

# **A G E N D A**

A meeting of the Board of Directors of the Tax Increment Reinvestment Zone No. 1 (TIRZ) to be held on **Wednesday, August 23, 2023 at 3:00 p.m.** in the Council Chamber at City Hall, 401 S. Rogers, Waxahachie, Texas.

Members: David Hill, Mayor, Chairman  
Brad Yates, Vice Chairman  
Dusty Autrey  
Brett Hess  
Al Mack  
Randy Vineyard  
Shane Henry

1. Call to Order
2. **Public Comments:** Persons may address the Tax Increment Reinvestment Zone No. 1 Board of Directors on any issues. This is the appropriate time for citizens to address the Board on any concern whether on this agenda or not. In accordance with the State of Texas Open Meetings Act, the Board may not comment or deliberate such statements during this period, except as authorized by Section 551.042, Texas Government Code.
3. Approval of minutes of the Tax Increment Reinvestment Zone No. 1 meeting of May 10, 2023
4. Consider funding request for 310 S. College as a part of the Downtown Building Improvement Program
5. Consider funding request for various Downtown and Farmers Market-related improvements
6. Adjourn

**The Board of Directors of the Tax Increment Reinvestment Zone No. 1 reserves the right to go into Executive Session as authorized by Section 551.071(2) of the Texas Government Code, for the purpose of seeking confidential legal advice from legal counsel on any agenda item listed herein.** This meeting location is wheelchair-accessible. Parking for mobility-impaired persons is available. Any request for sign interpretive services must be made forty-eight hours ahead of the meeting. To make arrangements, call the City Secretary at 469-309-4006 or (TDD) 1-800-RELAY TX

***Notice of Potential Quorum***  
***One or more members of the Waxahachie City Council may be present at this meeting.***  
***No action will be taken by the City Council at this meeting.***

A meeting of the Board of Directors of the Tax Increment Reinvestment Zone No. 1 (TIRZ) was held on Wednesday, May 10, 2023 at 3:15 p.m. in the Council Chamber at City Hall, 401 S. Rogers, Waxahachie, Texas.

Members Present: David Hill, Mayor, Chairman  
Dusty Autrey  
Brett Hess  
Al Mack  
Shane Henry

Members Absent: Brad Yates, Vice Chairman  
Randy Vineyard

Others Present: Michael Scott, City Manager  
Albert Lawrence, Deputy City Manager  
Jami Bonner, Assistant City Secretary

**1. Call to Order**

Chairman David Hill called the meeting to order.

**2. Public Comments**

None.

**3. Approval of minutes of the Tax Increment Reinvestment Zone No. 1 meeting of February 15, 2023**

**Action:**

*Mr. Dusty Autrey moved to approve the minutes of the Tax Increment Reinvestment Zone No. 1 meeting of February 15, 2023. Mr. Al Mack seconded, All Ayes.*

**4. Consider a request from the Texas Theater for renovation assistance**

Jon Garrett, owner of the Texas Theater, presented the history of the Texas Theater, renovation information and plans for the future. Mr. Garrett noted the following:

- The property was purchased by the Garretts as is for \$450,000
- The property value has increased steadily over the years with 2022 appraisal value set as \$456,000. He noted he expected the value to increase significantly with the completed renovations.
- Renovation improvements include HVAC replacements, asbestos and abatement treatment, curtain installments to allow for a variety of uses, fire safety improvements, tile and bar upgrades, 1939 Texas Theater sign was recreated to scale, significant electrical overhaul, plumbing, lighting and sound system upgrades, and railing and ADA compliance updates. Mr. Garrett noted local contractors were hired as much as possible and preservation was top priority.

- Mr. Garrett shared performer details and explained the Texas Theater is a multi-purpose facility that can be utilized for community events, concerts, and other events such as plays, dance recitals, and comedy shows. He noted he is committed to bringing a variety of performers to the Texas Theater.
- Mr. Garrett explained the need to work with the restaurant coalition to coordinate with planned events to provide a good experience for patrons. He noted the economic impact will be felt throughout the Downtown area as local and out of town patrons will eat at restaurants, shop at boutiques, and visit bars.
- Mr. Garrett requested \$208,383 reimbursement from TIRZ for essential safety improvements and building modifications including costs for a new electrical system, mezzanine structure rebuild, and ADA compliance modifications. He explained the upgrades were essential for preservation purposes and patron safety. He noted the complete renovation cost \$776,606 and the Texas Theater meets all City code requirements.

Mr. Brett Hess thanked Mr. Garrett for purchasing and preserving the Texas Theater. He recognized the Texas Theater as an integral part of the Downtown square and noted he is supportive of the requested reimbursement.

Mr. Dusty Autrey asked City Manager Michael Scott to provide a breakdown of available TIRZ funding. Mr. Scott replied there is approximately \$1.168 million currently available and estimates \$750,000 to be collected for 2023. Mr. Autrey noted Mr. Garrett's request is approximately 27% of the total TIRZ budget.

Mr. Hess inquired about the Texas Theater's employment. Mr. Garrett replied he currently has six part time bar staff, a full-time general manager, and full-time bar lead. Mr. Hess asked if he has a projected net for the year. Mr. Garrett replied he projects approximately \$800,000 gross and \$50,000 net. He noted the Texas Theater is working on adding more revenue streams to increase the net.

Mr. Shane Henry asked for the number of seats available. Mr. Garrett replied there are approximately 225 fixed seats and 20 standing room.

Mr. Autrey noted the property taxes as currently set would pay back the request over 40 years according to the information provided; however, Mr. Garrett noted the property value of the Texas Theater is expected to significantly increase and he expects the surrounding properties to increase, as well. Mr. Scott also noted the electrical improvements will benefit the entire side of the square to prevent future damage.

Mr. Hess noted the Texas Theater will affect Downtown activities. Mr. Henry asked if Mr. Garrett has monthly plans to drive traffic Downtown. Mr. Garrett replied the current plans include to host events on Thursday, Friday, and Saturday nights and to work with the restaurant coalition to coordinate with Downtown special events.

**Action:**

*Mr. Dusty Autrey moved to approve a request not to exceed \$208,383 for renovation assistance of the Texas Theater. Mr. Shane Henry seconded, All Ayes.*

Tax Increment Reinvestment Zone No. 1

May 10, 2023

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**5. Adjourn**

There being no further business, the meeting adjourned at 3:50 p.m.

Respectfully submitted,

Jami Bonner

Assistant City Secretary

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# DOWNTOWN BUILDING IMPROVEMENT PROGRAM PACKET

**Application Requirements**

In order to be considered for a grant, a complete application must be submitted to:

**City of Waxahachie Downtown Development Department  
401 S. Rogers Street  
Waxahachie, Texas 75165**

A complete application shall include:

- Pre-application consultation with the Main Street Program manager to determine funding availability and project qualification
- Application form
- Proof of ownership of property grant is being sought for
- Before photos, in digital format
- Itemized bids from at least three (3) licensed contractors, including supplier cost estimates with at least one (1) local bid. (A bid is considered local if provided by a contractor with a business office located in Ellis County.)
- Project timetable—one (1) year maximum with the opportunity to request extensions (to be granted at sole discretion of the City)
- Inspection reports from the City of Waxahachie Building Department and Fire Marshal, if applicable
- Certificate of Fact from the Texas Secretary of State (entities only)
- Franchise Tax Account Status from the Texas State Comptroller (entities only)
- City Manager reserves the right to reject any application that does not meet the intent of this program, the Downtown Masterplan or for other reasons not considered herein. The applicant can appeal this decision to the TIRZ Board of Directors

## **DOWNTOWN BUILDING IMPROVEMENT PROGRAM GUIDELINES**

### **Purpose**

The Downtown Building Improvement Program (DBIP) is part of the City's goal to encourage economic development. The primary goal of the DBIP is to increase the occupancy of the City's downtown. Secondary goals of the program are 1) to address safety and ADA issues; 2) improve the downtown building occupancy level; 3) extend the lifecycle of existing historic buildings.

### **Advantages to Participants**

Through a partnership with the City of Waxahachie, the grant allows downtown property owners to make needed building improvements at a reduced cost. With a 50/50 match reimbursement grant of up to \$50,000 per application for eligible project costs, involvement in the program may help to increase private lender interest by improving cash flow and reducing risk.

### **Eligible Area**

Properties within the Waxahachie Downtown Historic Overlay (WDHO) district **and** the Tax Increment Reinvestment Zone (TIRZ) are eligible. Please refer to Eligible Area Map included in this packet.

### **Eligibility**

- The matching grant recipient must be the owner of the downtown property
- The property must be an existing structure located within the eligible area
- Property owner is eligible party
- The property owner must be willing to comply with all local and state laws and regulations affecting the property, its rehabilitation, and future use

### **Eligible Projects**

- Life Safety Code compliance
- Improvements for compliance with Americans with Disabilities Act (ADA)
- Structural repairs, infrastructure, roofs
- Work/repairs required to meet current code
- Historic reconstruction including storefront, door or window repair, masonry repointing, etc; removal of false fronts and additions that detract from a building's architectural or historical character

### **Funding of the Program**

The City of Waxahachie will participate in funding revitalization efforts within the Downtown Historic Overlay by reimbursing the owner for a portion of the cost to rehabilitate and renovate existing downtown properties. Reimbursement grants are provided to owners in recognition of the impacts that individual building improvements can have on overall appearance, quality, growth and vitality of the downtown. The total funds available for the DBIP at any given time may restrict the City's ability to meet a grant request.

**City Financial Participation**

Costs will be shared for the DBIP on the following basis:

- Total grant of up to \$50,000 with a 50/50 match required
- Funds available for grants are capped at \$200,000 annually
- Grant cannot exceed 50% of the total eligible project cost
- Projects that also utilize the Historic Waxahachie, Inc. façade grant are given priority
- When work has been completed in compliance with the approved application and inspected and approved by the Main Street Program manager and Building officials, the City shall remit payment for the reimbursement to the owner based on the estimate approved on the application and upon receipt of the paid bill(s) of the contractor performing the work. The City will be unable to reimburse any payment without proof of receipt.

**Program Compliance**

1. Approved construction must begin within sixty (60) days from the date of the grant approval, and must be completed within the approved timeline submitted or monies will be recycled back into the program and reimbursement will not be made.
2. Only complete applications will be considered for approval. Incomplete applications which are missing required materials will not be considered and shall expire after six (6) months. A new completed application shall be submitted in order to resume activity on a grant application.
3. The applicant may request a one (1) time thirty (30) day extension for construction commencement and a one (1) time three (3) month extension to complete the project from the Main Street Program manager. Agreements for projects not completed within nine (9) months of application approval will expire and require resubmittal of a new grant application for consideration of reinstatement of a grant award.
4. Upon grant approval, the applicant shall display a sign (provided by the City of Waxahachie) indicating participation in the DBIP. The sign must be displayed either on the exterior or in the front window of the building for a period of at least thirty (60) days after the completion of the project.
5. Photos and/or a written description of the project progression must be submitted to the Main Street Program manager every thirty (30) days with the first submission being within thirty (30) days after the project start date.
6. Property Owner agrees that, as to all of the programs and activities arising out of this Agreement, it shall fully comply with all federal and Texas civil



rights and equal employment laws, and specifically agrees that it will not discriminate against any person on the basis of race, color, national origin, sex, or by reason of being disabled.

7. **a.** Property Owner shall pay all real property and/or ad valorem taxes due and owing by it to the City of Waxahachie and all other taxing authorities having jurisdiction and any and all sewer and water bills owing to the City of Waxahachie. Property Owner will pay all employment, income, franchise and all other taxes due and owing by it to all local, state, and federal government entities. In the event the Property Owner should fail to pay ad valorem taxes owing to the City of Waxahachie or any other taxing entity and such taxes should become delinquent or its sewer and water bills should become delinquent, the Agreement shall immediately terminate, and the City will have no further obligations under this Agreement. Property Owner will repay the City any grants or payments made by the City to Property Owner pursuant to the Agreement within thirty (30) days.
  - b.** In addition, if Property Owner's operations for the duration of the grant project period cause the City of Waxahachie to be fined by any governmental entity, this Agreement shall immediately terminate, and the City will have no further obligations under this Agreement. Property Owner agrees to repay the City of Waxahachie for such fines, penalties and expenses and will repay the City any grants or payments made by the City to the Property Owner pursuant to this Agreement within thirty (30) days.
  - c.** If Property Owner should cease its operations in Waxahachie by closing its business located on the property or moving its operations from Waxahachie during the period of the grant project this Agreement will immediately be terminated and the City will have no further obligations under this Agreement. Property Owner will repay the City any grants or payments made by the City to Property Owner pursuant to this Agreement within thirty (30) days. Property Owner will notify City of any decision made by it to cease its operations or close its business.
  - d.** Property Owner is the applicant and they are responsible for anything involving the tenant if the Property Owner is not the tenant, including that the tenant is operating the business according to all laws, rules, and regulations.
8. Property Owner hereby warrants to City that it has or will obtain all necessary rights, licenses, permits, and authorities to carry on its business; there are no bankruptcy proceedings or other proceeding currently pending or contemplated and that the parties executing this Agreement on behalf of Property Owner are duly authorized by the Property Owner.

9. Pursuant to Texas Government Code Chapter 2264, Property Owner certifies that neither Property Owner nor a branch, division, or department of Property Owner will knowingly employ an undocumented worker, as defined in that statute. If, after receiving a public subsidy, Property Owner or a branch, division, or department of Property Owner is convicted of a violation under 8 U.S.C. Section 1324a (f) Property Owner shall repay the amount of the public subsidy, to wit, any money paid by the City to Property Owner pursuant to this Agreement, with interest at the rate of 18% per annum, not later than the 120 days after the date that Property Owner receives a notification of such a violation.

This Agreement shall not be assigned by Property Owner without the prior written consent of the City of Waxahachie. Approval from the City of Waxahachie is at its sole discretion and may be withheld for any reason. No such assignment shall relieve Property Owner of any of its obligations under this Agreement.

Venue for any lawsuit arising under the terms of this Agreement shall be in the appropriate Court in Ellis County, Texas.

#### **Application and Review**

Property owner(s) shall submit the Downtown Building Improvement Grant Application to the Main Street Program manager. Submittal requirements are set forth below. Upon receipt of the completed application, with all required attachments, applications shall be accepted. Projects utilizing Historic Waxahachie, Inc.'s façade grant can be accepted and considered administratively. Projects not utilizing Historic Waxahachie, Inc.'s façade grant will follow an alternate submittal process for review directly by the TIRZ board.

Staff recommendations will subsequently be presented to the Waxahachie Partnership, Inc. board for confirmation of approval to help ensure that program funds are awarded to viable improvements and will award projects believed to have the greatest impact on the community with regards to occupancy, historic preservation, and economics. All approved applications shall be finalized between the Property Owner and City staff prior to the execution of an Agreement.

The City retains the right to approve an entire request, to approve portions of the request, suggest and/or ask for changes/additions to a request before approving, or to deny any request or any portion thereof.

**Building Permit and Inspection**

A building permit must be obtained from the City prior to construction, and all work shall be inspected by the City. All approved applications should confirm with the City's Development Services team prior to construction to determine if a permit is required for their specific improvements.

**Tax Incentives**

Federal and state tax incentives may exist for owners of designated historic properties. The City of Waxahachie will provide information for property owners interested in applying for federal, state, and/or local tax incentives.

**Reimbursement Procedure**

Matching grant monies will be disbursed at the completion of the improvements and with the acceptance of the work by the City of Waxahachie. Documentation of proof of payment must be submitted with a written request for reimbursement. Acceptable proofs of payment for reimbursement include, but are not limited to the following:

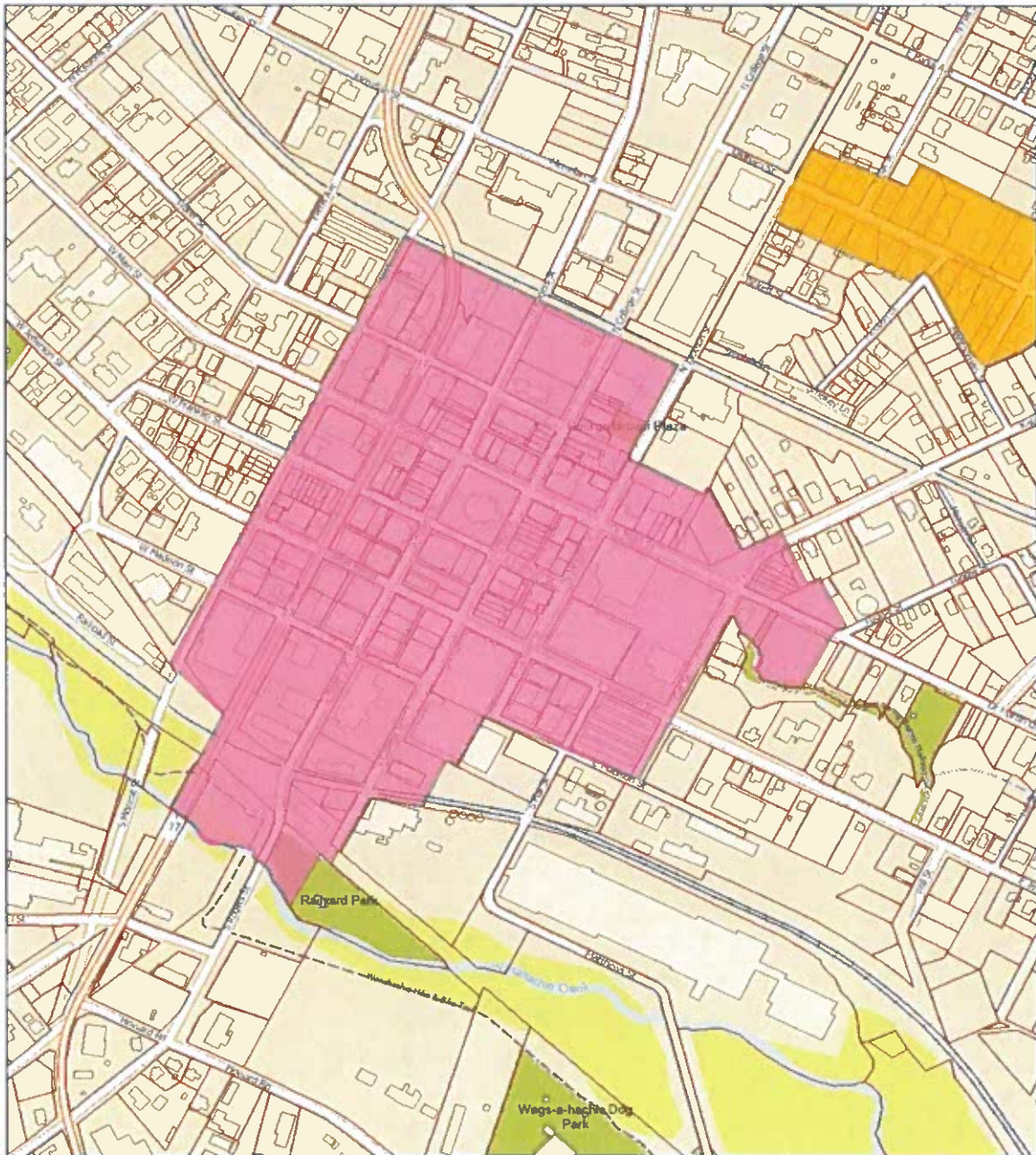
1. Itemized contractor and/or sub-contractor's invoices with the corresponding receipts and/or cancelled checks.
2. Paid invoices for materials and/or supplies with the corresponding receipts and/or cancelled checks.
3. Proof of release of any mechanic's and materialman's liens from contractors/subcontractors or acknowledgement that none were filed on the property.
4. Photos of the project shall be provided to the City of Waxahachie Main Street Program manager at the time final reimbursement is requested.
5. Final payment may not be released until the permit has passed all necessary building inspections, if applicable.

The owner of the property will supply any additional documentation as required by the City of Waxahachie to confirm expenses. A check in the amount of the grant shall be mailed directly to the grant applicant upon completion of all requirements.

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## Eligible Area Map

### ArcGIS Web Map



11/22/2022, 2:14:14 PM

- Oldham Avenue Historic District
- Downtown District
- City Limit
- Parcels

1:4,514  
0 0.1 0.2 mi  
0 0.05 0.1 0.2 km

ArcGIS Web AppBuilder

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## Downtown Building Improvement Grant Application

Supported by the City of Waxahachie and Waxahachie Main Street Program

### APPLICANT INFORMATION:

Building Owner: Harbin Building LLC Date: 6-26-23  
Tenant (if applicable): Gingerbread Antiques LLC  
Mailing Address: 615 N. Rogers Waxahachie, TX 75165  
Building Address: 310 S. College Waxahachie TX 75165  
Contact Name(s): Jim Chapman  
Contact Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

### BUILDING INFORMATION:

Physical Address: 310 S. College  
Property Legal Description: Lot 28, Block 22 Original Town Addition  
Year of Construction: 1930's Number of Stories: 2  
Building Space Type (check one):  
☐ Commercial ☒ Retail ☐ Restaurant ☐ Office ☐ Other

Details of planned improvements: (attach additional pages if necessary)

Replace ~~two~~ two AC units on ground floor for Antique mall

### ATTACH THE FOLLOWING REQUIRED DOCUMENTS:

- Scaled drawings/plans of proposed work and description of materials to be used
- Photos of current building conditions
- Copy of current commercial property insurance policy
- Licensed Contractor quotes/bids (minimum of 3 proposals unless the work is self-contracted)

- (1) Contractor name: Hicks Heat and Air LLC  
Cost Estimate: \$ 16,300
- (2) Contractor name: Wolverton Air  
Cost Estimate: \$ 16,240.09
- (3) Contractor name: Texas Air Assurance  
Cost Estimate: \$ 15,800

Quotes/bids submitted by an applicant must be current and dated no earlier than sixty (60) days prior to the application request. Quotes/bids shall be submitted on the contractor's or project architect's letterhead and shall contain the contractor's name, address, and telephone number.

Total Cost of Building Improvement Project: \$ 16,240.09

Total Grant Amount Requested: \$ 7,900 ( $\frac{1}{2}$  of lowest bid)

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**Downtown Building Improvement Agreement Form**

I, Jim Chapman, fully understand the Downtown Building Improvement Program procedures and details established by the City of Waxahachie. I intend to use this program for the aforementioned planned improvement to forward the efforts of downtown revitalization and overall aesthetic improvement of the downtown area. I affirm and understand that:

- a) The information submitted herein is true and accurate to the best of my knowledge.
- b) I have read and understand the City of Waxahachie's Downtown Building Improvement Project Guidelines and agree to be bound by and abide by these conditions.
- c) I understand that approval of a Downtown Building Improvement grant shall be communicated to the applicant in writing by the City of Waxahachie via a Downtown Building Improvement Commitment Letter.
- d) I understand that receipt of a Downtown Building Improvement Commitment Letter from the City of Waxahachie does not constitute application or approval for a City of Waxahachie building permit.
- e) I understand that any changes made to the approved building improvements without the approval of the selection committee will be cause for the City of Waxahachie to withdraw its funding commitment.

Harbin Building LLC  
**Business/Organization Name**

  
**Property Owner/Applicant's Signature**

8-26-21  
**Date**

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**CITY OF WAXAHACHIE  
DOWNTOWN BUILDING IMPROVEMENT PROGRAM**

This Agreement is by and between the City of Waxahachie, (hereinafter referred to as "CITY"), and \_\_\_\_\_, (hereinafter referred to as "Grant Recipient"), property owner of \_\_\_\_\_ (property address) located in the Waxahachie Downtown Historic Overlay (WDHO).

As part of the City's Downtown Building Improvement Program, both parties agree that this program makes Downtown more attractive and accessible, increasing the economic vitality of the buildings, increasing sales tax and property values, while preserving and enhancing Waxahachie's architectural and cultural history.

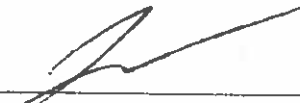
The Grant Recipient agrees and accepts funding as part of this Downtown Building Improvement Program. The Grant Recipient shall complete all work in the scope approved by the grant selection committee. The Grant Recipient shall complete all extra work in connection therewith. All work and materials shall be in strict conformity with the specifications submitted by the Grant Recipient to the City. The substantial completion of the work shall not excuse the Grant Recipient from performing all the work undertaken, whether of a minor or major nature, and thereby completing the project in accordance with the grant program guidelines and scope of work. Grant Recipient shall perform all work required for final completion of the planned improvement prior to obtaining the Grant, to the satisfaction of the City.

Signature: \_\_\_\_\_

Printed name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Tina Clegg

Partners of Austin Building LLC

6-26-23





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## Memorandum

To: Tax Increment Reinvestment Zone No. 1 Board

From: Anita Simpson, Downtown Development Director

For Thru: Michael Scott, City Manager *MS*

Date: August 23, 2023

Re: Consider Authorizing Funding from the TIRZ Fund for Downtown and Farmers Market Projects

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**Recommended Motion:** "I move to approve funding from the TIRZ fund in the amount of \$170,232 for the projects as presented by staff, and authorize the City Manager to execute all documents as necessary."

**Item Description:** Consider authorizing funding from the TIRZ fund in the amount of \$170,232 for several improvement projects enhancing the aesthetics and safety of downtown and the Farmers Market.

**Item Summary:** City Staff has evaluated and identified several projects in the downtown area and at the Farmers Market that will enhance aesthetics and safety. Several of these projects were presented as a part of the FY23-24 budget requests from the General Fund. As the TIRZ was originally established to fund these types of downtown improvement, it was determined that it would be a more appropriate funding source. The projects are listed below along with projected costs based on estimates gathered by staff. A full explanation of scope and need will be presented to the Board at the August 23<sup>rd</sup> meeting.



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Proposed Rehabilitation Projects:

- Replace 22 trash receptacles -- \$53,378
- Rewire Farmers Market facility for current use -- \$43,516
- Downtown sidewalk rehabilitations -- \$40,000
- Sidewalk replacement at City parking garage -- \$9,362
- Concrete pads under shade structures at Farmers Market -- \$8,500

The total cost of the projects recommended by staff is \$154,756. Staff would also ask the board to consider a 10% contingency totaling \$15,476 for these projects to account for any unforeseen price changes or scope of work. The grand total for all projects including the recommended contingency would be \$170,232.

**Fiscal Impact:** The \$170,232 request would be funded by the TIRZ fund and there is a sufficient fund balance to cover the improvements recommended by staff.