such Uses; Authorizing the City Manager of the City of Sherman, Texas, to Establish Procedures for Acquiring the Easements, Offering to Acquire the Easements, Voluntarily, from the Landowner Through the Making of Bona Fide Offers; Appropriating Funds; Providing for Repealing, Savings and Severability Clauses; and Providing for an Effective Date

Issue:

To consider granting authority to negotiate for property rights for public use, including the construction, expansion, access, repair and maintenance of the 36" West Sherman Water Main project, and to complete condemnation proceedings.

Background:

It is the intent of the City to acquire the necessary easements for the purpose of, among other things, the construction, access, repair and maintenance of the public 36-inch West Water Extension Project. The project is over 14 miles long, along the west side of Sherman near FM 691 south to Shepherd Rd. The project includes numerous easements along the alignment shown. In order to keep the land acquisition process on schedule, staff is asking City Council to give authority to the City Manager to make Bona Fide Offers, work toward the voluntary conveyance of the necessary easements and, only if required, to move forward with the eminent domain process. We will work diligently with property owners to ensure eminent domain is only used as a last resort in acquiring any easement for this project.

City Council motion must be made as follows:

"I move that the City Council of the City of Sherman authorize the use of the power of eminent

domain to acquire two tracts of land comprising +/- 2.465 acres and +/- 2.218 acres, as described in Exhibit A to the resolution, for a permanent water easement and temporary construction easement."

Origination:

City Manager's Office

Financial Consideration:

Easement acquisition costs, along with costs for appraisals, surveys, maps and photos.

Staff Recommendation:

Staff recommends approval.

Alternatives:

As may be directed by the Council.

Attachments

Resolution No. 7126
Exhibit A Parcel 36
Location Map

RESOLUTION NO. 7126

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE BY EMINENT DOMAIN CERTAIN PROPERTY INTEREST FOR PUBLIC USE, INCLUDING PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR THE CONSTRUCTION, EXPANSION, ACCESS, REPAIR AND MAINTENANCE OF PUBLIC WATER AND OTHER UTILITY IMPROVEMENTS, CONSISTING OF TWO TRACTS OF LAND COMPRISING OF +/- 2.465 ACRES (PERMANENT WATER EASEMENT) AND A +/- 2.218 ACRES FOR A TEMPORARY CONSTRUCTION EASEMENT OWNED BY PIEDMONT LAND & CATTLE, L.C., A TEXAS LIMITED COMPANY, RECORDED UNDER DOCUMENT NUMBER 201900011579 OF THE OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS, WITHIN THE JOSEPH DEAVER SURVEY, ABSTRACT NO. 359, CITY OF SHERMAN, ETJ, GRAYSON COUNTY, TEXAS, AS DEEMED NECESSARY BY THE CITY MANAGER OR HIS DESIGNEE; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE THE PERMANENT WATER EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT FOR PUBLIC USE BY EMINENT DOMAIN FOR SUCH USES; AUTHORIZING THE CITY MANAGER OF THE CITY OF SHERMAN, TEXAS, TO ESTABLISH PROCEDURES FOR ACQUIRING THE EASEMENTS, OFFERING TO ACQUIRE THE EASEMENTS, VOLUNTARILY, FROM THE LANDOWNER THROUGH THE MAKING OF BONA FIDE OFFERS; APPROPRIATING FUNDS; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") finds that there is a public necessity for the acquisition, by eminent domain, of a Permanent Water Easement and a Temporary Construction Easement, as described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes (collectively, the "Easements"), as deemed necessary by the City Manager or his designee for the Project (hereinafter defined); and

WHEREAS, it is the intent of the City of Sherman, Texas ("Sherman") to acquire the necessary Easements for the purposes of, among other things, the construction, access, repair and maintenance of public wastewater, including the Northwest Southwest Transmission Pipeline Project (collectively, the "Project"); and

WHEREAS, the City Council finds that the description of the Easements to be acquired by eminent domain for the Project complies with Chapter 2206 of the Texas Government Code, as amended ("Chapter 2206"), in that the same provides property owner(s) in and around the area

reasonable notice that the owners' property may be subject to condemnation proceedings during the planning or construction of the Project; and

WHEREAS, the City Council finds that the Project is necessary for public use; and

WHEREAS, it is necessary to establish procedures for determining the establishment and approval of just compensation for the Easements to be acquired by eminent domain for the Project; and

WHEREAS, the City Manager, or his designee ("City Manager"), is authorized to make a bona fide offer, as defined by and in compliance with Section 21.0113 of the Texas Property Code ("Bona Fide Offer"), to acquire the Easements for public use, voluntarily, from the subject landowner prior to moving forward with acquisition by eminent domain; and

WHEREAS, the City Council has investigated and determined that the passage of this Resolution complies with Chapter 2206 and other applicable laws.

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

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

SECTION 2: Acquisition of Easements. The City Council hereby determines that there is a public necessity for, and the public welfare and convenience will be served by, the acquisition, by eminent domain, of the Easements, and it is Sherman's intent to acquire the Easements for public use as described and depicted herein, specifically for the purpose of, among other things, the construction, access, repair and maintenance of public wastewater improvements necessary for the Project.

SECTION 3: Authority of City Manager/Bona Fide Offer. The City Manager is hereby authorized to contract, on behalf of the City Council, with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed by Sherman from time to time in connection with the acquisition of the Easements. The City Council hereby ratifies any contracts entered into, prior to the effective date of this Resolution, by the City Manager with professional appraisers for appraisal services and with attorneys for preparation of title opinion(s) needed for the acquisition of the Easements. The City Manager shall first make a Bona Fide Offer to acquire the Easements from the subject landowner, voluntarily. Should the landowner fail to provide the Easements, voluntarily, through said Bona Fide Offer, the City Manager is authorized to move forward with acquiring the Easements by eminent domain.

SECTION 4: Determination of Just Compensation. The City Manager is hereby authorized and directed to examine and rely on independent appraisal reports and other information to make a determination as to the establishment and approval of a fair market value offer and the just compensation for the Easements for the purpose of making the Bona Fide Offer. After such consideration, the City Manager shall establish and approve the amount determined to be just

compensation for acquisition of said Easements and shall have the authority to execute any and all documents necessary to complete the acquisition of same.

SECTION 5: Authority to Make an Offer. Upon establishment and approval by the City Manager of the amount of just compensation for the acquisition of the Easements, the City Manager is authorized to send a written Bona Fide Offer to the landowner of said Easement Property at the full amount determined and established to be just compensation therefore, and to negotiate with said landowner(s) on behalf of Sherman to acquire the Easements voluntarily.

SECTION 6: Authority to Execute Documents. The City Manager is hereby authorized to execute all documents necessary to acquire the Easements needed for the Project, on behalf of Sherman, whether by purchase or eminent domain. The City Council hereby ratifies any documents executed, prior to the effective date of this Resolution, by the City Manager which were necessary for the acquisition of the Easements for the Project.

SECTION 7: Disposal of Improvements. The City Manager is hereby authorized to remove improvements, if any, located on the Easement Property acquired in connection with this Project, should they interfere with the intended use and enjoyment of said Easements.

SECTION 8: Eminent Domain Authorized. Should the City Manager be unable to acquire the Easements, voluntarily, from the landowner(s), through the making of the Bona Fide Offer, the City Manager is authorized to instruct the law firm of Abernathy, Roeder, Boyd & Hullett, P.C., to commence eminent domain proceedings for the acquisition of the Easements for the Project.

SECTION 9: Source of Funds. The amount to be paid, if any, for acquiring the Easements for the Project will be appropriated from any lawful source.

SECTION 10: Savings/Repealing. All provisions of any resolution in conflict with this Resolution are hereby repealed to the extent they are in conflict. Any remaining portion of conflicting resolutions shall remain in full force and effect.

SECTION 11: Severability. Should any section, subsection, sentence, clause or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The City Council hereby declares that it would have passed this Resolution, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

SECTION 12: Public Notice. The City Council finds that the meeting at which this Resolution was introduced and passed was open to the public and that public notice of the time, place and purpose of said meeting was given all as required by law.

SECTION 13: Effective Date. This Resolution shall take effect immediately from and after its passage.

INTRODUCED on this the 5th day of September 2023.

ADOPTED on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

EXHIBIT "A"

OWNER: PIEDMONT LAND - CATTLE
45' WIDTH PERMANENT WATERLINE EASEMENT
JOSEPH DEAVER SURVEY ABSTRACT NO. 359
CITY OF SHERMAN ETJ, GRAYSON COUNTY, TEXAS

Being a 2.465 acre tract of land situated within the Joseph Deaver Survey Abstract Number 359, City of Sherman Extraterritorial Jurisdiction, Grayson County, Texas, being a portion of a called 27.865 acre tract of land described in General Warranty Deed to Piedmont Land & Cattle, L.C. under Document Number 201900011579 of the Official Public Records of Grayson County, Texas. Said 2.465 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2-inch iron rod found at the southwest corner of said called 27.865 acre tract of land, being the southeast corner of a called 0.649 of an acre tract of land as described in the Warranty Deed with Vendors Lien to Craig William Watson and Mori Kay Dittemore Watson recorded in Volume 3033, Page 102 of the Deed Records of Grayson County, Texas, and being on the north line of a called 51.340 acre tract of land as described in the General Warranty Deed with Vendor's Lien to Case Road LLC recorded under Document Number 202100003861 of said Official Public Records, from which a steel bolt found at the northwest corner of said called 51.340 acre tract of land bears SOUTH 88 degrees 50 minutes 49 seconds West 71.85 feet;

THENCE NORTH 88 degrees 50 minutes 49 seconds EAST, 40.01 feet with the south line of said called 27.865 acre tract of land and being the north line of said called 51.340 acre tract of land to its intersection with the east line of a 40-foot Grayson Pipeline, LLC Easement as described in the Right of Way Agreement recorded in Volume 4830, Page 528 of said Deed Records, and being the **POINT OF BEGINNING**, having a surface coordinate of N=7,280,821.96 feet, E=2,525,559.87 feet;

THENCE NORTH 00 degrees 22 minutes 54 seconds WEST, 1,208.72 feet with the east line of said 40-foot Grayson Pipeline, LLC Easement;

THENCE NORTH 00 degrees 31 minutes 33 seconds WEST, 1,168.63 feet with the east line of said 40-foot Grayson Pipeline, LLC Easement to a point on the north line of said called 27.865 acre tract of land, being the south line of a called 63.510 acre tract of land as described in the Warranty Deed to Harrell Land Corp. recorded in Volume 2596, Page 775 of said Deed Records, from which a 1/2-inch iron rod found on the west line of said called 63.510 acre tract of land, being the common east corner of a called 173.838 acre tract of land as described in the Special Warranty Deed to Harrell Land Corp. recorded in Volume 2573, Page 770 of said Deed Records and of a called 85.842 acre tract of land as described in the Warranty Deed with Vendors Lien to Craig Watson and wife Mori Watson recorded in Volume 2785, Page 585 of said Deed Records bears NORTH 30 degrees 43 minutes 08 seconds WEST, 323.08 feet;

THENCE NORTH 67 degrees 32 minutes 54 seconds EAST, 48.51 feet with the north line of said called 27.865 acre tract of land and the south line of said called 63.510 acre tract of land;

THENCE SOUTH 00 degrees 31 minutes 33 seconds EAST, 1,186.80 feet parallel with and 45.00 feet east of said 40-foot Grayson Pipeline, LLC Easement;

THENCE SOUTH 00 degrees 22 minutes 54 seconds EAST, 1,208.17 feet parallel with and 45.00 feet east of said 40-foot Grayson Pipeline, LLC Easement to the **POINT OF BEGINNING**, containing 2.465 acres.

TEMPORARY CONSTRUCTION EASEMENT

The above-described permanent waterline easement is also subject to a temporary construction easement as shown on the accompanying survey plat. Said temporary construction easement shall expire as noted in the easement agreement.

NOTES:

1. Bearings are based on the Texas State Plane Coordinate System, North American Datum of 1983 (NAD83), North Central Zone (4202). Coordinates and distances are surface values and can be converted to grid by using the scale factor of 1.00012 (0,0 base point).

2. A plat of same date accompanies this legal description.

3. This survey was performed with the benefit of a title report. There may be easements and/or covenants affecting this property not shown hereon.

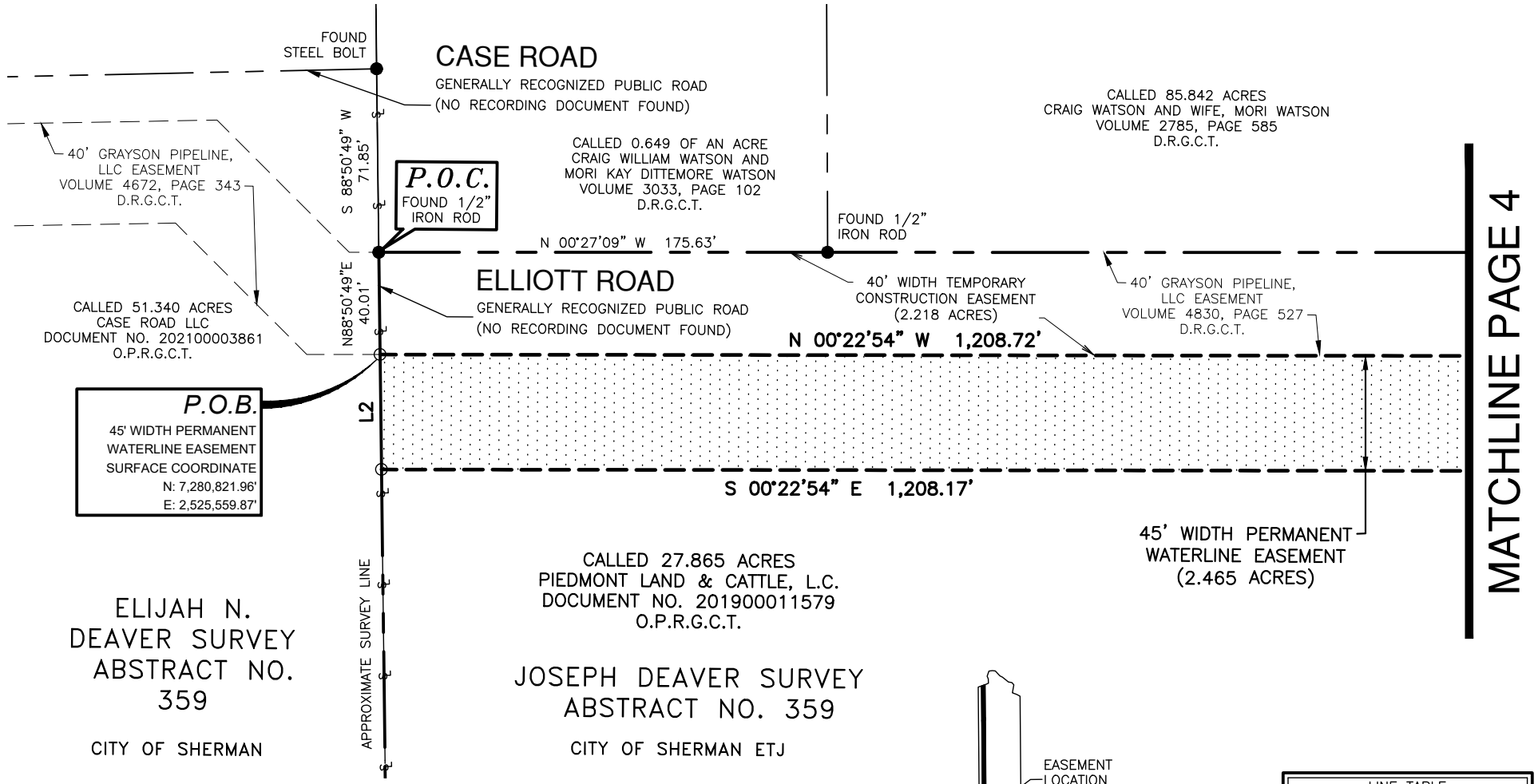
* SURVEYOR'S CERTIFICATE *

TO ALL PARTIES INTERESTED IN TITLE TO THE PREMISES SURVEYED, I DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED FROM PUBLIC RECORDS AND FROM AN ACTUAL AND ACCURATE SURVEY UPON THE GROUND AND THAT SAME IS TRUE AND CORRECT.

Company Name: **Bowman Consulting Group, Ltd.**

By:_____
Surveyor's Name: Robert A. Hansen
LSLS & Registered Professional
Land Surveyor No. 6439
Date: 2023-04-19
Texas Firm No. 10120600

PLAT OF EXHIBIT "A"



LINE TABLE		
LINE	BEARING	DISTANCE
L2	S 88°50'49" W	45.00'

LEGEND	
●	FOUND MONUMENT AS NOTED
○	CALCULATED POINT
————	EASEMENT LINE
———	PROPERTY LINE
D.R.G.C.T.	DEED RECORDS GRAYSON COUNTY TEXAS
O.P.R.G.C.T.	OFFICIAL PUBLIC RECORDS GRAYSON COUNTY TEXAS
P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

NOTES:
(1) BEARINGS ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH AMERICAN DATUM OF 1983 (NAD83), NORTH CENTRAL ZONE (4202). COORDINATES AND DISTANCES ARE SURFACE VALUES AND CAN BE CONVERTED TO GRID BY USING THE SCALE FACTOR OF 1.00012 (0,0 BASE POINT).

(2) A LEGAL DESCRIPTION OF SAME DATE ACCOMPANIES THIS PLAT.

Bowman

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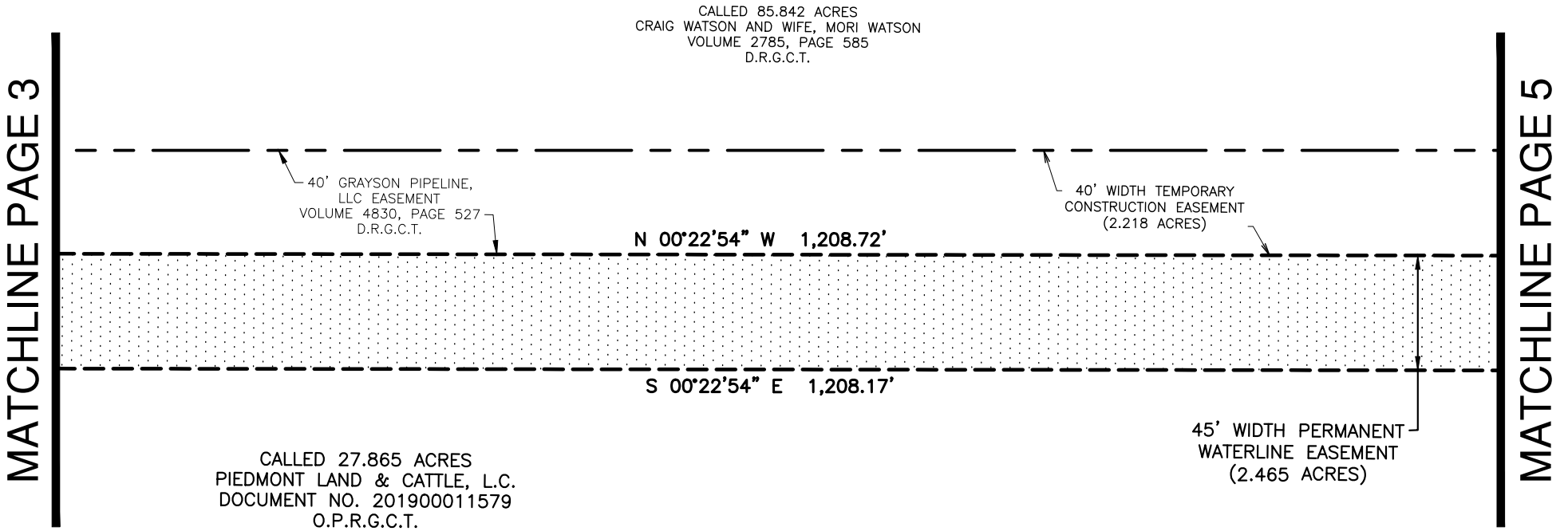
Fort Worth, TX 76104
TBPELS #10120600
Phone: (214) 484-8586
www.bowman.com

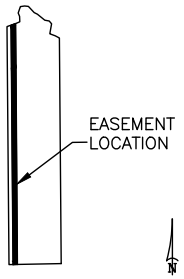
45 FOOT WIDTH PERMANENT WATERLINE EASEMENT			
SURVEY: JOSEPH DEAVER SURVEY ABSTRACT NO. 359			
LOCATION: CITY OF SHERMAN ETJ, GRAYSON COUNTY, TEXAS			
SUBJECT TRACT ACREAGE: 27.865 ACRES (DEEDS)			
JOB NO. 210185	DRAWN BY: MES	CAD FILE: PARCEL 36-PIEDMONT LAND - CATTLE	
DATE: 2023-04-19	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 3 OF 7

PLAT OF EXHIBIT "A"



JOSEPH DEAVER SURVEY
ABSTRACT NO. 359

CITY OF SHERMAN ETJ



SUBJECT TRACT & LOCATION OF EASEMENT

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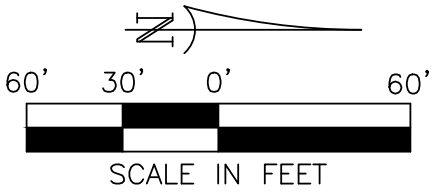

SCALE IN FEET

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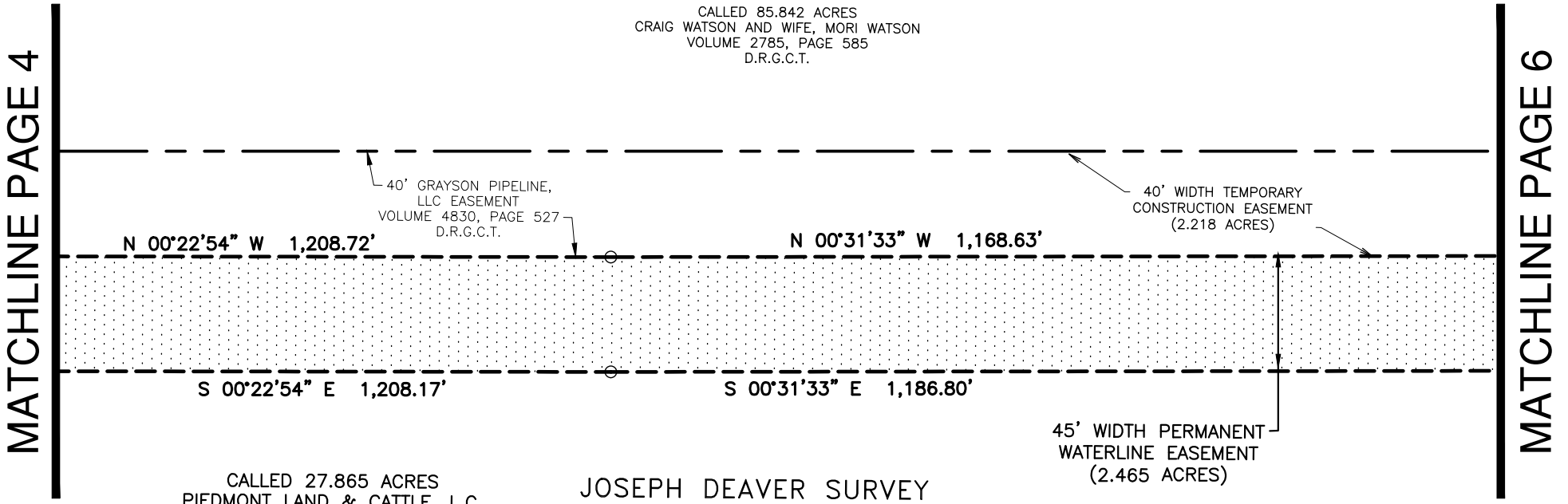
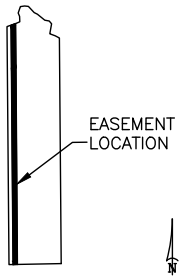
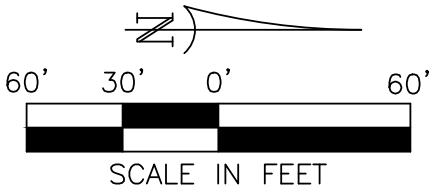
DATE: 2023–04–19	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 4 OF 7

PLAT OF EXHIBIT "A"





SUBJECT TRACT & LOCATION OF EASEMENT



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DATE: 2023-04-19	CHECK BY: RAH	SCALE: 1"= 60'	PAGE 5 OF 7

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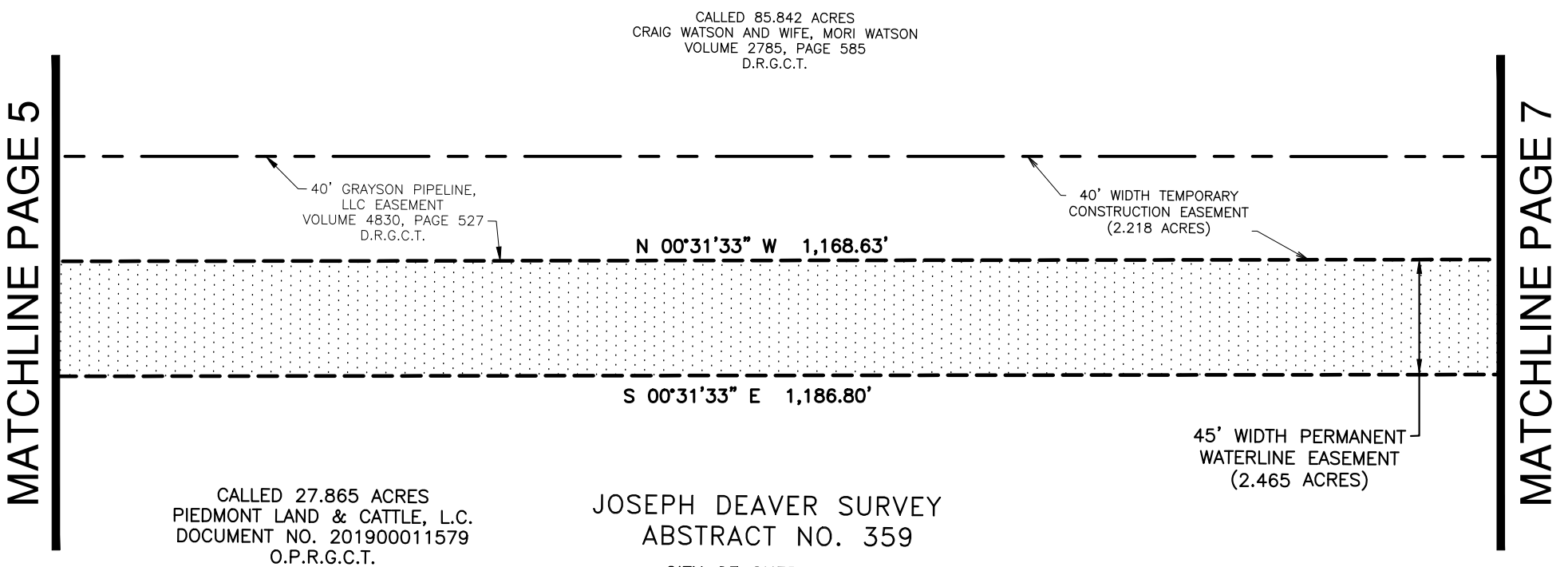

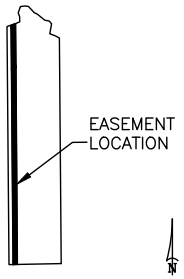

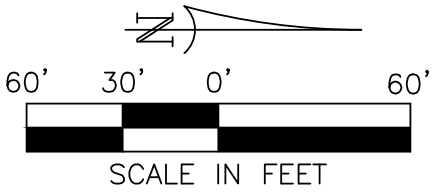

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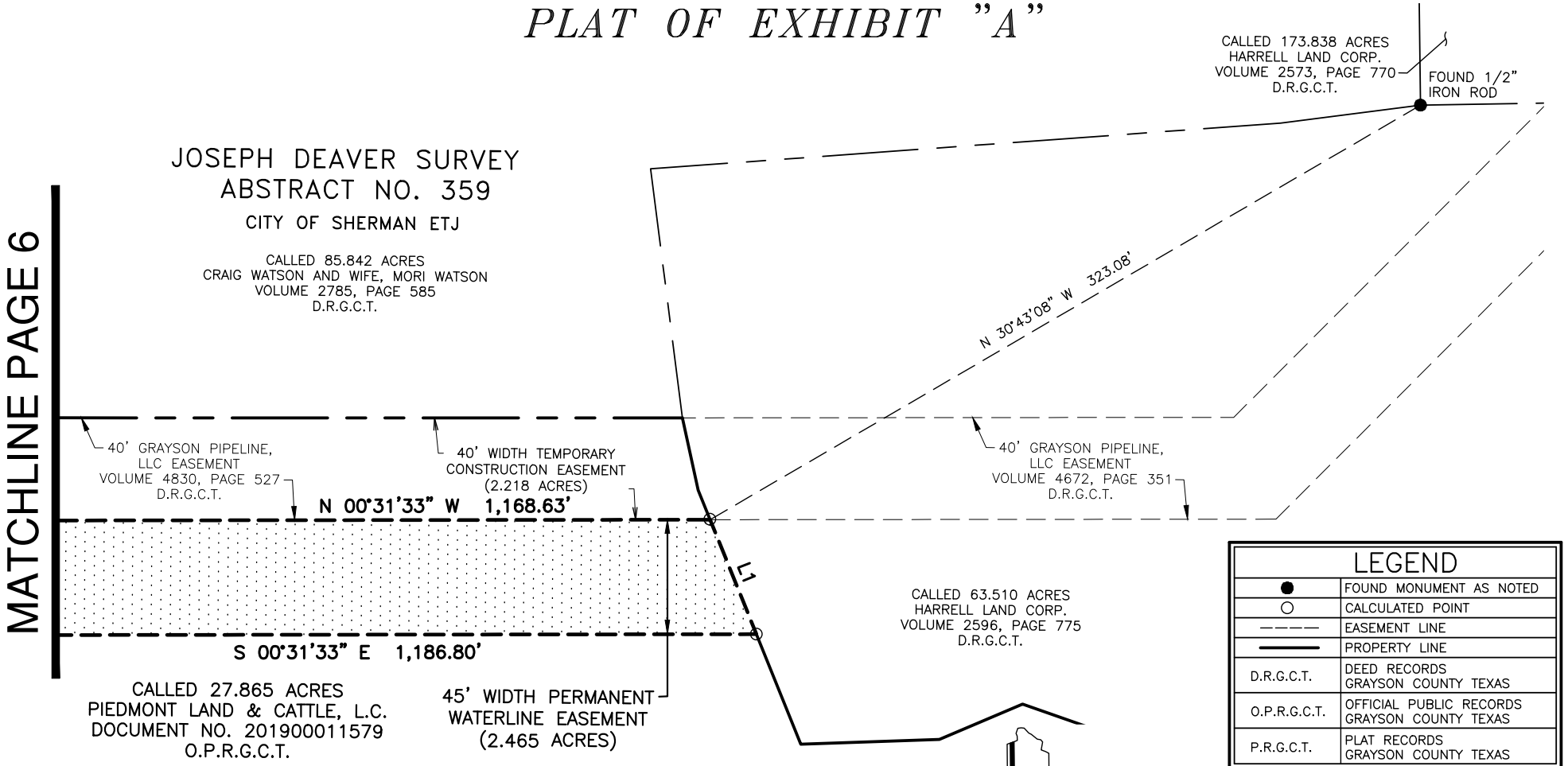

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P.R.G.C.T.	PLAT RECORDS GRAYSON COUNTY TEXAS

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 67°32'54" E	48.51'

60' 30' 0' 60'

SCALE IN FEET

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STATE OF TEXAS REGISTERED ROBERT A. HANSEN 6439 PROFESSIONAL LAND SURVEYOR

ROBERT A. HANSEN
LSLS & REGISTERED PROFESSIONAL LAND SURVEYOR NO. 6439

45 FOOT WIDTH PERMANENT WATERLINE EASEMENT			
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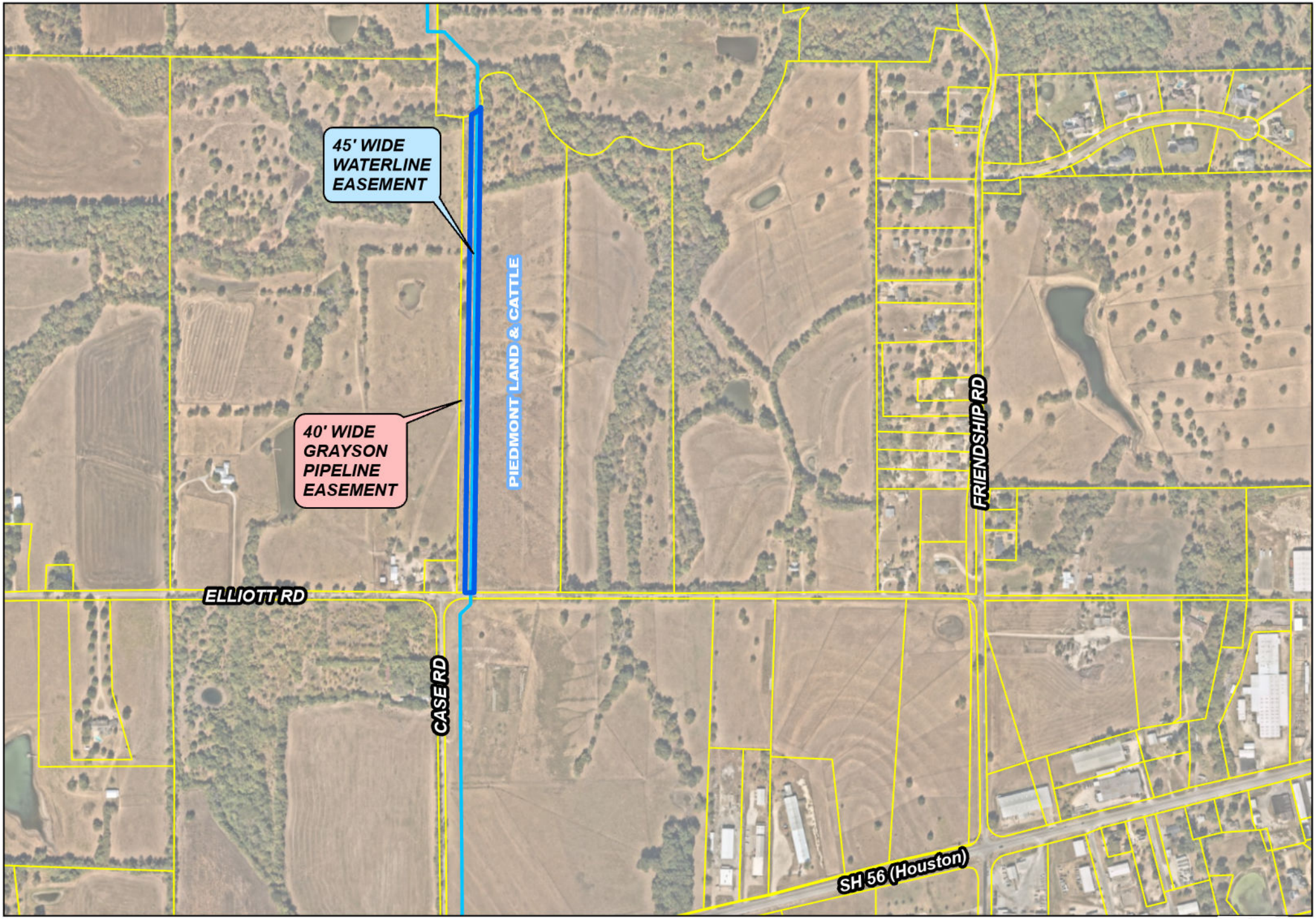


Piedmont Land & Cattle
(prop ID 122929)

Sherman ENGINEERING DEPT.

NORTH

1" = 600'

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 3.**

Meeting Date: 09/05/2023

Prepared By: Clint Philpott, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

RESOLUTION NO. 7127

Authorizing the Acceptance of Conveyance Documents From Wyldewood Homes, LLC for the Conveyance and Acquisition of Approximately 0.489 Acres of Land, in the J.B. McAnair Survey, Abstract No. 763 being more Particularly Described in the Exhibit "A" Attached Hereto and Made a part hereof for all Purposes, Property Being Located in The City of Sherman, County Of Grayson, State Of Texas.

Issue:

Authorizing the acquisition of property for Right of Way (ROW) for a portion of the Birge Hike and Bike Trail in the City of Sherman, Texas

Background:

Acquisition of approximately 0.489 acres of ROW that are necessary to begin the process to construct the Birge Hike and Bike Trail as has been identified in the City's Trails Master Plan. The ROW is to be purchased from Wyldewood Homes, LLC and would add approximately 1,500 linear feet of usable ROW for public use. The proposed trail location has been cleared by Wyldewood Homes and the existing grade lends itself well to a future trail due to its previous use as a railroad.

Origination:

City Manager's Office

Financial Consideration:

The total acquisition costs for this portion of land are $205,000.00 plus any closing costs if closing costs are required.

Staff Recommendation:

Staff recommends that the City Council approve the resolution to authorize the acquisition of the subject property.

Alternatives:

As may be directed by City Council

Attachments

Resolution No. 7127
Exhibit A
Warranty Deed_Needs Exhibit
Trails Master Plan - Birge Trail C

RESOLUTION NO. 7127

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING THE ACCEPTANCE OF CONVEYANCE DOCUMENTS FROM WYLDEWOOD HOMES, LLC FOR THE CONVEYANCE AND ACQUISITION OF APPROXIMATELY 0.489 ACRES OF LAND, IN THE J.B. MCANAIR SURVEY, ABSTRACT NO. 763, BEING MORE PARTICULARLY DESCRIBED IN THE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR ALL PURPOSES, PROPERTY BEING LOCATED IN THE CITY OF SHERMAN, COUNTY OF GRAYSON, STATE OF TEXAS; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the City Manager be and is hereby authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to accept Conveyance Documents from Wyldewood Homes, LLC for the conveyance and acquisition of approximately 0.489 acres of land, more or less, for right of way in the J.B. McAnair Survey, Abstract No. 763, being more particularly described in the Exhibit "A" attached hereto and made a part hereof for all purposes, property being located in the City of Sherman, County of Grayson, State of Texas.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September, 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

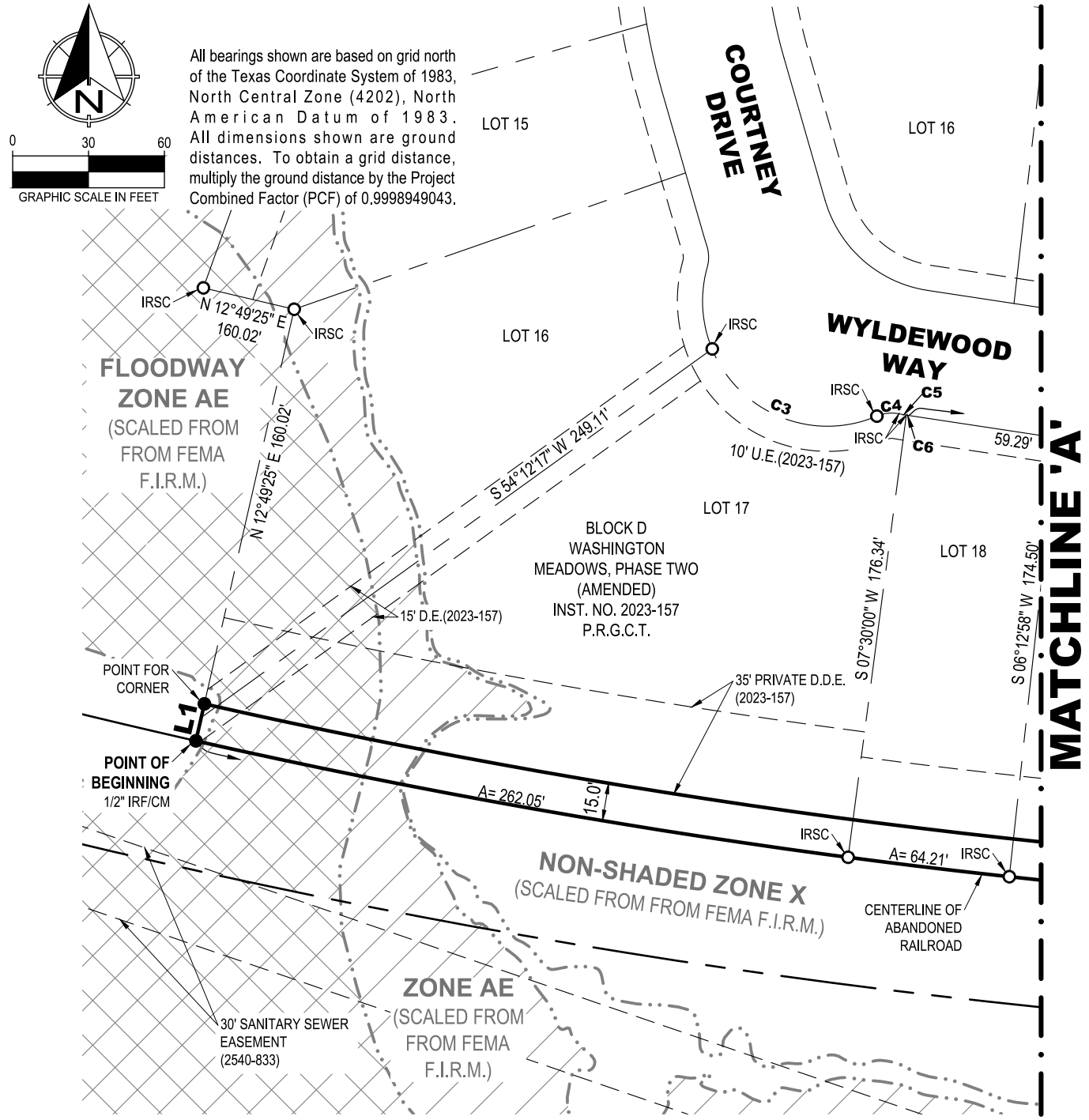
BY: _____
LINDA ASHBY, CITY CLERK

BY: _____
DAVID PLYLER, MAYOR

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Exhibit A



PRELIMINARY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

08/21/2023

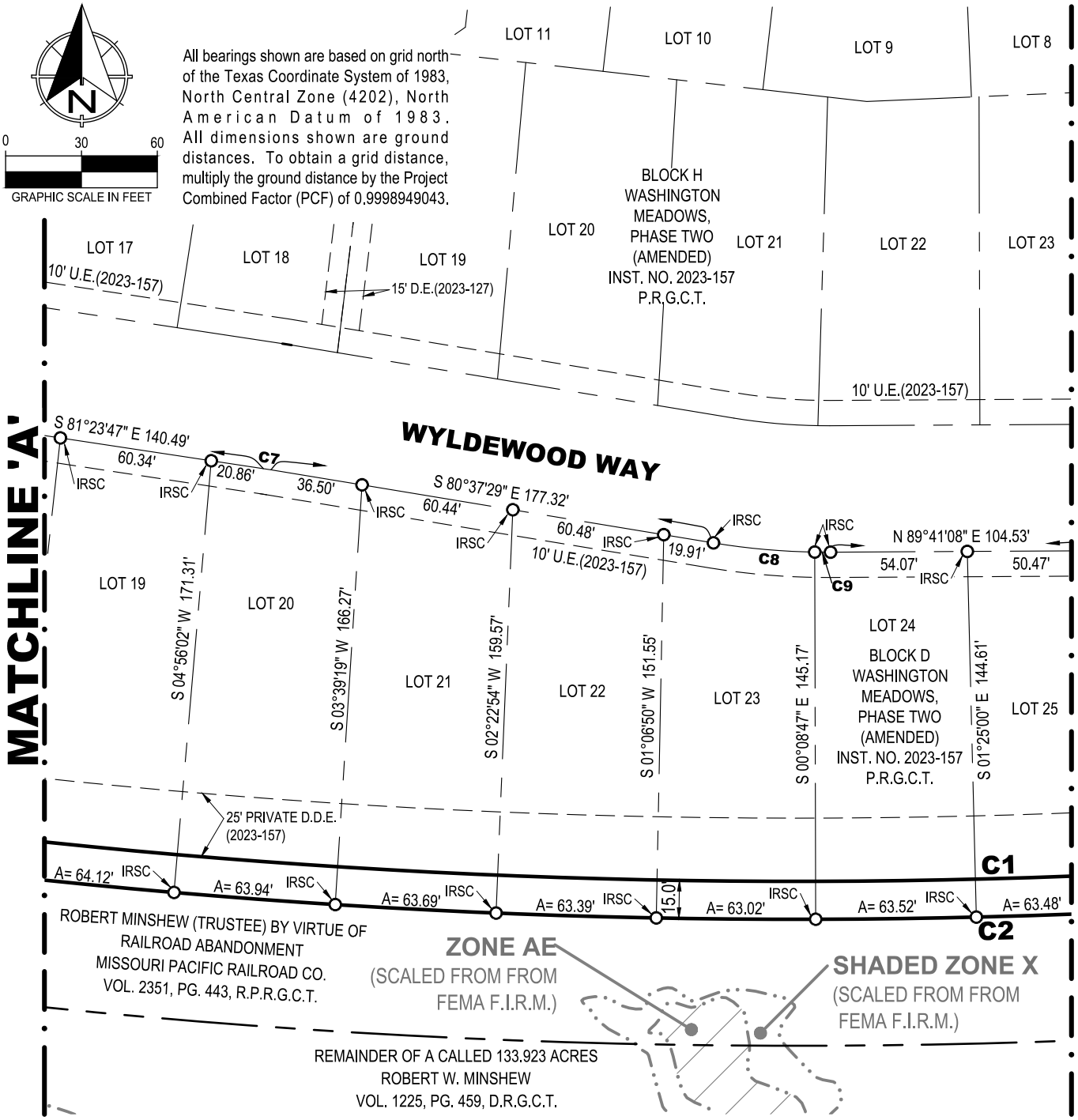
Chris R. Noah, R.P.L.S. No. 6585

HIKE AND BIKE TRAIL
0.489 OF AN ACRE (21,315 SQ. FT.)
J.B. MCANAIR SURVEY, ABSTRACT BO. 763
City of Sherman, Grayson County, Texas

Preston Trail LAND SURVEYING
787 W FM 996
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-6029

TBPLS Firm No. 10194175	Drawn by: LGT Checked by: CRN	Scale: 1"=60' Date: 08/21/2023	Project No. 20-0204.9B Sheet No. 1 of 5

Exhibit A



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City of Sherman, Grayson County, Texas

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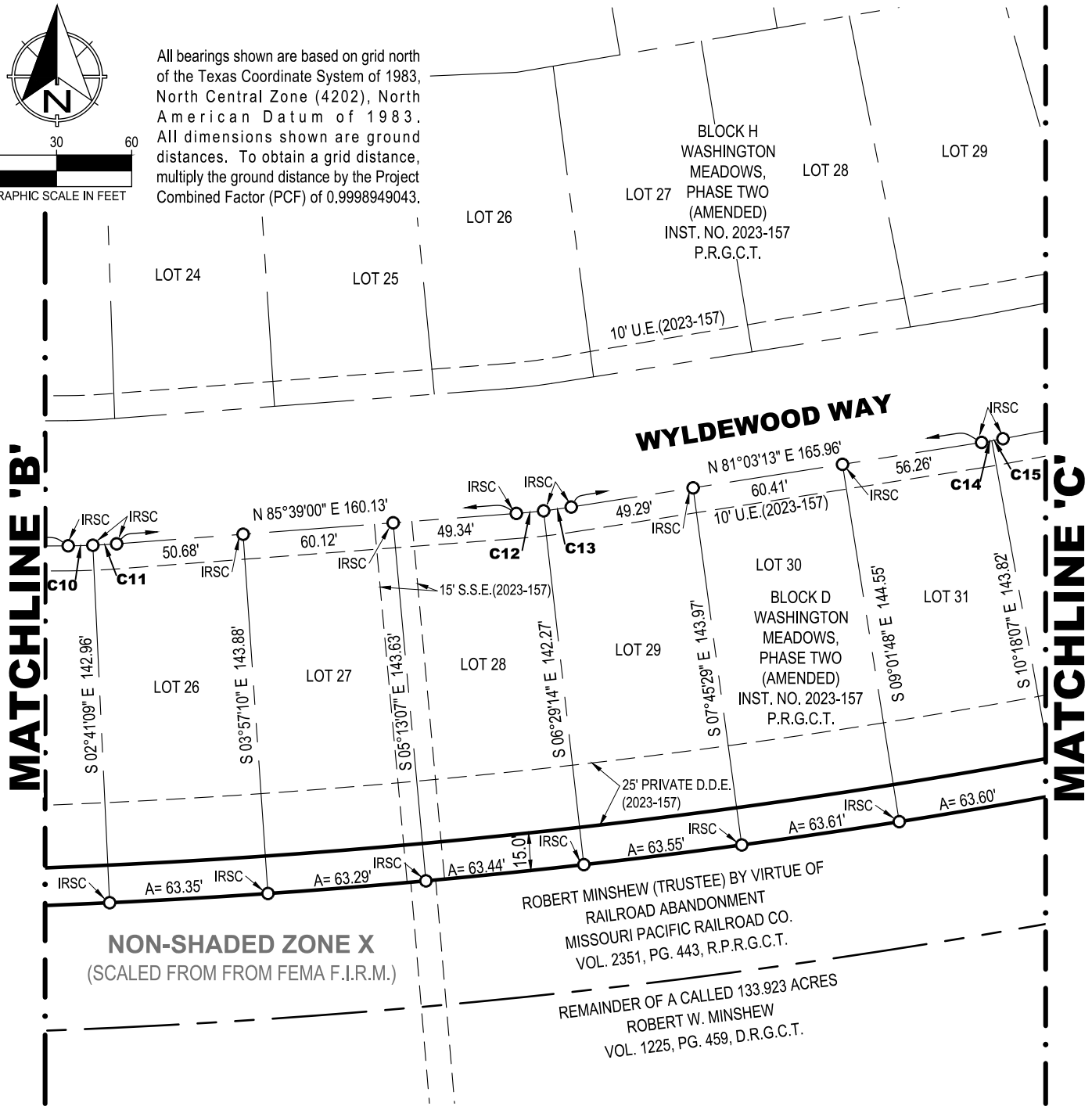
TBPLS Firm No. 10194175	Drawn by: LGT Checked by: CRN	Scale: 1"=60' Date: 08/21/2023	Project No. 20-0204.9B Sheet No. 2 of 5

Exhibit A



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J.B. MCANAIR SURVEY, ABSTRACT BO. 763
City of Sherman, Grayson County, Texas

08/21/2023

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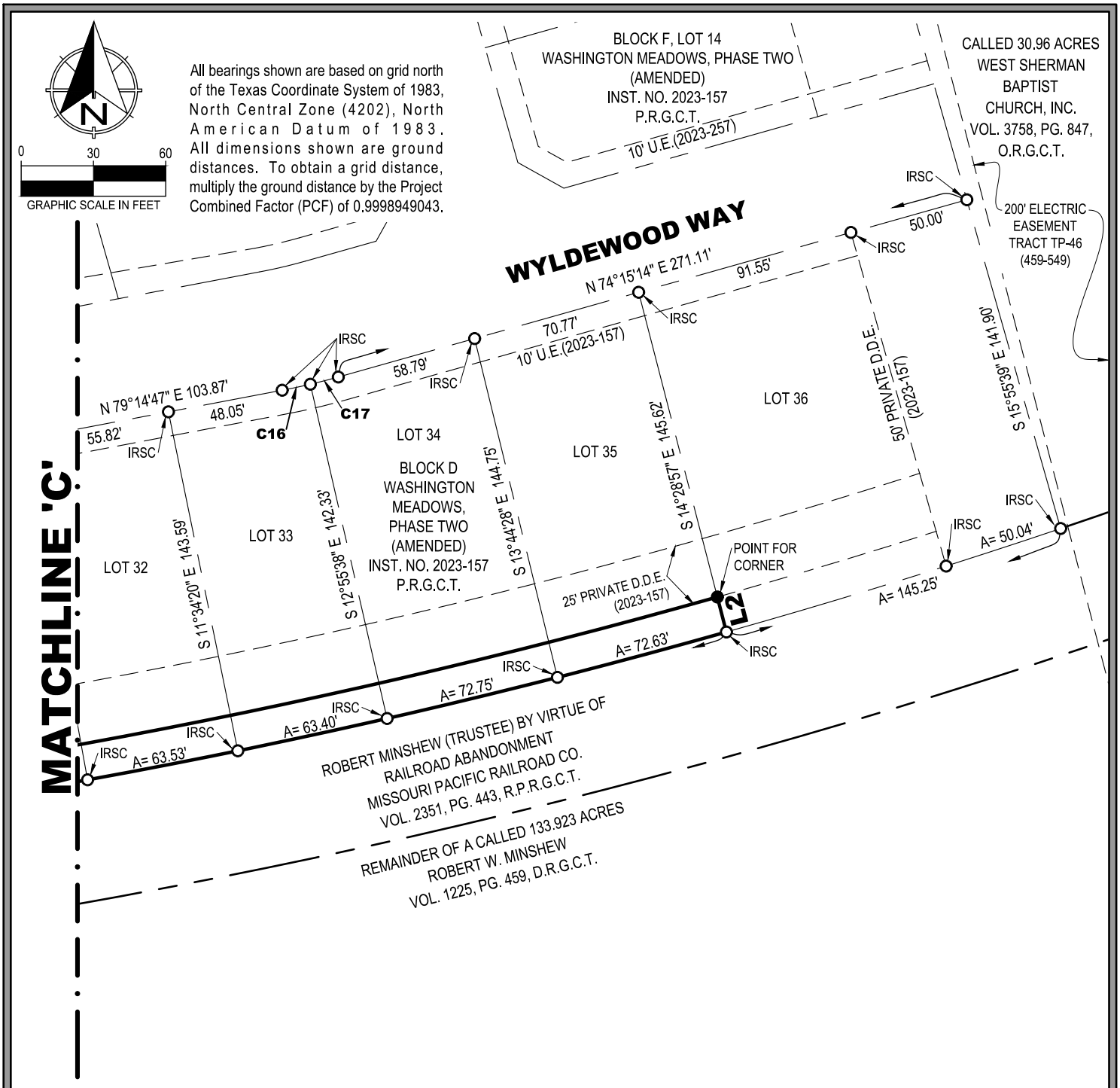
TBPLS Firm No. 10194175	Drawn by: LGT Checked by: CRN	Scale: 1"=60' Date: 08/21/2023	Project No. 20-0204.9B Sheet No. 3 of 5

Exhibit A



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903-786-6029

TBPLS Firm No. 10194175	Drawn by: LGT Checked by: CRN	Scale: 1"=60' Date: 08/21/2023	Project No. 20-0204.9B Sheet No. 4 of 5

Exhibit A

LAND DESCRIPTION:

BEING all of that certain tract or parcel of land situated in the J.B. McAnair Survey, Abstract No. 763, the City of Sherman, Grayson County, Texas, and being part of Lots 16 through 35, in Block D, of Washington Meadows, Phase Two (Amended), recorded in Instrument No. 2023-157, Plat Records, Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found for the southwest corner of said Lot 17, and at the centerline of the abandoned Missouri Pacific Railroad Company Right-of-Way, recorded in Volume 2351, Page 443, Real Property Records, Grayson County, Texas;

THENCE North 12°49'25" East, with the westerly line of said Lot 17 part of the way, and with the westerly line of said Lot 16, a distance of 15.00 feet to a point for the northwest corner of the herein described tract of land, and at the beginning of non-tangent curve to the left, having a delta angle of 28°29'38", a radius of 2850.23 feet and a chord bearing and distance of North 88°29'34" East, 1402.89;

THENCE in an easterly direction, crossing said Lots 16 through 35, and with said curve to the left, an arc distance of 1417.45 feet to a point for the northeast corner of the herein described tract of land, on the easterly line of said Lot 35, and on the westerly line of Lot 36, in said Block D;

THENCE South 14°28'57" East, with the easterly line of said Lot 35, and with the westerly line of said Lot 36, a distance of 15.00 feet to a 1/2-inch iron rod with a plastic cap stamped "PRESTON TRAIL LAND SURVEYING RPLS 6585" set for the southeast corner of said Lot 35, common to the southwest corner of said Lot 36, and at the centerline of aforesaid Abandoned Railroad, and at the beginning of a non-tangent curve to the right, having a delta angle of 28°29'15", a radius of 2865.23 feet and a chord bearing and distance of South 88°29'47" West, 1409.97 feet;

THENCE in a westerly direction, with the southerly lines of Lots 35 through 17, and with the centerline of said Abandoned Railroad, an arc distance of 1424.60 feet to the POINT OF BEGINNING and enclosing 0.489 of an acre (21,315 square feet) of land, more or less.

CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	1417.45'	2850.23'	28°29'38"	N 88°29'34" E	1402.89'
C2	1424.60'	2865.23'	28°29'15"	S 88°29'47" W	1409.97'
C3	78.25'	49.32'	90°54'33"	S 67°48'11" E	70.30'
C4	8.88'	14.86'	34°13'58"	N 83°54'23" E	8.75'
C5	3.00'	84.61'	2°01'49"	S 79°57'35" E	3.00'
C6	1.01'	56.73'	1°01'07"	S 81°06'27" E	1.01'
C7	3.02'	225.00'	0°46'13"	S 81°00'39" E	3.02'
C8	40.26'	275.01'	8°23'19"	S 84°49'09" E	40.23'
C9	6.24'	275.35'	1°17'58"	S 89°39'52" E	6.24'
C10	9.85'	274.99'	2°03'09"	N 88°39'33" E	9.85'
C11	9.52'	274.99'	1°58'59"	N 86°38'30" E	9.52'
C12	10.95'	275.00'	2°16'53"	N 84°30'34" E	10.95'
C13	11.11'	275.00'	2°18'54"	N 82°12'40" E	11.11'
C14	4.15'	275.00'	0°51'52"	N 80°37'17" E	4.15'
C15	4.52'	275.00'	0°56'34"	N 79°43'04" E	4.52'
C16	11.98'	275.00'	2°29'48"	N 77°59'53" E	11.98'
C17	11.98'	275.00'	2°29'45"	N 75°30'07" E	11.98'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 12°49'25" E	15.00'
L2	S 14°28'57" E	15.00'

LEGEND

●	FOUND MONUMENT	O.R.G.C.T.	OFFICIAL RECORDS, GRAYSON COUNTY, TEXAS
○	SET MONUMENT		
IRSC	1/2" IRON ROD W/ "PRESTON TRAIL LAND SURVEYING, RPLS 6585" CAP SET	R.P.R.G.C.T.	REAL PROPERTY RECORDS, GRAYSON COUNTY, TEXAS
IRF	IRON ROD FOUND	INST. NO.	INSTRUMENT NO.
CM	CONTROLLING MONUMENT	U.E.	UTILITY EASEMENT
VOL., PG.	VOLUME, PAGE	D.D.E.	DETENTION/DRAINAGE EASEMENT
P.R.G.C.T.	PLAT RECORDS, GRAYSON COUNTY, TEXAS	———	BOUNDARY LINE
		——— - - ———	ADJOINER LINE
D.R.G.C.T.	DEED RECORDS, GRAYSON COUNTY, TEXAS	– – – – – – – –	EASEMENT

PRELIMINARY

THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

08/21/2023

Chris R. Noah, R.P.L.S. No. 6585

HIKE AND BIKE TRAIL
0.489 OF AN ACRE (21,315 SQ. FT.)
J.B. MCANAIR SURVEY, ABSTRACT BO. 763
City of Sherman, Grayson County, Texas

Preston Trail LAND SURVEYING
787 W FM 996
Pottsboro, TX 75076
www.prestontraillandsurveying.com
903-786-6029

TBPLS Firm No. 10194175	Drawn by: LGT Checked by: CRN	Scale: 1"=60' Date: 08/21/2023	Project No. 20-0204.9B Sheet No. 5 of 5

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 DRIVERS' LICENSE NUMBER.

After Recording Return to:
City of Sherman
Office of the City Attorney
P. O. Box 1106
Sherman, TX 75091-1106

SPECIAL WARRANTY DEED

STATE OF TEXAS §
§ KNOW ALL PERSONS BY THESE PRESENTS:
COUNTY OF GRAYSON §

As used herein, the following terms shall have the following meanings:

Effective Date: _____, 20____

Grantor: WYLDEWOOD HOMES, LLC, a Texas limited liability company

Grantor's Mailing Address: P.O. Box 911688
Sherman, TX 75092

Grantee: CITY OF SHERMAN, TEXAS, a home-rule municipality

Grantee's Mailing Address: P.O. Box 1106
Sherman, TX 75091

Consideration: TEN DOLLARS ($10.00) cash and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged

Property (including any improvements):

0.489 ± acres of land, situated in the J.B. McAnair Survey, Abstract No. 763, City of Sherman, Grayson County, Texas, as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein for all purposes ("Property").

This conveyance shall include all and singular the rights and appurtenances pertaining to the Property, including any right, title and interest in and to adjacent streets, roads, alleys or rights-of-way; all oil, gas and other minerals; and any improvements, fixtures, and personal property situated on or attached to the Property.

Reservations from and Exceptions to Conveyance and Warranty:

Permitted Encumbrances, if any, listed on Exhibit B, attached hereto and incorporated herein for all purposes.

Grantor, for the Consideration and subject to the Reservations from 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 way belonging, to have and to hold it to Grantee and Grantee's successors and assigns forever. Grantor binds Grantor and Grantor's heirs, executors, administrators, successors and assigns 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 when the claim is by, through or under Grantor but not otherwise, except as to the Reservations from and Exceptions to Conveyance and Warranty.

Each individual executing this instrument on behalf of Grantor represents that all appropriate and necessary actions have been taken to authorize the individual who is executing this instrument to do so for and on behalf of Grantor, that there are no other parties or entities required to execute this instrument in order for the same to be an authorized and binding agreement on Grantor and that the individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date hereof.

It is understood and agreed that the consideration received by Grantor hereunder includes adequate compensation for the grant of the rights hereunder and for all damages arising out of the construction, reconstruction, repair, operation and maintenance of roadway or other public facilities.

This instrument shall be binding on, and inure to the benefit of, Grantee and Grantor and their respective successors or assigns.

This instrument may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

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

[*Signature pages follow*.]

EXECUTED on the dates of the acknowledgments, but to be EFFECTIVE on the _____ day of _____, 20__.

GRANTOR:

WYLDEWOOD HOMES, LLC,
a Texas limited liability company

By: _____

Printed Name: _Albert Denson_____

Its: _Owner_____

STATE OF _____ §
§
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared **ALBERT DENSON**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the Owner and duly authorized representative of **WYLDEWOOD HOMES, LLC**, a Texas limited liability company, and that he executed the same for the purposes and consideration therein stated and in the capacity therein stated as the act and deed of said _____.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this _____ day of _____, 20__.

_____
Notary Public, State of Texas
My Commission Expires:_____

AGREED AND ACCEPTED:

CITY OF SHERMAN, TEXAS

By: _____
Robby Hefton, City Manager

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared **ROBBY HEFTON**, known to me to be one of the persons whose names are subscribed to the foregoing instrument; he acknowledged to me that he is the City Manager and duly authorized representative of the **CITY OF SHERMAN, TEXAS**, a home-rule municipality, and that he executed the same for the purposes and consideration therein stated and in the capacity therein stated as the act and deed of the City of Sherman, Texas.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of office this _____ day of _____, 20__.

_____
Notary Public, State of Texas
My Commission Expires:_____

ATTEST:

BY: _____
Linda Ashby, City Clerk

APPROVED AS TO FORM AND
CONTENT:
Abernathy, Roeder, Boyd & Hullett, P.C.

By: _____

Name: _____
City Attorney

Exhibit A
Legal Description of the Property

Exhibit B
Permitted Exceptions

1. Grantor specifically reserves from this conveyance all its rights, title and interest in all oil, gas and other minerals in and under the Property, provided that Grantor shall not be permitted to, and shall not allow any party to, drill or excavate for oil, gas and other minerals on or from the surface of the Property, but Grantor may extract oil, gas or other minerals from and under the Property by directional drilling or other means that do not interfere with or disturb Grantee's use of the Property

BIRGE TRAIL - C

DESCRIPTION

Birge Trail segment C is located on the west side of Sherman along an abandoned railroad corridor. This segment runs from North Heritage Parkway on the west side to Post Oak Creek on the east side.

MATERIAL/WIDTH PREFERENCE

10’ wide hard surface trail

APPROXIMATE LENGTH

Planned: 1 mile

KEY DESTINATIONS/CONNECTIONS

Connects Sherman to the new development that is proposed on the west side of the city.

ISSUES

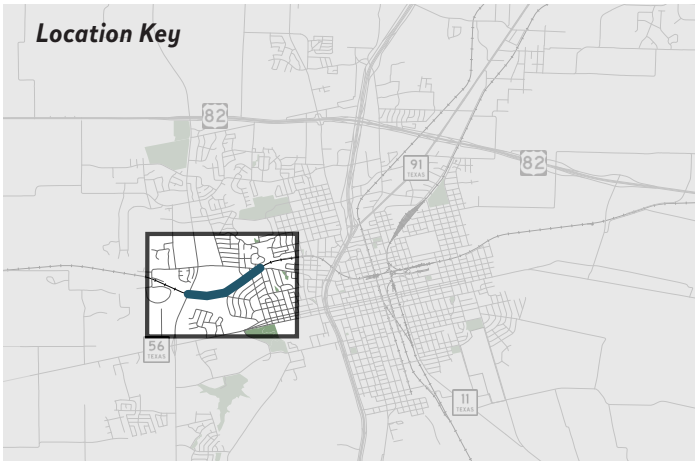
There are several roads that cross this segment.

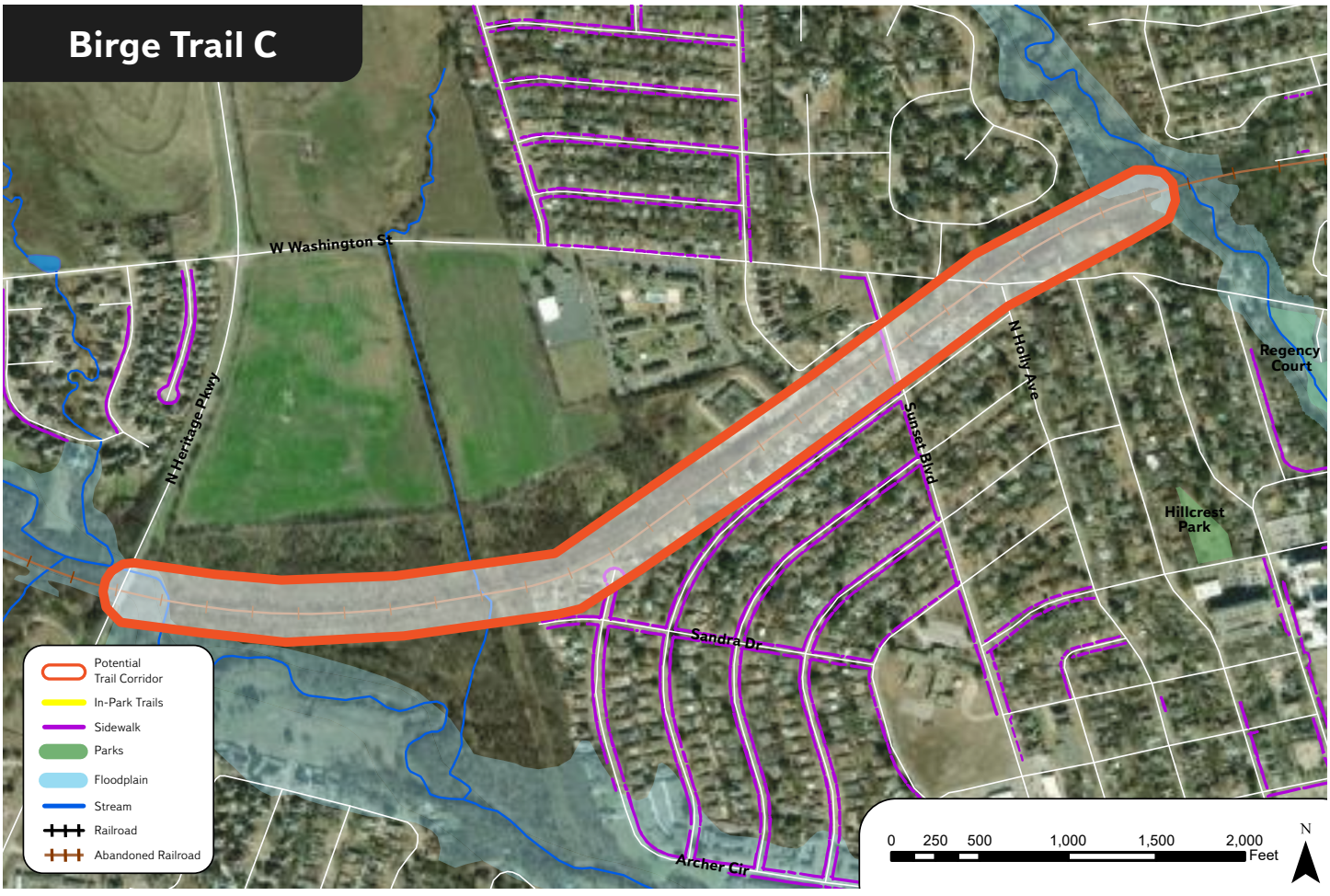
OPPORTUNITIES

Provide a safe connection for pedestrians and bicyclists from the east to west sides of the city.

PLANNING-LEVEL COST ESTIMATE

$946,836 - $1,410,162





SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 4.**

Meeting Date: 09/05/2023
Prepared By: Jana Walker, Controller
Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7128***
Adopting an Investment Policy for the City of Sherman

Issue:

Obtaining Council approval for the Fiscal Year 2024 City of Sherman Investment Policy

Background:

By law, the Council must annually review and adopt an investment policy that governs the investing of public funds by the City. No substantive changes were made this year. A copy of the proposed Policy was provided to the Investment Committee prior to this meeting.

Origination:

Finance Department

Financial Consideration:

There is no cost associated with changing the Policy.

Staff Recommendation:

Investment Committee Recommendation
It is recommended that the Council approve the Policy as presented.

Alternatives:

The Council could offer additional changes to those recommended by the staff and the Investment Committee, subject to Public Funds Investment Act (PFIA) requirements.

Attachments

Resolution No. 7128
Investment Policy FY 23-24

RESOLUTION NO. 7128

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, ADOPTING AN INVESTMENT POLICY FOR THE CITY OF SHERMAN; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 2256 of the Texas Government Code requires that all municipal investments shall be made in accordance with written policies approved by the governing body; and

WHEREAS, the investment policies must address liquidity, diversification, safety of principal, yield, maturity, and quality and capability of investment management; and

WHEREAS, the City of Sherman Investment Committee has proposed an investment policy which meets these goals;

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

SECTION 1. That all prior investment policies of the City of Sherman are hereby revoked in their entirety.

SECTION 2. That the City of Sherman Investment Policy, attached hereto and made a part hereof for all purposes, is hereby adopted and shall now and hereafter govern the investment activity of the City of Sherman.

SECTION 3. That it is hereby officially found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

ATTEST:

BY: _____ **BY:** _____

LINDA ASHBY, CITY CLERK **DAVID PLYLER, MAYOR**

APPROVED AS TO FORM
AND CONTENT:
THE LAW FIRM OF ABERNATHY,
ROEDER, BOYD & HULLETT, P.C.

BY: _____

RYAN D. PITTMAN, CITY ATTORNEY

CITY OF SHERMAN
INVESTMENT POLICY
September 5, 2023

1.0 Policy

It is the policy of the City of Sherman, Texas, ("City") to invest public funds in a manner which will provide the safest and most liquid opportunity with the highest investment return while meeting the daily cash flow demands of the City and conforming to the statutes governing the investment of public funds. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The policy and strategy shall be reviewed by the Investment Committee and the City Council annually. Any modifications will be formally approved by the City Council. This investment policy, as approved, is in compliance with the provisions of the Public Funds Investment Act of the Texas Government Code Chapter 2256 (PFIA).

2.0 Scope

This policy applies to all aspects of investing the financial assets of the City. These funds are accounted for in the City's Comprehensive Annual Financial Report and include: General Fund, Special Revenue Funds, Debt Service Funds**,** Capital Project Funds, Enterprise Funds, Trust and Agency Funds, and any new fund created by legislative body, unless specifically exempted or excluded. To maximize investment earnings, funds will be pooled and earnings allocated to the various funds based on their balances and in accordance with generally accepted accounting principles.

This policy shall not govern funds which are managed under separate investment programs in accordance with Section 2256.004 of the Public Funds Investment Act. Such funds currently include the Perpetual Care Cemetery and Mausoleum Fund, Deferred Compensation Fund and Bond Proceeds.

2.1 Perpetual Care Cemetery and Mausoleum Fund: This fund is governed by a trustee agreement and the provisions of Sections 712.021 - 712.029 of the Health and Safety Code. The investment decisions are the responsibility of the trustee. Therefore, this fund is excluded from this investment policy.

2.2 Deferred Compensation: The City's deferred compensation plan qualifies under Internal Revenue Service Section 457 and, therefore, is exempt from the Public Funds Investment Act and this policy.

2.3 Bond Proceeds: Funds received from the sale of general obligation bonds or certificates of obligation will be segregated and will be invested under a separate strategy.

3.0 Objectives

The following are the primary investment objectives of the City of Sherman, in order of priority:

3.1 Safety: Safety of principal is the foremost objective of the City of Sherman's investment

policy. Safety is defined as the undiminished return of the principal of the City's investments and deposits. Investment officers must have an adequate understanding of the suitability of individual investment instruments in light of the City's financial needs. This understanding is gained through experience of the investment officers and through training designed to increase the expertise of the investment officers.

3.2 Liquidity: Liquidity is important to ensure sufficient cash to meet all operating requirements. A liquid investment is one that can be easily and quickly converted into cash without a substantial loss of value.

3.3 Public Trust: All participants in the City's investment process shall perform their duties at the highest level of public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively.

3.4 Yield: For the City of Sherman, the yield objective is secondary to those of safety and liquidity. Yield is defined as the rate of annual income return on an investment, expressed as a percentage. The one-year Constant Maturity Treasury rate or other Treasury-based rate which corresponds to the approximate weighted average of the portfolio will be a benchmark to promote a better understanding of portfolio performance.

4.0 Standards of Care

Persons who act in good faith and in compliance with this policy shall be relieved of any personal liability arising from the investment activities of the City of Sherman.

4.1 Prudence: Investments shall be made with judgment and care, under prevailing circumstances that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration: (1) the investment of all funds under the City's control over which the officer had responsibility rather than a consideration as to the prudence of a single investment; (2) whether the investment decision was consistent with this written investment policy of the City of Sherman; and (3) whether the decision might have impaired public confidence in the City's ability to govern effectively.

4.2 Ethics: Investment officers shall refrain from any activity that conflicts, or appears to conflict, with the officer's proper execution of the investment program or which could impair the officer's ability to make impartial investment decisions.

4.3 Conflicts of Interest: Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of investment programs, or which could impair their ability to make impartial investment decisions. Employees and investment officers shall disclose to the Texas Ethics Commission and the City Manager, and the City Manager discloses to the City Council if:

a) The officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or

b) The officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City.

4.4 Delegation of Authority: As originally granted by Resolution 3230, dated September 11, 1995, and modified by Resolution 5953 on April 6, 2015, the daily operation and management of the City of Sherman's investments are the responsibility of the following persons:

a) Investment Officers: The City Manager shall name two investment officers from among the employees with the following job titles: City Manager, ~~Finance Director~~Chief Financial Officer and Controller. The investment officers are authorized to deposit, withdraw, invest, transfer, or manage in any other manner, funds of the City of Sherman. Investments officers must disclose any business or personal relationships with business organizations offering to engage in an investment transaction with the City according to Section 2256.005.

b) Investment Committee: The Investment Committee shall consist of the City Manager and two members of the City Council as appointed by the Council. The committee shall annually approve the list of approved brokers, dealers and financial institutions, review and approve revisions to this policy, recommend investment strategies within this policy, and monitor investment results, controls, and compliance with this policy. The approved list of brokers, dealers and financial institutions is in Appendix B.

c) Other Investment Authorizations: The Financial Services Specialists, Accountants and the Chief Accountant are also authorized to deposit funds into the bank depository.

4.5 Quality and Capability of Investment Management: Recognizing that the investment officers of the City have many other duties and that they may lack formal education in investing, this policy allows the City to use only the more basic and easily understood types of investments available to local governments.

4.6 Training of Investment Officers: Investment training is required for all investment officers of the City. Within 12 months after assuming duties, each investment officer must complete initial training of at least 10 hours of instruction relating to the investment officer's respective responsibilities under the PFIA. Thereafter, each investment officer must attend an investment training session not less than once in a two-year period beginning on October 1st and receive not less than eight hours of instruction relating to investment responsibilities under the PFIA. Investment training sessions must be provided by approved sources include the Government Finance Officers Association (GFOA), the Governmental Finance Officers Association of Texas (GFOAT), the Government Treasurers' Organization of Texas (GTOT), the University of North Texas Center for Public Management, and the Texas Municipal League.

5.0 Strategies

The investment strategy is the logical product of the investment objectives. As such, it emphasizes

low credit risk, diversification, and the management of maturities. The strategy also takes into account the expertise and time constraints of the investment officers. The allowable investments listed in Section 7 of this policy reflect the avoidance of credit risk. Diversification refers to dividing investments among a variety of securities offering independent returns. The management of maturities refers to structuring the maturity dates of the direct investments so that, while funds are initially invested for a longer period of time, some investments mature at regularly-recurring intervals.

A basic strategy governs the investment of all funds under this policy. A separate strategy applies to the investment of bond proceeds.

5.1 Depository Bank: Funds at the depository bank are to be managed to a level that minimizes the cost of the relationship to the City. In instances where the depository contract allows for the payment of fees by maintaining balances at the depository, every effort is to be made to minimize the amount of money held at the depository in excess of that needed to compensate the bank for its services. Concerns about safety are to be addressed by the pledging requirements of the depository, in accordance with state law. This strategy specifies that sufficient funds to support daily operations are maintained in the depository bank, but that any funds in excess of that are held to a minimum. In accordance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the City will require that the bank's board of directors or a designated committee approve the depository agreement, including the pledge of collateral to secure with bank's obligations with respect to the deposits maintained at the bank by the City.

5.2 Other Financial Institutions: The City may invest in certificates of deposit with maturities of five years or less with a bank other than the Depository Bank. A laddered maturity strategy is used for these instruments and only funds whose expenditure is not anticipated during the term of the certificate are invested.

5.3 Investment Pools: An investment pool is an entity created to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are safety, liquidity, and yield. Funds are usually available from investment pools on a next day basis, meaning the pools have a high degree of liquidity. Because of the size and expertise of their staffs, investment pools are able to prudently invest in a variety of the investment types allowed by state law. In this manner, investment pools achieve diversification. Funds that may be needed on a short-term basis but that are in excess of the amount maintained at the depository bank are available for deposit in investment pools.

5.4 Federal Deposit Insured Corporation (FDIC) Insured Investment Accounts: FDIC insured investments are interest bearing deposit accounts which meet public funds investment objectives of safety, liquidity and yield, similar to investment pools. Accounts are subject to FDIC regulations which enable depositors to obtain FDIC insurance coverage. Funds are usually available on a next day basis, meaning they have a high degree of liquidity. Deposits are aggregated with other deposit sources. There is no market risk (par value--dollar in/dollar out) and yields are typically higher than other short term investments. Funds that may be needed on a short-term basis but that are in excess of the amount maintained at the depository bank are available for deposit in FDIC insured investment accounts.

5.5 Direct Investments: The City of Sherman purchases securities of the U.S. Treasury, U.S.

Agencies, and direct obligations of this state, its agencies, counties, cities and other political subdivisions in the secondary market and in the primary market in the case of new issue offerings. For purposes of this policy, the term "U. S. Agencies" shall include obligations, including letters of credit, of the United States or its agencies and instrumentalities. The City employs a laddered maturity strategy for these instruments. With that method, some investments reach maturity at regularly-recurring intervals, enhancing liquidity. The investment officers must give consideration to the over-all liquidity of the portfolio before making a direct investment. Additionally, the City occasionally purchases a U. S. Treasury or Agency security with maturities as long as five years. See Section 5.6 below.

5.6 Hold until Maturity: The strategy of the City is to maintain enough liquidity in its portfolio that it never needs to sell a security. This will protect the principal of the investment against market risk. Should it become necessary to sell a security prior to maturity, the prior written consent of the City Manager must be obtained.

5.7 Investment of Reserve Funds: Up to one-third of the funds held in reserve are available for investment in Treasury or Agency securities with remaining maturities up to five years.

5.8 Separate Strategy for Bond Proceeds: Proceeds from the sale of general obligation bonds or certificates of obligation will be segregated from the other investments of the City. The basic intent is to match the availability of funds to the cash requirements of the capital projects. Therefore, the maturity limits of Section 7.8 do not apply. The following investments are available for this strategy: treasury securities, demand deposits, certificates of deposit, FDIC insured investment accounts and investment pools. Ten percent of anticipated costs of the projects must be kept in demand deposits or pooled investments to cover unanticipated cash demands. The remaining proceeds are to be invested so as to match anticipated demands for cash. Except for the requirement for demand deposits or investment pools above, there is no restriction on the percentage of the bond proceeds that may be invested in any authorized investment vehicle.

6.0 Authorized Financial Dealers and Institutions

6.1 Approved List of Investment Service Providers: All banking services will be governed by the depository contract. In addition, the ~~Finance Director~~Chief Financial Officer shall maintain a list of security brokers, dealers, financial institutions, and investment pools that are authorized by the Investment Committee and the City Council. To be eligible to be approved to do business with the City of Sherman, a seller of securities or financial institution must be a primary dealer, a regional dealer that qualifies under SEC Rule 15C3-1, be regulated by Federal banking authorities, or an investment pool that meets all the requirements of state law. More details on investment pool qualifications are listed in Section 7.4. Annually, the Investment Committee must review, revise and adopt a list of qualified brokers and financial institutions that are authorized to engage in investment transactions with the City. The approved list of financial institutions and broker/dealers can be found in Appendix B.

6.2 Acknowledgment of Investment Policy: A written copy of this investment policy shall be presented to any person or firm seeking to sell to the City any investment. A qualified representative of the business organization seeking to sell an investment shall execute a written instrument substantially to the effect that the registered principal has: (1) received and thoroughly reviewed the City's investment policy; and (2) acknowledged that the organization has

implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions conducted between the City and the organization. The City's investment officers are expressly prohibited from buying any security from a person or firm which has not delivered a document that complies with the requirements of this section of the City's investment policy.

7.0 Authorized Investments, Including Diversification Limits and Maximum Maturities

Following is a list of investments that are authorized by this policy for inclusion in the City of Sherman's portfolio of investments. Also shown are the target and maximum percentages (portfolio cap) of that type of security and the maximum maturity that is allowable.

7.1 Certificates of Deposit: These investments are permitted if invested through a broker or depository institution that has its main office or a branch office in this state and is eligible under Section 2256.010 of the Public Funds Investment Act.

7.2 Obligations of the United States Treasury: United States Treasury Bills, Notes and Bonds are authorized investments of the City of Sherman. For purposes of collateral against the City's investments, the maximum length of remaining maturity may be fifteen years, as long as the total market value of the securities pledged against the City's investments always exceeds those investments.

7.3 Obligations of Agencies or Instrumentalities of the United States: United States Agency securities or other obligations, are authorized investments of the City provided that they are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its respective agencies and instrumentalities. For purposes of collateral against the City's investments, the maximum length of remaining maturity may be fifteen years, as long as the total market value of the securities pledged against the City's investments always exceeds those investments.

7.4 Investment Pools: Public funds investment pools which have been created to function as a money market mutual fund are authorized investments of the City provided that they meet the following criteria: (1) they are continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service; (2) they mark their portfolio to market daily; (3) they maintain a stable net asset value of no less than .995 and no more than 1.005; (4) they limit their investments to those allowable to local governments by state law; and, (5) they meet or exceed the initial and monthly disclosure requirements of applicable state law. Deposits in investment pools that contain commercial paper are not authorized.

7.5 Federal Deposit Insurance Corporation (FDIC) Insured Investment Accounts: Interest bearing deposit accounts subject to FDIC regulations are authorized investments of the City provided they meet the following criteria: (1) the funds are invested through a broker or depository institution that has its main office or a branch office in this state and is eligible under Section 2256.010 of the Public Funds Investment Act; and (2) the balances are maintained at or below levels which qualify for FDIC insurance coverage.

7.6 Repurchase Agreements; Bankers' Acceptances: These investment options are authorized for the City of Sherman only to the extent that they are contained in the portfolios of approved

public funds investment pools in which the City invests. The direct investment in repurchase agreements and bankers' acceptances by the City of Sherman is not authorized. However, indirect investment in repurchase agreements by the City's depository under a sweep arrangement is allowable for purposes of this policy.

7.7 Direct Obligations of this State, its agencies, Counties, Cities and other political subdivisions: State agency means an office, department, commission, board or other agency that is part of any branch of state government, an institution of higher education, and any nonprofit corporation acting on behalf of any of those entities rated no lower than A or at an equivalent rating by at least one nationally recognized rating service.

7.8 Diversification Limits and Maximum Maturities: The City will diversify the portfolio at all times to ensure the reduction of risk while still maintaining reasonable rates of return and ensuring an adequate amount of liquidity. With the exception of authorized pools and FDIC insured investment accounts, no more than 50% of the total investment portfolio will be invested in a single security type, such as U.S. Agencies, U.S. Treasuries, obligations of the State of Texas and its subdivisions, Certificates of Deposits, etc.

The City will not invest in securities maturing more than five years from the date of purchase. The maximum average dollar-weighted maturity shall be 500 days.

8.0 Prohibited Securities

8.1 Allowed by State Law but Prohibited by This Policy: The following instruments are eligible for investment by local governments according to state law, but have been intentionally prohibited for the City by this policy: collateralized mortgage obligations; obligations of other states and their agencies, counties, cities, and other political subdivisions; bonds issued by the State of Israel; securities lending programs; guaranteed investment contracts; mutual funds; commercial paper; and investment pools except those pools which are created to function as money market mutual funds. This prohibition is in view of the time constraints on and the expertise level of the investment officers.

8.2 Expressly Prohibited by State Law and This Policy: The following securities are expressly prohibited by state law and this policy: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjust opposite to the changes in a market index (inverse floaters).

9.0 Collateralization

In accordance with Chapter 2257 of the Texas Government Code and the depository contract, all demand deposits and all time deposits will be collateralized by the pledging of investment securities or by letters of credit from Federal Home Loan Bank. If securities are used as collateral, the Finance Director or designee must approve the security prior to its pledging. Pledged securities shall always be held by a third party and evidenced by a current safekeeping receipt.

10.0 Safekeeping

All investment transactions entered into by the City, other than those with investment pools, certificates of deposit and FDIC insured investment accounts, shall be conducted on a delivery-versus-payment basis. Securities shall be held by a third party custodian and evidenced by current safekeeping receipts.

11.0 Internal Control

The ~~Finance Director~~Chief Financial Officer shall establish a system of internal controls designed to prevent the loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. The system shall contain, but is not limited to, the following items:

11.1 Competitive Bids: Generally, securities will be purchased using competitive offerings. The ~~Finance Director~~Chief Financial Officer or designee shall make their best effort to obtain at least three offers from firms listed on the approved list of brokers and dealers. Offers shall be in writing and may be delivered to the City in person, or by fax or email. The award shall be on the basis of the best value to the City. Records of the offers and award shall be maintained by the ~~Finance Director~~Chief Financial Officer or designee.

The City recognizes that a competitive offering process is not always necessary or is not always in the best interest of the City. Accordingly, new issue offerings may be purchased directly from an approved broker/dealer in the primary market.

11.2 Delivery-Versus-Payment: The safekeeping agent must receive all investments, other than investment pool funds, certificates of deposit and FDIC insured investment accounts, before funds are released for their purchase.

11.3 Compliance Audit: In conjunction with its annual financial audit, the City shall require a compliance audit of management controls on investments and adherence to this policy.

11.4 Collateral: Evidence of pledged collateral shall be maintained by the ~~Finance Director~~Chief Financial Officer or designee. Collateral shall be reviewed weekly to assure that the market value of the pledged securities is adequate.

11.5 Other Components: Internal control shall address separation of transaction authority from accounting and recordkeeping, clear delegation of authority to subordinate staff members, and written confirmation of transaction for investments and wire transfers.

Other sections of this policy contain aspects of internal control procedures. These include holding securities until maturity, providing adequate training for all investment officers, requiring vendors to meet minimum qualifications before selling securities to the City, disclosing personal or business relationships between investment officers and vendors, and regular reporting of investments to the City Council.

12.0 Valuation

The market value of each investment in the City's portfolio will be calculated quarterly, on the following basis:

12.1 Investment Pools: Monthly statements are received from the investment pools which show the amount on deposit and the market value of the pool as a percentage of the book value. The market value of the investment pools will be the product of these two figures.

12.2 Treasury Notes: The market value of Treasury Notes will be obtained from the City's third-party securities custodian.

12.3 Treasury Bills: The market value of Treasury Bills will be obtained from the City's third-party securities custodian.

12.4 Agencies of the United States and the State of Texas: The market value of agency securities and direct obligations of this state, its agencies, counties, cities and other political subdivisions will be obtained from the City's third-party securities custodian.

13.0 Credit Ratings

The credit rating of each investment in the City's portfolio will be determined quarterly from Standard and Poor's, Moody's or other nationally recognized rating agencies. All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

14.0 Performance Standards

For each of the City's investment objectives, following are the performance standards:

14.1 Safety: All investment principal is maintained.

14.2 Liquidity: Sufficient cash is maintained or can be generated to pay all current obligations without selling direct securities or incurring loss of principal.

14.3 Yield: Yield on the portfolio of City funds, excluding demand deposits at the bank depository, should approximate the Treasury-based yield having similar weighted-average maturities.

15.0 Reporting

No less than quarterly, the investment officers shall prepare, sign, and present to the City Council a report of the City's investments in compliance with section 2256.023 of the Public Funds Investment Act.

16.0 Investment Policy Adoption and Revision

The City Council shall adopt the written investment policy by resolution. Annually the City Council shall review the investment policy and strategy. Revisions to the policy shall be made by

City Council resolution.

APPENDIX A

GLOSSARY OF COMMON TREASURY TERMINOLOGY

Agencies: Federal agency securities.

Amortized cost: Cost of investments adjusted for amortized premiums and discounts.

Asked: The price offered for securities.

Bid: The price offered by a buyer of securities.

Book value: A term synonymous with amortized cost.

Broker: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

Certificate of Deposit (CD): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

Collateral: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Commercial Paper (CP): An unsecured short-term promissory note issued by corporations, with maturities ranging from 2-270 days.

Coupon: (a) the annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

Credit Risk: The risk of loss of principal and interest due to a failure of the security or broker.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Debenture: A bond secured only by the general credit of the issuer.

Delivery versus Payment: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

Discount: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

Discount Securities: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g., U.S. Treasury bills.

Diversification: Dividing investment funds among a variety of securities offering independent returns.

Federal Credit Agencies: Agencies of the Federal government set up to supply credit to various classes of institutions

and individuals, e.g., small business firms, students, farmers, farm cooperatives, and exporters.

Federal Deposit Insurance Corporation (FDIC): A federal agency that insures bank deposits, currently up to $250,000 per deposit.

Federal Funds Rate: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

Federal Home Loan Banks (FHLB): The institutions that regulate and lend savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

Federal National Mortgage Association (FNMA): FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

Federal Open Market Committee (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open-market as a means of influencing the volume of bank credit and money.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C. 12 regional banks and about 5,700 commercial banks that are members of the system.

Government National Mortgage Association (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government, Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

Laddered Portfolio: Investment portfolio with securities in each maturity range (e.g. monthly) over a specified period of time.

Liquidity: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Local Government Investment Pool (LGIP): The aggregate of all funds from political subdivisions that are placed in custody for investment and reinvestment.

Market Risk: The risk that the market value and interest earnings of an investment or a portfolio will fall due to changes in general interest rates.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement: To protect investors, many public investors will request that repurchase agreements be preceded by a master repurchase agreement between the investor and the financial institution or dealer. The master agreement should define the nature of the transaction, identify the relationship between the parties, establish normal practices regarding ownership and custody of the collateral securities during the term of the investment, provide remedies in the case of default by either party and clarify issues of ownership. The master repurchase agreement protects the investor by eliminating the uncertainty of ownership and hence, allowing investors to liquidate collateral if a bank or dealer defaults during the term of the agreement.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Money Market: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

Offer: The price asked by a seller of securities.

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Portfolio: Collection of securities held by an investor.

Primary Dealer: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

Prudent Person Rule: An investment standard. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Qualified Public Depositories: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes

under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

Rate of Return: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (RP or REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

Safekeeping: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities & Exchange Commission: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Treasury Bills: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

Treasury Bonds: Long-term U.S. Treasury securities having initial maturities of more than ten years.

Treasury Notes: Intermediate term coupon bearing U.S. Treasury securities having initial maturities from one to ten years.

Unrealized Gains (Losses): Increases (decreases) in the value of investments representing the difference between the amortized cost of the investments and their current market value. Increases (decreases) in value are caused primarily by changes in market interest rates subsequent to purchasing investments.

Weighted Average Rate of Return: Rate of return calculated based on interest earnings and the length of actual holding for each individual security.

Yield: The rate of annual income return on an investment, expressed as a percentage. (a) **Income Yield** is obtained by dividing the current dollar income by the current market price of the security. (b) **Net Yield** or **Yield to Maturity** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Yield: The rate of annual income return on investment, expressed as a percentage.

APPENDIX B

APPROVED LIST OF BROKER/DEALERS AND FINANCIAL INSTITUTIONS

Local Government Investment Pools:

TexPool
Houston, TX

TexStar
Dallas, TX

TexasTERM
Austin, TX

Depository Bank:

Simmons Bank
Sherman, TX

Other Financial Institutions:

BOK Financial Securities, Inc.
Sherman, TX

Brokers/Dealers:

FHN Financial Capital Markets, Inc.
Houston, TX

Hilltop Securities, Inc.
Dallas, TX

Investors Brokerage of Texas
Waco, TX

SAMCO Capital Markets, Inc.
Dallas, TX

Stifel Nicolaus & Co Inc.
Seattle, WA

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 5.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7129***

Authorizing Execution of a Chapter 380 Grant Agreement with Lindsey H Eichert for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Lindsey H Eichert for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7129
Application
Agreement

RESOLUTION NO. 7129

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH LINDSEY H EICHERT FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Lindsey H Eichert meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Lindsey H Eichert and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Lindsey H Eichert for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 24, 2023 at 1:39:15 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Lindsey Hope LLC
Name of Company (if different than business name)	LL Esthetic Studio
Business Address	100 S Crockett Street
Name of Person Applying	Lindsey lasko
Telephone Number	4699527232

(Section Break)

Business Square Footage	Booth rent
Own or lease?	Lease
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	4/1/2023
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	No
Business description	Booth rent for Aesthetic Services

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Lindsey H Eichert, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name LL Esthetic Studio, on real property located at 100 S Crockett Street, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32068957854, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing April 1, 2023 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Lindsey H Eichert 100 S Crockett Street Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 100 S Crockett Street in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

100 S Crockett Street
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32068957854
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 6.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7130***

Authorizing Execution of a Chapter 380 Grant Agreement with Sandi's Boutique LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Sandi's Boutique LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7130
Application
Agreement

RESOLUTION NO. 7130

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH SANDI'S BOUTIQUE LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Sandi's Boutique LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Sandi's Boutique LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Sandi's Boutique LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Tuesday, August 8, 2023 at 10:31:36 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Sandi's Boutique LLC
Name of Company (if different than business name)	*Field not completed.*
Business Address	2001 N. Loy Lake Rd. Suite B
Name of Person Applying	Sandi Key
Telephone Number	903-816-2241

(Section Break)

Business Square Footage	3000
Own or lease?	Lease
If leased, when does the lease come up for renewal?	8/1/2029
Date Certificate of Occupancy Was Granted	8/1/2022
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Women's Boutique, gifts and children's boutique. I have been in business since 2007 and my business was lost in the downturn fire in 2021. I reopened 10/29/2022, but I took occupancy on 8-2022 because I had a lot of construction that needed to be done. I have 6 employees and have continued to grow my business and bring in customers from many different counties.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Sandi's Boutique, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Sandi's Boutique, on real property located at 2001 N. Loy Lake Rd. Suite B, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32085743428, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing October 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

6. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Sandi's Boutique, LLC 2001 N. Loy Lake Rd. Suite B Sherman, TX 75090

8. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

9. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

10. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

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j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

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IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 2001 N. Loy Lake Rd. Suite B in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

2001 N. Loy Lake Rd. Suite B
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32085743428
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 7.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7131***

Authorizing Execution of a Chapter 380 Grant Agreement with Look At Me 3D/4D LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Look At Me 3D/4D LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Ordinance No. 7131
Application
Agreement
Agreement

RESOLUTION NO. 7131

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH LOOK AT ME 3D/4D LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Knight Furniture Co. Ltd meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Look at Me 3D/4D LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Look at Me 3D/4D LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 9, 2023 at 11:10:15 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Premiere Baby Imaging Sonogram Studio
Name of Company (if different than business name)	*Field not completed.*
Business Address	105 S Travis St, Suite 100, Sherman, Tx 75090
Name of Person Applying	Brandi Shaver & Erika Lambright
Telephone Number	903-771-2495

(Section Break)

Business Square Footage	2500
Own or lease?	Lease
If leased, when does the lease come up for renewal?	3/1/2024
Date Certificate of Occupancy Was Granted	3/25/2020
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	We provide 2D/3D/4D Elective Sonograms to expectant mothers, Early DNA Gender Determination Blood Tests as early as 6 weeks, Events, and a large baby boutique. Since 2020, over 50% of customers are from out of town or out of state.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Look At Me 3D/4D LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Premiere Baby Imaging Sonogram Studio, on real property located at 105 S Travis St, Suite 100, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32073732920, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Look At Me 3D/4D LLC 105 S Travis St, Suite 100 Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 105 S Travis St, Suite 100 in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

105 S Travis St, Suite 100
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32073732920
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 8.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7132***

Authorizing Execution of a Chapter 380 Grant Agreement with Mac's Shirts and More for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Mac's Shirts and More for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7132
Application
Agreement

RESOLUTION NO. 7132

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH MAC'S SHIRTS AND MORE FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Mac's Shirts and More meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Mac's Shirts and More and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Mac's Shirts and More for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Monday, August 14, 2023 at 5:33:58 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Mac's Shirts and More
Name of Company (if different than business name)	*Field not completed.*
Business Address	213 E LAMAR ST
Name of Person Applying	Billy Jack McDonald
Telephone Number	9038931898

(Section Break)

Business Square Footage	2000
Own or lease?	Lease
If leased, when does the lease come up for renewal?	1/1/2024
Date Certificate of Occupancy Was Granted	6/26/2010
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	THE BEST screen printing and embroidery in TOWN!!

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Mac's Shirts and More Inc., and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Mac's Shirts and More, on real property located at 213 E Lamar St, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32075945868, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Mac's Shirts and More Inc. 213 E Lamar St Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 213 E Lamar St in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

213 E Lamar St
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32075945868
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 9.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7133***

Authorizing Execution of a Chapter 380 Grant Agreement with Pickles & Pottery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Pickles & Pottery LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7133
Application
Agreement

RESOLUTION NO. 7133

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH PICKLES & POTTERY LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023, meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Pickles & Pottery LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Pickles & Pottery LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Pickles & Pottery LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Tuesday, August 15, 2023 at 3:29:09 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Pickles & Pottery
Name of Company (if different than business name)	*Field not completed.*
Business Address	212 West Houston
Name of Person Applying	Jaime Wilson
Telephone Number	9032711299

(Section Break)

Business Square Footage	*Field not completed.*
Own or lease?	Lease
If leased, when does the lease come up for renewal?	5/1/2024
Date Certificate of Occupancy Was Granted	7/31/2014
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Paint your own pottery and art studio

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Pickles & Pottery LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Pickles & Pottery, on real property located at 212 West Houston, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32073494935, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Pickles & Pottery LLC 212 West Houston Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 212 West Houston in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

212 West Houston
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32073494935
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 10.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7134***

Authorizing Execution of a Chapter 380 Grant Agreement with Courtney Mitchell Photography, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Courtney Mitchell Photography, LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7134
Application
Agreement

RESOLUTION NO. 7134

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH COURTNEY MITCHELL PHOTOGRAPHY, LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Courtney Mitchell Photography, LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Courtney Mitchell Photography, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Courtney Mitchell Photography, LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 16, 2023 at 10:53:40 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Courtney Mitchell Photography, LLC
Name of Company (if different than business name)	*Field not completed.*
Business Address	217 S Travis Street
Name of Person Applying	Courtney Mitchell
Telephone Number	9038141618

(Section Break)

Business Square Footage	2484
Own or lease?	Own
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	3/2/2018
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Courtney Mitchell Photography is a Portrait Photography Studio that specializes is Portraits of children, high school seniors, families and professionals. Clients currently come in to the studio to have their portraits made and come back to order them 2 weeks later. Sessions do take place in downtown showcasing its urban charm as backdrops.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Courtney Mitchell Photography LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Courtney Mitchell Photography, on real property located at 217 S Travis Street, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32067217714, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Courtney Mitchell Photography LLC 217 S Travis Street Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 217 S Travis Street in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

217 S Travis Street
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32067217714
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 11.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7135***

Authorizing Execution of a Chapter 380 Grant Agreement with Beth White Ward for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Beth White Ward for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7135
Application
Agreement

RESOLUTION NO. 7135

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH BETH WHITE WARD FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Beth White Ward meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Beth White Ward and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Beth White Ward for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 16, 2023 at 12:07:11 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Wolverine Comics
Name of Company (if different than business name)	*Field not completed.*
Business Address	212E Crockett St, suite E
Name of Person Applying	Beth Ward
Telephone Number	903-868-0900

(Section Break)

Business Square Footage	1200
Own or lease?	Lease
If leased, when does the lease come up for renewal?	6/1/2024
Date Certificate of Occupancy Was Granted	5/16/2022
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Comic books and related sci-fi merchandise. The six months we were open in 2022, our retail sales were $18k.We expect to triple that for 2023.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Beth White Ward, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Wolverine Comics, on real property located at 212 Crockett St, suite E, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32041667562, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing June 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Beth White Ward 212 Crockett St, suite E Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 212 Crockett St, suite E in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

212 Crockett St, suite E
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32041667562
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 12.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7136***

Authorizing Execution of a Chapter 380 Grant Agreement with Look-A-Likes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Look-A-Likes LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7136
Application
Agreement

RESOLUTION NO. 7136

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH LOOK-A-LIKES LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Look-A-Likes LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Look-A-Likes LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Look-A-Likes LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 17, 2023 at 8:53:41 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Look A Likes
Name of Company (if different than business name)	*Field not completed.*
Business Address	100 N Travis Suite A, Sherman, Texas 75090
Name of Person Applying	Janet Richardson
Telephone Number	9186406637

(Section Break)

Business Square Footage	1500
Own or lease?	Lease
If leased, when does the lease come up for renewal?	12/31/2023
Date Certificate of Occupancy Was Granted	5/1/2019
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Retail women's clothing store

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Look-A-Likes LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Look A Likes, on real property located at 100 N Travis Suite A, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32065940580, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Look-A-Likes LLC 100 N Travis Suite A Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

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(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

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c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 100 N Travis Suite A in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

100 N Travis Suite A
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32065940580
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 13.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7137***

Authorizing Execution of a Chapter 380 Grant Agreement with Wall Street Winery LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Wall Street Winery LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7137
Application
Agreement

RESOLUTION NO. 7137

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH WALL STREET WINERY LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Wall Street Winery LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Wall Street Winery LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Wall Street Winery LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 17, 2023 at 8:58:10 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Wall Street Winery
Name of Company (if different than business name)	Wall Street Winery LLC
Business Address	110 E Lamar St #100, Sherman TX 75090
Name of Person Applying	David Hickman
Telephone Number	937-469-2757

(Section Break)

Business Square Footage	1600
Own or lease?	Lease
If leased, when does the lease come up for renewal?	3/1/2024
Date Certificate of Occupancy Was Granted	9/30/2020
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Business is a winery. People regularly visit the winery to sample wine, drink glasses of wine, and buy bulk wine to go. This business opened in September 2020 at 121 E Wall St and moved to the Lamar St location in 2022. It has been in continuous operation in downtown Sherman the whole time.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Wall Street Winery LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Wall Street Winery, on real property located at Wall Street Winery, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32073316898, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Wall Street Winery LLC Wall Street Winery Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at Wall Street Winery in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

Wall Street Winery
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32073316898
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 14.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7138***

Authorizing Execution of a Chapter 380 Grant Agreement with Chef Robert Aranson Inc. for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Chef Robert Aranson Inc. for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7138
Application
Agreement

RESOLUTION NO. 7138

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH CHEF ROBERT ARANSON INC. FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Chef Robert Aranson Inc. meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Chef Robert Aranson Inc. and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Chef Robert Aranson Inc. for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Monday, August 21, 2023 at 6:38:02 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Sage Cafe
Name of Company (if different than business name)	Chef Robert Aranson Inc.
Business Address	210 West Houston St.
Name of Person Applying	Robert Aranson
Telephone Number	9038218115

(Section Break)

Business Square Footage	2500
Own or lease?	Lease
If leased, when does the lease come up for renewal?	5/1/2026
Date Certificate of Occupancy Was Granted	11/1/2016
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Restaurant

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Chef Robert Aranson Inc., and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Sage Café, on real property located at 210 West Houston St., Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32052596254, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Chef Robert Aranson Inc. 210 West Houston St. Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 210 West Houston St. in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

210 West Houston St.
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32052596254
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 15.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7139***

Authorizing Execution of a Chapter 380 Grant Agreement with Upholstery Girl LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Upholstery Girl LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7139
application
Agreement

RESOLUTION NO. 7139

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH UPHOLSTERY GIRL LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Upholstery Girl LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Upholstery Girl LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Upholstery Girl LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 16, 2023 at 1:12:04 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Upholstery Girl LLC
Name of Company (if different than business name)	Upholstery Girl LLC
Business Address	109 S Travis St, Sherman, TX 75090
Name of Person Applying	Tiffany Sterling
Telephone Number	9034872437

(Section Break)

Business Square Footage	2300
Own or lease?	Lease
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	2/18/2018
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Furniture Upholstery

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Upholstery Girl LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Upholstery Girl, on real property located at 109 S Travis St, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32081450515, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing August 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Upholstery Girl LLC 109 S Travis St Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 109 S Travis St in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

109 S Travis St
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32081450515
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 16.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7140***

Authorizing Execution of a Chapter 380 Grant Agreement with Barrett Hospitality LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Barrett Hospitality LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7140
Application
Agreement

RESOLUTION NO. 7140

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH BARRETT HOSPITALITY LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Barrett Hospitality LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Barrett Hospitality LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Barrett Hospitality for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Monday, August 21, 2023 at 11:34:20 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Old Iron Post
Name of Company (if different than business name)	Barrett Hospitality LLC
Business Address	101 N Travis St. Sherman, TX 75090
Name of Person Applying	Sherry L Little
Telephone Number	9034368374

(Section Break)

Business Square Footage	5600
Own or lease?	Lease
If leased, when does the lease come up for renewal?	2/28/2025
Date Certificate of Occupancy Was Granted	6/5/2015
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Full service restaurant, serving a variety of American dishes and a full range of drinks. Old Iron Post brings people into downtown with food, drink, live music and events throughout the year and employs approximately 28 individuals in both full and part-time capacities.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Barrett Hospitality, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Old Iron Post, on real property located at 101 N Travis St., Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32055596822, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Barrett Hospitality, LLC 101 N Travis St. Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 101 N Travis St. in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

101 N Travis St.
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32055596822
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 17.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7141***

Authorizing Execution of a Chapter 380 Grant Agreement with John A Striplin for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with John A Striplin for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7141
Application
Agreement

RESOLUTION NO. 7141

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH JOHN A STRIPLIN FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from John A Striplin meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from John A Striplin and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with John A Striplin for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Tuesday, August 22, 2023 at 3:19:05 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Orchid House Antiques
Name of Company (if different than business name)	*Field not completed.*
Business Address	221 S. Travis St. Sherman, Texas 75090
Name of Person Applying	John Allen Striplin
Telephone Number	214-585-2899

(Section Break)

Business Square Footage	2200
Own or lease?	Lease
If leased, when does the lease come up for renewal?	8/1/2028
Date Certificate of Occupancy Was Granted	7/13/2018
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Antique Retail

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between John A Striplin, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Orchid House Antiques, on real property located at 221 S. Travis St., Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32007037818, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	John A Striplin 221 S. Travis St. Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 221 S. Travis St. in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

221 S. Travis St.
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32007037818
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 18.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7142***

Authorizing Execution of a Chapter 380 Grant Agreement with Cozy Couture Company Limited Liability Company for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Cozy Couture Company Limited Liability Company for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7142
Application
Agreement

RESOLUTION NO. 7142

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH COZY COUTURE COMPANY LIMITED LIABILITY COMPANY FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Cozy Couture Company Limited Liability Company meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Cozy Couture Company Limited Liability Company and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Cozy Couture Company Limited Liability Company for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 23, 2023 at 3:42:39 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Cozy Couture Co
Name of Company (if different than business name)	*Field not completed.*
Business Address	215 N Travis Street suite B Sherman, Texas 75090
Name of Person Applying	Emily Dawson
Telephone Number	832-687-9198

(Section Break)

Business Square Footage	*Field not completed.*
Own or lease?	Lease
If leased, when does the lease come up for renewal?	4/15/2026
Date Certificate of Occupancy Was Granted	4/15/2023
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	No
Business description	Women’s clothing boutique

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Cozy Couture Company Limited Liability Company, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Cozy Couture, on real property located at 215 N Travis Street suite B, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32077054677, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing May 1, 2023 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Cozy Couture Company Limited Liability Company 215 N Travis Street suite B Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

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(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

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c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 215 N Travis Street suite B in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

215 N Travis Street suite B
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32077054677
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 19.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7143***

Authorizing Execution of a Chapter 380 Grant Agreement with Downtown Escape Rooms, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Downtown Escape Rooms, LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7143
Application
Agreement

RESOLUTION NO. 7143

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH DOWNTOWN ESCAPE ROOMS, LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Downtown Escape Rooms, LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Downtown Escape Rooms, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Downtown Escape Rooms, LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 23, 2023 at 8:36:33 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Downtown Escape Rooms
Name of Company (if different than business name)	Downtown Escape Rooms, LLC
Business Address	107 S Travis St, Sherman, TX 75090
Name of Person Applying	Stephanie Dryden
Telephone Number	903-647-1225

(Section Break)

Business Square Footage	3600
Own or lease?	Lease
If leased, when does the lease come up for renewal?	7/1/2024
Date Certificate of Occupancy Was Granted	7/6/2018
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	We are an entertainment venue providing escape rooms, team building, board game lounge, and birthday parties to people of not only Grayson County but also the greater Texoma area.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Downtown Escape Rooms, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Downtown Escape Rooms, on real property located at 107 S Travis St, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32062701761, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Downtown Escape Rooms, LLC 107 S Travis St Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 107 S Travis St in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

107 S Travis St
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32062701761
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 20.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7144***

Authorizing Execution of a Chapter 380 Grant Agreement with Nancy J Spiller Sims for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Texoma Neon Co. for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7144
Application
Agreement

RESOLUTION NO. 7144

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH NANCY J SPILLER SIMS FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Knight Furniture Co. Ltd meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Nancy J Spiller Sims and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Nancy J Spiller Sims for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 24, 2023 at 10:32:06 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Texoma Neon Co
Name of Company (if different than business name)	*Field not completed.*
Business Address	214 E. Houston Street
Name of Person Applying	Nancy Sims
Telephone Number	903-893-2044

(Section Break)

Business Square Footage	2,400
Own or lease?	Own
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	1/9/1958
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Sign shop and screenprinting business

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Nancy J Spiller Sims, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Texoma Neon, on real property located at 214 E. Houston Street, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32009074678, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Nancy J Spiller Sims 214 E. Houston Street Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 214 E. Houston Street in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

214 E. Houston Street
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32009074678
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 21.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7145***

Authorizing Execution of a Chapter 380 Grant Agreement with Naif J Risk for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Naif J Risk for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7145
Application
Agreement

RESOLUTION NO. 7145

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH NAIF J RISK FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Naif J Risk meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Naif J Risk and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Naif J Risk for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____

DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 24, 2023 at 12:32:03 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Risk Shoe Store and Shoe Repair
Name of Company (if different than business name)	*Field not completed.*
Business Address	102 S. Crockett St.
Name of Person Applying	Naif Risk
Telephone Number	903-892-2238

(Section Break)

Business Square Footage	*Field not completed.*
Own or lease?	Lease
If leased, when does the lease come up for renewal?	1/1/2025
Date Certificate of Occupancy Was Granted	6/1/1921
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Boot and shoes sales. Boot and shoe repair.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Naif J Risk, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Risk Shoe Store and Shoe Repair, on real property located at 102 S. Crockett St., Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32007023420, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

   a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set

forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report"). In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report

for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and

warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City: City of Sherman
405 N Rusk Street
Sherman, Texas 75090
Attn: Nate Strauch

With a copy to: Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Attn: Ryan D. Pittman

If to the Company: Naif J Risk
102 S. Crockett St.
Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not have a practice,

policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory claim under Chapter 245 of the Texas Local Government Code, as amended, arising

out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby

to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 102 S. Crockett St. in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

102 S. Crockett St.
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32007023420
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 22.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7146***

Authorizing Execution of a Chapter 380 Grant Agreement with Just Peachy Nails & Lashes LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Just Peachy Nails & Lashes LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7146
Application
Agreement

RESOLUTION NO. 7146

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH JUST PEACHY NAILS & LASHES LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Just Peachy Nails & Lashes LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Just Peachy Nails & Lashes LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Just Peachy Nails & Lashes LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 24, 2023 at 10:34:09 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Just Peachy Nails & Lashes
Name of Company (if different than business name)	*Field not completed.*
Business Address	107 N Travis St, Sherman, TX 75090
Name of Person Applying	Vinh Tran
Telephone Number	214-770-9925

(Section Break)

Business Square Footage	3600
Own or lease?	Lease
If leased, when does the lease come up for renewal?	2/28/2026
Date Certificate of Occupancy Was Granted	4/26/2021
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Nail salon providing a variety of services such as manicures, pedicures, designs and eye lash extensions and fills. Regular customers visit bi-weekly for their scheduled services and walk-ins also frequent the salon.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Just Peachy Nails & Lashes LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Just Peachy Nails & Lashes, on real property located at 107 N Travis St, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32076953036, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Just Peachy Nails & Lashes LLC 107 N Travis St Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 107 N Travis St in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

107 N Travis St
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32076953036
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 23.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7147***

Authorizing Execution of a Chapter 380 Grant Agreement with Neva Damron and Kim Williams for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Neva Damron and Kim Williams for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7147
Application
Agreement

RESOLUTION NO. 7147

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH NEVA DAMRON AND KIM WILLIAMS FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Neva Damron and Kim Williams meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Neva Damron and Kim Williams and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Neva Damron and Kim Williams for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Thursday, August 24, 2023 at 2:14:06 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Frame Team
Name of Company (if different than business name)	*Field not completed.*
Business Address	214 w Houston St
Name of Person Applying	Neva Damron
Telephone Number	903-891-9370

(Section Break)

Business Square Footage	1400
Own or lease?	Lease
If leased, when does the lease come up for renewal?	12/1/2025
Date Certificate of Occupancy Was Granted	5/7/2009
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Custom picture framing and art sales

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Neva Damron And Kim Williams, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Frame Team, on real property located at 214 w Houston St, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32002085952, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Neva Damron And Kim Williams 214 w Houston St Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 214 w Houston St in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

214 w Houston St
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32002085952
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 24.**

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7148***

Authorizing Execution of a Chapter 380 Grant Agreement with BHH Coffee, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with BHH Coffee, LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7148
Application
Agreement

RESOLUTION NO. 7148

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH BHH COFFEE, LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from BHH Coffee, LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from BHH Coffee, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with BHH Coffee, LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Friday, August 25, 2023 at 1:50:17 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	The White Rabbit Coffeehouse
Name of Company (if different than business name)	BHH Coffee
Texas Tax ID Number	32085182650
Business Address	100 S Crockett St. Ste 200 Sherman, TX 75090
Name of Person Applying	Zach Hefton
Telephone Number	9037716820

(Section Break)

Business Square Footage	2800
Own or lease?	Lease
If leased, when does the lease come up for renewal?	1/1/2027
Date Certificate of Occupancy Was Granted	7/15/2022
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	No
Business description	Coffee house

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Bhh Coffee, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name The White Rabbit Coffeehouse, on real property located at 100 S Crockett St. Ste 200, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32085182650, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing September 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Bhh Coffee, LLC 100 S Crockett St. Ste 200 Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 100 S Crockett St. Ste 200 in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

100 S Crockett St. Ste 200
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32085182650
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 25.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7149***

Authorizing Execution of a Chapter 380 Grant Agreement with Hannah's Florist LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Hannah's Florist LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7149
Application
Agreement

RESOLUTION NO. 7149

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH HANNAH'S FLORIST LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Hannah's Florist LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Hannah's Florist LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Hannah's Florist LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 23, 2023 at 11:28:14 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Hannah's Florist LLC
Name of Company (if different than business name)	*Field not completed.*
Business Address	225 S Travis Street
Name of Person Applying	Tammie McCraw
Telephone Number	9038938171

(Section Break)

Business Square Footage	*Field not completed.*
Own or lease?	Lease
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	8/28/2018
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	No
Business description	Florist. We sell flowers, plants and gift items.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Hannah's Florist, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Hannah's Florist, on real property located at 225 S Travis Street, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32059709629, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Hannah's Florist, LLC 225 S Travis Street Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 225 S Travis Street in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

225 S Travis Street
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32059709629
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 26.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7150***

Authorizing Execution of a Chapter 380 Grant Agreement with Gregory Dale Belew for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Gregory Dale Belew for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7150
Application
Agreement

RESOLUTION NO. 7150

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH GREGORY DALE BELEW FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Gregory Dale Belew meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Gregory Dale Belew and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Gregory Dale Belew for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Friday, August 25, 2023 at 9:29:27 AM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Mary go round
Name of Company (if different than business name)	*Field not completed.*
Business Address	210 East Houston St.
Name of Person Applying	Greg Belew
Telephone Number	9038211737

(Section Break)

Business Square Footage	5000
Own or lease?	Own
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	12/4/2012
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Antiques and thrifts.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Gregory Dale Belew, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Merry Go Round Thrift Store, on real property located at 210 East Houston St., Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32009573448, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Gregory Dale Belew 210 East Houston St. Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 210 East Houston St. in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

210 East Houston St.
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32009573448
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 27.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7151***

Authorizing Execution of a Chapter 380 Grant Agreement with Harris Group, LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Harris Group, LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7151
Application
Agreement

RESOLUTION NO. 7151

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH HARRIS GROUP, LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Harris Group, LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Harris Group, LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Harris Group, LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Friday, August 25, 2023 at 5:30:43 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Northstar Signs & Graphics
Name of Company (if different than business name)	*Field not completed.*
Texas Tax ID Number	32084797201
Business Address	316 W Lamar
Name of Person Applying	Wes Harris
Telephone Number	9037710720

(Section Break)

Business Square Footage	6000
Own or lease?	Lease
If leased, when does the lease come up for renewal?	*Field not completed.*
Date Certificate of Occupancy Was Granted	9/1/2022
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	No
Business description	Signage & Graphics

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Harris Group, LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Northstar Signs & Graphics, on real property located at 316 W Lamar, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32084797201, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Harris Group, LLC 316 W Lamar Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 316 W Lamar in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

316 W Lamar
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32084797201
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 28.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7152***

Authorizing Execution of a Chapter 380 Grant Agreement with Mychah Simpson And Jordan Moore for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Mychah Simpson And Jordan Moore for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7152
Application
Agreement

RESOLUTION NO. 7152

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH MYCHAH SIMPSON AND JORDAN MOORE FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Mychah Simpson and Jordan Moore meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Mychah Simpson and Jordan Moore and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Mychah Simpson and Jordan Moore for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Wednesday, August 23, 2023 at 8:58:03 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Painted Pretty Vanity Co.
Name of Company (if different than business name)	*Field not completed.*
Business Address	100 s crockett st STE 100
Name of Person Applying	Mychah Blackshear
Telephone Number	9032713782

(Section Break)

Business Square Footage	1800
Own or lease?	Lease
If leased, when does the lease come up for renewal?	8/1/2025
Date Certificate of Occupancy Was Granted	7/13/2020
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Full service Hair salon

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Mychah Simpson And Jordan Moore, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Painted Pretty Vanity Co., on real property located at 100 s crockett st STE 100, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32076343162, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

4. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Mychah Simpson And Jordan Moore 100 s crockett st STE 100 Sherman, TX 75090

5. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

6. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

7. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 100 s crockett st STE 100 in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

100 s crockett st STE 100
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32076343162
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **G. 29.**

Meeting Date: 09/05/2023

Prepared By: Nate Strauch, Community & Support Services Manager

Approved By: Robby Hefton, City Manager

Caption:

**** RESOLUTION NO. 7153***

Authorizing Execution of a Chapter 380 Grant Agreement with Laurel E., LLC for the Grant of Incentives Pursuant to Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Issue:

Approving a Chapter 380 Grant Agreement with Laurel E., LLC for incentives authorized under Chapter 380 of the Texas Local Government Code under the City's Main Street Reimbursement Program

Background:

Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits. At the August 7, 2023, meeting, the City Council adopted Resolution No. 7111 and approved a new Main Street Reimbursement Program and Application, which is intended to promote broad-based, high-quality development to enhance the quality of life for our citizens and other stakeholders. The program provides for a cash grant in the form of local sales tax reimbursements to qualifying businesses.

This agreement lays out the incentives offered to this business via a Chapter 380 Agreement, which involves a cash grant equivalent to fifty percent (50%) of the City's portion of sales taxes collected from the business over a five-year period. The Sherman Economic Development Corporation is not a party to this agreement, so their portion of local sales taxes (3/8 of one cent) is excluded from this grant incentive.

Origination:

Community and Support Services Manager Nate Strauch

Financial Consideration:

Sales tax numbers are confidential and reimbursements will fluctuate, depending on annual taxable sales. The total amount awarded over 5 years will not exceed $250,000.

Staff Recommendation:

It is recommended that the City Council approve the proposed incentive agreement.

Alternatives:

The City Council could deny the agreement.

Attachments

Resolution No. 7153
Application
Agreement

RESOLUTION NO. 7153

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, AUTHORIZING EXECUTION OF A CHAPTER 380 GRANT AGREEMENT WITH LAUREL E., LLC FOR THE GRANT OF INCENTIVES PURSUANT TO CHAPTER 380 OF THE TEXAS LOCAL GOVERNMENT CODE UNDER THE CITY'S MAIN STREET REIMBURSEMENT PROGRAM; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, Chapter 380 of the Texas Local Government Code permits the City to establish and administer one or more programs to promote state or local economic development and to stimulate business and commercial activity within its city limits; and

WHEREAS, at the August 7, 2023 meeting, the City Council of the City of Sherman, Texas approved Resolution No. 7111, approving a new Main Street Reimbursement Program to promote economic development in the City downtown area; and

WHEREAS, the application received from Laurel E., LLC meets the guidelines and criteria adopted for the City's Main Street Reimbursement Program.

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

SECTION 1. That the City Manager is hereby authorized and directed, subject to receipt of a fully-executed agreement from Laurel E., LLC and subject to all contract documents being properly completed and approved as to form and content by the City Attorney, to execute a Chapter 380 Agreement with Laurel E., LLC for the grant of incentives pursuant to Chapter 380 of the Texas Local Government Code, under the Main Street Reimbursement Program, in the same or substantially same form as the contract documents to be attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution 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.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS on this the 5th day of September 2023.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

APPROVED AS TO FORM:
ABERNATHY, ROEDER, BOYD & HULLETT, P.C.

BY: _____
RYAN D. PITTMAN, CITY ATTORNEY

Subject: Online Form Submittal: Main Street Reimbursement Program
Date: Monday, August 28, 2023 at 6:19:15 PM Central Daylight Time
From: noreply@civicplus.com
To: Strauch, Nate, McRae, Sarah, Adams, Michelle

EXTERNAL EMAIL: -- Avoid clicking on links or files -- Be safe!

Main Street Reimbursement Program

Main Street Reimbursement Program Application

This application is to enroll an eligible business into the City of Sherman's Main Street Reimbursement Program, designed to elevate and assist those businesses which choose to locate within the City's Downtown Overlay District.

Approved applicants are eligible for up to 5 yearly grants equal to the City's annual net receipts from the State of Texas' collection of the one percent (1%) general sales and use tax generated by the business.

New businesses are eligible to receive annual stipends beginning with the month-of-issuance of the business's Certificate of Occupancy. The 60 months (5 years) after the certificate is issued are eligible for rebate, so long as the business remains in legal operation as of January 1st of each year. Partial-year reimbursements will not be issued to businesses that cease operation prior to the expiration of their eligibility.

Existing businesses may apply to receive reimbursements retroactive to January 1st, 2022 - or the date of issuance of the Certificate, if it is later - and continuing for 5 years thereafter.

Name of Business	Laurel e. Boutique
Name of Company (if different than business name)	Laurel e. LLC
Texas Tax ID Number	32061854785
Business Address	110 South Crockett
Name of Person Applying	Laurel Wilson Clarvis
Telephone Number	9038182282

(Section Break)

Business Square Footage	3,000
Own or lease?	Lease
If leased, when does the lease come up for renewal?	7/1/2026
Date Certificate of Occupancy Was Granted	7/1/2017
If this is an existing business, was the business in legal operation in Downtown Sherman on October 31, 2021?	Yes
Business description	Laurel e. is a women's clothing boutique. We offer clothes, candles, and baby gifts.

Email not displaying correctly? View it in your browser.

CHAPTER 380 GRANT AGREEMENT

This CHAPTER 380 GRANT AGREEMENT ("Agreement") is entered into by and between Laurel E., LLC, and the CITY OF SHERMAN, TEXAS ("City"), a home-rule municipality. City and Company are each referred to herein as a "party" or collectively as the "parties."

WHEREAS, the City Council of the City of Sherman, Texas ("City Council") has found that it is in the best interest of the City and its citizens to encourage programs, including programs for making loans and grants of public money to promote local economic development and stimulate business and commercial activity in the City pursuant to Chapter 380 of the Texas Local Government Code, as amended ("Chapter 380");

WHEREAS, the Company owns a business operating under the name Laurel E. Boutique, on real property located at 110 South Crockett, Sherman, Texas (the "Property") under Texas Taxpayer ID No. 32061854785, in compliance with this Agreement and applicable ordinances of the City and as approved by the City;

WHEREAS, the City Council finds that the Company meets the criteria for providing the Grant (hereinafter defined) under Chapter 380 and the City's Main Street Reimbursement Program;

WHEREAS, the Company agrees that the City's obligation to perform or take any action under this Agreement is strictly contingent on the Company's compliance with this Agreement, including completion of the Performance Requirements as defined in this Agreement;

WHEREAS, the City is willing to provide the Company with economic assistance on the terms and subject to the conditions as stated herein, and the Company is willing to accept the same subject to all terms and conditions contained in this Agreement;

WHEREAS, the City Council finds that this Agreement substantially advances a legitimate interest of the City by promoting economic development, attracting new consumers to the City, expanding the sales tax base of the City, increasing employment and generating new tax revenue for jurisdictions in Grayson County, which will help stimulate the overall local economy.

NOW, THEREFORE, in consideration of the covenants and conditions contained in this Agreement, the City and the Company agree as follows:

1. Findings Incorporated. The findings set forth above are made a part of this Agreement as if set forth herein verbatim.

2. Chapter 380 Grant; Grant Term.

a. Subject to the terms of this Agreement and provided that the Company has complied and continues to comply with all of the Performance Requirements set forth in Section 3 below, the City will, pursuant to Chapter 380, provide to the Company an economic development grant in the form of a reimbursement payable to the Company each year of an amount equal to the one percent of sales tax actually collected and received by the City on sales generated in or by the Company on the Property that are taxable by the City for a five (5) year period commencing January 1, 2022 (the "Grant Term") in a combined total amount not to exceed two hundred fifty thousand and 00/100 Dollars ($250,00.00) (the "Grant").

b. If, after all of the Performance Requirements set forth below have been initially satisfied, any of the Performance Requirements are thereafter not satisfied during any period of time for which a Grant is calculated, then if such failure of a condition is not cured within thirty (30) days after written notice from the City to the Company of such failure, the City, in addition to any other remedies, will be relieved of its obligation to pay the portion of the Grant related to such calendar year and the City shall also have the right to give the Company a notice that this Agreement shall immediately terminate without further action by either party. In the case of such failure, the Company shall not be required to return to the City any portion of the Grant that has been previously distributed.

c. The Company acknowledges and agrees that the City is not certifying or otherwise encumbering any funds for the payment of the Grant due under this Agreement and does not have any monies budgeted for the same. The Company agrees not to make any claims against the City for any monies other than those from the sales tax revenues collected on the Property, and nothing in this Agreement shall require City to make payment from revenue sources other than the same. The basis for any Grant due to the Company under this Agreement shall never include any monies the Company pays or owes to the State of Texas or the City for any penalties for late payments, failures to report in a timely manner, and the like, related to the sales taxes or ad valorem taxes due on the Property.

3. Performance Requirements. The following conditions must be satisfied by the Company during the Grant Term in order for the Company to qualify for the Grant (collectively, the "Performance Requirements"):

a. The Company shall obtain and maintain a permanent Certificate of Occupancy from the City and, and shall maintain continuous operation of the Company's facilities on the Property during all portions of the Grant Term; and

b. No later than thirty (30) days after the close of each calendar year during the term of this Agreement, the Company shall provide the City with a copy of the Texas Sales and Use Tax Return that the Company submits to the Comptroller of the State of Texas relating to the Company's remission of City Sales and Use Tax Collected on the Property as a result of the operation of the Company ("Sales Tax Report").

In the event the City is unable to obtain the necessary sales tax information from the Sales Tax Report or in the event the City is unable to obtain the Sales Tax Report for any period of time during the Grant Term, the Company, in order to obtain payment of the Grant, shall have the obligation to provide, or cause to be provided, to the City a current list of each person doing business within the Property together with a waiver of confidentiality and permission to obtain tax information from the State Comptroller relating to such person (collectively, the "Personal Information") in such form as is required by the Texas Comptroller in order to release the tax information, an example of which is attached hereto as Exhibit C (the "Waiver of Sales Tax Confidentiality") relating to such person to the City. The Company's failure to provide the City with the Personal Information shall not constitute a default under this Agreement but shall relieve the City permanently of the obligation to pay that portion of the Grant that relates to such person prior to the date that the Personal Information is provided to the City. Subject to the terms and conditions of this Agreement, the City will pay the Grant to the Company on a yearly basis beginning on 9/5/2023 following the date the Company first meets the Performance Requirements and, if applicable, within sixty (60) days after the Company provides the City the Personal Information set forth in this section, and continuing each year thereafter during the Grant Term, provided that the Company each year meets the Performance Requirements, until the earlier of (i) the end of the Grant Term; (ii) the Grant is paid in full; or (iii) this Agreement is terminated. The City and the Company designate this Agreement as a revenue sharing agreement, thereby entitling the City to request Sales and Use Tax Revenue information from the State Comptroller pursuant to Section 321.3022 of the Texas Tax Code, as amended; and

c. All property taxes and other governmental assessments for the Property, including business personal property, shall be paid when due.

d. The Company shall continuously comply with this Agreement during the Grant Term.

The Company shall provide to the City documentation satisfactory to the City that the Company has satisfied all of the Performance Requirements set forth above.

4. Confidentiality. The City acknowledges that the Company contends that the information regarding sales taxes generated by the Company on the Property is commercial or financial information which is proprietary and confidential, the disclosure of which could cause competitive harm to the Company and the owners, tenants and/or occupants of the Property. To the extent permitted by law, and subject to the requirements of the Texas Public Information Act, the City shall maintain the confidentiality of the Personal Information and the information contained in the Comptroller's Sales Tax Reports obtained by the City (collectively, the "Sales Information"), but shall be permitted to disclose the Sales Information to such City employees and agents as the City, in its reasonable discretion, deems appropriate in furtherance of the purposes herein set forth.

5. The Company Representations. The Company makes the following representations and warranties to the City, and agrees to timely and fully perform the following obligations and duties:

a. The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during the term of this Agreement. As used herein, the term "good standing" means the status of the Company with the Comptroller of the State of Texas shall be "Active."

b. No litigation or governmental proceeding is pending or, to the knowledge of the Company, threatened against or affecting the Company that may result in any material adverse change in the Company's business or operation.

c. No bankruptcy proceedings or other similar proceedings are currently pending or contemplated against the Company, and the Company has not been informed of any potential involuntary bankruptcy proceedings against the Company.

d. The Company shall remain current and in good standing with all sales taxes, ad valorem taxes, fees and other recurring charges of the City, the State of Texas and Collin County taxing jurisdictions throughout the term of this Agreement.

e. The Company represents and certifies that the Company does not and will not knowingly employ any undocumented worker at the Company or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the City under this Agreement, the Company is convicted of a violation under 8 U.S.C. § 1324a(f), the Company shall repay to the City an amount equal to all Grant payments tendered to the Company under this Agreement and any other funds received by the Company from the City under this Agreement plus interest, at the rate of four percent (4%), not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies the Company of the violation.

6. Default.

a. The following shall constitute an "Event of Default" under this Agreement:

(i) Upon the expiration of the notice and cure period set forth in the first sentence of Section 6(b) below, the City's failure to process any portion of the Grant payments owing to the Company in accordance with this Agreement.

(ii) A failure of the Company to comply with and satisfy the Performance Requirements set forth in Section 3 of this Agreement.

(iii) A breach of a representation under this Agreement by Company.

b. In the event of the occurrence of an Event of Default described under Section 6(a) above, the non-defaulting party may give written notice to the other party of such Event of Default, and the defaulting party shall have thirty (30) days thereafter to cure said Event of Default. Should said Event of Default remain uncured after such cure period and the non-defaulting party is not otherwise in default hereunder, then the non-defaulting party shall have the right to give the defaulting party a notice that this Agreement shall immediately terminate without further action by either party. In addition and without terminating this Agreement, the Company shall further have the power to enforce specific performance or bring an action to collect amounts owing upon an Event of Default by the City. No action shall lie for damages against the City beyond the foregoing amounts owed by the City arising from an Event of Default by the City, and no party shall seek or be entitled to recover punitive, special or consequential damages arising out of, or relating to, any Event of Default under this Agreement.

c. This Agreement shall terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Grant Term; or

(iii) at the option of the non-defaulting party (subject to the notice and cure and other provisions of Section 6(b) above), after an Event of Default.

d. The prevailing party in any action to enforce this Agreement shall be entitled to receive reasonable attorneys' fees from the non-prevailing party.

e. The Company's sole and exclusive remedies for a breach by the City under this Agreement shall be those expressly provided for in this Section 6, and the Company hereby waives any other remedies under law or in equity.

7. Notices. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage pre-paid and registered or certified with return receipt requested, or by delivering the same in person to such party via facsimile or a hand-delivery service, Federal Express or any courier service that provides a return receipt showing the date of actual delivery of same to the addressee thereof. Notice given in accordance herewith shall be effective upon receipt at the address of the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to the City:	City of Sherman 405 N Rusk Street Sherman, Texas 75090 Attn: Nate Strauch
With a copy to:	Abernathy, Roeder, Boyd & Hullett, P.C. 1700 Redbud Blvd., Suite 300 McKinney, Texas 75069 Attn: Ryan D. Pittman
If to the Company:	Laurel E., LLC 110 South Crockett Sherman, TX 75090

8. Verification and Compliance. The Company shall allow the City to audit all of the Company's records (other than individual employee files), documents, agreements and other instruments in furtherance of the following purposes: (a) to ensure the Company's compliance with the affirmative covenants set forth in this Agreement; (b) to determine the existence of an event of default under the terms of this Agreement; and (c) to ensure compliance with any other terms and conditions set forth herein or any related documents, including, but not limited to, either of the Performance Agreements. The City will provide the Company with written notice of any request for an audit and shall cooperate with the Company to schedule audit activities during the Company's normal business hours so as to minimize disruption to the Company's normal business operations.

9. Company Representations Required by Texas Law. Company hereby represents that a completed Certificate of Interested Parties Form 1295 ("Form 1295") generated by the Texas Ethics Commission (the "TEC") was submitted by Company in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC, in connection with this Agreement. Company represents that, to the extent this Agreement constitutes a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, neither the Company nor any wholly owned subsidiary, majority owned subsidiary, parent company or affiliate of the Company is a company listed by the Texas Comptroller under Sections 2270.0201 or 2252.153 of the Texas Government Code. In accordance with Chapter 2270 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott Israel and will not boycott Israel during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 809 of the Texas Government Code (to the extent applicable), Company hereby certifies that Company does not boycott energy companies and will not boycott energy companies during the term of any contract with City, including during the term of this Agreement. In accordance with Chapter 2274 of the Texas Government Code

(to the extent applicable), Company hereby certifies that Company does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of any contract with City, including during the term of this Agreement. The foregoing terms have the meanings ascribed to them in the referenced statutes if defined therein.

10. Miscellaneous.

a. Binding Agreement. This Agreement shall constitute a valid and binding agreement by and between the City and the Company.

b. Savings/Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances, or affect any other provision hereof. It is the intention and agreement of the parties to this Agreement that each such illegal, invalid or unenforceable provision shall be amended by the parties hereto to the extent necessary to make it legal, valid and enforceable while achieving the same objective of such provision, or, if that is not possible, by substituting therefore another provision that is legal, valid and enforceable and achieves the same objectives (or, if such provision cannot be amended or a provision substituted therefore in a manner that is legal, valid and enforceable and achieves the same objectives, then such provision shall be amended or a new provision substituted therefore that achieves as closely as possible the same objectives or economic position as the illegal, invalid or unenforceable provision, irrespective of whether such amendment or substituted provision is materially different than the illegal, invalid or unenforceable provision).

c. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters contained herein and may not be modified or terminated except upon the provisions hereof or by the mutual written agreement of the parties hereto.

d. Governing Law; Venue. The laws of the State of Texas shall govern the interpretation, validity, performance and enforcement of this Agreement, without regard to conflict of law principles. This Agreement is performable in Collin County, Texas, and the exclusive venue for any action arising out of this Agreement shall be a court of appropriate jurisdiction in Collin County, Texas.

e. Vested Rights/Chapter 245 Waiver. This Agreement shall confer no vested rights on the Property, or any portion thereof. In addition, nothing contained in this Agreement shall constitute a "permit" as defined in Chapter 245 of the Texas Local Government Code, as amended, and nothing in this Agreement provides City with fair notice of any project of the Company. The Company waives any statutory

claim under Chapter 245 of the Texas Local Government Code, as amended, arising out of any acts or omissions under this Agreement. This section shall survive the termination of this Agreement.

f. Consideration. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

g. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. An electronic mail or facsimile signature will also be deemed to constitute an original if properly executed and delivered to the other party.

h. Representations. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

i. Authority to Execute. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement and that each individual affixing his or her signature hereto is authorized to do so, and such authorization is valid and effective on the date of this Agreement.

j. No Third Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any third party not a signatory to this Agreement, and the parties do not intend to create any third party beneficiaries by entering into this Agreement.

k. Waiver. Waiver by either party of any breach of this Agreement, or the failure of either party to enforce any of the provisions of this Agreement, at any time, shall not in any way affect, limit or waive such party's right thereafter to enforce and compel strict compliance.

l. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply. Headings in this Agreement are for the convenience of the parties and are not intended to be used in construing this document.

m. Immunity. It is expressly understood and agreed that, in the execution and performance of this Agreement, City has not waived, nor shall be deemed hereby to have waived, any defense or immunity, including governmental, sovereign and official immunity, that would otherwise be available to it against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the parties do not create any obligations, express or implied, other than those set forth herein.

n. Assignment. This Agreement or any part thereof shall not be assigned or transferred by any party without the prior written consent of the other party, which may be withheld in the other party's sole discretion.

[*Signature page follows*.]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective when all the parties have signed it. The date this Agreement is signed by the last party to sign it (as indicated by the date associated with that party's signature below) will be deemed the effective date of this Agreement ("Effective Date").

CITY OF SHERMAN, TEXAS,
a home-rule municipality

By: _____
Robby Hefton, City Manager
Date executed: _____

_____

By:_____
Name: _____
Title: _____
Date executed: _____

STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this ____ day of _____, 2023, personally appeared _____, as _____ and duly authorized representative of _____, a _____, known to me to be one of the persons whose name is subscribed to the foregoing instrument, and who acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated on behalf thereof.

_____
Notary Public, State of Texas

Exhibit C
Waiver of Sales Tax Confidentiality

Date: _____

I authorize the Comptroller of Public Accounts to release sales and use tax information pertaining to the taxpayer indicated below to the City of Sherman. I understand that this waiver applies only to our retail store located at 110 South Crockett in Sherman.

Please print or type the following information as shown on your Texas Sales and Use Tax permit:

_____
Name of Taxpayer Listed on Texas Sales Tax Permit

_____
Name under Which Taxpayer is Doing Business (d/b/a or Outlet Name)

_____
Taxpayer Mailing Address

110 South Crockett
Physical Location of Business Permitted for Sales Tax in Sherman, Texas

32061854785
Texas Taxpayer ID Number

_____
Authorized Signature*

_____
Printed Name of Authorized Signature

_____
Position of Authorized Signature

_____
Phone Number of Authorized Signature

*The authorized signature must be an owner, officer, director, partner, or agent authorized to sign a Texas Sales Tax Return. If you have any questions concerning this waiver of confidentiality, please contact the Texas Comptroller of Public Accounts at 1 (800) 531-5441.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **H. 1.**

Meeting Date: 09/05/2023
Prepared By: Billy Hartsfield, Fire Chief
Approved By: Robby Hefton, City Manager

Caption:

**** REQUEST TO ADVERTISE***

Requesting to Advertise for Asbestos Abatement Services at Fire Station No. 1

Issue:

Requesting permission to advertise for asbestos abatement services at Fire Station No. 1.

Background:

During the current pre-construction phase for the Construction Manager-at- Risk (CMAR) project for renovations and additions to Fire Station No. 1, it has been determined that asbestos abatement is required prior to construction. Based on recommendations from Hidell and Associates, architecture firm for the CMAR project, city staff is requesting to advertise for public bids for necessary asbestos abatement services.

Origination:

Fire Services

Financial Consideration:

Advertising costs are estimated at $200.00.

Staff Recommendation:

It is recommended that the City Council approve the request to advertise.

Alternatives:

As may be directed by the City Council

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 1.**

Meeting Date: 09/05/2023

Prepared By: Terrence Steele, Assistant City Manager

Approved By: Robby Hefton, City Manager

Caption:

OTHER BUSINESS

Consider the Request for a Variance for a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" within 300 feet of a School (Fairview Elementary); Mark Schuster, Owner, Sherman Sports and Entertainment, LLC, on premises located at Veteran's Field, in Fairview Park, at 1121 W. Taylor Street pursuant to Section 109.33(e) of the Texas Alcoholic Beverage Code

Issue:

To consider the request of Sherman Sports and Entertainment, LLC, for a variance concerning the property located at 1121 W. Taylor Street, to allow a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" within 300 feet of a school (Fairview Elementary). Section 109.33(e) of the Texas Alcoholic Beverage Code authorizes the City Council to grant a variance if it determines that enforcement of the 300-foot regulation in this particular instance is not in the best interest of the public, constitutes waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a TABC license or permit, does not serve its intended purpose, is not effective or necessary, or for any other reason the City Council, after consideration of the health, safety, and welfare of the public and the equities of the situation, determines is in the best interest of the community.

Background:

Representatives for Sherman Sports and Entertainment, LLC, recently applied for a "Retail Dealer's On-Premise License" and a "Wine and Malt Beverage Retail Dealer's On-Premise Permit" to sell alcohol at Veteran's Field in Fairview Park, located as 1121 W. Taylor Street. Upon inspection, it was determined that the property line for the location is located within 300 feet of the Fairview Elementary School property line. According to Section 4.14.035 of the City's Code of Ordinances, entitled "Development Standards," the sale of beer and wine for off-premises consumption is not permitted within 300 feet of a public or private school or a day care center. This measurement of distance is provided for in State law and is measured from "property line to property line and in a direct line across intersections."

City Management staff and Parks and Recreation staff have been meeting with Representatives for Sherman Sports and Entertainment, LLC for months to propose an exciting opportunity that could have a positive impact on both our city's recreational scene and local economy. Our community has a rich tradition of supporting sports and recreational activities, the establishment of a semi-professional baseball

organization in Sherman would be a home run. Sherman Sports and Entertainment, LLC is agreeing to make a $197,000 investment at Veteran's Field subject to city staff approval to make necessary improvements to bring the facilities up to the semi-pro baseball standards. Sherman Sports and Entertainment, LLC will host 36 games each year between late May and early August. Semi-professional baseball has gained popularity across the country, offering high-quality entertainment for families, sports enthusiasts, and residents alike. By hosting such an organization in our city, we have the chance to attract a diverse audience, including locals and visitors. This not only promotes community engagement but also contributes to local businesses through increased traffic and tourism. Responsible alcohol consumption would be managed through strict adherence to regulations, including age verification protocols and controlled serving quantities. These measures would ensure the safety and well-being of all attendees while enhancing the overall experience.

Origination:

The request for a variance originated with Mark Schuster, owner of Sherman Sports and Entertainment, LLC.

Financial Consideration:

There is no direct cost to the City of Sherman.

Staff Recommendation:

It is the recommendation of the staff that the City Council consider the appeal.

Alternatives:

The Council could choose not to consider the appeal.

Attachments

TABC Application
Denial Letter
Appeal Letter
Development Standards
Location Map

TEXAS ALCOHOLIC BEVERAGE COMMISSION
Texans Helping Businesses & Protecting Communities

Required Certifications

Join TABC in the fight against human trafficking

L-CERT (7/2022)

Submit this form to the proper officials to obtain certification for the type of license/permit for which you are applying as required by TX Alc. Bev. Code, Sections 11.37, 11.39, 11.46(b), 61.37, 61.38, 61.42 and Rule §33.13. This Required Certifications form must be submitted with your Initial Application form.
Contact your local TABC office for assistance.

LOCATION INFORMATION

1. **Trade Name of Location (Name of restaurant, bar, store, etc.)**
Veteran's Field, Sherman, TX

2. **Owner of Business/Applicant (Name of Corporation, LLC, etc.)**
Sherman Sports and Entertainment, LLC

3. **Type of Owner**
☐ Corporation ☐ Limited Partnership ☒ Limited Liability Company ☐ Limited Liability Partnership ☐ Partnership ☐ Other:

4. **Location Address**
1121 W Taylor Street

City	County	State	Zip Code
Sherman	Grayson	TX	75092

5. **Mailing Address**
1273 Pearwood Court

City	County	State	Zip Code
Mount Pleasant	Charleston	SC	29466

6. **Business Telephone Number** 843 367-3832 | **Alternate Telephone Number** 843 367-3832 | **E-mail Address** mark@vsgsports.com

7. **Application for:**

☒ Original	☐ Reinstatement	License/Permit Number	☐ Reinstatement and Change of Trade Name	License/Permit Number
	☐ Change of Location	License/Permit Number	☐ Change of Location and Trade Name	License/Permit Number

8A. Type of Off-Premise Retailer License/Permit:

☐	BF	Retail Dealer's Off-Premise License	☐ E	Local Cartage Permit	☐ P Package Store Permit
☐	BQ	Wine and Malt Beverage Retail Dealer's Off-Premise Permit	☐ ET	Third-Party Local Cartage Permit	☐ Q Wine Only Package Store
☐	LP	Local Distributor's Permit			

8B. Type of On-Premise Retailer License/Permit

☑	BE	Retail Dealer's On-Premise License	☐ E	Local Cartage Permit	☐ MB Mixed Beverage
☐	BG	Wine and Malt Beverage Retail Dealer's On-Premise Permit	☐ FB	Food and Beverage Certificate	☐ WP Waterpark Permit
☐	BP	Brewpub License	☐ LH	Late Hours Certificate	

8C. Type of Wholesaler's, Distributor's, or Manufacturer's License/Permit

☐	BB	General Distributor's License	☐ D	Distillers and Rectifiers Permit - allows on-premise consumption	☐ S Nonresident Seller's Permit
☐	BC	Branch Distributor's License	☐ DS	Out-of-State Winery Direct Shipper's Permit	☐ SD Brewer's Self-Distribution License
☐	BN	Nonresident Brewer's License	☐ G	Winery - allows on-premise consumption	☐ W Wholesaler's Permit
☐	BW	Brewer's License	☐ J	Bonded Warehouse	☐ X General Class B Wholesaler Permit
☐	JD	Bonded Warehouse (Dry Area)			

9. For On or OFF-Premise Applicants, Indicate Primary Business Type at this Location

☐ Bar	☐ Grocery/Market	☐ Package Store	☐ Sexually Oriented
☐ Civic Center	☐ Hotel	☐ Public Entertainment Fac. (PEF *as defined in Sec. 108.73*)	☐ Sporting Arena
☐ Convenience Store	☐ Motel	☐ Racetrack	
☐ Delivery Company	☐ Movie Theater	☐ Restaurant	

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Off-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary: P, Q, BF, BQ

TX Alc. Bev. Code, Section 11.37 & 61.37

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this _____ day of _____, 20_____, that the location for which the license/permit is sought as the place of business is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**BF**	The legal sale of malt beverages for off-premise consumption only ☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
☐	**BF, BQ, Q**	The legal sale of malt beverages and wine for off-premise consumption only
☐	**BF, BQ, Q, P**	The legal sale of all alcoholic beverages for off-premise consumption only

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

On-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary (FOR MB, MB/FB, BG, BG/FB, BE, & BE/FB)

TX Alc. Bev. Code, Section 11.37 & 61.37

I hereby certify on this_____ day of_____, 20__, that this location address is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**MB**	Mixed Beverage Permit
☐	**MB/FB**	Mixed Beverage Restaurant Permit with **required** Food and Beverage Certificate
☐	**BG***	Wine and Malt Beverage Retail Dealer's On-Premise Permit
☐	**BG/FB***	Wine and Malt Beverage Retail Dealer's On-Premise Permit with required Food and Beverage Certificate
☐	**BE***	Retail Dealer's On-Premise License
☐	**BE/FB***	Retail Dealer's On-Premise License with **required** Food and Beverage Certificate
*Mark box on right for **BE and/or BE/FB**		☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
*Mark box on right for any of the following license or permit types **BG ,BG/FB BE, BE/FB**		**Election for given location was held for:** ☐ legal sale of malt beverage/wine (17%) on-premise ***AFTER*** Sept. 1, 1999 ***OR*** ☐ legal sale of malt beverage/wine (14%) on-premise ***BEFORE*** Sept. 1, 1999

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certification for Late Hours Certificate (LH)

TX Alc. Bev. Code, Chapters 29 & 70 et seq.

I hereby certify on this_____ day of_____, 20___, that one of the below is correct:

☐	The governing body of this city or county has by ordinance or order authorized the sale of ***mixed beverages*** between midnight and 2:00 A.M.;
OR	
☐	The governing body of this city or county has by ordinance or order authorized the sale of ***malt beverage*** between midnight and _____A.M.;
OR	
☐	The population of the city or county where premises are located was 500,000 or more according to the 24th Decennial Census of the United States as released by the Bureau of the Census on April 1, 2020;
OR	
☐	The population of the city or county where premises are located was 800,000 or more according to the last Federal Census (2020).

SIGN HERE _____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Wholesaler, Distributor or Manufacturer Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the city secretary...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by charter or ordinance.

Certificate of City Secretary for: J

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for Winery (G) Applicants

Per Sec. 16.011, "A winery permit may be issued for premises in an area in which the sale of wine has not been authorized by a local option election..."

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for: BW & D

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages, **and**

☐ **does** ☐ **does not** allow for on-premise consumption **and**

☐ **does** ☐ **does not** allow for off-premise consumption in accordance with 501.035 of the Election Code.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Certificate of City Secretary for: BB, BC, W & X

Applicants Per Sec. 251.79 "a wholesaler's permit, general class B wholesaler's permit, or a general or branch distributor's license may be issued and licensed premises maintained ***in any area where the sale of any alcoholic beverage is legal."***

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

I hereby refuse on this _____ day of _____, 20_____ to certify this location.

SIGN

HERE_____, _____, **TEXAS**

City Secretary/Clerk — City

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Off-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk: P, Q, BF, BQ

TX Alc. Bev. Code, Section 11.37 & 61.37

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this _____ day of _____, 20_____, that the location for which the license/permit is sought as the place of business is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

	Permits/Licenses Wet For	Based on most recent local option election, area is wet for:
☐	**BF**	The legal sale of malt beverages for off-premise consumption only ☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
☐	**BF, BQ, Q**	The legal sale of malt beverages and wine for off-premise consumption only
☐	***BF, BQ, Q, P***	*The legal sale of all alcoholic beverages for off-premise consumption only*

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____ **County**
County Clerk

SEAL

On-Premise Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk (FOR MB, MB/FB, BG, BG/FB, BE, & BE/FB)

TX Alc. Bev. Code, Section 11.37 & 61.37

I hereby certify on this_____ day of_____, 20__, that this location address is in a **"wet"** area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

Permits/Licenses Wet For		Based on most recent local option election, area is wet for:
☐	**MB**	Mixed Beverage Permit
☐	**MB/FB**	Mixed Beverage Restaurant Permit with **required** Food and Beverage Certificate
☐	**BG***	Wine and Malt Beverage Retail Dealer's On-Premise Permit
☐	**BG/FB***	Wine and Malt Beverage Retail Dealer's On-Premise Permit with required Food and Beverage Certificate
☐	**BE***	Retail Dealer's On-Premise License
☐	**BE/FB***	Retail Dealer's On-Premise License with **required** Food and Beverage Certificate
*Mark box on right for **BE and/or BE/FB**		☐ **greater than 5%** alcohol by volume ***OR*** ☐ **5% or less** alcohol by volume
*Mark box on right for any of the following license or permit types **BG ,BG/FB BE, BE/FB**		**Election for given location was held for:** ☐ legal sale of malt beverage/wine (17%) on-premise ***AFTER*** Sept. 1, 1999 ***OR*** ☐ legal sale of malt beverage/wine (14%) on-premise ***BEFORE*** Sept. 1, 1999

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certification for Late Hours Certificate (LH)

TX Alc. Bev. Code, Chapters 29 & 70 et seq.

I hereby certify on this_____ day of_____, 20___, that one of the below is correct:

☐	The governing body of this city or county has by ordinance or order authorized the sale of ***mixed beverages*** between midnight and 2:00 A.M.;
OR	
☐	The governing body of this city or county has by ordinance or order authorized the sale of ***malt beverage*** between midnight and _____ A.M.;
OR	
☐	The population of the city or county where premises are located was 500,000 or more according to the 24th Decennial Census of the United States as released by the Bureau of the Census on April 1, 2020;
OR	
☐	The population of the city or county where premises are located was 800,000 or more according to the last Federal Census (2020).

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Wholesaler, Distributor or Manufacturer Certifications

Per Sec. 11.37, not later than the 30th day after the date a prospective applicant for a permit...requests certification, the county clerk...shall certify whether the location or address given in the request is in a wet area and whether the sale of alcoholic beverages for which the permit is sought is prohibited by any valid order....

Certificate of County Clerk for: J

☐ **CHECK HERE IF NOT IN CITY LIMITS**

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for Winery (G) Applicants

Per Sec. 16.011, "A winery permit may be issued for premises in an area in which the sale of wine has not been authorized by a local option election..."

I hereby certify on this ____ day of _____, 20__, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

☐ ***I hereby refuse on this _____ day of _____, 20____ to certify this location.***

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for: BW & D

I hereby certify on this ____ day of _____, 20__, that this location address is in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages, **and**
☐ **does** ☐ **does not** allow for on-premise consumption **and**
☐ **does** ☐ **does not** allow for off-premise consumption in accordance with 501.035 of the Election Code.

OR

☐ **I hereby refuse on this _____ day of _____, 20____ to certify this location.**

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Certificate of County Clerk for: BB & BC, W & X

Applicants Per Sec. 251.79 "a wholesaler's permit, general class B wholesaler's permit, or a general or branch distributor's license may be issued and licensed premises maintained ***in any area where the sale of any alcoholic beverage is legal."***

I hereby certify on this ____ day of _____, 20___, that this location address ☐ **is** ☐ **is not** in a "**wet**" area for this type of license or permit and inside the boundaries of this jurisdiction, where it is legal to sell such alcoholic beverages.

OR

I hereby refuse on this _____ day of _____, 20_____ to certify this location.

SIGN HERE _____, _____ **County**
County Clerk

SEAL

Trade Name: Veteran's Field, Sherman, TX

Location Address: 1121 W Taylor Street **City:** Sherman **County:** Grayson

Publisher's Affidavit for All Applicants Except BN, DS, S
TX Alc. Bev. Code, Section 11.39 and 61.38

Name of newspaper	
City, County	
Dates notice published in daily/weekly newspaper (MM/DD/YYYY)	
Publisher or designee certifies attached notice was published in newspaper stated on dates shown.	
Signature of publisher or designee	
Sworn to and subscribed before me on this date (MM/DD/YYYY)	
Signature of Notary Public	
SEAL	

ATTACH PRINTED COPY OF THE NOTICE HERE

Click here to see example of newspaper publication

Comptroller of Public Accounts Certificate for All Applicants
TX Alc. Bev. Code, Section 11.46 (b) & 61.42 (b)

This is to certify on this_____ day of_____, 20_____, the applicant holds or has applied for and satisfies all legal requirements for the issuance of a Sales Tax Permit under the Limited Sales, Excise and Use Tax Act or the applicant as of this date is not required to hold a Sales Tax Permit and that none of the persons making this application are indebted to the State of Texas.

Sales Tax Permit Number_____ Outlet Number_____

Print Name of Comptroller Employee _____

Print Title of Comptroller Employee _____

SIGN HERE _____ **FIELD OFFICE** _____ **SEAL**

TEXAS ALCOHOLIC BEVERAGE COMMISSION

Texans Helping Businesses & Protecting Communities

Initial Application
Reinstatement
Change of Location

Required Certifications form L-CERT must be included

Join TABC in the fight against Human Trafficking

L-IA (10/2022)

TABC has enhanced our license and permit application process. We encourage you to take advantage of our user-friendly online application process through the Alcohol Industry Management System (AIMS). If you are unable to submit your application via AIMS, you may complete the paper application below. **If you submit a paper application, it will take considerably longer to obtain your license or permit.**

Complete this form to apply for an original license or permit, or to make certain changes to an existing license or permit. Ultimate responsibility for the privilege of holding such license or permit rests on the applicant or license/permit holder. Visit our website (www.tabc.texas.gov) for statutory requirements, authorities or to find your local office.

Initial Information

1. Application for:

☒ Original	☐ Reinstatement	License/Permit Number _____	☐ Reinstatement and Change of Trade Name	License/Permit Number _____
	☐ Change of Location	License/Permit Number _____	☐ Change of Location and Trade Name	License/Permit Number _____

2A. Type of Off-Premise License/Permit

☐ **BF** Retail Dealer's Off-Premise License	☐ **ET** Third-Party Local Cartage Permit	☐ **P** Package Store Permit
☐ **BQ** Wine and Malt Beverage Retail Dealer's Off-Premise Permit	☐ **LP** Local Distributor's Permit	☐ **Q** Wine Only Package Store

2B. Type of On-Premise License/Permit

☒ **BE** Retail Dealer's On-Premise License	☐ **E** Local Cartage Permit	☐ **MB** Mixed Beverage
☒ **BG** Wine and Malt Beverage Retail Dealer's On-Premise Permit	☐ **FB** Food and Beverage Certificate	☐ **RM** Mixed Beverage Permit with required Food and Beverage Certificate
☐ **BP** Brewpub License	☐ **LH** Late Hours Certificate	☐ **WP** Waterpark Permit

2C. Type of Wholesaler's, Distributor's, or Manufacturer's License/Permit

☐ **BB** General Distributor's License	☐ **D** Distillers and Rectifiers Permit - allows on-premise consumption	☐ **SD** Brewer's Self-Distribution License
☐ **BC** Branch Distributor's License	☐ **G** Winery - allows on-premise consumption	☐ **W** Wholesaler's Permit
☐ **BW** Brewer's License	☐ **J** Bonded Warehouse	☐ **X** General Class B Wholesaler Permit
	☐ **JD** *Bonded Warehouse (Dry Area)*	

3. Trade Name of Location (Name of restaurant, bar, store, distribution company, etc.)
Sherman Sports and Entertainment, LLC leased from the City of Sherman, TX

4. Location Address Street Number / Street Name
1121 W. Taylor Street

City	County	State	Zip
Sherman	Grayson	TX	75092

5. Mailing Address Street Number / Street Name
1121 W. Taylor Street

City	State	Zip
Sherman	TX	75092

6.

Business Phone	Alternate Phone	E-mail Address
843 367-3832	843 367-3832	mark@vsgsports.com

Business Information

7. Owner of Business/Applicant (Name of Corporation, Sole Proprietor, LLC, etc.)
Sherman Sports and Entertainment, LLC

8. SSN or Federal Employer Identification Number (FEIN)
93-2559089

- **If you hold an active TABC license/permit** under the SSN or FEIN listed in question #8 and there have been no changes to the ownership structure of the business since you filed your last application, skip to question #11.
- **If you hold an active TABC license/permit** under the SSN or FEIN listed question #8, and there has been a change in the ownership or business structure since you filed your last application you must complete the entire Business Section below and Personal History Sheets (PHS) for any added person or persons.
- **If you do not currently hold an active TABC license/permit**, complete the entire Business Information section, all necessary ownership information and personal history sheets. Select the entity page(s) that correspond with your business structure. All officers, directors, stockholders, and trustees, holding ownership in this business must be disclosed. Individual applicants complete this application and L-PHS (Personal History Sheet).

9. ☐ Individual ☒ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title
Schuster	Mark	W	President

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held
143721268	02/23/1966	Preferred Shares 100%

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

☐ Officer ☐ Director ☐ Stockholder ☐ Trustee *(Mark All That Apply)*

Last Name	First Name	MI	Title

SSN ☐ Out of Country	Date of Birth (mm/dd/yyyy)	Class & No. of Shares/Percentage Membership or Units Held

If additional space is necessary, use the appropriate form for your business structure (L-C, L-LLC, L-P).

Background Information

10A. Has any person listed in the business information section, or his or her spouse, been finally convicted or received deferred adjudication for any of the offenses below? If so, indicate by checking all that apply. If any boxes are checked, and it has not been five years since the termination of a sentence, parole or probation served, attach an explanation.

- ☐ any felony offense
- ☐ prostitution
- ☐ *bookmaking*
- ☐ gambling or gaming
- ☐ bootlegging
- ☐ vagrancy offense involving moral turpitude
- ☐ any offense involving dangerous drugs, synthetic cannabinoids or controlled substances as defined in Texas Controlled Substances Act
- ☐ any offense involving firearms or a deadly weapon
- ☐ any offense involving drink solicitation
- ☐ more than three violations of the Texas Alcoholic Beverage Code relating to minors
- ☐ violations of the Texas Alcoholic Beverage Code resulting in a criminal fine of $500
- ☐ violations of an individual's civil rights or discrimination against an individual on the basis of race, color, creed or national origin

10B. If any person listed in the Business Section has had a TABC license or permit canceled, attach an explanation.

Property Ownership/Lease/Sublease/Management Information

Complete question 11A. *or* 11B. to document owner of property. If land and building are owned by different entities, group partners/officers of each entity separately in spaces in 11B.

Individual Property Owner

11A. Full Legal Name (Last, First, Middle):	Date of Birth (mm/dd/yyyy)	SSN

Property Owner Information (If owner is business entity)

11B. Name of Business Entity	Federal Employer Identification Number (FEIN)
City of Sherman, TX	

12. If operating under a lease at the location listed in question 4, complete the following:

Expiration date(s)/Options _____

Monthly rental amount $ _____

If other fees and payments are due to the landlord, indicate amount and reason $ _____ Reason: _____

If you are you operating under any concession, service or management agreement(s) that contain terms for services or management beyond property rental, complete question number 13. Attach copy of all agreements.
If question 13 does not apply, go to question 14

13A. Indicate if you are:
☐ Sublessor ☐ Concessionaire ☐ Management Company

13B. Entity Name of Sublessor, Concessionaire or Management Company:

13C. FEIN of Sublessor, Concessionaire or Management Company:

Enter information for individual or business entity below

Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Mark William Schuster	143 72 1268
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN
Full Legal Name of Individual, Partner, Officer (Last, First, Middle)	FEIN or SSN

Use form L-SL if additional space is needed

13D. Enter contract information below:

Expiration date(s)/Options _____

Monthly fee $ _____

13E. If you have a sublessor that differs from the management company enter sublessor name below.

Sublessor Name _____ FEIN _____

14A. Do you or anyone else at the location operate under a franchise agreement? ☐ Yes ☐ No

14B. If "YES," as required under Section 109.53 do you maintain exclusive control of ALL phases of the purchase, sale, service and brands of alcoholic beverages? ☐ Yes ☐ No

If there are any agreements, excluding questions 13-14, which involve alcohol in any way, you MUST attach copies of those agreements.

Sales Information for Following License/Permit Types: MB/FB, BG/FB, BE/FB

15. **Provide projected (future) sales data for first 12 months of operation.**

Sales Year (YYYY) 2024
Alcoholic Beverage Sales $ 18000.00
Food Sales $ 72000.00
Other Sales $
Total Sales $ 90000.00

Additional Requirements you are Attesting to for Food and Beverage Certificate Only:

- Food service will be maintained on the licensed premise.
- There is a permanently designated food service facility on the licensed location.
- Multiple entrees per meal are available to customers.
- Food items are prepared for consumption on or off the licensed location.
- *Hours of operations for sale and service of food and alcoholic beverages are the same. Note, food may be sold or served before or after the legal hours for sale of alcoholic beverages.*
- If the designated food service facility on the licensed location is operated by a separate business entity, the business entity will provide records for food service for the purpose of inspections or audit.
- If the premise is a hotel, separate food service facility for each separate area for restaurants, lounges or bars are maintained.

Mark only one of the boxes below to identify the method that qualifies the location to hold a Food & Beverage Certificate.
See Food and Beverage Certificate Application Document Guide pg.5 for additional information

☒ In addition to the above requirements, you qualify as a restaurant as defined by Rule 33.5(b)(6)
- The location operates its own permanent food service facility with commercial cooking equipment on its premises; and
- Prepares and offers to sell multiple entrees for consumption on or off the premises

☒ In addition to the above requirements, you qualify based on the projected receipts from the sale of alcoholic beverages by the license or permit holder at the location will be 60% or less of the total receipts from the location.

Location Information

16. **If you share the premises with another business entity enter tradename(s) of business(es) and sales and use tax number(s) below:**
Trade Name
Sales & Use Tax Number

17. **Is the proposed location in a hotel or motel?** If "Yes" attach diagram. ☐ Yes ☒ No

18. **Will the license/permit embrace the entire location address as shown in question #4?** ☒ Yes ☐ No
If "NO," attach a diagram of your premises as required by Section 11.49.

Finance Information

19. **Enter the total amount of investment from all sources for this location.** $ 300000.00
Please be prepared to provide copies of all documents related to the financing of this location.

20. **List all sources of funds advanced to you for your business. If a partnership or corporation, list entity along with partners/officers.**

Name, Corporation, Partner/Officer		Date of Birth mm/dd/yyyy)
Funds have not been advanced yet		
SSN or FEIN	**Terms**	**Amount** $
Name, Corporation, Partner/Officer		**Date of Birth mm/dd/yyyy)**
SSN or FEIN	**Terms**	**Amount** $

If more space is needed, attach additional page

Measurement Information

Click here for measurement instructions, information, and requirements

21. Will the premises be within 1,000 feet of a private/public school? ■ Yes ☐ No

22. Is any property line of your premises within 300 feet of a residential address or established neighborhood association? ☐ Yes ■ No

On-Premise Licenses And Permits Only

Measurement information for applicants in municipalities with a population of 1.5 million or more

23. Will your business be located within 300 feet of a residence, church, school, day care or social service facility? ■ Yes ☐ No
If "YES," will 75% or more of the applicant's actual or anticipated gross revenue be from the sale of alcoholic beverages? ☐ Yes ■ No
If "YES," to both questions; you must notify all tenants or property owners of your intent to apply for an alcoholic beverage license/permit within five days of the filing of an original application. Has such notice been given as required by Section 11.52? ☐ Yes ☐ No

Brewpub (BP) Only

24. Do you, the applicant, intend to sell your alcoholic product directly to other retailers? ☐ Yes ■ No

25. Do you, the applicant, intend to sell your alcoholic product to wholesalers/distributors? ☐ Yes ■ No

26. Will you, the applicant, be engaged in the business of brewing and packaging malt liquor in quantities sufficient to operate a brewpub not later than 6 months after the date of issuance of the original license? ☐ Yes ■ No

27. If required under Section 11.391 and 61.381, provide exact date the required sign was posted at the location. Exact Date:

Bonded Warehouse (J – Wet / JD – Dry)

28. In general terms, specify what other goods and commodities are stored in this warehouse.

N/A

29. Are you providing services to permit holders other than storage — ☐ Yes ■ No

30. Is at least 50% of gross revenue during each three (3) month quarter derived from goods and merchandise other than alcoholic beverages? — ■ Yes ☐ No

31. Is the location in a wet or dry area? — ■ Wet ☐ Dry

Brewers (BW)

32. Do you, the applicant, intend to engage in the business of brewing and packaging malt beverage in Texas within the three-year period covered by the original license and one successive renewal in quantities to qualify as a bona fide brewing manufacturer? — ☐ Yes ☐ No

33A. Do you, the applicant, intend to contract with another brewery to produce your product? — ☐ Yes ☐ No
If "Yes," provide the TABC license/permit number of that brewery. _____

33B. Is your product brewed at their location? — ☐ Yes ☐ No

34A. Do you, the applicant, intend to utilize an alternating proprietorship agreement to produce your product? — ☐ Yes ☐ No
If "Yes," provide the TABC license/permit number of that brewery. _____

34B. Is your product brewed at their location? — ☐ Yes ☐ No

35. If you intend to operate under an alternating or contract brewing agreement; do you, the applicant, own a fee interest in a brewing facility? — ☐ Yes ☐ No
If "No," please submit a Fee Interest Bond which must be on file and approved prior to the issuance of your license/permit. Fee Interest Bond form and instructions can be downloaded here: Forms | TABC (texas.gov)

36. Do you, the applicant, hold a Brewer's Notice issued by the Alcohol and Tobacco Tax and Trade Bureau of the United States Department of the Treasury? — ☐ Yes ☐ No
If "Yes," please provide TTB Brewers Notice Number _____ and attach copy.

Brewers (BW), Distillers and Rectifiers (D), Winery (G)

37. Is any property line of your premises within 300 feet of a residential address or established neighborhood association? — ☐ Yes ☐ No

38. Do you, the applicant, intend to sell for on-premise consumption? — ☐ Yes ☐ No
If "YES," you must notify each residential address and established neighborhood association(s).A copy of the completed notice must be submitted along with a list of all addresses notified; as required by Section 11.393 and 61.38. Click Notice of Application to view and print notice.

Wholesalers (W)

39. Do you, the applicant, intend to sell malt liquor? — ☐ Yes ☐ No
NOTE: You must submit a territorial agreement from the actual manufacturer of the product.

Distributors (D)

40. Do you, the applicant, have an adequate building, storage facilities, sufficient employees, delivery vehicles and rolling stock to provide service and sales for each brand of malt beverage in an amount equal to the demand for the product from all retailers in applicant's assigned territory? — ☐ Yes ☐ No
NOTE: If you are applying for a General Distributor's License, Local Distributor's Permit or Branch Distributor's License, you must submit a territorial agreement from the actual manufacturer of each malt beverage product you are handling.

Winery (G)

41. I, the applicant, declare that I have the appropriate federal authority to qualify as a Texas winery and have all necessary information and documentation to complete the application. — ☐ Yes
If "YES," attach a copy of the approved Application to Establish and Operate a Wine Premises.

42. Do you, the applicant, intend to engage in any activity authorized by the winery permit on the permitted premise of another winery? — ☐ Yes ☐ No
If "YES," provide the TABC permit number of that winery _____ and attach a copy.

WARNING AND SIGNATURE

If applicant is/principal party listed below must sign

Individual/Individual Owner	Corporation/Officer
Partnership/Partner	Limited Liability Company/ Officer or Manager
Limited Partnership/General Partner	

Each licensee or permittee shall have exclusive occupancy and control of the entire licensed location with respect to the sale of alcoholic beverages. Any arrangement that surrenders such control of the employees, premises or business, including profits and losses, to persons other than the licensee or permittee is unlawful.

The applicant, license/permit holder, agent, servant or employee may not directly or indirectly have any overlapping ownerships or other prohibited relationships (including unfair competition and unlawful trade practices) between those engaged in the alcoholic beverage industry at different levels, that is, between a manufacturer and a wholesaler or retailer, or between a wholesaler and a retailer, as the words "wholesaler," "retailer," and "manufacturer" are ordinarily used and understood, regardless of the specific names given a license/permit. Reference Chapter 102 et seq.

WARNING: Section 101.69 of the Texas Alcoholic Beverage Code states: "...a person who makes a false statement or false representation in an application for a permit or license or in a statement, report, or other instrument to be filed with the Commission and required to be sworn commits an offense punishable by imprisonment in the Texas Department of Criminal Justice for not less than 2 nor more than 10 years."

By signing you are swearing to all information and attachments provided are correct.

PRINT NAME Mark Schuster **SIGN HERE** _____

TITLE President

Before me, the undersigned authority, on this_____ day of_____, 20____, the person whose name is signed to the foregoing application personally appeared and, duly sworn by me, states under oath that he or she has read the said application and that all the facts therein set forth are true and correct.

SIGN HERE _____
NOTARY PUBLIC

SEAL

Sherman
CLASSIC TOWN. BROAD HORIZON

City Clerk's Office

PUBLIC RECORDS DEPARTMENT
Phone No. (903) 892-7204
Fax No. (903) 892-7394

August 29, 2023

Sherman Sports and Entertainment, LLC
Attn: Mark Schuster
1273 Pearwood Court
Mount Pleasant, South Carolina 29466

RE: Veteran's Field, Sherman, Texas
1121 W. Taylor Street
Sherman, Texas 75092

Dear Mr. Schuster:

Your application for a "Retail Dealer's On-Premise License" and "Wine and Malt Beverage Retail Dealer's On-Premise Permit" has been denied. Upon inspection, it was found that your business is within 300 feet of a public or private school or day care center.

The City's Code of Ordinances, Section 4.14.035, states that the minimum distance between retail stores that offer the sale of alcoholic beverages for off-premise consumption and public or private schools or day care facilities is 300 feet. Measurements are made from property line to property line and in a direct line across intersections. I have included a copy of the Code for your information.

Sincerely,

Linda Ashby

Linda Ashby
City Clerk

cc: Terrence Steele, Assistant City Manager
Ryan Pittman, City Attorney
Rob Rae, Director of Development Services
Theresa Hutchinson, Parks and Recreation Manager

August 29, 2023

Mr. Terrance Steele, Assistant City Manager
City of Sherman
220 West Mulberry Street
Sherman, TX 75090

Dear Terrance:

Please find attached a letter of denial from Ms. Linda Ashby, City Clerk, with respect to our request to our application for a beer and wine license at Veteran's Field.

I respectfully request to appeal this decision with City Council. I understand the next City Council meeting is Tuesday, September 5th.

Please let me know what the next step is in the process to appeal the denial of the license.

Sincerely,

Mark Schuster

Mark Schuster
Sherman Sports and Entertainment, LLC

Sec. 4.14.035 Development standards

(a) Alcoholic beverages for off-premises consumption only. The sale of alcoholic beverages is permitted only in a zoning district where retail sales are allowed. The minimum distance between retail stores that offer the sale of alcoholic beverages for off-premises consumption and the following uses are:

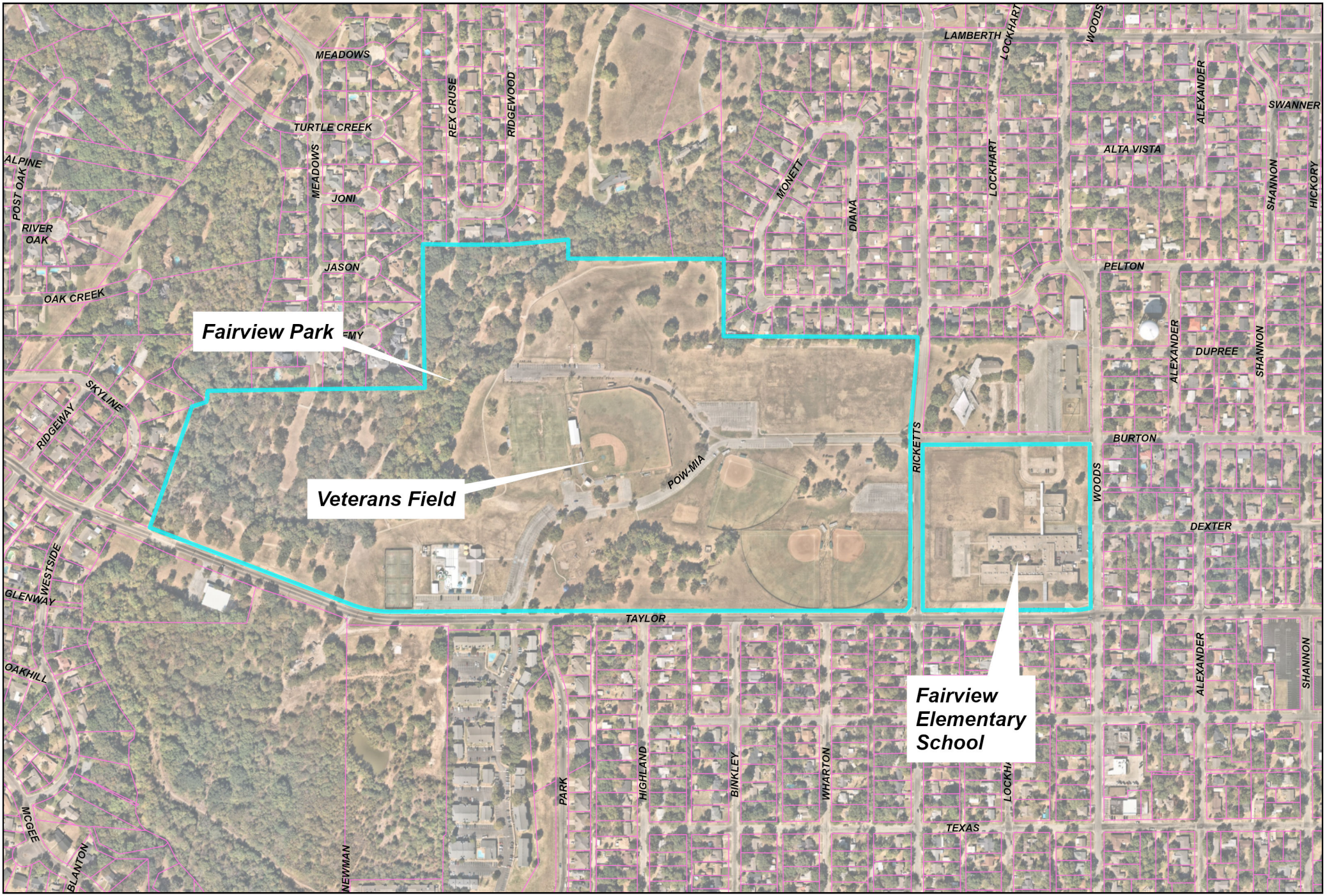
(1) Schools (public and private) and day care centers: 300 feet. As allowed by state law, a school may petition for 1,000 feet. All measurements of distances are as provided for in state law (property line to property line and in a direct line across intersections).

(2) Churches: 300 feet. All measurements of distances are as provided for in state law (along the property lines of the street fronts and from front door to front door, and in a direct line across intersections).

(3) Hospitals: 300 feet. All measurements of distances are as provided for in state law (along the property lines of the street fronts and from front door to front door, and in a direct line across intersections).

(b) Mixed beverages in a restaurant by food and beverage certificate holders only. The sale of mixed beverages in a restaurant by food and beverage certificate holders is allowed in any zoning district where restaurants are allowed. The holder of a permit under this subsection shall be required to meet distance requirements as set forth in subsection (a), above.

(Ordinance 5994 adopted 12/5/16)



Sherman
ENGINEERING DEPT.
220 W. MULBERRY
SHERMAN, TX 75090

Veterans Field Alcohol Appeal

1" = 500'

NORTH

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting **I. 2.**

Meeting Date: 09/05/2023

Prepared By: Sarah McRae, Tourism/Main Street Manager

Approved By: Robby Hefton, City Manager

Caption:

**** OTHER BUSINESS***

Consider Request of Downtown Sherman NOW to Temporarily Close Certain Streets for the "Stroll on the Square" on Saturday, October 7, 2023

Issue:

Downtown Sherman NOW is requesting to temporarily close the 100 blocks of South Travis, South Crockett, and North Travis Streets, and the 200 block of South Travis, on Saturday, October 7, 2023 from 12:00 p.m. to 11:00 p.m. for "Stroll on the Square".

Downtown businesses will offer Texas wine samples inside their locations and many stops feature bites of food. Stores will be open for shopping and outdoor stages set up in closed streets to enjoy live music. The Wine Stroll is limited to 600 participants and will abide by all Texas Alcoholic Beverage Commission (TABC) laws.

Background:

This is one of several events planned by Downtown Sherman NOW.

Origination:

Mrs. Karen Tooley, Executive Director, Downtown Sherman NOW

Financial Consideration:

Barricades and cones would be provided by the City of Sherman Street Department. Solid waste receptacles would be provided by the City of Sherman Solid Waste Department. Downtown Sherman NOW would work with the Sherman Police Department to arrange for security officers necessary for the event. Downtown Sherman NOW has been instructed that emergency vehicle accessibility must be maintained throughout the closed streets at all times.

Staff Recommendation:

It is recommended that the Council authorize the use of City resources to provide barricades, cones, solid waste receptacles, and security support as requested.

Alternatives:

As directed by the Council

Attachments

Stroll on the Square 2023 Request Letter

Stroll on the Square 2023 Special Event Packet

Stroll on the Square 2023 Map

17 August 2023

Ms. Sarah McRae
Sherman Tourism Director/Main Street Manager
PO Box 1106
Sherman, TX 75091

Dear Sarah,

Downtown Sherman NOW would like city approval to hold an event, Stroll on the Square. The details are below. If I can answer questions or help clarify this request, please do not hesitate to contact me by email (kctooley@msn.com) or phone (903-816-2811).

Sincerely,

Karen Tooley

Executive Director, Downtown Sherman NOW

Name of Event: Stroll on the Square & Texoma's Best Bites

Date/Time of Event: Saturday, October 7, 2023, 5:30 pm - 9:00 pm

Description of Event:

Businesses will offer wine samples inside their locations downtown. Caterers will be inside businesses offering small samples of food. Stores will be open for shopping. Musicians will be inside stores, on the courthouse square, and along the sidewalks (where room allows.) The wine stroll is limited to 500 participants.

Street Closure Request:

From 12:00-11:00 pm: 100 blocks of S Travis, S Crockett and N Travis St. and 200 block of S Travis.

Supplies Requested: 16 rolling trash cans & 50 orange traffic cones (delivered to the east side of the courthouse near the trash dumpsters)

Sherman
CLASSIC TOWN. BROAD HORIZON.

Special Event Application

This agreement is between the City of Sherman, hereinafter referred to as City, and an event/event coordinator, hereinafter referred to as event, for the cooperation of planning and operating a Special Event.

City reserves the right to close down or cancel any Event that is in violation of any City Ordinance or deviation from this agreement. The City also reserves the right to close down or cancel the Event if public safety or affected department supervisors deem the event unsafe for public participation.

- Application must be submitted at least 60 days prior to the event date.
- The Event must carry property, bodily injury and municipal liability insurance of $1,000,000.00 per occurrence. The City of Sherman must be shown as an additional named insured on the insurance declaration. One (1) original copy of insurance must be submitted 30 days prior to event date.
- Alcohol distribution or consumption in any City Park and/or street is prohibited, unless approval is granted by motion and order by the City Council. A special event permit for alcohol on private property in conjunction with a Sherman private club may be permitted with a T.A.B.C license. Certain city-owned properties may allow for the consumption of alcohol.
- Please provide all information pertaining to the event as accurately as possible.

General Event Information

Official Name of Event: Stroll on the Square

Type of Event: (i.e. Carnival, Circus, 1 Mile/5 K Run, etc.) Wine and Food Tasting

Event Date: 10-7-23 Event Times: 5:30-9:00 pm

Alternate Date: N/A Event Times: _____

*Alternate date required in case of weather delays

200 block of W. Houston
100 + 200 Blocks of S. Travis

Location of Event: 100 Block of S. Crockett 100 block of N. Travis

Event Contact Name: Karen Tooley

Event Contact Address: PO Box 2054 Sherman 75091

Event Contact Phone: 903 816 2811

Event Contact Email: Kc tooley @ msn. com

Alternate Event Contact Name: Stephanie Cotton

Alternate Event Contact Address: McCullough + Pierson, 229 W. Washington

Alternate Event Contact Phone: 903-819-3727

Alternate Event Contact Email: stephanie @ covering texas. com

Event Day Emergency Contact: Karen Tooley Phone: 903 816-2811

Event Day Emergency Contact: Stephanie Cotton Phone: 903-819-3727

Estimated # of Participants: 500 Spectators: 0

Is Event Private or Open to the Public? ____ Private Event ✓ Public Event

Description of Event

Include background/history of this event or type of event and a timeline of event. Maps and site plans are required; site plans should include location of concessions, port-a-lets and dumpsters; description of routes to be used, severe weather emergency plan, etc. Clean-up deposit may be required.

Texas wines located inside businesses. Outdoor stages for music. Food in several locations to balance alcohol intake

Public Services

Will event take place at a public park/facility? ____ Yes ✓ No

If yes, which park/facility? ____

*Park and/or facility reservation(s) required prior to completing this application.

Will you need any public street closures? ✓ Yes ____ No

If Yes, which streets? ____

100 S Travis 100 S. Crockett

200 S. Travis

100 N. Travis

*Closure of TxDOT controlled streets will need prior approval by TxDOT.
*Police and Fire vehicles must have access through street closures if the need arises.

Street closure time: ____ Time closure removed: ____

*Barricades will be provided by the City for the listed street closures. Fees may be required for additional barricade requests.

Where are the parking areas located: (include on site plan) OIP lot, Farmer's Market lot St. Stephen's lot, street parking

Does your event require special/additional support? (Fee may be required)

✓ Police
(crowd control, traffic control, etc.)
If yes, contact Jarena Capps, Police Department, 903-892-7397

____ Fire Department
(EMT Support, etc.)
If yes, contact Chief Jones, Fire Department, 903-892-7263

____ Other
(provide detail)

If any special/additional support is checked above it is the responsibility of the event coordinator to contact the person listed above, prior to approval. If no contact is made by the event coordinator, the approval process for your special event will cease.

Number of trash containers and size requested over and above the current level: ____

16 Rolling Trash Cans, 50 orange traffic cones

***Per city ordinance, all solid waste services must be provided by the city. Additional fees are possible for solid waste services.**

Concessions

Will food concessions be present at the event? ____ Yes ___✓___ No

Name, Address & Phone Number for Food Vendors: ____

We are hiring caterers and will require health/food permits

*All food vendors are required to have the appropriate permits required by the city or the county.

Fire Prevention

Will you have any tents at the event? ____ Yes ___✓___ No

Will any tents be over 200sq. ft.? ____ Yes ____ No
*No smoking signs and 5lb. ABC extinguishers are required in all tents over 200sq. ft.

Will any tents be enclosed? ____ Yes ____ No
*A permit ($50.00 fee) must be obtained from the Developmental Services Department for enclosed tents.
*A flame certificate for the tent and a site plan showing the setback from the property lines will be required to obtain this permit.

Will you have bounce houses? ____ Yes ___✓___ No Number: ____

Will you have other air supported structures? ____ Yes ___✓___ No

Will there be fireworks? ____ Yes ___✓___ No

Will there be any temporary structures built or placed on site? ___✓___ Yes ____ No

If Yes, describe: two stages for musicians

Miscellaneous

Will you need the use of city water and/or electricity? ____ Yes ___✓___ No
*Additional fees will apply to the usage of city utilities

Where will restroom facilities be located? Corners of Travis/Lamar and Crockett/Lamar

*Depending on accessibility of restroom facilities, city may require portable toilets to be used

Will there be music or any other use of a loudspeaker? ✓ Yes _____ No

If Yes, please fill out the following:
Type of loudspeakers: unknown * How many: _____

Type of Amplifiers: _____ How many: _____

Type of electrical devices: _____ How many: _____

Date and time loudspeakers/amplifiers/electrical devices will be in use: _____
*Loudspeakers/Amplifiers/Electrical Devices cannot be used during the hours of 9pm to 8am

* We are hiring Cadence Studios to provide sound

Will you have any animals at the event? _____ Yes ✓ No

If yes, are any prohibited/regulated animals? _____

*All pet owners must abide by Grayson County leash law

Public Information

Describe signage that will be used for the event, to include placement of signs: _____
On perimeters: No alcohol beyond this point

Describe how you will notify residents affected by the event either living on the route/course or nearby. N/A

*Proof of notification may be required

Overnight Accommodation Needs

Will event produce overnight stays in Sherman hotels, motels or bed and breakfasts? If so, how many rooms potentially? 15

* The Sherman Chamber of Commerce is available for assistance with hotel information and accommodation needs for the event.

Agreement:

Initial XC I hereby attest that the information contained in this application is true and correct. I understand that this is only an application and not a guarantee that a permit will be issued. If a permit is issued, I agree that: (1) if any of the information contained in this application is found to be false: or (2) should my conduct, or the conduct of any participants or guests, not adhere to the Special Event Policies and Procedures: or (3) should any applicable city, county, state or federal rules, regulations, codes or laws be violated, any permit issued shall automatically become null and void and any activity associated with this permit will immediately cease.

Initial XC Applicant agrees to assume the defense of and indemnify and save harmless the City, its council members, boards, commissions, officers, employees and agents, from all suits, actions, damages or claims to which the City may be subjected of any kind or nature whatsoever resulting from, caused by, arising out of or as a consequence of such temporary street closure and the activities permitted in connection therewith. The city may require, as a condition of issuance of a permit, that the applicant obtain insurance to serve this end, in such an amount and with such terms as the City determines to be appropriate under the circumstances. This shall be a continuing release and shall remain in effect until revoked in writing.

Initial XC In case of emergency or for reasons beyond the City's control, the City reserves the right to cancel the permit prior to scheduled use without liability. Refunds will be made if cancellation by the City is necessary.

Initial XC Alcohol must be confined to private property. Alcohol consumed on Public property is a violation of city Ordinance and is prohibited.

Signature:

I the undersigned representative have read the policies and procedures with reference to this application. The information contained herein is complete and accurate.

XC [signature] — 8-17-23

Signature — Date

For Office Use Only

DEPARTMENT APPROVALS

DEPARTMENT	DATE	SIGNATURE
City Council Approval		
Fire Department		
Police Department		
Public Works Department		
Solid Waste & Recycling Department		
Parks & Recreation Department		

Sherman
CLASSIC TOWN. BROAD HORIZON.

Special Event
Date Request Form

Name of Event:	Stroll on the Square
Type of Event (i.e. Carnival, Circus, Festival, 1 Mile/5 K Run, etc.):	Wine / Food Tasting
Location of Event:	Crockett, Houston, & Travis by Courthouse
Date of Event:	10-7-23
Event Contact Name:	Karen Tooley
Event Contact Address:	PO Box 2054 Sherman 75091
Event Contact Phone:	903 816 2811
Event Contact Email:	kctooley@msn.com

Completion and approval of the Special Event Date Request Form does not guarantee event approval. The Community and Support Services Department must receive the completed Special Event Application 60 days prior to the event date. If the application is not received the date will be released 60 days prior to the event.

Requester Signature:	KC Tooley
Date:	10-7-23

*Office Use Only
Date Request Received:
Event Date Hold Approved: YES NO
If NO, reason:
Date 60 Days Prior to the Event Date:
Date Special Event Application Received:
Requested Event Date Released: YES NO Date:
Community and Support Services Department Signature:

N
Wall St.
T Toilets
Barricades
Stages
Houston St.
Grayson County Courthouse
Travis St.
Lamar St.
Crockett St.
Jones St.

SHERMAN CITY COUNCIL
Agenda Communication Form

City Council Regular Meeting

Meeting Date: 09/05/2023

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2023 Council Calendar

2023
Council Calendar

January

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
11	12	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June

Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	6	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

July

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August

Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December

Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

	Holiday
	Holiday for Firefighters/Police Only
	City Council Regular Meeting
	Special Called Meeting
	Budget Workshop
	Cancelled City Council Meeting

CALLED MEETINGS	
4/20/20223	Budget Planning Meeting
5/25/2023	CIP Work Session
6/15/2023	Budget Workshop Day 1
7/5/2023	Called City Council Meeting (Rescheduled)
6/9/2023	Called City Council Meeting
6/15/2023	Called City Council Meeting
6/26/2023	Called City Council Meeting
9/12/2023	SEDCO Joint Meeting
9/14/2023	Called City Council Meeting - Tree Ordinance Workshop