



City of Killeen

Agenda

City Council Workshop

Tuesday, June 5, 2018

5:00 PM

Utility Collections
Conference Room
210 West Avenue C
Killeen, Texas 76541

Items for Discussion at Workshop

1. [DS-18-042](#) Discuss Agenda Items for the Regular City Council Meeting of June 12, 2018
2. [DS-18-043](#) Discuss Potential Litigation to Recover Underpayment of Cable Franchise Fees
3. [DS-18-044](#) Litigation Update - McLean Construction, Inc. vs City of Killeen

Councilmember Requests for Future Agenda Items

4. [RQ-18-004](#) Future Agenda Item Requests:
 - Sanitary Sewer Service Repairs in Public Right-of-Way

Items for Regular City Council Meeting of June 12, 2018

Minutes

5. [MN-18-012](#) Consider Minutes of Regular City Council Meeting of May 22, 2018.

Attachments: [Minutes](#)

Resolutions

6. [RS-18-039](#) Consider a memorandum/resolution approving the investment report for the quarter ended March 31, 2018.
7. [RS-18-040](#) Consider a memorandum/resolution electing to be eligible to participate in tax abatement and re-establishing the North Killeen Tax Abatement Guidelines and Criteria.

Attachments: [Staff Report](#)

[Presentation](#)

[Map](#)

[Presentation](#)

8. [RS-18-041](#) Consider a memorandum/resolution approving an application for North Killeen Tax Abatement from 1302 Harris Killeen-PJY Investments, LLC.
Attachments: [Staff Report](#)
[Guidelines and Criteria](#)
[Agreement](#)
[Presentation](#)
9. [RS-18-042](#) Consider a memorandum/resolution authorizing the procurement of a Motor Grader for the Street Operations Division.
Attachments: [Staff Report](#)
[Quotes](#)
[Certificate of Interested Parties](#)
[Presentation](#)
10. [RS-18-043](#) Consider a memorandum/resolution to accept 2018-2019 Petco Foundation Grant Funds.
Attachments: [Staff Report](#)
[Award Letter & Pre-App](#)
[Presentation](#)
11. [RS-18-044](#) Consider a memorandum/resolution authorizing the City Manager to enter into a grant agreement with the Office of Governor, Criminal Justice Division for the purpose of continuing a Crisis Assistance Program.
Attachments: [Staff Report](#)
[Grant Application](#)
[Presentation](#)

Public Hearings

12. [PH-18-012A](#) Receive Quarterly Financial Report
Attachments: [Presentation](#)
13. [PH-18-012B](#) HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen to adjust revenue and expenditure accounts in multiple operating, special revenue, internal service, and capital improvement project funds.
Attachments: [Staff Report](#)
[Ordinance](#)
[Presentation](#)
14. [PH-18-013](#) HOLD a public hearing on the proposed FY 2018-2019 Annual Action Plan describing use of funds and authorizing application for an allocation of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. (1st of 2 Public Hearings)

Attachments: [Staff Report](#)
[CDAC Minutes](#)
[FY2018 Allocation Tables](#)
[Presentation](#)

Adjournment

I certify that the above notice of meeting was posted on the Internet and on the bulletin boards at Killeen City Hall and at the Killeen Police Department on or before 5:00 p.m. on June 1, 2018.

City Secretary

The public is hereby informed that notices for City of Killeen meetings will no longer distinguish between matters to be discussed in open or closed session of a meeting. This practice is in accordance with rulings by the Texas Attorney General that, under the Texas Open Meetings Act, the City Council may convene a closed session to discuss any matter listed on the agenda, without prior or further notice, if the matter is one that the Open Meetings Act allows to be discussed in a closed session..

This meeting is being conducted in accordance with the Texas Open Meetings Law [V.T.C.A., Government Code, § 551.001 et seq.]. This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for those services, please call 254-501-7700, City Manager's Office, or TDD 1-800-734-2989.

Notice of Meetings

The Mayor and/or City Council have been invited to attend and/or participate in the following meetings/conferences/events. Although a quorum of the members of the City Council may or may not be available to attend this meeting, this notice is being posted to meet the requirements of the Texas Open Meetings Act and subsequent opinions of the Texas Attorney General's Office. No official action will be taken by Council.

Dedicated Service -- Every Day, for Everyone!



City of Killeen

Legislation Details

File #: DS-18-042 **Version:** 1 **Name:** Discuss Agenda Items
Type: Discussion Items **Status:** Discussion Items
File created: 5/21/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Discuss Agenda Items for the Regular City Council Meeting of June 12, 2018
Sponsors: City Manager Department
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: DS-18-043 **Version:** 1 **Name:** Discuss Potential Litigation to Recover Underpayment of Cable Franchise Fees

Type: Discussion Items **Status:** Discussion Items

File created: 4/25/2018 **In control:** City Council Workshop

On agenda: 6/5/2018 **Final action:**

Title: Discuss Potential Litigation to Recover Underpayment of Cable Franchise Fees

Sponsors: City Attorney Department

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: DS-18-044 **Version:** 1 **Name:** Litigation update
Type: Discussion Items **Status:** Discussion Items
File created: 5/21/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Litigation Update - McLean Construction, Inc. vs City of Killeen
Sponsors: City Manager Department, City Attorney Department
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: RQ-18-004 **Version:** 1 **Name:** Future Agenda Requests
Type: Future Agenda Requests **Status:** Future Agenda Items
File created: 4/3/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Future Agenda Item Requests:
· Sanitary Sewer Service Repairs in Public Right-of-Way
Sponsors: City Council
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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City of Killeen

Legislation Details

File #: MN-18-012 **Version:** 1 **Name:** Minutes of Regular City Council Meeting of May 22, 2018
Type: Minutes **Status:** Minutes
File created: 5/21/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Consider Minutes of Regular City Council Meeting of May 22, 2018.
Sponsors: City Secretary
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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City of Killeen
Regular City Council Meeting
Killeen City Hall
May 22, 2018 at 5:00 p.m.

Presiding: Mayor Jose L. Segarra

Attending: Mayor Pro-Tem Jim Kilpatrick, Councilmembers Debbie Nash-King, Juan Rivera, Shirley Fleming, Gregory Johnson, and Steve Harris.

Also attending were City Manager Ronald L. Olson, City Attorney Kathryn Davis, Interim City Secretary Dianne Morrow, and Sergeant-at-Arms Cole.

Mr. Jones gave the invocation, and Gracie and Prince Wilson from Bellaire Elementary led everyone in the Pledge of Allegiance.

Approval of Agenda

Motion was made by Mayor Pro-Tem Kilpatrick to approve the agenda as written. Motion seconded by Councilmember Fleming. The motion carried unanimously.

Oath of Office

Judge Mark Kimball administered the Oath to Butch Menking.

Presentations

PR-18-004 Presentation: U.S. Census Bureau
Rebecca Briscoe briefed those present on the 2020 U.S. Census operations.

PR-18-005 Presentation: MDA Check Presentation
Ms. Toni Brooks and Mr. Heath Haverland from the Killeen Professional Fire Fighters Association (KPFFA) presented a check to the Muscular Dystrophy Association for \$76,751 for the Fill The Boot campaign. Laura Lutrick, Executive Director for the MDA Austin office thanked the KPFFA with a plaque and also presented Mayor Segarra with a Citizen's Award plaque.

Minutes

Motion was made by Councilmember Rivera to approve the minutes of the May 8, 2018 Regular City Council Meeting. Motion was seconded by Councilmember Nash-King . Motion carried unanimously.

Motion was made by Councilmember Rivera to approve the minutes of the May 15, 2018 Special City Council Meeting. Motion was seconded by Councilmember Johnson . Motion carried unanimously.

Resolutions

- RS-18-036** Consider a memorandum/resolution authorizing a contract for the application of pavement reclamite rejuvenating agent on identified city roadways with Pavement Restoration, Inc.

Staff Comments: David Olson

Street Operations has been reviewing options for street maintenance which would allow a decrease of maintenance costs but allow for equal to or better quality of surface treatment on identified roadways. This method is presented to preserve asphalt pavement using an asphalt rejuvenator to extend pavement service life, thus decreasing maintenance costs. City staff recommends that City Council award the contract to Pavement Restoration, Inc. for pavement rejuvenation; authorize the City Manager to enter into a contract with the same, including the proposed terms described herein; and finally, authorize the City Manager to execute any and all change orders in the amounts established by State and Local law.

Motion was made by Mayor Pro-Tem Kilpatrick to approve RS-18-036. Motion was seconded by Councilmember Fleming. Motion carried unanimously.

- RS-18-037** Consider a memorandum/resolution to amend the Financial Governance Policies and approve the programs citizens may contribute to through their City utility bill.

Staff Comments: Jonathan Locke

There has been interest by City Council and staff to expand the acceptance of utility bill contributions to provide additional resources for other programs in addition to the Senior Citizen Utility Bill Assistance Program. At the April 17, 2018 City Council Workshop, staff proposed adding Summer Youth Program and Animal Services Unit. The City Council reached a consensus to bring the proposed item back for formal consideration. With the addition of these two programs, citizens will have the option of contributing via their utility bills. Staff recommends that City Council approve an amendment to the Financial Governance Policies and the addition of Summer Youth Program and Animal Services Unit to the programs citizens may contribute to through their City utility bill.

Motion was made by Councilmember Fleming to approve RS-18-037. Motion was seconded by Councilmember Johnson. Motion carried unanimously.

- RS-18-038** Consider a memorandum/resolution approving the appointment of the City Secretary.

Staff Comments: Kathryn Davis

City Secretary Dianna Barker resigned May 16, 2018 to take a job in another city, after almost 5 years of dedicated service to the City of Killeen. Sec. 29 of the City of Killeen Charter provides that the appointment of the new City Secretary is subject to the Council's approval. Staff recommends that the City Council approve the appointment of Ms. Lucy Aldrich as Killeen's City Secretary. If approved, Ms. Aldrich will officially assume the duties of City Secretary effective

June 4, 2018.

Motion was made by Councilmember Nash-King to approve RS-18-038. Motion was seconded by Councilmember Rivera. Motion carried unanimously.

Public Hearings

PH-18-009 HOLD a public hearing and consider an ordinance requested by Gary W. Purser Jr. on behalf of RSBP Developers, Inc. (Case#Z18-06) to rezone Lot 1, Block 10, Lot 1, Block 11 and Lot 2, Block 13, Bunny Trail Estates, Phase One and Lots 3-19, Block 10, Lots 24-34, Block 11 and Lots 3-18, Block 13, Bunny Trail Estates Phase Two from Planned Unit development (PUD) with "R-1" (Single-family Residential District) uses to Planned Unit Development (PUD) with "R-1" (Single-family Residential District) uses to decrease the required side yard setback from 9 feet to 7 feet and increase the required rear yard setback from 17 feet to 25 feet. The properties are addressed as 3704 Jack Barnes Avenue; 3207 Brunswick Drive; 3704, 3705, 3706, 3707, 3708, 3709, 3710 and 3711 Brunswick Drive; 3800, 3801, 3802, 3803, 3804, 3805, 3806, 3807, 3808, 3809, 3810, 3811 and 3900 Brunswick Drive; 3901, 3903, 3905, 3907, 3909, 3911 and 4001 Brunswick Drive; 3703, 3705, 3707, 3709, 3711, 3801, 3803, 3805, 3807, 3809, 3811, 3901, 3903, 3905, 3907, 3909, 3911 Anvil Range Road, Killeen, Texas.

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF KILLEEN BY CHANGING THE ZONING OF CERTAIN PROPERTY OUT OF THE CITY OF KILLEEN, BELL COUNTY, TEXAS, FROM FROM PLANNED UNIT DEVELOPMENT (PUD) WITH "R-1" (SINGLE FAMILY RESIDENTIAL DISTRICT) USES TO PLANNED UNIT DEVELOPMENT (PUD) WITH "R-1" (SINGLE FAMILY RESIDENTIAL DISTRICT) USES TO AMEND SIDE AND REAR YARD SETBACKS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE

Staff comments: Tony McIlwain

Staff notified one hundred and sixty six (166) surrounding property owners that own land within 200 feet of the subject properties regarding this request and received one opposition from Ms. Christie Horejsi, the owner of 3808 Endicott Drive. The Planning and Zoning Commission recommended approval of the applicant's request by a vote of 5 to 0 with Ben Purser abstaining.

Mayor Segarra opened the public hearing.

Mellisa Brown, 6105 Melanie Dr. - spoke against the request.
with no one else appearing, the public hearing was closed.

Motion was made by Councilmember Rivera to approve PH-18-009. Motion was seconded by Councilmember Nash-King. Motion carried 6 to 1 with Councilmember Harris opposing.

PH-18-010 HOLD a public hearing and consider an ordinance requested by Whitis Land Investments, Ltd. (Case#Z18-07) to rezone Lot 1B, Block 2, Bridgewood Addition

Phase III Replat, from "B-3" (Local Business District) to "B-5" (Business District) to allow for automobile service. The property is located at 4300 W. Stan Schlueter Loop (FM 3470), Killeen, Texas.

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF KILLEEN BY CHANGING THE ZONING OF CERTAIN PROPERTY OUT OF THE CITY OF KILLEEN, BELL COUNTY, TEXAS, FROM "B-3" (LOCAL BUSINESS DISTRICT) TO "B-5" (BUSINESS DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE

Staff comments: Tony McIlwain

Staff notified twenty one (21) surrounding property owners that own land within 200 feet of the subject site regarding this request; no protests were received.

The Planning and Zoning Commission recommended approval of the rezone request from "B-3" (Local Business District) to "B-4" (Business District) by a vote of 6 to 0.

Mayor Segarra opened the public hearing.

Mellisa Brown, 6105 Melanie Dr. - spoke against the request.
with no one else appearing, the public hearing was closed.

Motion was made by Councilmember Johnson to approve PH-18-010. Motion was seconded by Councilmember Nash-King. Motion carried 5 to 2 with Councilmember Fleming and Harris opposing.

PH-18-011 HOLD a public hearing and consider an ordinance requested by KNC Associates (FLUM#Z18-08) to amend the Comprehensive Plan's Future Land Use Map (FLUM) from 'Suburban Commercial' to a 'Planned Development' designated area for approximately 50.5 acres, out of the Robert Cunningham Survey, Abstract No. 15 and Part of Lot 2, Block 1, Rosewood Addition. The subject property is generally located approximately 300 feet south of Central Texas Expressway, along the east and west sides of Rosewood Drive, Killeen, Texas.

The City Secretary read the caption of the ordinance.

AN ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF KILLEEN BY CHANGING THE ZONING OF CERTAIN PROPERTY OUT OF THE CITY OF KILLEEN, BELL COUNTY, TEXAS, FROM "SUBURBAN COMMERCIAL" TO A "PLANNED DEVELOPMENT"; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE

Staff Comments: Tony McIlwain

KNC Associates is requesting a FLUM amendment to change the designation of the subject area from 'General Commercial' (GC) to 'Planned Development' (PD). The location of the subject property makes it ideally situated as a gateway project for the City of Killeen. The applicant is currently exploring a variety of

potential uses, including retail, commercial, multi-family residential, as well as single-family and attached residential dwellings. The intent is to master plan the area as a mixed-use development with commercial uses fronting Rosewood Drive and residential uses further to the east and west sides of the property. Changing the designation on the FLUM to 'Planned Development' will provide the developer with flexibility to do mixed uses and provide the City an opportunity to get better quality development.

This area has been designated as Suburban Commercial on the FLUM since the map's inception. A portion of the property (approx. 47 acres) has been zoned "B-3" (Local Business District) since 1996; the remainder was rezoned from "R-1" (Single Family Residential District) to "B-3" in 2015, at the current property owner's request. Approximately 50.5 acres of the subject area is unplatted; a portion of the area on the east side of Rosewood Drive was platted in 1996 as Rosewood Addition.

Staff is of the determination that developing the site as entirely commercial is not realistic, and that providing for a range of uses including commercial, single-family, and multi-family is more suitable for this property. The Planning and Zoning Commission recommended approval of the request to amend the FLUM from its current 'Suburban Commercial' designation to 'Planned Development' by a vote of 6 to 0

Mayor Segarra opened the public hearing.

Pedro Quintero, 415 E. Avenue D - spoke for the request.

Mellisa Brown, 6105 Melanie Dr. - spoke against the request.

with no one else appearing, the public hearing was closed.

Motion was made by Councilmember Nash-King to approve PH-18-011. Motion was seconded by Councilmember Rivera. Motion carried 5 to 2 with Councilmember Fleming and Harris opposing.

Adjournment

With no further business, upon motion being made by Councilmember Rivera, seconded by Councilmember Nash-King, and unanimously approved, the meeting was adjourned at 6:32 p.m.



City of Killeen

Legislation Details

File #: RS-18-039 **Version:** 1 **Name:** Quarterly Investment Report for the period ending March 31, 2018

Type: Resolution **Status:** Resolutions

File created: 4/24/2018 **In control:** City Council Workshop

On agenda: 6/5/2018 **Final action:**

Title: Consider a memorandum/resolution approving the investment report for the quarter ended March 31, 2018.

Sponsors: Finance Department

Indexes:

Code sections:

Attachments: [Staff Report](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Quarterly Investment Report

BACKGROUND AND FINDINGS:

The attached investment report summarizes all investment activity for the quarter that ended March 31, 2018. The highlights of the report are as follows:

	Oct - Dec 2017	Jan - Mar 2018	Change
Interest Income	\$253,019	\$354,504	40.11%
Investment Balance	\$102,576,976	\$101,112,721	-1.43%
Average Yield	1.35%	1.54%	0.19%

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

The City of Killeen's investment policy requires that a quarterly report of investment activity be submitted to the City Council within a reasonable time after the end of each quarter. The quarterly report shall include a detailed description of the investment position of the City, summarize the investment activity in each pooled fund group, state the total rate of return on the investment portfolio, and contain information regarding the market value and book values of each separately invested asset. The report also states the compliance of the investment portfolio of the City as it relates to the investment strategy expressed in the City's policy and the relevant provisions of the Public Funds Investment Act.

FINANCIAL IMPACT:

Our investment portfolio directly impacts our interest earnings and aligns with current budgeted amounts.

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Staff recommends that the City Council approve the attached investment report for the quarter that ended March 31, 2018.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

Quarterly Investment Report



City of Killeen

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2018

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Killeen is in compliance with the Public Funds Investment Act and the Investment Policy and Strategies.

Jonathan Locke, Executive Director of Finance

Karen Evans, Assistant Director of Finance

Disclaimer: These reports were compiled using information provided by the City. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	Ave. Yield	March 31, 2018		December 31, 2017	
		Book Value	Market Value	Book Value	Market Value
Demand Accounts	0.34%	\$ 13,257,630	\$ 13,257,630	\$ 11,189,309	\$ 11,189,309
Pools/MMA	1.65%	21,916,622	21,916,622	33,846,762	33,846,762
Securities/CDs	1.75%	65,938,469	65,938,469	57,540,905	57,540,905
Totals		\$ 101,112,721	\$ 101,112,721	\$ 102,576,976	\$ 102,576,976

Current Quarter Average Yield (1)

Total Portfolio 1.54%

Rolling Three Mo. Treas. Yield 1.58%

Rolling Six Mo. Treas. Yield 1.58%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 1.45%

Rolling Three Mo. Treas. Yield 1.40%

Rolling Six Mo. Treas. Yield 1.42%

Quarterly TexPool Yield 1.35%

	Interest Income	Bank Fees Offset
Quarterly	\$ 354,504	\$ 10,477
Year-to-date	\$ 607,523	\$ 20,549

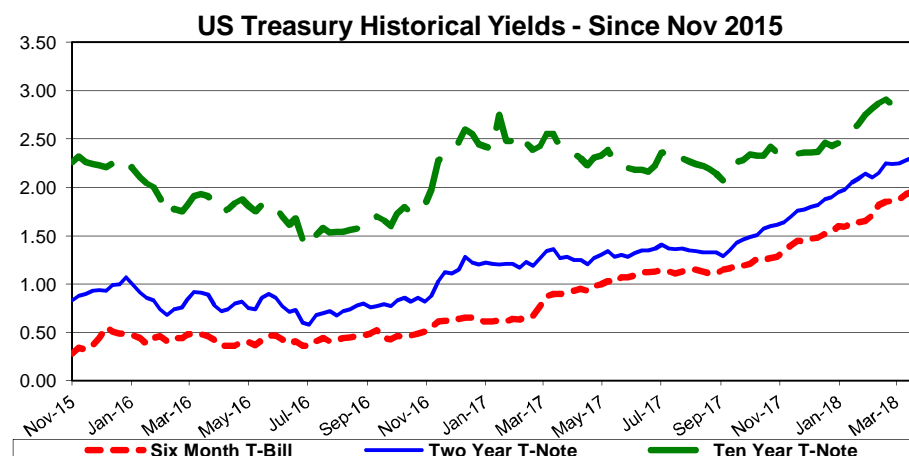
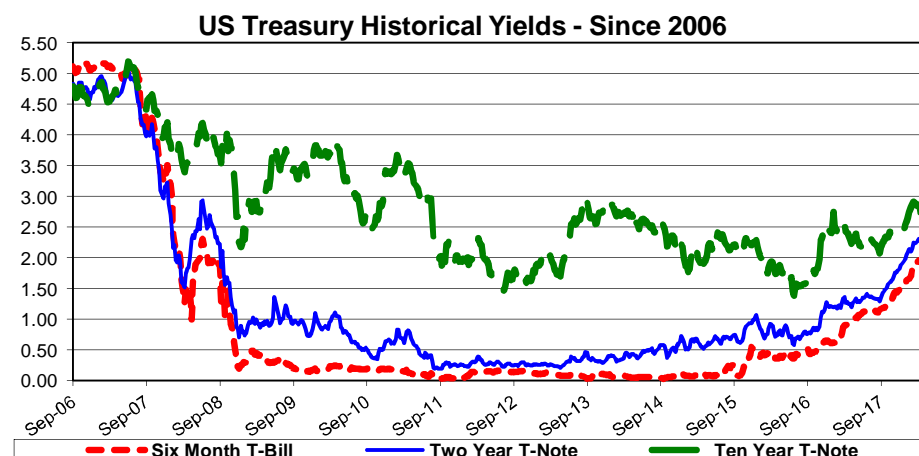
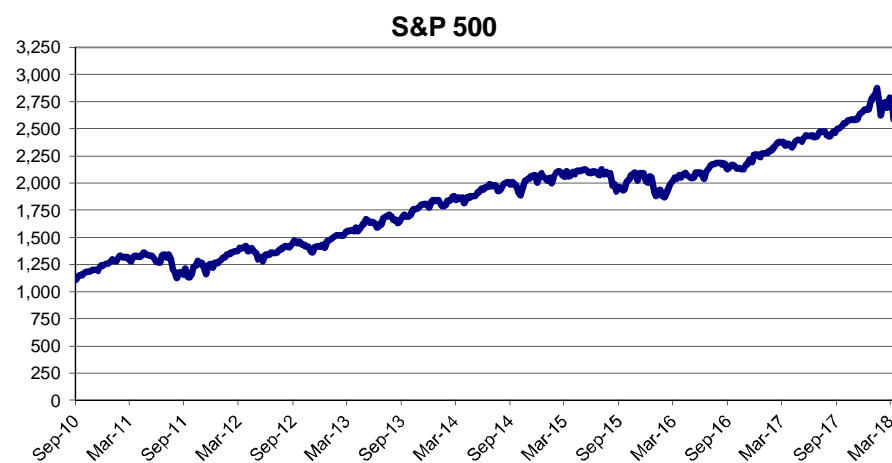
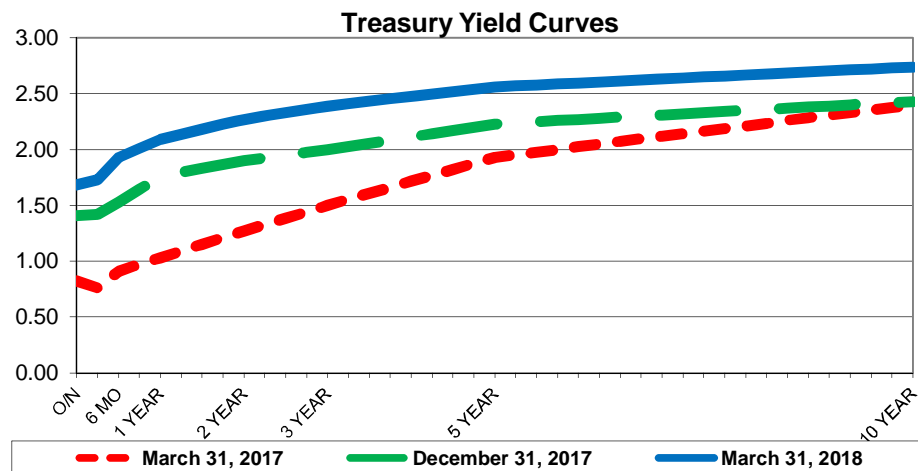
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

3/31/2018

The Federal Open Market Committee (FOMC) increased the Fed Funds target range 0.25% to 1.50% - 1.75% (Effective Fed Funds are trading +/-1.68%). Two to three additional increases are projected for 2018 (although subject to economic activity). Gradual portfolio reduction continues by limiting reinvestment of maturing holdings. Fourth Quarter 2017 GDP measured 2.9% (third/final estimate). February Non Farm Payroll data jumped +313k (well above the expected +205k). The Three Month Average increased to +242k. World events raised some uncertainty (Korea, Russia, Middle East). WTI Crude oil maintained +/- \$65. The Stock Markets waffled 5% to 10% below recent highs. The post-FOMC meeting press release pointed to continuing and frequent rate increases.



Investment Holdings

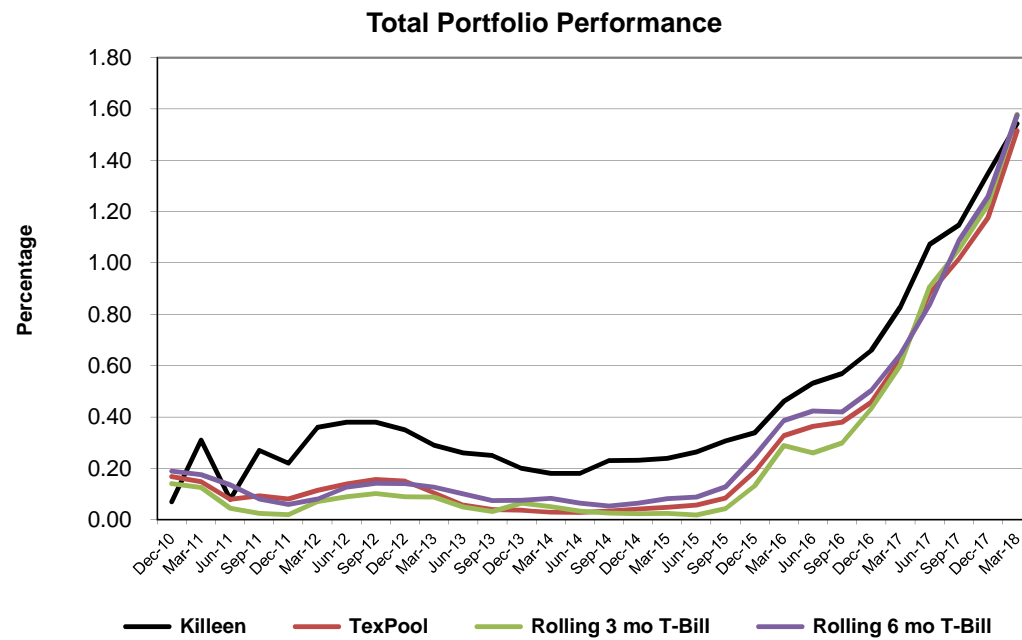
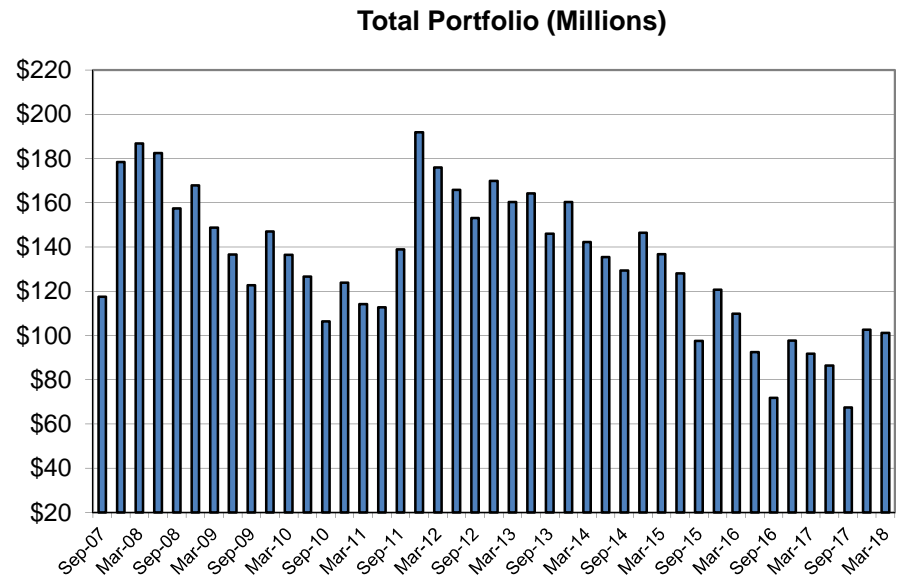
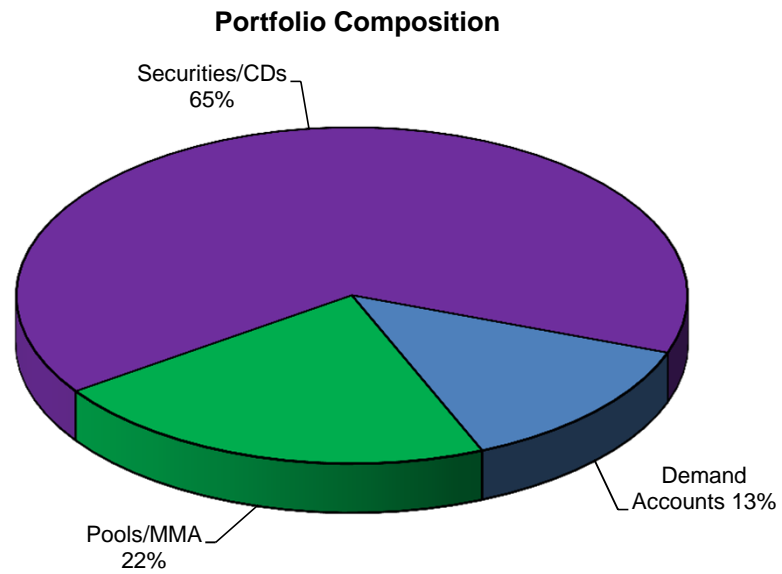
March 31, 2018

Description	Ratings	Coupon/ Discount	Maturity Date	Settlement Date	Par Value	Book Value	Market Price	Market Value	Life (Days)	Yield
BBVA Demand Account (3)		0.34%	04/01/18	03/31/18	\$ 13,027,202	\$ 13,027,202	1.00	\$ 13,027,202	1	0.34%
Cash on Hand		0.00%	04/01/18	03/31/18	10,495	10,495	1.00	10,495	1	0.00%
Hometown Cash on Hand		0.00%	04/01/18	03/31/18	219,933	219,933	1.00	219,933	1	0.00%
Southside Bank MMA		1.64%	04/01/18	03/31/18	8,736,447	8,736,447	1.00	8,736,447	1	1.64%
LegacyTexas MMA		1.57%	04/01/18	03/31/18	21,530	21,530	1.00	21,530	1	1.57%
Green Bank MMA		1.43%	04/01/18	03/31/18	2,418,341	2,418,341	1.00	2,418,341	1	1.43%
NexBank MMA		1.81%	04/01/18	03/31/18	7,214,865	7,214,865	1.00	7,214,865	1	1.81%
TexSTAR	AAAm	1.50%	04/01/18	03/31/18	3,525,439	3,525,439	1.00	3,525,439	1	1.50%
Lubbock National Bank CD		1.25%	04/02/18	03/14/17	2,025,144	2,025,144	100.00	2,025,144	2	1.25%
Lubbock National Bank CD		1.25%	05/01/18	03/14/17	1,012,572	1,012,572	100.00	1,012,572	31	1.25%
LegacyTexas Bank CD		1.20%	06/01/18	12/29/16	3,045,191	3,045,191	100.00	3,045,191	62	1.20%
Central National Bank CD		1.51%	07/03/18	05/01/17	5,057,308	5,057,308	100.00	5,057,308	94	1.51%
BBVA Compass Bank CD		1.30%	07/03/18	04/13/17	5,569,278	5,569,278	100.00	5,569,278	94	1.30%
LegacyTexas Bank CD		1.48%	08/01/18	09/01/17	6,044,170	6,044,170	100.00	6,044,170	123	1.48%
BBVA Compass Bank CD		1.40%	09/18/18	04/13/17	2,533,924	2,533,924	100.00	2,533,924	171	1.40%
Third Coast Bank SSB CD		1.85%	12/15/18	12/15/17	4,018,247	4,018,247	100.00	4,018,247	259	1.85%
LegacyTexas Bank CD		1.50%	01/03/19	06/01/17	2,022,551	2,022,551	100.00	2,022,551	278	1.50%
Third Coast Bank SSB CD		1.90%	03/15/19	12/15/17	5,023,425	5,023,425	100.00	5,023,425	349	1.90%
Green Bank CD		1.95%	04/03/19	01/03/18	2,000,000	2,000,000	100.00	2,000,000	368	1.95%
BBVA Compass Bank CD		1.92%	06/08/19	12/08/17	12,071,398	12,071,398	100.00	12,071,398	434	1.92%
Green Bank CD		2.00%	07/03/19	01/03/18	2,000,000	2,000,000	100.00	2,000,000	459	2.00%
LegacyTexas Bank CD		2.28%	08/01/19	03/02/18	8,000,000	8,000,000	100.00	8,000,000	488	2.28%
BBVA Compass Bank CD		1.97%	09/08/19	12/08/17	2,515,262	2,515,262	100.00	2,515,262	526	1.97%
Green Bank CD		2.08%	01/03/20	01/03/18	3,000,000	3,000,000	100.00	3,000,000	643	2.08%
					\$101,112,721	\$101,112,721		\$101,112,721	196	1.54%
									(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, cash equivalent investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for cash equivalent investments.

(3) **Bank Fees Offset Equivalent Yield** - Compensating balance in bank operating account yielded a blended equivalent investment yield as a result of Bank fees offset.



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017		Purchases/ Adjustments	Sales/Adjust/ Maturities	March 31, 2018	
			Par Value	Book Value			Par Value	Book Value
BBVA Demand Account	0.34%	04/01/18	\$ 10,980,839	\$ 10,980,839	\$ 2,046,363	\$ —	\$ 13,027,202	\$ 13,027,202
Cash on Hand	0.00%	04/01/18	10,495	10,495			10,495	10,495
Hometown Cash on Hand	0.00%	04/01/18	197,975	197,975	21,958		219,933	219,933
Southside Bank MMA	1.64%	04/01/18	4,661,934	4,661,934	4,074,513		8,736,447	8,736,447
LegacyTexas MMA	1.57%	04/01/18	21,454	21,454	76		21,530	21,530
Green Bank MMA	1.43%	04/01/18	9,161,023	9,161,023		(6,742,682)	2,418,341	2,418,341
NexBank MMA	1.81%	04/01/18	7,183,942	7,183,942	30,923		7,214,865	7,214,865
TexSTAR	1.50%	04/01/18	12,818,410	12,818,410		(9,292,970)	3,525,439	3,525,439
Origin Bank CD	1.25%	01/02/18	245,000	245,000		(245,000)	—	—
Southside Bank CD	0.97%	01/03/18	4,038,941	4,038,941		(4,038,941)	—	—
Lubbock National Bank CD	1.20%	03/01/18	2,522,694	2,522,694		(2,522,694)	—	—
Lubbock National Bank CD	1.25%	04/02/18	2,018,915	2,018,915	6,229		2,025,144	2,025,144
Lubbock National Bank CD	1.25%	05/01/18	1,009,457	1,009,457	3,115		1,012,572	1,012,572
LegacyTexas Bank CD	1.20%	06/01/18	3,036,199	3,036,199	8,993		3,045,191	3,045,191
Central National Bank CD	1.51%	07/03/18	5,038,133	5,038,133	19,175		5,057,308	5,057,308
BBVA Compass Bank CD	1.30%	07/03/18	5,551,483	5,551,483	17,795		5,569,278	5,569,278
LegacyTexas Bank CD	1.48%	08/01/18	6,022,166	6,022,166	22,004		6,044,170	6,044,170
BBVA Compass Bank CD	1.40%	09/18/18	2,525,207	2,525,207	8,717		2,533,924	2,533,924
Third Coast Bank SSB CD	1.85%	12/15/18	4,000,000	4,000,000	18,247		4,018,247	4,018,247
LegacyTexas Bank CD	1.50%	01/03/19	2,015,088	2,015,088	7,462		2,022,551	2,022,551
Third Coast Bank SSB CD	1.90%	03/15/19	5,000,000	5,000,000	23,425		5,023,425	5,023,425
Green Bank CD	1.95%	04/03/19	—	—	2,000,000		2,000,000	2,000,000
BBVA Compass Bank CD	1.92%	06/08/19	12,014,518	12,014,518	56,880		12,071,398	12,071,398
Green Bank CD	2.00%	07/03/19	—	—	2,000,000		2,000,000	2,000,000
LegacyTexas Bank CD	2.28%	08/01/19	—	—	8,000,000		8,000,000	8,000,000
BBVA Compass Bank CD	1.97%	09/08/19	2,503,103	2,503,103	12,159		2,515,262	2,515,262
Green Bank CD	2.08%	01/03/20	—	—	3,000,000		3,000,000	3,000,000
TOTAL			\$ 102,576,976	\$ 102,576,976	\$ 21,378,033	\$ (22,842,288)	\$ 101,112,721	\$ 101,112,721

Market Value Comparison

Description	Coupon/ Discount	Maturity Date	December 31, 2017		Qtr to Qtr Change	March 31, 2018	
			Par Value	Market Value		Par Value	Market Value
BBVA Demand Account	0.34%	04/01/18	\$ 10,980,839	\$ 10,980,839	\$ 2,046,363	\$ 13,027,202	\$ 13,027,202
Cash on Hand	0.00%	04/01/18	10,495	10,495		10,495	10,495
Hometown Cash on Hand	0.00%	04/01/18	197,975	197,975	21,958	219,933	219,933
Southside Bank MMA	1.64%	04/01/18	4,661,934	4,661,934	4,074,513	8,736,447	8,736,447
LegacyTexas MMA	1.57%	04/01/18	21,454	21,454	76	21,530	21,530
Green Bank MMA	1.43%	04/01/18	9,161,023	9,161,023	(6,742,682)	2,418,341	2,418,341
NexBank MMA	1.81%	04/01/18	7,183,942	7,183,942	30,923	7,214,865	7,214,865
TexSTAR	1.50%	04/01/18	12,818,410	12,818,410	(9,292,970)	3,525,439	3,525,439
Origin Bank CD	1.25%	01/02/18	245,000	245,000	(245,000)	—	—
Southside Bank CD	0.97%	01/03/18	4,038,941	4,038,941	(4,038,941)	—	—
Lubbock National Bank CD	1.20%	03/01/18	2,522,694	2,522,694	(2,522,694)	—	—
Lubbock National Bank CD	1.25%	04/02/18	2,018,915	2,018,915	6,229	2,025,144	2,025,144
Lubbock National Bank CD	1.25%	05/01/18	1,009,457	1,009,457	3,115	1,012,572	1,012,572
LegacyTexas Bank CD	1.20%	06/01/18	3,036,199	3,036,199	8,993	3,045,191	3,045,191
Central National Bank CD	1.51%	07/03/18	5,038,133	5,038,133	19,175	5,057,308	5,057,308
BBVA Compass Bank CD	1.30%	07/03/18	5,551,483	5,551,483	17,795	5,569,278	5,569,278
LegacyTexas Bank CD	1.48%	08/01/18	6,022,166	6,022,166	22,004	6,044,170	6,044,170
BBVA Compass Bank CD	1.40%	09/18/18	2,525,207	2,525,207	8,717	2,533,924	2,533,924
Third Coast Bank SSB CD	1.85%	12/15/18	4,000,000	4,000,000	18,247	4,018,247	4,018,247
LegacyTexas Bank CD	1.50%	01/03/19	2,015,088	2,015,088	7,462	2,022,551	2,022,551
Third Coast Bank SSB CD	1.90%	03/15/19	5,000,000	5,000,000	23,425	5,023,425	5,023,425
Green Bank CD	1.95%	04/03/19	—	—	2,000,000	2,000,000	2,000,000
BBVA Compass Bank CD	1.92%	06/08/19	12,014,518	12,014,518	56,880	12,071,398	12,071,398
Green Bank CD	2.00%	07/03/19	—	—	2,000,000	2,000,000	2,000,000
LegacyTexas Bank CD	2.28%	08/01/19	—	—	8,000,000	8,000,000	8,000,000
BBVA Compass Bank CD	1.97%	09/08/19	2,503,103	2,503,103	12,159	2,515,262	2,515,262
Green Bank CD	2.08%	01/03/20	—	—	3,000,000	3,000,000	3,000,000
TOTAL			\$ 102,576,976	\$ 102,576,976	\$ (1,464,254)	\$ 101,112,721	\$ 101,112,721

Allocation

March 31, 2018

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	04/01/18	\$ 13,027,202	\$ 11,675,795	\$ —	\$ 87,666	\$ 1,215,969	\$ 47,771
Cash on Hand	04/01/18	10,495		4,395	2,000	4,100	
Hometown Cash on Hand	04/01/18	219,933		219,933			
Southside Bank MMA	04/01/18	8,736,447	8,736,447				
LegacyTexas MMA	04/01/18	21,530	21,530				
Green Bank MMA	04/01/18	2,418,341	2,418,341				
NexBank MMA	04/01/18	7,214,865	7,214,865				
TexSTAR	04/01/18	3,525,439	3,525,439				
Lubbock National Bank CD	04/02/18	2,025,144	2,025,144				
Lubbock National Bank CD	05/01/18	1,012,572	1,012,572				
LegacyTexas Bank CD	06/01/18	3,045,191	3,045,191				
Central National Bank CD	07/03/18	5,057,308	5,057,308				
BBVA Compass Bank CD	07/03/18	5,569,278	5,569,278				
LegacyTexas Bank CD	08/01/18	6,044,170	6,044,170				
BBVA Compass Bank CD	09/18/18	2,533,924	2,533,924				
Third Coast Bank SSB CD	12/15/18	4,018,247	4,018,247				
LegacyTexas Bank CD	01/03/19	2,022,551	2,022,551				
Third Coast Bank SSB CD	03/15/19	5,023,425	5,023,425				
Green Bank CD	04/03/19	2,000,000	2,000,000				
BBVA Compass Bank CD	06/08/19	12,071,398	12,071,398				
Green Bank CD	07/03/19	2,000,000	2,000,000				
LegacyTexas Bank CD	08/01/19	8,000,000	8,000,000				
BBVA Compass Bank CD	09/08/19	2,515,262	2,515,262				
Green Bank CD	01/03/20	3,000,000	3,000,000				
Totals		\$ 101,112,721	\$ 99,530,887	\$ 224,328	\$ 89,666	\$ 1,220,069	\$ 47,771

Allocation

December 31, 2017

Book & Market Value	Maturity Date	Total	Pooled Investments	General Fund	Special Revenue	Enterprise Funds	Employee Benefit Trust
BBVA Demand Account	01/01/18	\$ 10,980,839	\$ 9,776,356	\$ —	\$ 72,146	\$ 1,077,092	\$ 55,245
Cash on Hand	01/01/18	10,495		4,395	2,000	4,100	
Hometown Cash on Hand	01/01/18	197,975		197,975			
Southside Bank MMA	01/01/18	4,661,934	4,661,934				
LegacyTexas MMA	01/01/18	21,454	21,454				
Green Bank MMA	01/01/18	9,161,023	9,161,023				
NexBank MMA	01/01/18	7,183,942	7,183,942				
TexSTAR	01/01/18	12,818,410	12,818,410				
Origin Bank CD	01/02/18	245,000	245,000				
Southside Bank CD	01/03/18	4,038,941	4,038,941				
Lubbock National Bank CD	03/01/18	2,522,694	2,522,694				
Lubbock National Bank CD	04/02/18	2,018,915	2,018,915				
Lubbock National Bank CD	05/01/18	1,009,457	1,009,457				
LegacyTexas Bank CD	06/01/18	3,036,199	3,036,199				
Central National Bank CD	07/03/18	5,038,133	5,038,133				
BBVA Compass Bank CD	07/03/18	5,551,483	5,551,483				
LegacyTexas Bank CD	08/01/18	6,022,166	6,022,166				
BBVA Compass Bank CD	09/18/18	2,525,207	2,525,207				
Third Coast Bank SSB CD	12/15/18	4,000,000	4,000,000				
LegacyTexas Bank CD	01/03/19	2,015,088	2,015,088				
Third Coast Bank SSB CD	03/15/19	5,000,000	5,000,000				
BBVA Compass Bank CD	06/08/19	12,014,518	12,014,518				
BBVA Compass Bank CD	09/08/19	2,503,103	2,503,103				
Totals		\$ 102,576,976	\$ 101,164,023	\$ 202,370	\$ 74,146	\$ 1,081,192	\$ 55,245



City of Killeen

Legislation Details

File #:	RS-18-040	Version:	1	Name:	North Killeen Revitalization Area Tax Abatement Guidelines and Criteria
Type:	Resolution	Status:			Resolutions
File created:	5/11/2018	In control:			City Council Workshop
On agenda:	6/5/2018	Final action:			
Title:	Consider a memorandum/resolution electing to be eligible to participate in tax abatement and re-establishing the North Killeen Tax Abatement Guidelines and Criteria.				
Sponsors:	Planning & Development Dept				
Indexes:					
Code sections:					
Attachments:	Staff Report Guidelines and Criteria Map Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: 5 June, 2018

TO: Ronald L. Olson, City Manager

FROM: Ray Shanaa, Exec. Director of Planning and Development Services

SUBJECT: Electing Eligibility And Re-Adoption Of The Guidelines And Criteria For North Killeen Tax Abatements

BACKGROUND AND FINDINGS:

In March of 2015 at a combined meeting of the Killeen City Council and Planning and Zoning Commission, it was decided that a committee made up of three (3) appointed council members and 3 appointed planning and zoning members would be formed to discuss and form recommendations regarding the revitalization of Northern Killeen. The group met on multiple occasions and discussed the appropriate boundary and target area for North Killeen redevelopment, desired goals and outcomes for the area, development incentives, and current code constraints.

The committee proposed an area bounded by W. S. Young to the East, Ft. Hood Street to the West, the Northern City limits and West Hallmark Avenue and Terrace Drive to the South. The committee drafted Tax Abatement Guidelines and Criteria for this area offering tax abatement opportunities to commercial and multi-family property owners who increase their property value 50% for new construction or 25% for expansion or renovation of a new facility and an overall new investment of at least \$25,000 in taxable assets.

Ordinance 15-056 was passed and approved at a regular meeting of the City Council on the 22nd day of September 2015. Included in the ordinance was a sunset provision that dictated the ordinance would remain in force for two (2) years, unless amended or repealed by three-quarters vote of the City Council of the City of Killeen in accordance with Tax Code Section § 312.002 (C).

THE ALTERNATIVES CONSIDERED:

In order to offer tax abatements, the City is required to establish guidelines and criteria governing tax abatement (Tax Code §312.002). The Tax Code provides that the guidelines and criteria adopted are effective for two years from the date adopted. The current Guidelines and Criteria for Granting Tax Abatement were originally adopted by the City of Killeen in 2015.

ALTERNATIVE 1: Re-adopt the Guidelines and Criteria originally established. This does not limit the City Council's discretion in determining whether to enter into other tax abatement, nor does it create any expectation of approval by an applicant.

ALTERNATIVE 2: Allow the current sunset provisions to remain in effect and elect not to readopt the the Guidelines and Criteria for North Killeen, and therefore be unable to participate in tax abatement.

CONFORMITY TO CITY POLICY:

The re-adoption of the guidelines and criteria governing tax abatement conforms to city policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The re-adoption of Eligibility, Guidelines and Criteria for Tax Abatements will not have a direct impact on the City of Killeen fiscally. Individual cases wishing to pursue tax abatement opportunities will be presented to the City Council separately as appropriate.

Is this a one-time or recurring expenditure?

This is not applicable.

Is this expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends that the City Council elect to be eligible to participate in tax abatement and re-adopt the attached North Killeen Revitalization Area Tax Abatement Guidelines and Criteria.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by the Legal Department.

ATTACHED SUPPORTING DOCUMENTS:

Guidelines and Criteria
Map



GUIDELINES AND CRITERIA

For Granting Tax Abatement in the North Killeen Revitalization Area

Designated by the City of Killeen, Texas

Under Tax Code, Chapter 312

I. PURPOSE

The designation of a Tax Abatement is allowed if it is reasonably likely to contribute to the retention or expansion of employment or will attract investment that would be a benefit to the property and contribute to the economic vitality of North Killeen. The North Killeen Revitalization Area (NKRA) is outlined in Attachment A.

II. DEFINITIONS

- A. "Abatement" means the partial exemption from ad valorem taxes of certain real property in the NKRA designated by the City of Killeen for economic development purposes.
- B. "Agreement" means a written contractual agreement between a property owner and/or lessee and the City of Killeen, Texas.
- C. "Base year value" means the assessed value of eligible property on January 1st of the year of the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the agreement.
- D. "Commercial Properties" means property that is used primarily for business activities.
- E. "Dangerous Building" means any building or structure deemed dangerous and unsafe by the Construction Board of Appeals.
- F. "Deferred Maintenance" means those improvements necessary for continued operation but which do not improve productivity or alter any process technology.
- G. "Eligible Facilities" means those new or existing buildings, or expanded or modernized existing buildings and structures, including fixed machinery and equipment.
- H. "Expansion" means the addition of buildings, structures, machinery, equipment or payroll for purposes of increasing production capacity.

- I. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- J. "Modernization" means a complete or partial demolition of Facilities and the complete or partial reconstruction or installation of a Facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery or equipment.
- K. "Multifamily" means a building designed for or occupied exclusively by two (2) or more families i.e. duplexes, fourplexes, apartment buildings.
- L. "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.
- M. "Owner" means the individual, corporation, partnership, or other legal entity in whom is vested the ownership, dominion, or title of property and who is responsible for payment of ad valorem taxes on that property; including a Lessor or Lessee if responsible for payment of ad valorem taxes.
- N. "Productive Life" means the number of years a property improvement is expected to be in service for a facility.

III. ABATEMENT AUTHORIZED

- A. Eligible Facilities. Commercial properties and multifamily units are eligible for tax abatement. Upon application, eligible facilities shall be considered for Abatement as hereinafter provided.
- B. Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the City of Killeen and the property owner or lessee, subject to such limitation as the City of Killeen may require.
- C. New and Existing Facilities. Abatement may be granted for existing or new facilities and for improvements to existing facilities for purposes of economic development.
- D. Eligible Property Improvements. Includes improvements made to the buildings, structures, fixed machinery and equipment, site improvements, related fixed improvements and deferred or required maintenance necessary to bring the property up to code and for the operation and administration of the facility.
- E. Ineligible Property. The following types of property shall remain fully taxable and ineligible for Tax Abatement: single family residential dwellings, land, inventory, supplies, tools, furnishings and other forms of movable personal property, property which has a productive life of less than 10 years and property owned or leased by a member of the city's governing body or its planning and zoning commission.

F. Owned/Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with both the lessor and the lessee.

G. Standards for Tax Abatement.

1. Minimum Standards – Objective Criteria. The City of Killeen will consider tax abatement only on eligible facilities and property value which meet the following criteria:

- a. The project involves a minimum increase in property value of one hundred and fifty percent (150%) for construction of a new facility, or twenty-five percent (25%) for expansion or renovation of an existing facility, with an overall new investment of at least \$25,000 in taxable assets; and
- b. Any commercial project that will create or allow to be retained at least one (1) job within the NKRA, which would not otherwise be created or retained. Multi-family projects shall not be required to meet this minimum standard.

2. Additional Standards for Evaluating Applicants – Subjective Criteria. The following factors, among others, where applicable, shall be considered in determining the percentage of value to be abated and the duration of the Tax Abatement in accordance with the Schedule of Tax Abatement in Section III J:

- a. whether the project makes a substantial contribution to redevelopment efforts, preservation efforts, special area plans, or strategic economic development programs by enhancing either functional or visual characteristics;
- b. whether the project has high visibility, image impact, or is of a significantly higher level of development quality;
- c. if the project involves new or infill construction, whether the project improves property that might not otherwise be developed because of constraints of topography, ownership patterns, site configuration, etc;
- d. whether the project can serve as a prototype and catalyst for other development of a higher standard;
- e. whether the project stimulates desired concentrations of employment or commercial activity;
- f. value of land and existing improvements, if any;
- g. type and value of proposed improvements;

- h. productive life of proposed improvements;
- i. amount of local payroll to be created;
- j. whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdictions;
- k. amount of local sales taxes to be generated directly;
- l. amount that the property tax base valuation will be increased after the term of abatement;
- m. the costs to be incurred by the City of Killeen to provide facilities or services directly resulting from the new improvements;
- n. the amount of ad valorem taxes to be paid by the City of Killeen during the Abatement period considering (a) the existing values, (b) the percentage of new value abated, and (c) the Abatement period;
- o. the population growth of the City of Killeen that occurs directly as a result of new improvements;
- p. the types of value of public improvements, if any, to be constructed and paid for by the applicant seeking abatement;
- q. the extent to which the proposed improvements compete with existing businesses;
- r. the impact, whether positive or negative, on the business opportunities of existing businesses;
- s. the attraction of other new business and/or housing development in the area;
- t. the overall compatibility with the City of Killeen's zoning and subdivision regulations and the Comprehensive Plan;
- u. whether the project is environmentally compatible, with no appreciable negative impact on quality-of-life perceptions;
- v. if the project involves new or infill construction, whether or not the proposed construction and its siting are compatible with the distinctive character of the area and buildings; and
- w. whether the project has a positive impact on the community by improving the aesthetic appearance of the neighborhood, enhancing functional or visual characteristics of the neighborhood, or increasing the amount of open space (landscaping).

3. Each eligible facility shall be reviewed on its merits utilizing the factors provided in #1 and #2 above. After such review and full evaluation, abatement may be denied entirely or may be granted to the extent deemed appropriate in accordance with the Schedule of Tax Abatement in Section III J.

H. Denial of Abatement. A tax abatement agreement shall be denied if it is determined that:

1. there would be a substantial adverse effect on the provision of government service or tax base;
2. the applicant has insufficient financial capacity to meet the requirements of the proposed abatement agreement;
3. the project involves alteration of a historic building in a way that is incompatible with the Secretary of the Interior's Standards for Rehabilitation;
4. the project involves the demolition of a building not otherwise identified as a dangerous building;
5. the project would have a detrimental effect on the distinctive character of the historic district setting and its buildings;
6. planned or potential use of the property would constitute a hazard to public safety, health, or morals;
7. approval of an abatement agreement would violate State or Federal laws or regulations; or
8. there exists any other valid reason for denial deemed appropriate by the City Council of the City of Killeen.

I. Taxability. From the date of the execution of the Abatement Agreement period, taxes shall be payable as follows:

1. the value of ineligible property as provided in Section III E shall be fully taxable;
2. the base year value of existing eligible property as determined each year shall be fully taxable;
3. the additional value of new eligible property shall be taxed in the manner and for the period provided for in the Schedule of Tax Abatement in Section III J; and

4. the additional value of new, eligible property shall be fully taxable after the end of the Abatement period as described in the agreement.
- J. Schedule of Tax Abatement. The term and percentage of tax abatement shall be determined by the sum of points earned in each of the following categories. The parties may agree to a lesser time period or percentage of abatement than would otherwise be entitled under this point-factor analysis.

North Killeen Revitalization Area

Category I. Objective Criterion - - Dollar Value of Improvements

<i>\$25,000 - \$74,999</i>	<i>3 points</i>
<i>\$75,000 - \$149,999</i>	<i>6 points</i>
<i>> \$150,000</i>	<i>9 points</i>

Category II. Objective Criterion - - Number of Jobs Created or Retained (that would not otherwise be created or retained.)

<i>1 – 5 jobs</i>	<i>3 points</i>
<i>> 5 jobs</i>	<i>6 points</i>

Category III. Subjective Criterion - - Positive Impact on Community

<i>No significant Positive Impact</i>	<i>0 points</i>
<i>Desirable Positive Impact</i>	<i>6 points</i>
<i>Exceptional Positive Impact</i>	<i>9 points</i>

SCHEDULE

<i>Sum of Points</i>	<i>Years of Abatement</i>	<i>% Abatement</i>
<i><6</i>	<i>-</i>	<i>-</i>
<i>6 – 9</i>	<i>5</i>	<i>50%</i>
<i>10 – 17</i>	<i>5</i>	<i>75%</i>
<i>> 17</i>	<i>5</i>	<i>100%</i>

IV. APPLICATION

- A. Any present or potential owner of taxable property in Killeen, Texas, or its extraterritorial jurisdiction, may request tax abatement for Eligible Facilities by filing a written request with the City Manager of the City of Killeen. After

processing the application, the City Manager shall make a recommendation to the City Council of the City of Killeen for final disposition.

B. The application shall consist of:

1. a completed application form which shall provide detailed information on the items described in Section III G above;
2. a detailed site plan or appropriate plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation along with a legal property description;
3. a time schedule for undertaking and completing the planned improvements;
4. in the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, for the tax year immediately preceding the application;
5. such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant; and
6. if the project improvements are to a historic building, a detailed plan demonstrating how the proposed improvements conform to the Secretary of the Interior's Standards for Rehabilitation.

C. The City of Killeen, no more than 45 days after receipt of the completed application, shall by resolution either approve or disapprove the application for tax abatement at a regularly scheduled meeting of the City Council. The City of Killeen shall notify the applicant in writing of approval or disapproval.

D. If the application is approved, the City of Killeen shall give notice as provided by the Texas Tax Code, i.e., written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located, no later than the seventh day before the execution of a Tax Abatement Agreement.

V. AGREEMENT

A. Upon approval of an application, the City of Killeen shall formally execute an agreement with the owner or lessee, as the case may be, of the eligible facility, which agreement shall include, but not be limited to:

1. a list of the kind, number, and location of all proposed improvements on the property;

2. a time schedule for undertaking and completing the planned improvements;
 3. a description of the proposed use of the facility;
 4. a detailed site plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation along with a legal property description of the facility;
 5. the estimated value of eligible property and the base year value of the Facility;
 6. the percent of value to be abated each year as provided in Section III J;
 7. the commencement date and the termination date of abatement;
 8. a limitation on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period that property tax abatement is in effect;
 9. an estimate of the number of jobs to be created or retained over the abatement period if non-residential project;
 10. provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement, as provided in Section VI;
 11. provisions for administration as provided in Section VII, including a provision for access to and inspection of the property by City employees to ensure that the improvements or repairs are made according to the specification and conditions of the agreement;
 12. provisions for assignment of the tax abatement, as provided in Section VIII;
- B. Such agreement shall normally be executed within sixty (60) days after approval of an application by the City of Killeen.
- C. Nothing contained within these Guidelines and Criteria shall preclude the City Council from entering into a tax abatement/economic incentive agreement that takes full advantage of the flexibility contained in the Local Government Code, the Government Code or the Tax Code, as amended.

VI. RECAPTURE

- A. In the event that the owner:
 - (1) allows ad valorem taxes owed the City of Killeen to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest or violates any of the terms and conditions of the Abatement Agreement; and fails to cure during the Cure Period hereinafter described, the Agreement then may be terminated, and the owner shall repay all taxes previously abated by virtue of the Agreement to the City of Killeen within thirty (30) days of the termination.
 - (3) Fails to comply with Tax Code Chapter 312, as amended, City of Killeen may recapture all or a portion of property tax revenue lost as a result of the agreement, and payment of penalty or interest, or both, on that recapture property tax
- B. Should the City of Killeen determine that the owner is in default according to the terms and conditions of its Agreement, the City of Killeen shall notify the owner of such default in writing at the address stated in the Agreement, and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the Agreement may be terminated.

VII. ADMINISTRATION

- A. The Chief Appraiser of the Bell County Appraisal District will annually determine an assessment of the real property. Each year, the owner receiving tax abatement shall furnish the Appraiser with such information as may be necessary for the assessment. Once value has been established, the Chief Appraiser will notify the City of Killeen of the amount of the assessment.
- B. The Abatement Agreement shall stipulate that employees and/or designated representatives of the City of Killeen will have access to the property during the term of the Abatement to inspect the eligible facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the owner and in accordance with its safety standards.
- C. Upon completion of construction, the designated representative of the City of Killeen shall annually evaluate each Facility receiving Abatement to insure compliance with the Agreement, and a formal report shall then be made to the City Council of Killeen regarding the findings of the evaluation.

VIII. ASSIGNMENT

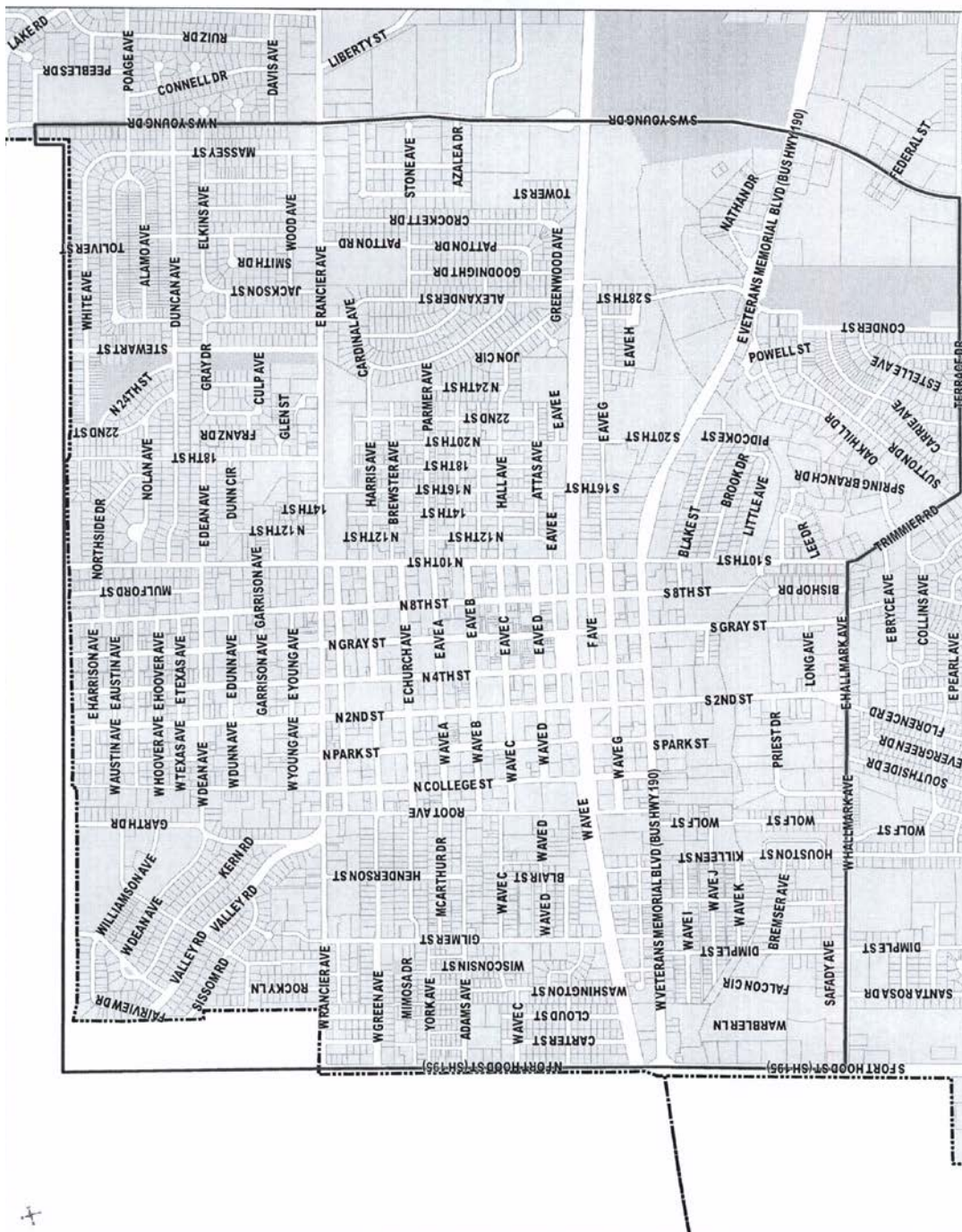
Abatement may be transferred and assigned by the current owner to a new owner of the same Facility upon the approval by resolution of the City of Killeen, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Abatement Agreement are guaranteed by the execution of a new contractual Agreement with the City of Killeen. No assignment or transfer shall be approved if the current owner, the new owner, or the current lessee or new lessee is liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

IX. SUNSET PROVISION

Pursuant to Tax Code Section § 312.002 (C), these guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-quarters vote of the City Council of the City of Killeen, at which time all Tax Abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria may be modified, renewed or eliminated.

DATE ADOPTED: 12 June, 2018

Resolution No. 18-_____



NORTH KILLEEN REVITALIZATION AREA

- Legend**
- Paras
 - Revelization Area Boundaries
 - Parcels
 - City Limits



RE-ADOPTION OF NORTH KILLEEN TAX ABATEMENT CRITERIA AND GUIDELINES

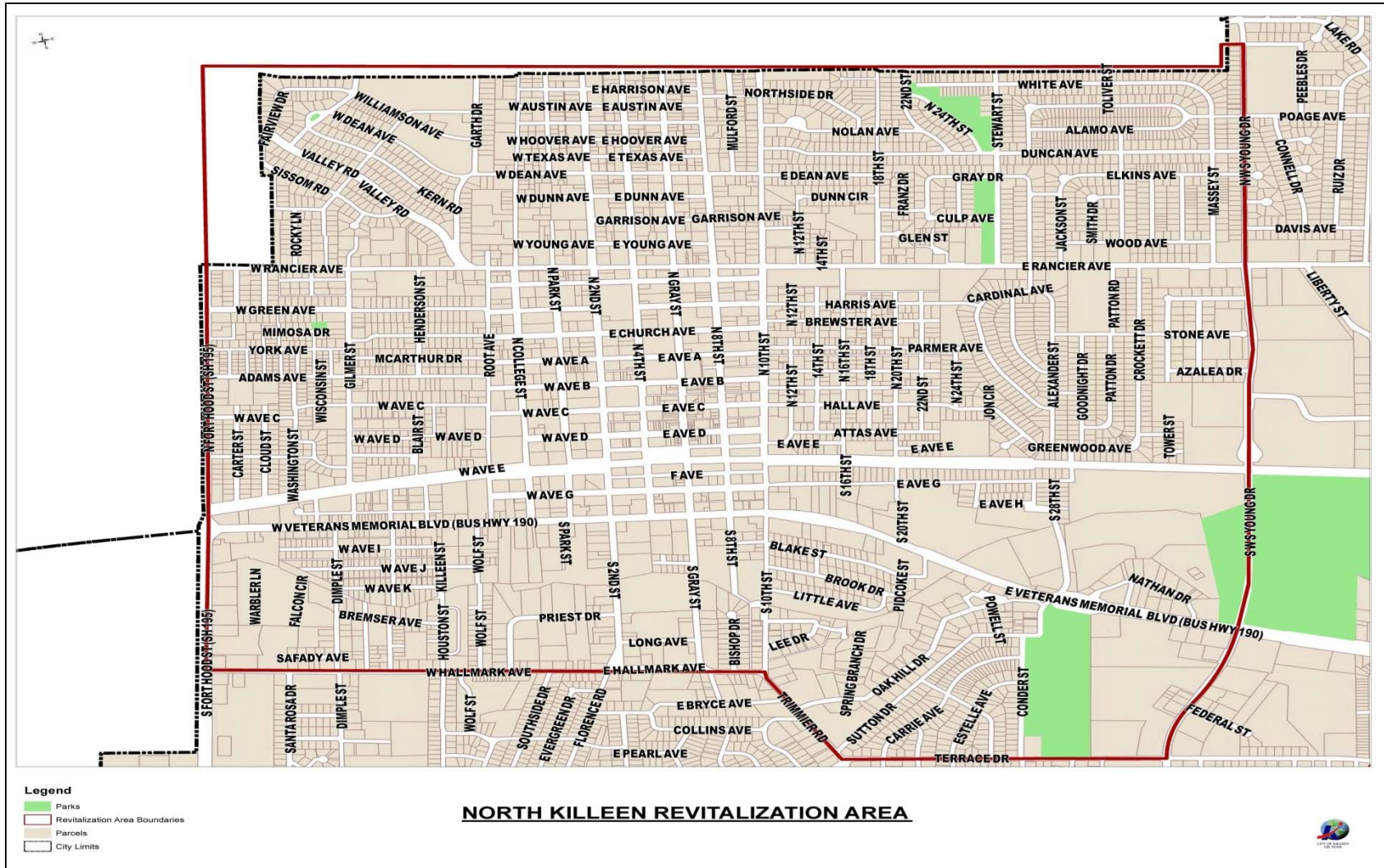
RS-18-040

June 5, 2018

NORTH KILLEEN TAX ABATEMENT CRITERIA AND GUIDELINES

- ❑ In order to offer tax abatement, the City is required to establish guidelines and criteria governing tax abatement (Tax Code §312.002). The Tax Code provides that the guidelines and criteria adopted are effective for two years from the date adopted.
- ❑ The re-adoption of the Guidelines and Criteria does not limit the City Council's discretion in determining whether to enter into other tax abatement, nor does it create any expectation of approval by an applicant.
- ❑ The re-adoption of Eligibility, Guidelines and Criteria for North Killeen Tax Abatements will not have a direct impact on the City of Killeen fiscally. Individual cases wishing to pursue tax abatement opportunities will be presented to the City Council separately as appropriate.
- ❑ Staff recommends that the City Council elects to continue its eligibility under state law to participate in tax abatements and re-adopts the attached Tax Abatement Guidelines and Criteria for use.

NORTH KILLEEN REVITALIZATION AREA





City of Killeen

Legislation Details

File #:	RS-18-041	Version:	1	Name:	1302 Harris Tax Abatement App Approval
Type:	Resolution	Status:		Status:	Resolutions
File created:	5/11/2018	In control:		In control:	City Council Workshop
On agenda:	6/5/2018	Final action:		Final action:	
Title:	Consider a memorandum/resolution approving an application for North Killeen Tax Abatement from 1302 Harris Killeen-PJY Investments, LLC.				
Sponsors:	Planning & Development Dept				
Indexes:					
Code sections:					
Attachments:	Staff Report Guidelines and Criteria Agreement Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: 5 June, 2018

TO: Ronald L. Olson, City Manager

FROM: Ray Shanaa, Exec. Director of Planning and Development Services

SUBJECT: Tax Abatement Application Approval For 1302 Harris Killeen-PJY Investments, LLC

BACKGROUND AND FINDINGS:

The North Killeen Tax Abatement Guidelines and Criteria were initially adopted by City Council on September 22, 2015, and the policy will be considered for re-adoption at the June 12, 2018 City Council meeting. The tax abatement policy for the North Killeen Revitalization Area establishes a two-step process for approval of tax abatement: 1- City Council approval of the application; and 2- City Council approval of an agreement establishing the terms for abatement. The policy also establishes the following criteria to be considered when determining the amount of abatement in the North Killeen Revitalization Area:

North Killeen Revitalization Area

Category I. Objective Criterion - - Dollar Value of Improvements

<i>\$25,000 - \$74,999</i>	<i>3 points</i>
<i>\$75,000 - \$149,999</i>	<i>6 points</i>
<i>> \$150,000</i>	<i>9 points</i>

Category II. Objective Criterion - - Number of Jobs Created or Retained (that would not otherwise be created or retained.)

<i>1 - 5 jobs</i>	<i>3 points</i>
<i>> 5 jobs</i>	<i>6 points</i>

Category III. Subjective Criterion - - Positive Impact on Community

<i>No significant Positive Impact</i>	<i>0 points</i>
<i>Desirable Positive Impact</i>	<i>6 points</i>
<i>Exceptional Positive Impact</i>	<i>9 points</i>

<i>SCHEDULE</i>		
<i>Sum of Points</i>	<i>Years of Abatement</i>	<i>% Abatement</i>
<i><6</i>	<i>-</i>	<i>-</i>
<i>6 - 9</i>	<i>5</i>	<i>50%</i>
<i>10 - 17</i>	<i>5</i>	<i>75%</i>
<i>> 17</i>	<i>5</i>	<i>100%</i>

The City received an application for tax abatement from 1302 Harris Killeen-PJY Investments, LLC located at 1302 Harris Avenue on March 23, 2018. The Secretary of the State of Texas has Mr. Paul J. Yazbeck as the registered agent of record. The property is a multifamily residential property with forty-six (46) units and a management office within six (6) buildings. The project is anticipated to meet the North Killeen tax abatement criteria by creating or retaining at least two (2) jobs; investing at least \$197,971; and having a desirable positive impact on the North Killeen Revitalization Area. In addition to the renovation, the applicant intends to install a small pocket park or community garden on the vacant one acre portion of the property. This area cannot be built on due to it being partially in a flood area. Mr. Yazbeck is requesting 100% tax abatement for any increase in the assessed value for a period of five (5) years.

Based on the information above, the applicant has scored the following points:

Nine (9) points for investing more than \$197,971
 Three (3) points for retaining two (2) jobs
 Nine (9) points for exceptional positive impact

The total number of points for this project is twenty-one (21) which makes the applicant eligible for 100% abatement of increased property tax.

THE ALTERNATIVES CONSIDERED:

The current North Killeen guidelines and criteria for tax abatement allow for the City to enter into tax abatement agreements for eligible properties in North Killeen. This renovation project will contribute to the retention or expansion of employment and attract investment that would be a benefit to the property and contribute to the economic vitality of North Killeen.

ALTERNATIVE 1: Approve the application for tax abatement without changes.

ALTERNATIVE 2: Disapprove the tax abatement application.

CONFORMITY TO CITY POLICY:

Approval of the application for tax abatement of 1302 Harris Avenue conforms to city policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Based on information from the Bell County Tax Appraisal District, the assessed value of the real property was \$614,880 in 2017 with a City of Killeen tax rate of 0.7498. Based on a total investment of \$197,971 plus the installation of a pocket park or community garden, anticipated improvements could increase the value of real property to \$1,100,000. The total annual abatement could potentially be \$3,637.13 for year one with a projected abatement of \$18,187.15 for a period of five (5) years. The percentage of abatement, ultimately approved by City Council, can only be applied to the increase value and not to the base value of the property.

Is this a one-time or recurring expenditure?

This is not applicable

Is this expenditure budgeted?

This is not applicable

If not, where will the money come from?

This is not applicable

Is there a sufficient amount in the budgeted line-item for this expenditure?

This is not applicable

RECOMMENDATION:

Staff recommends that the City Council approve a resolution approving the application for North Killeen tax abatement for 1302 Harris Killeen-PJY Investments, LLC located at 1302 Harris Avenue and authorize the City Manager to execute the agreement in compliance with all applicable laws.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by the Legal Department.

ATTACHED SUPPORTING DOCUMENTS:

Guidelines and Criteria
Agreement



GUIDELINES AND CRITERIA

For Granting Tax Abatement in the North Killeen Revitalization Area

Designated by the City of Killeen, Texas

Under Tax Code, Chapter 312

I. PURPOSE

The designation of a Tax Abatement is allowed if it is reasonably likely to contribute to the retention or expansion of employment or will attract investment that would be a benefit to the property and contribute to the economic vitality of North Killeen. The North Killeen Revitalization Area (NKRA) is outlined in Attachment A.

II. DEFINITIONS

- A. "Abatement" means the partial exemption from ad valorem taxes of certain real property in the NKRA designated by the City of Killeen for economic development purposes.
- B. "Agreement" means a written contractual agreement between a property owner and/or lessee and the City of Killeen, Texas.
- C. "Base year value" means the assessed value of eligible property on January 1st of the year of the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the agreement.
- D. "Commercial Properties" means property that is used primarily for business activities.
- E. "Dangerous Building" means any building or structure deemed dangerous and unsafe by the Construction Board of Appeals.
- F. "Deferred Maintenance" means those improvements necessary for continued operation but which do not improve productivity or alter any process technology.
- G. "Eligible Facilities" means those new or existing buildings, or expanded or modernized existing buildings and structures, including fixed machinery and equipment.
- H. "Expansion" means the addition of buildings, structures, machinery, equipment or payroll for purposes of increasing production capacity.

- I. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- J. "Modernization" means a complete or partial demolition of Facilities and the complete or partial reconstruction or installation of a Facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery or equipment.
- K. "Multifamily" means a building designed for or occupied exclusively by two (2) or more families i.e. duplexes, fourplexes, apartment buildings.
- L. "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.
- M. "Owner" means the individual, corporation, partnership, or other legal entity in whom is vested the ownership, dominion, or title of property and who is responsible for payment of ad valorem taxes on that property; including a Lessor or Lessee if responsible for payment of ad valorem taxes.
- N. "Productive Life" means the number of years a property improvement is expected to be in service for a facility.

III. ABATEMENT AUTHORIZED

- A. Eligible Facilities. Commercial properties and multifamily units are eligible for tax abatement. Upon application, eligible facilities shall be considered for Abatement as hereinafter provided.
- B. Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the City of Killeen and the property owner or lessee, subject to such limitation as the City of Killeen may require.
- C. New and Existing Facilities. Abatement may be granted for existing or new facilities and for improvements to existing facilities for purposes of economic development.
- D. Eligible Property Improvements. Includes improvements made to the buildings, structures, fixed machinery and equipment, site improvements, related fixed improvements and deferred or required maintenance necessary to bring the property up to code and for the operation and administration of the facility.
- E. Ineligible Property. The following types of property shall remain fully taxable and ineligible for Tax Abatement: single family residential dwellings, land, inventory, supplies, tools, furnishings and other forms of movable personal property, property which has a productive life of less than 10 years and property owned or leased by a member of the city's governing body or its planning and zoning commission.

F. Owned/Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with both the lessor and the lessee.

G. Standards for Tax Abatement.

1. Minimum Standards – Objective Criteria. The City of Killeen will consider tax abatement only on eligible facilities and property value which meet the following criteria:

- a. The project involves a minimum increase in property value of one hundred and fifty percent (150%) for construction of a new facility, or twenty-five percent (25%) for expansion or renovation of an existing facility, with an overall new investment of at least \$25,000 in taxable assets; and
- b. Any commercial project that will create or allow to be retained at least one (1) job within the NKRA, which would not otherwise be created or retained. Multi-family projects shall not be required to meet this minimum standard.

2. Additional Standards for Evaluating Applicants – Subjective Criteria. The following factors, among others, where applicable, shall be considered in determining the percentage of value to be abated and the duration of the Tax Abatement in accordance with the Schedule of Tax Abatement in Section III J:

- a. whether the project makes a substantial contribution to redevelopment efforts, preservation efforts, special area plans, or strategic economic development programs by enhancing either functional or visual characteristics;
- b. whether the project has high visibility, image impact, or is of a significantly higher level of development quality;
- c. if the project involves new or infill construction, whether the project improves property that might not otherwise be developed because of constraints of topography, ownership patterns, site configuration, etc;
- d. whether the project can serve as a prototype and catalyst for other development of a higher standard;
- e. whether the project stimulates desired concentrations of employment or commercial activity;
- f. value of land and existing improvements, if any;
- g. type and value of proposed improvements;

- h. productive life of proposed improvements;
- i. amount of local payroll to be created;
- j. whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdictions;
- k. amount of local sales taxes to be generated directly;
- l. amount that the property tax base valuation will be increased after the term of abatement;
- m. the costs to be incurred by the City of Killeen to provide facilities or services directly resulting from the new improvements;
- n. the amount of ad valorem taxes to be paid by the City of Killeen during the Abatement period considering (a) the existing values, (b) the percentage of new value abated, and (c) the Abatement period;
- o. the population growth of the City of Killeen that occurs directly as a result of new improvements;
- p. the types of value of public improvements, if any, to be constructed and paid for by the applicant seeking abatement;
- q. the extent to which the proposed improvements compete with existing businesses;
- r. the impact, whether positive or negative, on the business opportunities of existing businesses;
- s. the attraction of other new business and/or housing development in the area;
- t. the overall compatibility with the City of Killeen's zoning and subdivision regulations and the Comprehensive Plan;
- u. whether the project is environmentally compatible, with no appreciable negative impact on quality-of-life perceptions;
- v. if the project involves new or infill construction, whether or not the proposed construction and its siting are compatible with the distinctive character of the area and buildings; and
- w. whether the project has a positive impact on the community by improving the aesthetic appearance of the neighborhood, enhancing functional or visual characteristics of the neighborhood, or increasing the amount of open space (landscaping).

3. Each eligible facility shall be reviewed on its merits utilizing the factors provided in #1 and #2 above. After such review and full evaluation, abatement may be denied entirely or may be granted to the extent deemed appropriate in accordance with the Schedule of Tax Abatement in Section III J.

H. Denial of Abatement. A tax abatement agreement shall be denied if it is determined that:

1. there would be a substantial adverse effect on the provision of government service or tax base;
2. the applicant has insufficient financial capacity to meet the requirements of the proposed abatement agreement;
3. the project involves alteration of a historic building in a way that is incompatible with the Secretary of the Interior's Standards for Rehabilitation;
4. the project involves the demolition of a building not otherwise identified as a dangerous building;
5. the project would have a detrimental effect on the distinctive character of the historic district setting and its buildings;
6. planned or potential use of the property would constitute a hazard to public safety, health, or morals;
7. approval of an abatement agreement would violate State or Federal laws or regulations; or
8. there exists any other valid reason for denial deemed appropriate by the City Council of the City of Killeen.

I. Taxability. From the date of the execution of the Abatement Agreement period, taxes shall be payable as follows:

1. the value of ineligible property as provided in Section III E shall be fully taxable;
2. the base year value of existing eligible property as determined each year shall be fully taxable;
3. the additional value of new eligible property shall be taxed in the manner and for the period provided for in the Schedule of Tax Abatement in Section III J; and

4. the additional value of new, eligible property shall be fully taxable after the end of the Abatement period as described in the agreement.
- J. Schedule of Tax Abatement. The term and percentage of tax abatement shall be determined by the sum of points earned in each of the following categories. The parties may agree to a lesser time period or percentage of abatement than would otherwise be entitled under this point-factor analysis.

North Killeen Revitalization Area

Category I. Objective Criterion - - Dollar Value of Improvements

<i>\$25,000 - \$74,999</i>	<i>3 points</i>
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SCHEDULE

<i>Sum of Points</i>	<i>Years of Abatement</i>	<i>% Abatement</i>
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 5. such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant; and
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- D. If the application is approved, the City of Killeen shall give notice as provided by the Texas Tax Code, i.e., written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located, no later than the seventh day before the execution of a Tax Abatement Agreement.

V. AGREEMENT

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 10. provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement, as provided in Section VI;
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- C. Nothing contained within these Guidelines and Criteria shall preclude the City Council from entering into a tax abatement/economic incentive agreement that takes full advantage of the flexibility contained in the Local Government Code, the Government Code or the Tax Code, as amended.

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- A. In the event that the owner:
 - (1) allows ad valorem taxes owed the City of Killeen to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest or violates any of the terms and conditions of the Abatement Agreement; and fails to cure during the Cure Period hereinafter described, the Agreement then may be terminated, and the owner shall repay all taxes previously abated by virtue of the Agreement to the City of Killeen within thirty (30) days of the termination.
 - (3) Fails to comply with Tax Code Chapter 312, as amended, City of Killeen may recapture all or a portion of property tax revenue lost as a result of the agreement, and payment of penalty or interest, or both, on that recapture property tax
- B. Should the City of Killeen determine that the owner is in default according to the terms and conditions of its Agreement, the City of Killeen shall notify the owner of such default in writing at the address stated in the Agreement, and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the Agreement may be terminated.

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- A. The Chief Appraiser of the Bell County Appraisal District will annually determine an assessment of the real property. Each year, the owner receiving tax abatement shall furnish the Appraiser with such information as may be necessary for the assessment. Once value has been established, the Chief Appraiser will notify the City of Killeen of the amount of the assessment.
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- C. Upon completion of construction, the designated representative of the City of Killeen shall annually evaluate each Facility receiving Abatement to insure compliance with the Agreement, and a formal report shall then be made to the City Council of Killeen regarding the findings of the evaluation.

VIII. ASSIGNMENT

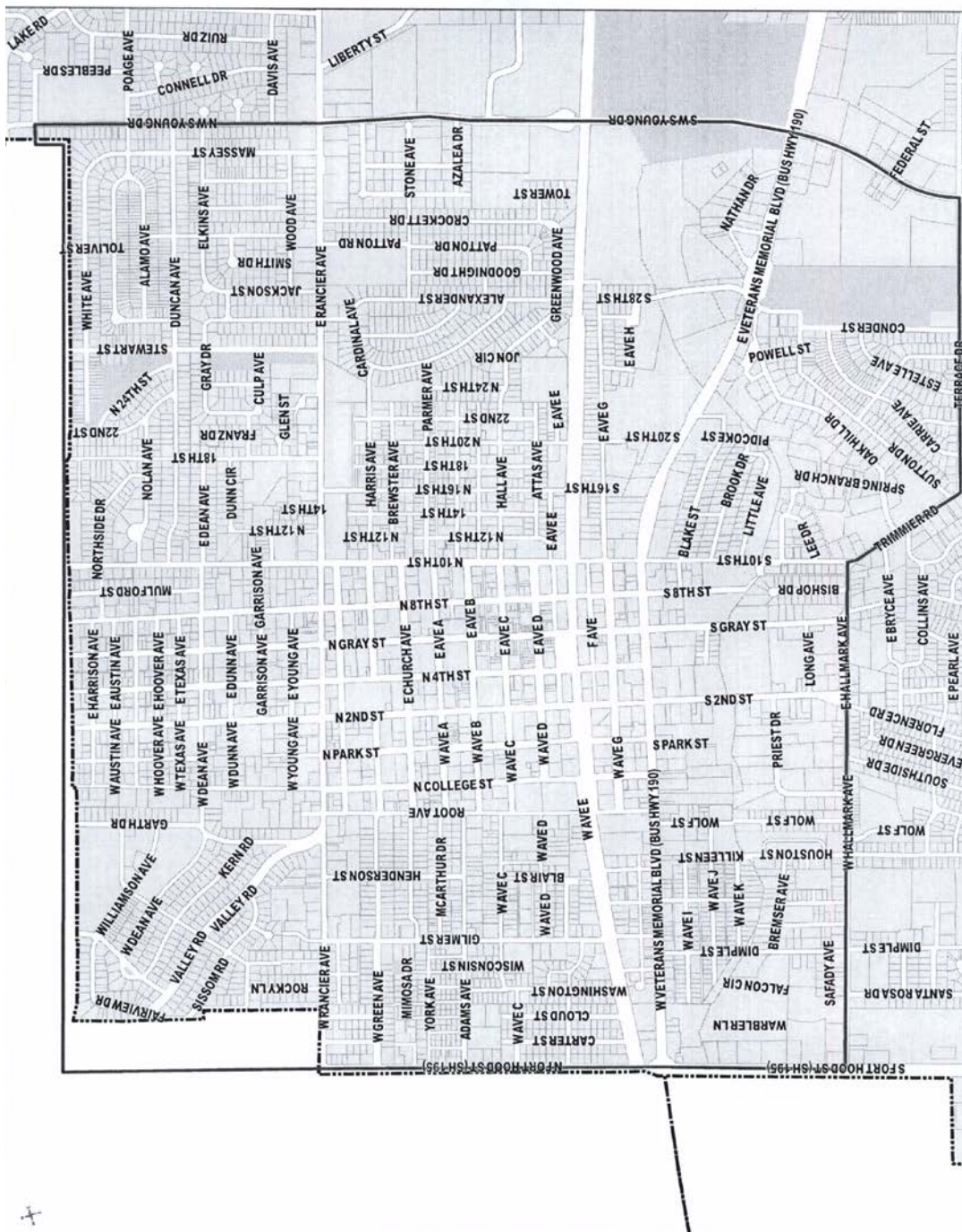
Abatement may be transferred and assigned by the current owner to a new owner of the same Facility upon the approval by resolution of the City of Killeen, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Abatement Agreement are guaranteed by the execution of a new contractual Agreement with the City of Killeen. No assignment or transfer shall be approved if the current owner, the new owner, or the current lessee or new lessee is liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

IX. SUNSET PROVISION

Pursuant to Tax Code Section § 312.002 (C), these guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-quarters vote of the City Council of the City of Killeen, at which time all Tax Abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria may be modified, renewed or eliminated.

DATE ADOPTED: 12 June, 2018

Resolution No. 18-_____



NORTH KILLEEN REVITALIZATION AREA

- Legend**
- Paras
 - Revelization Area Boundaries
 - Parcels
 - City Limits

**AGREEMENT FOR TAX ABATEMENT FOR PROPERTY LOCATED IN THE CITY OF
KILLEEN NORTH KILLEEN REVITALIZATION AREA**

THE STATE OF TEXAS §

COUNTY OF BELL §

This agreement is entered into pursuant to the authority granted under Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, V.T.C.A., by and between the CITY OF KILLEEN, TEXAS, a home rule city and municipal corporation of Bell County, Texas, duly acting herein by and through its City Manager, hereinafter referred to as "CITY" and 1302 HARRIS KILLEEN-PJY INVESTMENTS, LLC, duly acting by and through its undersigned officer, hereinafter referred to as "PJY INVESTMENTS."

WITNESSETH

WHEREAS, the property that is the subject of the Agreement is located within the North Killeen Revitalization Area; and

WHEREAS, on June 12, 2018 the CITY adopted "Guidelines and Criteria for Granting Tax Abatement in the North Killeen Revitalization Area", by Resolution No. 18-____ (**see Exhibit "A"**). All definitions and terms set forth therein are applicable to this Agreement; and

WHEREAS, the policy on tax abatement incentives constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY as required by the Property Redevelopment and Tax Abatement Act; and

WHEREAS, 1302 HARRIS KILLEEN-PJY INVESTMENTS, LLC filed an Application for Tax Abatement with CITY on March 23, 2018 (**see Exhibit "B"**); CITY approved application via Resolution No. 18-____R, on June 12, 2018. (**see Exhibit "C"**); and

WHEREAS, PJY INVESTMENTS, LLC will demonstrate a total investment of over \$197,971 for improvements to the property;

WHEREAS, PJY INVESTMENTS, LLC will demonstrate that two (2) jobs will be retained or created in the North Killeen Revitalization Area; and

WHEREAS, the actual use of the property and the substantial improvements to the property are in excess of \$197,971 and the other terms hereof are consistent with encouraging redevelopment and revitalization of the CITY's North Killeen Revitalization Area in accordance

with the purposes identified for its creation and are in compliance with the CITY's policy on tax abatement incentives and all applicable laws;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the mutual covenants and agreements recited herein, CITY and PJY INVESTMENTS, LLC agree as follows:

1. Definitions.

- a. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property in the North Killeen Revitalization Area designated by the City of Killeen for economic development purposes.
- b. "Agreement" means a contractual agreement between a property owner and/or lessee and the City of Killeen, Texas.
- c. "Base year value" means the assessed value of eligible property on January 1st of the year of the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the Agreement.
- d. "Eligible Facilities" means those new or existing buildings, or Expanded or Modernized existing buildings and structures, including fixed machinery and equipment, located or to be located inside a reinvestment or enterprise zone for tax abatement designated by the City of Killeen, or located within its extraterritorial jurisdiction.
- e. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- f. "Modernization" means a complete or partial demolition of Facilities and the complete or partial reconstruction or installation of a Facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery or equipment, or both.
- g. "North Killeen Revitalization Area" means the area of Killeen identified in the CITY adopted Ordinance number 15-055 creating the North Killeen Revitalization Area for economic development purposes.
- h. "Owner" means the individual, corporation, partnership, or other legal entity in whom is vested the ownership, dominion, or title of property and who is responsible for payment of ad valorem taxes on that property; including a Lessor or Lessee if responsible for payment of ad valorem taxes.

2. **Project Description.** PJY INVESTMENTS, LLC intends to complete renovation on what will ultimately involve approximately \$197,971 worth of improvements to 1302 Harris Avenue ("THE PROPERTY") and has, in accordance with CITY's Guidelines and Criteria for Granting Tax Abatement in the North Killeen Revitalization Area, provided detailed plans for improvements to THE PROPERTY attached as **Exhibit "D,"** a time schedule for undertaking and completing the planned improvements (**Exhibit "E"**), a statement of the assessed value of THE PROPERTY and the Legal Description of the property attached as **Exhibit "F"**, and has provided such financial information appropriate for evaluating the financial commitment of the applicant.
3. **Covenants.** PJY INVESTMENTS, LLC agrees that it shall continuously operate and maintain the property as a multi-family apartment complex and office as PJY INVESTMENTS, LLC and for no other purpose(s) without written approval of CITY, for a period of five (5) years.
4. **Capital Investment.** PJY INVESTMENTS, LLC and/or Paul Yazbeck will in fact make a capital investment in excess of \$197,971 for the interior and exterior improvements to the PROPERTY.
5. **Jobs Created.** PJY INVESTMENTS, LLC will create or maintain a minimum of two (2) new full-time equivalent jobs. For purposes of this Agreement, the requirement of having at least two (2) full time employees shall be fulfilled if PJY INVESTMENTS, LLC can demonstrate a total of payroll hours of 4,160 or greater in a twelve month period. PJY INVESTMENTS, LLC agrees to provide CITY with extracts from its payroll records to substantiate the number of employees and hours worked at THE PROPERTY. CITY agrees to keep such payroll information confidential to the extent permitted by law, and shall notify PJY INVESTMENTS, LLC if requests or demands are made upon CITY for copies of such payroll information.
6. **Abatement Amount.** In as much as PJY INVESTMENTS, LLC has renovated and occupied the improvements described herein, a portion of the ad valorem property taxes on the improvements to the real property, which PJY INVESTMENTS, LLC owes to CITY, shall be abated. The estimated value of property that will be eligible for abatement ("base year value") is \$614,880 (real property). After construction on items for which PJY INVESTMENTS, LLC is requesting tax abatement has been completed, PJY INVESTMENTS, LLC shall obtain a Bell County Appraisal District value for the property that will be eligible for abatement. This amount will establish the value for purposes of this Agreement.

Abatement will be calculated in accordance with the following formula, with the first year commencing with the fiscal year upon which taxes are levied after the completion and issuance of a Certificate of Occupancy:

- a. Year One: 100% abatement of eligible property tax;
- b. Year Two: 100% abatement of eligible property tax;
- c. Year Three: 100% abatement of eligible property tax;

- d. Year Four: 100% abatement of eligible property tax;
- e. Year Five: 100% abatement of eligible property tax.
- f. Year Six and thereafter: No abatement of property tax.

The value of ineligible property as provided in Section III of CITY'S Guidelines and Criteria for Granting Tax Abatement shall be fully taxable. The base year value of existing eligible property as determined each year shall be fully taxable.

7. **Independent Actors.** It is understood and agreed between the parties that PJY INVESTMENTS, in performing its obligations under this AGREEMENT, is acting independently, and the CITY assumes no responsibility or liability in connection therewith to third parties and PJY INVESTMENTS, LLC agrees to indemnify the CITY therefrom; it is further understood and agreed among the parties that the CITY, in performing its obligations under this AGREEMENT, is acting independently, and PJY INVESTMENTS, LLC assumes no responsibility or liability in connection therewith to third parties and the CITY agrees to indemnify, to the extent allowed by law, PJY INVESTMENTS, LLC.
8. **Default.** During the abatement period covered by the Agreement, City may declare a default thereunder by PJY INVESTMENTS, LLC:
 - a. If PJY INVESTMENTS, LLC refuses or neglects to comply in any material respect with any of the terms of this Agreement, it's Application, or the Guidelines;
 - b. If PJY INVESTMENTS, LLC fails to maintain the number of employees as specified in paragraph 5 above
 - c. If PJY INVESTMENTS, LLC allows its ad valorem taxes owed to CITY or affected jurisdictions to become delinquent and fails to timely and properly follow the legal protest procedures;
 - d. If any representation made by PJY INVESTMENTS, LLC in this Agreement or its Application for tax abatement is false or misleading in any material respect.

Should the CITY determine that PJY INVESTMENTS, LLC is in material default in any terms and conditions of this agreement, then the CITY shall notify PJY INVESTMENTS, LLC in writing of such default, and if such default is not cured within thirty (30)days from the date of such notice ("Cure Period"), this agreement may be terminated or modified by CITY; provided, however, that in the case of a default that for causes beyond PJY INVESTMENTS's reasonable control cannot with due diligence be cured within such Cure Period, the Cure Period shall be deemed extended for a period of time to be determined solely by CITY if PJY INVESTMENTS, LLC (i) shall immediately, upon the receipt of such notice, advise CITY of PJY INVESTMENTS's intention to institute steps necessary to cure such default, and (ii) shall specify in writing and institute thereafter and proceed to completion with reasonable dispatch all steps necessary to cure same.

If the City should terminate this Agreement pursuant to the terms of section 8(a)-(d) of this Agreement, it shall provide PJY INVESTMENTS, LLC written notice of such termination, and except where provided otherwise, all taxes otherwise abated by virtue of the Agreement will be recaptured and paid to CITY within sixty (60) days' notice of the termination, subject to any and all lawful offsets, settlements, deductions, or credits to which PJY INVESTMENTS, LLC may be entitled (but without the addition of penalty; interest will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas). If PJY INVESTMENTS, LLC believes that such termination was improper, PJY INVESTMENTS, LLC may file suit in the Bell County District Courts, appealing such termination within sixty (60) days after receipt from CITY of written notice of the termination. If an appeal suit is filed, PJY INVESTMENTS, LLC shall remit to CITY within sixty (60) days after receipt of the notice of termination any additional and/or recaptured taxes as may be payable during the pendency of the litigation. (Section 42.08, Forfeiture of Remedy for Nonpayment of Taxes, Texas Tax Code (V.T.C.A.)). If the final determination of the appeal increases Applicant's tax liability above the amount of tax paid, PJY INVESTMENTS, LLC shall remit the additional tax to CITY. (Section 42.42, Texas Tax Code, current and as may be amended). If the final determination of the appeal decreases PJY INVESTMENTS's tax liability, CITY shall refund to PJY INVESTMENTS, LLC the difference between the amount of tax paid and the amount of tax for which PJY INVESTMENTS, LLC is liable. (Section 42.43, Texas Tax Code, current and as may be amended).

9. **Recapture.** In the event that the facility is completed and begins providing service, but subsequently discontinues providing service for any reason excepting fire, flood, tornado, earthquake, riot, legal enactment, government regulations, Act of God, explosion or other casualty or accident or natural disaster or other reason beyond PJY INVESTMENTS's reasonable control, for a period of thirty (30) days during the abatement period, then the Agreement shall terminate and so shall the abatement of the taxes for the calendar year during which the facility no longer provides service. Unless appealed as herein provided, taxes previously abated under this Agreement shall be recaptured and paid by PJY INVESTMENTS, LLC to CITY within sixty (60) days after written notice from CITY. Furthermore, the taxes otherwise abated for the calendar year shall be paid to the affected jurisdiction and other taxing agencies within sixty (60) days from the date of termination.

10. **Administration.**

- a. CITY shall evaluate the Facility receiving abatement to ensure compliance with the Agreement. Such evaluation may include site visits and inspections by appropriate CITY staff, at reasonable times. PJY INVESTMENTS, LLC must make all facilities subject to this Agreement available for CITY's inspection related to compliance with this Agreement. PJY INVESTMENTS, LLC shall maintain appropriate records or such other documentation that may be required to demonstrate compliance with this Agreement.

- b. Annual Evaluation and Reports. Upon completion of construction, CITY, individually or in conjunction with other affected jurisdictions, shall annually evaluate each facility receiving abatement to ensure compliance with the Agreement and report possible violations of the Agreement. Such evaluation may include site visits and inspections by appropriate CITY, or other taxing entity, staff at reasonable times. PJY INVESTMENTS, LLC shall make all facilities subject to the Agreement available for such inspections. PJY INVESTMENTS, LLC shall certify to the Killeen City Council on or before April 1 of each year that the Applicant is in compliance with each applicable term of the agreement. This certification shall be by PJY INVESTMENTS's Chief Financial Officer, or other PJY INVESTMENTS, LLC officer approved in advance by CITY.
 - c. A third-party audit of PJY INVESTMENTS's compliance with the Abatement Agreement may be conducted at any time CITY deems necessary, at CITY's expense.
 - d. No extension to the period of tax abatement will be granted.
11. **Notice.** Any notice required to be given under the provision of this Agreement shall be in writing and deposited, enclosed in a wrapper with the proper postage prepaid thereon, and either duly registered or certified, return receipt requested, in a United States Post Office, or delivered by overnight carrier, addressed to the CITY or PJY INVESTMENTS, LLC at the following addresses. If mailed, any notice or communication shall be deemed to be received on the date shown on the returned receipt. However, if receipt is not returned to sender, the notice or communication shall be deemed received three days after the date of deposit in the United States Mail. Unless otherwise provided in the Agreement, all notices shall be delivered to the following addresses:

TO PJY INVESTMENTS:

1302 Harris Killeen-PJY Investments, LLC
2608 Thomas Avenue, Suite 6
Dallas TX 75204
Attn: Paul Yazbeck

TO CITY:

City of Killeen
City Manager's Office
101. N. College
P.O. Box 1325 Killeen, Texas 76540

Either party may designate a different address by giving the other party ten days' written notice.

12. **Non-transferrable.** This Agreement is between the CITY and 1302 HARRIS KILLEEN-PJY INVESTMENTS, LLC. Benefits obtained through this Agreement are not transferable to any other party or entity, without written consent of CITY, which consent shall not be unreasonably withheld.
13. **Jurisdiction.** All causes of action and disputes arising in and out of this Agreement or the administration of this Agreement shall have jurisdiction in Bell County, Texas. This agreement is deemed to have been executed in Killeen, Bell County, Texas, regardless of where the parties are located at the time of signing.
14. **Binding Agreement.** The terms and conditions of this agreement are binding upon the successors and assigns of all parties hereto. The agreement cannot be assigned by PJY INVESTMENTS, LLC unless written permission is first granted by CITY, which permission will not be unreasonably withheld.
15. **Application Incorporated.** This Agreement fully incorporates PJY INVESTMENTS'S Application for Tax Abatement, received by the City on March 23, 2018 and attached as Exhibit "B," by this reference as if written into this Agreement verbatim.
16. **Authorization and Execution.** This agreement was authorized by the City Council on behalf of CITY at its Council meeting on the 12th day of June, 2018, authorizing the City Manager to execute the agreement on behalf of CITY. The execution of this agreement is accomplished by an official of PJY INVESTMENTS, who is authorized to execute the agreement on its behalf. This Agreement has been executed by the parties in multiple originals, each having full force and effect.
17. **Termination.** This agreement may be terminated by the mutual consent of all parties, and no repayment of abated taxes will be required as long as PJY INVESTMENTS, LLC is in full compliance with the agreement on the effective date of the termination.

WITNESS OUR HANDS this the 12th day of June, 2018.

CITY OF KILLEEN

By: _____
Ronald L. Olson, City Manager

ATTEST:

Dianna Barker, City Secretary

APPROVED AS TO FORM:

Kathryn H. Davis, City Attorney

PJY INVESTMENTS, LLC, By 1302 HARRIS KILLEEN-PJY INVESTMENTS, LLC REGISTERED
AGENT,

By: _____

Paul Yazbeck, Registered Agent



GUIDELINES AND CRITERIA

For Granting Tax Abatement in the North Killeen Revitalization Area

Designated by the City of Killeen, Texas

Under Tax Code, Chapter 312

I. PURPOSE

The designation of a Tax Abatement is allowed if it is reasonably likely to contribute to the retention or expansion of employment or will attract investment that would be a benefit to the property and contribute to the economic vitality of North Killeen. The North Killeen Revitalization Area (NKRA) is outlined in Attachment A.

II. DEFINITIONS

- A. "Abatement" means the partial exemption from ad valorem taxes of certain real property in the NKRA designated by the City of Killeen for economic development purposes.
- B. "Agreement" means a written contractual agreement between a property owner and/or lessee and the City of Killeen, Texas.
- C. "Base year value" means the assessed value of eligible property on January 1st of the year of the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1st but before the execution of the agreement.
- D. "Commercial Properties" means property that is used primarily for business activities.
- E. "Dangerous Building" means any building or structure deemed dangerous and unsafe by the Construction Board of Appeals.
- F. "Deferred Maintenance" means those improvements necessary for continued operation but which do not improve productivity or alter any process technology.
- G. "Eligible Facilities" means those new or existing buildings, or expanded or modernized existing buildings and structures, including fixed machinery and equipment.
- H. "Expansion" means the addition of buildings, structures, machinery, equipment or payroll for purposes of increasing production capacity.

- I. "Facility" means property improvements completed or in the process of construction which together comprise an integral whole.
- J. "Modernization" means a complete or partial demolition of Facilities and the complete or partial reconstruction or installation of a Facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery or equipment.
- K. "Multifamily" means a building designed for or occupied exclusively by two (2) or more families i.e. duplexes, fourplexes, apartment buildings.
- L. "New Facility" means a property previously undeveloped which is placed into service by means other than or in conjunction with Expansion or Modernization.
- M. "Owner" means the individual, corporation, partnership, or other legal entity in whom is vested the ownership, dominion, or title of property and who is responsible for payment of ad valorem taxes on that property; including a Lessor or Lessee if responsible for payment of ad valorem taxes.
- N. "Productive Life" means the number of years a property improvement is expected to be in service for a facility.

III. ABATEMENT AUTHORIZED

- A. Eligible Facilities. Commercial properties and multifamily units are eligible for tax abatement. Upon application, eligible facilities shall be considered for Abatement as hereinafter provided.
- B. Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between the City of Killeen and the property owner or lessee, subject to such limitation as the City of Killeen may require.
- C. New and Existing Facilities. Abatement may be granted for existing or new facilities and for improvements to existing facilities for purposes of economic development.
- D. Eligible Property Improvements. Includes improvements made to the buildings, structures, fixed machinery and equipment, site improvements, related fixed improvements and deferred or required maintenance necessary to bring the property up to code and for the operation and administration of the facility.
- E. Ineligible Property. The following types of property shall remain fully taxable and ineligible for Tax Abatement: single family residential dwellings, land, inventory, supplies, tools, furnishings and other forms of movable personal property, property which has a productive life of less than 10 years and property owned or leased by a member of the city's governing body or its planning and zoning commission.

F. Owned/Leased Facilities. If a leased facility is granted abatement, the agreement shall be executed with both the lessor and the lessee.

G. Standards for Tax Abatement.

1. Minimum Standards – Objective Criteria. The City of Killeen will consider tax abatement only on eligible facilities and property value which meet the following criteria:

- a. The project involves a minimum increase in property value of one hundred and fifty percent (150%) for construction of a new facility, or twenty-five percent (25%) for expansion or renovation of an existing facility, with an overall new investment of at least \$25,000 in taxable assets; and
- b. Any commercial project that will create or allow to be retained at least one (1) job within the NKRA, which would not otherwise be created or retained. Multi-family projects shall not be required to meet this minimum standard.

2. Additional Standards for Evaluating Applicants – Subjective Criteria. The following factors, among others, where applicable, shall be considered in determining the percentage of value to be abated and the duration of the Tax Abatement in accordance with the Schedule of Tax Abatement in Section III J:

- a. whether the project makes a substantial contribution to redevelopment efforts, preservation efforts, special area plans, or strategic economic development programs by enhancing either functional or visual characteristics;
- b. whether the project has high visibility, image impact, or is of a significantly higher level of development quality;
- c. if the project involves new or infill construction, whether the project improves property that might not otherwise be developed because of constraints of topography, ownership patterns, site configuration, etc;
- d. whether the project can serve as a prototype and catalyst for other development of a higher standard;
- e. whether the project stimulates desired concentrations of employment or commercial activity;
- f. value of land and existing improvements, if any;
- g. type and value of proposed improvements;

- h. productive life of proposed improvements;
- i. amount of local payroll to be created;
- j. whether the new jobs to be created will be filled by persons residing or projected to reside within affected taxing jurisdictions;
- k. amount of local sales taxes to be generated directly;
- l. amount that the property tax base valuation will be increased after the term of abatement;
- m. the costs to be incurred by the City of Killeen to provide facilities or services directly resulting from the new improvements;
- n. the amount of ad valorem taxes to be paid by the City of Killeen during the Abatement period considering (a) the existing values, (b) the percentage of new value abated, and (c) the Abatement period;
- o. the population growth of the City of Killeen that occurs directly as a result of new improvements;
- p. the types of value of public improvements, if any, to be constructed and paid for by the applicant seeking abatement;
- q. the extent to which the proposed improvements compete with existing businesses;
- r. the impact, whether positive or negative, on the business opportunities of existing businesses;
- s. the attraction of other new business and/or housing development in the area;
- t. the overall compatibility with the City of Killeen's zoning and subdivision regulations and the Comprehensive Plan;
- u. whether the project is environmentally compatible, with no appreciable negative impact on quality-of-life perceptions;
- v. if the project involves new or infill construction, whether or not the proposed construction and its siting are compatible with the distinctive character of the area and buildings; and
- w. whether the project has a positive impact on the community by improving the aesthetic appearance of the neighborhood, enhancing functional or visual characteristics of the neighborhood, or increasing the amount of open space (landscaping).

3. Each eligible facility shall be reviewed on its merits utilizing the factors provided in #1 and #2 above. After such review and full evaluation, abatement may be denied entirely or may be granted to the extent deemed appropriate in accordance with the Schedule of Tax Abatement in Section III J.

H. Denial of Abatement. A tax abatement agreement shall be denied if it is determined that:

1. there would be a substantial adverse effect on the provision of government service or tax base;
2. the applicant has insufficient financial capacity to meet the requirements of the proposed abatement agreement;
3. the project involves alteration of a historic building in a way that is incompatible with the Secretary of the Interior's Standards for Rehabilitation;
4. the project involves the demolition of a building not otherwise identified as a dangerous building;
5. the project would have a detrimental effect on the distinctive character of the historic district setting and its buildings;
6. planned or potential use of the property would constitute a hazard to public safety, health, or morals;
7. approval of an abatement agreement would violate State or Federal laws or regulations; or
8. there exists any other valid reason for denial deemed appropriate by the City Council of the City of Killeen.

I. Taxability. From the date of the execution of the Abatement Agreement period, taxes shall be payable as follows:

1. the value of ineligible property as provided in Section III E shall be fully taxable;
2. the base year value of existing eligible property as determined each year shall be fully taxable;
3. the additional value of new eligible property shall be taxed in the manner and for the period provided for in the Schedule of Tax Abatement in Section III J; and

4. the additional value of new, eligible property shall be fully taxable after the end of the Abatement period as described in the agreement.
- J. Schedule of Tax Abatement. The term and percentage of tax abatement shall be determined by the sum of points earned in each of the following categories. The parties may agree to a lesser time period or percentage of abatement than would otherwise be entitled under this point-factor analysis.

North Killeen Revitalization Area

Category I. Objective Criterion - - Dollar Value of Improvements

<i>\$25,000 - \$74,999</i>	<i>3 points</i>
<i>\$75,000 - \$149,999</i>	<i>6 points</i>
<i>> \$150,000</i>	<i>9 points</i>

Category II. Objective Criterion - - Number of Jobs Created or Retained (that would not otherwise be created or retained.)

<i>1 – 5 jobs</i>	<i>3 points</i>
<i>> 5 jobs</i>	<i>6 points</i>

Category III. Subjective Criterion - - Positive Impact on Community

<i>No significant Positive Impact</i>	<i>0 points</i>
<i>Desirable Positive Impact</i>	<i>6 points</i>
<i>Exceptional Positive Impact</i>	<i>9 points</i>

SCHEDULE

<i>Sum of Points</i>	<i>Years of Abatement</i>	<i>% Abatement</i>
<i><6</i>	<i>-</i>	<i>-</i>
<i>6 – 9</i>	<i>5</i>	<i>50%</i>
<i>10 – 17</i>	<i>5</i>	<i>75%</i>
<i>> 17</i>	<i>5</i>	<i>100%</i>

IV. APPLICATION

- A. Any present or potential owner of taxable property in Killeen, Texas, or its extraterritorial jurisdiction, may request tax abatement for Eligible Facilities by filing a written request with the City Manager of the City of Killeen. After

processing the application, the City Manager shall make a recommendation to the City Council of the City of Killeen for final disposition.

B. The application shall consist of:

1. a completed application form which shall provide detailed information on the items described in Section III G above;
2. a detailed site plan or appropriate plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation along with a legal property description;
3. a time schedule for undertaking and completing the planned improvements;
4. in the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, for the tax year immediately preceding the application;
5. such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant; and
6. if the project improvements are to a historic building, a detailed plan demonstrating how the proposed improvements conform to the Secretary of the Interior's Standards for Rehabilitation.

C. The City of Killeen, no more than 45 days after receipt of the completed application, shall by resolution either approve or disapprove the application for tax abatement at a regularly scheduled meeting of the City Council. The City of Killeen shall notify the applicant in writing of approval or disapproval.

D. If the application is approved, the City of Killeen shall give notice as provided by the Texas Tax Code, i.e., written notice to the presiding officer of the governing body of each taxing unit in which the property to be subject to the agreement is located, no later than the seventh day before the execution of a Tax Abatement Agreement.

V. AGREEMENT

A. Upon approval of an application, the City of Killeen shall formally execute an agreement with the owner or lessee, as the case may be, of the eligible facility, which agreement shall include, but not be limited to:

1. a list of the kind, number, and location of all proposed improvements on the property;

2. a time schedule for undertaking and completing the planned improvements;
 3. a description of the proposed use of the facility;
 4. a detailed site plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation along with a legal property description of the facility;
 5. the estimated value of eligible property and the base year value of the Facility;
 6. the percent of value to be abated each year as provided in Section III J;
 7. the commencement date and the termination date of abatement;
 8. a limitation on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period that property tax abatement is in effect;
 9. an estimate of the number of jobs to be created or retained over the abatement period if non-residential project;
 10. provision for recapturing property tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement, as provided in Section VI;
 11. provisions for administration as provided in Section VII, including a provision for access to and inspection of the property by City employees to ensure that the improvements or repairs are made according to the specification and conditions of the agreement;
 12. provisions for assignment of the tax abatement, as provided in Section VIII;
- B. Such agreement shall normally be executed within sixty (60) days after approval of an application by the City of Killeen.
- C. Nothing contained within these Guidelines and Criteria shall preclude the City Council from entering into a tax abatement/economic incentive agreement that takes full advantage of the flexibility contained in the Local Government Code, the Government Code or the Tax Code, as amended.

VI. RECAPTURE

- A. In the event that the owner:
 - (1) allows ad valorem taxes owed the City of Killeen to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest or violates any of the terms and conditions of the Abatement Agreement; and fails to cure during the Cure Period hereinafter described, the Agreement then may be terminated, and the owner shall repay all taxes previously abated by virtue of the Agreement to the City of Killeen within thirty (30) days of the termination.
 - (3) Fails to comply with Tax Code Chapter 312, as amended, City of Killeen may recapture all or a portion of property tax revenue lost as a result of the agreement, and payment of penalty or interest, or both, on that recapture property tax
- B. Should the City of Killeen determine that the owner is in default according to the terms and conditions of its Agreement, the City of Killeen shall notify the owner of such default in writing at the address stated in the Agreement, and if such is not cured within thirty (30) days from the date of such notice ("Cure Period"), then the Agreement may be terminated.

VII. ADMINISTRATION

- A. The Chief Appraiser of the Bell County Appraisal District will annually determine an assessment of the real property. Each year, the owner receiving tax abatement shall furnish the Appraiser with such information as may be necessary for the assessment. Once value has been established, the Chief Appraiser will notify the City of Killeen of the amount of the assessment.
- B. The Abatement Agreement shall stipulate that employees and/or designated representatives of the City of Killeen will have access to the property during the term of the Abatement to inspect the eligible facility to determine if the terms and conditions of the Agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the owner and in accordance with its safety standards.
- C. Upon completion of construction, the designated representative of the City of Killeen shall annually evaluate each Facility receiving Abatement to insure compliance with the Agreement, and a formal report shall then be made to the City Council of Killeen regarding the findings of the evaluation.

VIII. ASSIGNMENT

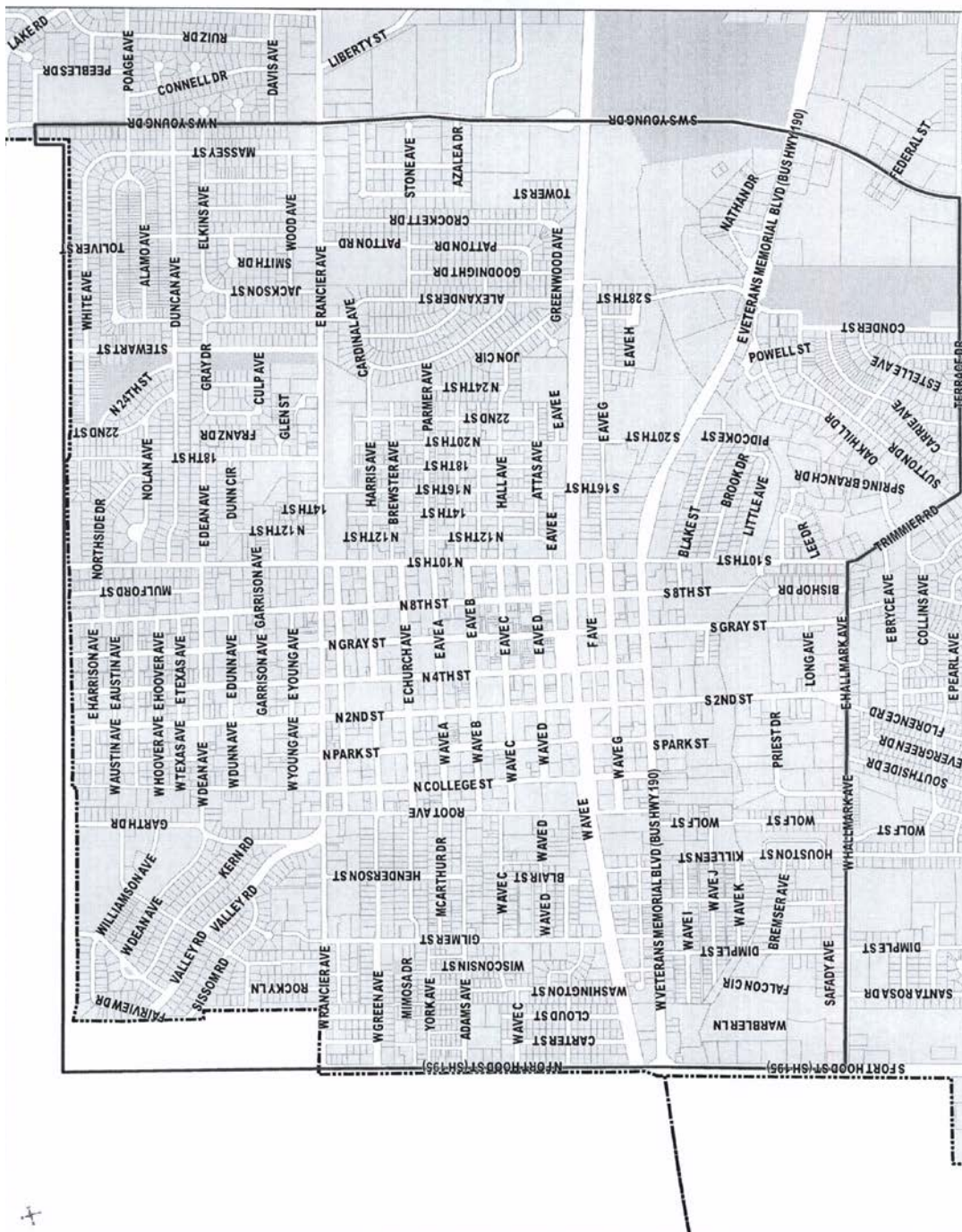
Abatement may be transferred and assigned by the current owner to a new owner of the same Facility upon the approval by resolution of the City of Killeen, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Abatement Agreement are guaranteed by the execution of a new contractual Agreement with the City of Killeen. No assignment or transfer shall be approved if the current owner, the new owner, or the current lessee or new lessee is liable to any jurisdiction for outstanding taxes or other obligations. Approval shall not be unreasonably withheld.

IX. SUNSET PROVISION

Pursuant to Tax Code Section § 312.002 (C), these guidelines and Criteria are effective upon the date of their adoption and will remain in force for two (2) years, unless amended by three-quarters vote of the City Council of the City of Killeen, at which time all Tax Abatement agreements created pursuant to these provisions will be reviewed to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria may be modified, renewed or eliminated.

DATE ADOPTED: 12 June, 2018

Resolution No. 18-_____



NORTH KILLEEN REVITALIZATION AREA

- Legend**
- Paras
 - Revelization Area Soundanes
 - Parcels
 - City Limits



CITY OF KILLEEN

APPLICATION FOR TAX ABATEMENT PROGRAM

Instructions for Completing the Application Form

1. The application form consists of three parts: (1) general information regarding your proposal and the property in question; (2) questions relating to minimum standards/objective criteria; and (3) subjective criteria worksheet. Please complete all three parts. We recommend that you review the City of Killeen's Guidelines and Criteria for tax abatement prior to completing the application form.

2. Part One: Questions 1-12 request basic information relating to your proposal.

Questions 3 & 4: Applicable only if you are not the current owner of the property. If you are leasing property for which you are requesting tax abatement, the City of Killeen will require both lessor and lessee to execute a tax abatement agreement.

Question 7: Describe in detail the long term improvements you intend to make to the property, the type and value of the improvements, and the productive life of each proposed improvement. Note that under the City of Killeen's Guidelines and Criteria, the City will grant tax abatement only on permanent improvements to real property (e.g., buildings, permanently installed equipment, site improvements, fixtures, etc.). Specifically excluded from tax abatement are personal property and the underlying real property. Eligible property must have a useful life of ten years to be eligible for tax abatement.

Question 12: Tax abatement is available only on that portion of the increase in ad valorem taxes attributable to the improvements to the property you propose to make. Please indicate the percentage of abatement you are requesting and the number of years of abatement you are requesting.

3. Part Two: To be eligible for consideration under the tax abatement program, the applicant must satisfy two minimum standards. We recommend that you provide detailed information regarding each of the minimum standards as they apply to your proposed project. Use additional sheets of paper where necessary.

4. Part Three: Questions 15 - 33 relate to the subjective criteria established by the City of Killeen for granting tax abatement. Answer each question as fully as possible using additional sheets of paper where necessary. The City Staff will review your responses before making a recommendation to the City Council on whether tax abatement should be granted and, if so, under what terms.

**APPLICATION FOR TAX ABATEMENT
REINVESTMENT/ENTERPRISE ZONE
PART ONE – GENERAL INFORMATION**

1. Applicant: **Paul Yazbeck**
Mailing Address: **2608 Thomas Avenue, Suite 6**
Dallas TX 75204
Telephone Number: **(972) 310-1032**

2. Contact Person or Agent: **Paul Yazbeck**
Mailing Address: **2608 Thomas Avenue, Suite 6**
Dallas TX 75204
Telephone Number: **(972) 310-1032**

3. Current Property Owner: **1302 Harris Killeen-PJY Investments, LLC**
Mailing Address: **2608 Thomas Avenue, Suite 6**
Dallas TX 75204
Telephone Number: **(972) 310-1032**

4. Property Owner's Representative: **Elizabeth Reyes**
Mailing Address: **2205 Silverway Drive**
Killeen TX 76549
Telephone Number: **(254) 892-9734**

5. Property Street Address: **1302 Harris Avenue, Killeen, TX 76541**

(Attach Legal Description, Plat and detailed Project Site Plan illustrating layout and design for structures, landscaping, signage, parking, and internal circulation)
Legal Description: **Hillandale, Block 006, Lot 1-5, & Business Personal Property, Acres 2.313**

6. Located Within City of Killeen? **X** YES ___ NO

Within City of Killeen extraterritorial jurisdiction (5 miles)? ___ YES **X** NO

Bell County? **X** YES ___ NO

Killeen Independent School District? **X** YES ___ NO

Central Texas College? **X** YES ___ NO

Bell County Road? **X** YES ___ NO

Clearwater U.W.C.D.? **X** YES ___ NO

7. Description of Project: **Renovation of six 4,640 square foot two story apartment buildings to include upgrades to mechanical, electrical, plumbing, and office space. Add on site laundry facility. Future public pocket park and community garden to be created on the vacant 1 acre portion of the lot.**
8. Date project for (a) initiation of project: **April 1, 2018**
 (b) completion of project: **October 1, 2018**
9. Assessed value of the existing property and improvements separately stated for real and personal property, for tax year immediately preceding this application:
Real Property 2017 - \$614,880
Personal Property 2017- \$0.00
10. Estimated base year value (year of application) of existing property and improvements, separately stated for real and personal property:
Real Property 2017 - \$764,880
Personal Property 2017- \$0.00
11. Present and intended uses of property and facility:
46 unit apartment complex, managers office, laundry facilities, and a community park and garden.
12. Percentage and duration of tax abatement requested:
100 % abatement for five (5) years

PART TWO – MINIMUM STANDARDS/OBJECTIVE CRITERIA

13. Will the project involve a minimum increase in property value of 150% for construction of a new facility or 25% for expansion of an existing facility for an investment of at least \$50,000 in taxable assets? Give dollar amount of investment. Identify funding sources:
Yes, proposed improvements will involve over \$150,000 of investment to the property for upgrades to plumbing, electrical, HVAC, and interior improvements funded in part by property purchase bank loan.
14. Will the project create or retain a minimum of one (1) job which would not otherwise be created or retained? How many jobs? Identify number and types of jobs created or retained.
Yes. This renovation will create or retain between two and seven jobs in the first year. These jobs will be an Assistant Property Manager, Maintenance Technician, and renovation team. This renovation is also projected to support local jobs in the community by way of landscaping, pest control, and other subcontractors to maintain the property.

PART THREE – SUBJECTIVE CRITERIA

15. Will the project make a substantial contribution to redevelopment efforts preservation effort, special area plans or strategic economic development programs by enhancing either functional or visual characteristics, e.g., historical structures, traffic circulation, parking, facades, materials, signs, etc.? Describe.
Yes. This renovation will have substantial impact to the city's North Killeen Revitalization effort. The improvements will increase livability and security for the residents. It will also add visual improvements to the buildings and the future installation of a pocket park and community garden.
16. Will the project have high visibility, image impact, or is it of a significantly higher level of development quality? Describe.
Yes. This project will take place at a currently blighted property in the North Killeen Revitalization area. Renovation and revitalization of this property will increase the number of available rentals as well as better the overall feel of this neighborhood.
17. Is the project in an area which might not otherwise be developed because of constraints of topography, ownership patterns, site configuration, etc.? Explain
Yes. Development patterns have moved residential properties to the South. North Killeen is currently a focus of city revitalization efforts. The vacant area of the property would not be a viable option for development as it lies in the 100 year flood area. Building a pocket park and community garden in this area would be appropriate.
18. Will the project serve as a prototype and catalyst for other development of a higher standard? Explain.
Yes. North Killen needs new private investment to spur revitalization. This project could be a catalyst for similar development and draw new developers to the area.
19. Will the project stimulate desirable concentrations of employment or commercial activity? Explain.
Yes. Our renovation will create not only new employment but also commercial activity from residents living on the property.
20. Will the project generate greater employment than would otherwise be achieved, e.g., commercial/industrial versus residential or manufacturing versus warehousing? Explain.
This project is for the renovation of an existing derelict apartment complex. The renovation will increase the number of working tenants that are able to live at the property. This increase will expand the transportation needs and available work force in North Killeen.

21. What is the estimated value of the existing real property and improvements?
Real Property 2017 assessed value is \$614,880 and 764,880 with improvements.
22. What are the type and value of proposed improvements?
Electrical, Plumbing, Façade, HVAC, Signage, and Interior improvements to include appliances totaling \$150,000. Currently in the bidding process for the pocket park and community garden.
23. What is the productive life of each proposed improvement?
10-27.5 years
24. What amount of local payroll will be created as a result of your proposed new construction or expansion?
Estimated \$40,000- \$60,000
25. Will the newly created jobs be filled by persons residing or projected to reside within the City of Killeen? The Killeen Independent School District? Bell County? Central Texas College? Bell County Road? Clearwater U.W.C.D.? Give the percentage of jobs to be filled by local workers.
100%
26. What is the estimated amount of local sales taxes to be generated directly?
None
27. Will the amount of property tax base valuation be increased during term of Abatement and after Abatement? Estimate the increase in appraised value attributable to your improvements.
Yes - \$500,000 - \$700,000 increase in the appraised value attributed to the improvements.
28. What costs will be incurred by the City of Killeen to provide facilities or services directly resulting from the new improvements?
The City of Killeen will not incur any additional cost for this renovation.
29. What is the amount of ad valorem taxes to be paid to the City of Killeen, during the Abatement period considering: (a) the existing values; (b) the percentage of new value abated; (c) the Abatement period; and (d) the value after expiration of the Abatement period? (For purposes of this question assume a tax rate of \$0.7498 for the City of Killeen.)
Real Property 2017 assessed value is \$614,880 and the City of Killen base tax for this year was \$4,610.37. The percentage of the new value to be abated is 56% for real property. Total annual abatement would be \$3,637.13 for real property. Projected abatement over a five (5) year period will be approximately \$18,187.15. The value of the real property after expiration of the five (5) year abatement period is expected to be over \$1.1 million.

30. What population growth, if any in the City of Killeen do you expect to occur as a direct result of your proposed improvement?
46-75 Killeen residents will be provided with safe and affordable housing.
31. What are the types and values of **public** improvements you intend to make?
We anticipate the future installation of a pocket park and community garden on the vacant one acre portion of the property.
32. Will the proposed improvements compete with existing businesses to the detriment of the local economy? Will the proposed improvements stimulate existing local businesses? Identify specific businesses. Attract other new business? Explain.
The proposed improvements will not be a detriment to the existing economy in North Killeen. This renovation is projected to support local jobs in the community by way of landscaping, pest control, and other businesses and subcontractors to maintain the property. The increase in residents will increase patronage to existing local businesses.
33. Is your proposed use of the underlying real property in compliance with the City's Zoning Ordinance? Have you discussed your plans with the City's Planning, Engineering, and Building & Development Services Departments?
Yes, We have discussed all new renovations with City Officials to include the Permits and Inspections Department and the Revitalization Planner.

APPLICATION AFFIDAVIT

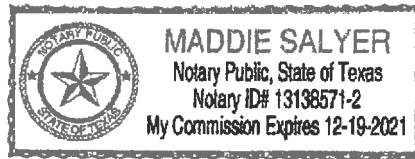
BEFORE ME, the undersigned authority, on this day personally appeared PAUL YAZBECK, a resident of DALLAS County, TX who being by me first duly sworn deposed and said:

"My name is Paul Yazbeck, agent for 1302 Harris, Killeen - PSY Investments LLC a TEXAS / LLC corporation and I am duly authorized to make this affidavit. This application is true and correct in all respects to the extent of my knowledge. I am authorized to make this application on behalf of this Entity for the purpose of seeking tax abatement on certain improvements to be made to property owned by 1302 Harris, Killeen - PSY Investments LLC in Tax Abatement Reinvestment Zone Number One, Killeen, Texas.

Paul J. Yazbeck
Signature

Typed Name: Paul J. Yazbeck

SWORN TO AND SUBSCRIBED TO BEFORE ME, the undersigned authority, on the 23 day of March, 2018.



Maddie Salyer
Notary Public
DALLAS County, Texas

My commission expires: 12-19-2021

1302 Harris - CapEx Budget for 2018

Description	Estimated Cost	Average Cost Per Unit	Timeline/Notes
Vacant Unit Upgrades	\$ 100,165.00	\$ 4,173.54	Vacant Unit Upgrade. 24 Units completed by June 2018.
Occupied Unit Upgrades	\$ 91,806.00	\$ 4,173.54	Throughout 2018. Renovate 22 Units. Cost of \$4,173 /unit
Community Amentities (Park, garden, etc)	TBD		
Repair Front Gate	Need Bid		
Water Conservation & Fix Water Leaks	\$ 6,000.00		Completed in Feb 2018
Total Estimated Investment in 1302 Harris in 2018	\$ 197,971		

Work Description (Average Cost Per Unit)	AMOUNT
All mention items below:	
1.- Trash out and clean up.	
2.- Patch, tape and bed and retexture drywall as needed.	
3.- Primer all areas as need it.	
4.- Paint and repair cabinets and cabinet knobs as needed.	
5.- Repair doors, closet shelves, rod and any damage trim and base board as needed.	
6.- Apply two tone paint on walls, ceilings, doors and trim.	
7.- Repair electrical as needed and replace light fixture and ceiling fans as needed throughout units.	
8.- Resurface all tubs and tub surrounds as need it.	
9.- Repair/ Replace, hardware, a/c vent, a/c return, a/c access ass need it.	
10.- Install new towel rack, tissue holder, shower head, shower rod as need it.	
11.- Over lay new vinyl plank flooring on bedrooms and common areas.	
12.- Repair/ replace any damage appliances dishwasher, stove, refrigerator as need it.	
13.- Replace any damage mini blinds.	
14.- Touch up and clean.	
Note: All material will be WMF standard.	
Material	\$ 2,473.00
Labor	\$ 1,400.00
Subtotal	\$ 3,873.00
WMF Fee	\$ 580.95
Total Materials and Labor	\$ 4,453.95

Timeline for Improvements to 1302 Harris Avenue – PJY Investments, LLC.

Project Element	Construction Start Date	Construction Completion Date
Interior Improvements		
Roofing	March 2018	August 2018
Repair/Paint Interior Walls	March 2018	August 2018
Electrical Improvements	March 2018	August 2018
Plumbing Improvements	March 2018	August 2018
Interior Flooring	March 2018	August 2018
Repair/Replace Cabinets	March 2018	August 2018
Install Appliances	March 2018	August 2018
Replace Water Heaters	March 2018	August 2018
Repair Exterior Handrails	March 2018	August 2018
Paint Exterior	March 2018	August 2018
Landscaping	March 2018	August 2018

Property Search Results > 95681 1302 HARRIS KILEEN - PJY INVESTMENTS LLC for Year 2018

New Search

Details Map Pay Taxes

Click on a title bar to expand or collapse the information.

Expand All

Property

Account

Property ID:	95681	Legal Description:	HILLANDALE, BLOCK 006, LOT 1-5, & BUSINESS PERSONAL PROPERTY, ACRES 2.313
Geographic ID:	0179510500	Agent Code:	
Type:	Real		
Property Use Code:			
Property Use Description:			

Location

Address:	1302 HARRIS AVE KILLEEN, TX	Mapsco:	SPRINGCREEK
Neighborhood:	HILLANDALE	Map ID:	29B01 Q78
Neighborhood CD:	KHILLANDAL		

Owner

Name:	1302 HARRIS KILEEN - PJY INVESTMENTS LLC	Owner ID:	840400
Mailing Address:	2608 THOMAS AVE UNIT 6 DALLAS, TX 75204	% Ownership:	100.000000000000%

Exemptions:

Values

Taxing Jurisdiction

Improvement / Building

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	RES	RESIDENTIAL	2.3130	100754.28	88.00	94.00	\$0	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2018	N/A	N/A	N/A	N/A	N/A	N/A
2017	\$514,126	\$100,754	0	614,880	\$0	\$614,880
2016	\$422,146	\$100,754	0	522,900	\$0	\$522,900
2015	\$417,938	\$100,754	0	518,692	\$0	\$518,692
2014	\$354,662	\$100,754	0	455,416	\$0	\$455,416
2013	\$354,435	\$100,754	0	455,189	\$0	\$455,189
2012	\$345,291	\$100,754	0	446,045	\$0	\$446,045
2011	\$376,046	\$100,754	0	476,800	\$0	\$476,800
2010	\$476,137	\$100,754	0	576,891	\$0	\$576,891
2009	\$581,636	\$100,754	0	682,390	\$0	\$682,390
2008	\$720,758	\$100,754	0	821,512	\$0	\$821,512
2007	\$703,861	\$100,754	0	804,615	\$0	\$804,615
2006	\$716,526	\$100,754	0	817,280	\$0	\$817,280



PJY INVESTMENTS, LLC - TAX ABATEMENT APPLICATION REQUEST

RS-18-041

June 5, 2018

PROJECT FINDINGS

- ❑ The City has established guidelines and criteria governing tax abatement in North Killeen. The North Killeen Guidelines And Criteria for Tax Abatement are effective as of 12 June 2018.
- ❑ The registered agent, Paul Yazbeck of 1302 HARRIS KILLEEN-PJY INVESTMENTS, LLC filed an Application for Tax Abatement with the City.
- ❑ The property is a multifamily residential property with forty-six (46) units and a management office within six (6) buildings.
- ❑ Mr. Yazbeck has shown that he intends to invest \$197,971 for property improvements to include electrical, plumbing, HVAC, Façade beautification, signage, and other interior and exterior renovations.
- ❑ There are plans to add a pocket park and community garden on the vacant one (1) acre portion of the property.
- ❑ The project is anticipated to retain two (2) full time jobs and is expected to create five (5) jobs during the first year directly related to the renovation of the property.

REQUESTED TAX ABATEMENT

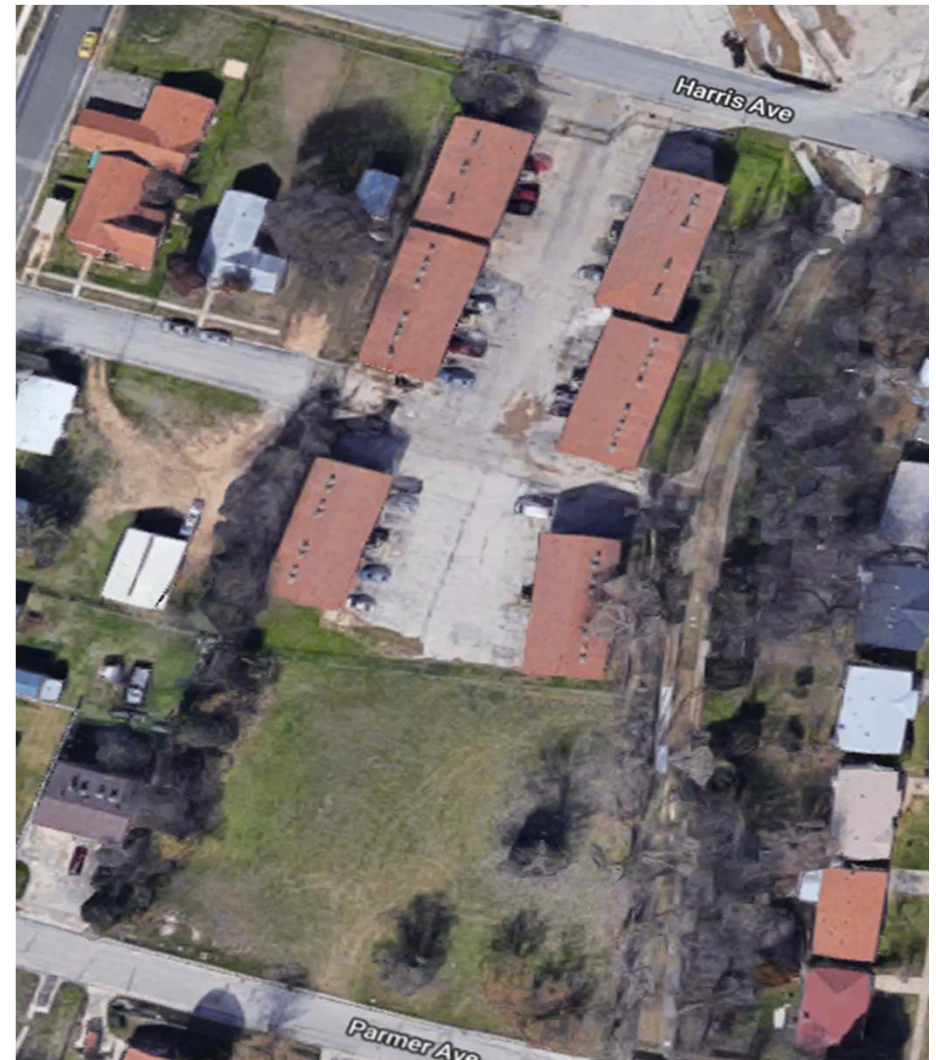
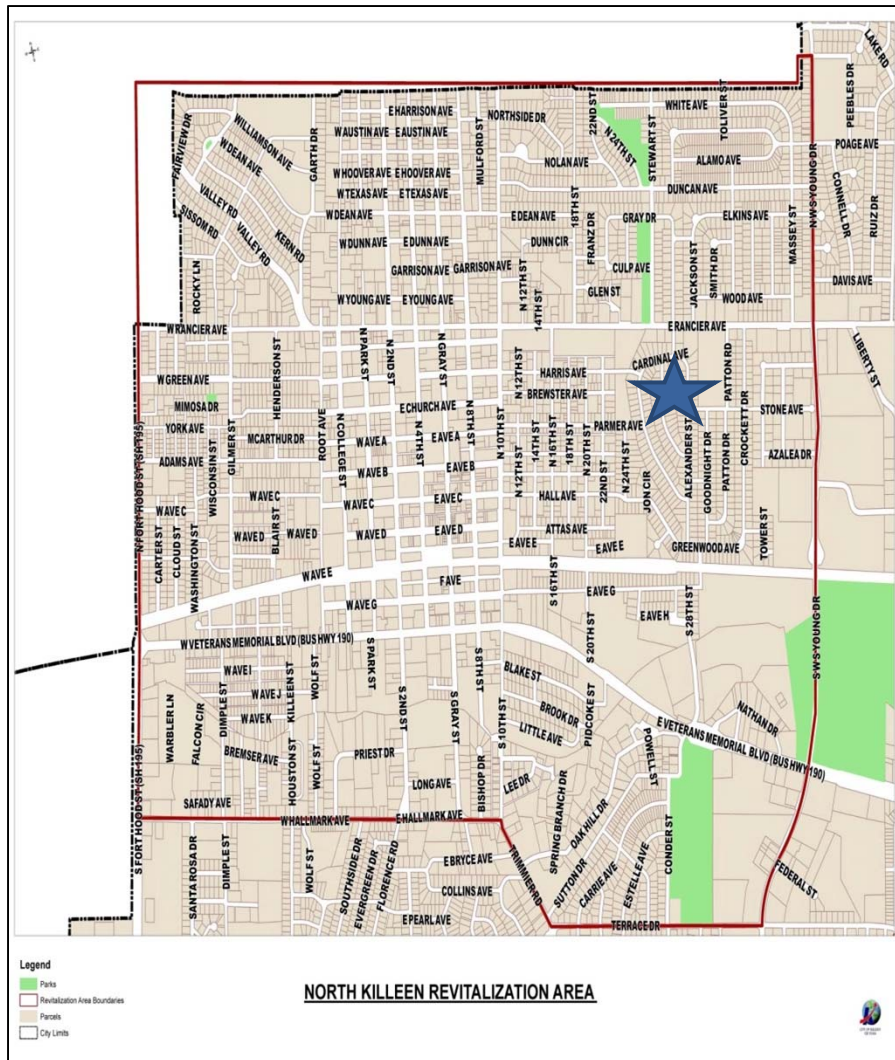


- ❑ The assessed value of the real property was \$614,880 in 2017
- ❑ Anticipated property value with \$197,971 renovation and installation of pocket park and community garden is \$1,100,000.
- ❑ The total annual abatement could potentially be \$3,637.13 for year one with a projected abatement of \$18,187.15 for a period of five (5) years.
- ❑ Established criteria for approval show a possible score of twenty-one (21) points for this project and shows that it meets the requirements for 100% City tax abatement over five (5) years.

ESTABLISHED CRITERIA

Category I. Objective Criterion - - Dollar Value of Improvements		
<i>\$25,000 - \$74,999</i>	<i>3 points</i>	
<i>\$75,000 - \$149,999</i>	<i>6 points</i>	
<i>> \$150,000</i>	<i>9 points</i>	
Category II. Objective Criterion - - Number of Jobs Created or Retained (that would not otherwise be created or retained.)		
<i>1 – 5 jobs</i>	<i>3 points</i>	
<i>> 5 jobs</i>	<i>6 points</i>	
Category III. Subjective Criterion - - Positive Impact on Community		
<i>No significant Positive Impact</i>	<i>0 points</i>	
<i>Desirable Positive Impact</i>	<i>6 points</i>	
<i>Exceptional Positive Impact</i>	<i>9 points</i>	
SCHEDULE		
<i>Sum of Points</i>	<i>Years of Abatement</i>	<i>% Abatement</i>
<i>< 6</i>	<i>-</i>	<i>-</i>
<i>6 – 9</i>	<i>5</i>	<i>50%</i>
<i>10 – 17</i>	<i>5</i>	<i>75%</i>
<i>> 17</i>	<i>5</i>	<i>100%</i>

PROJECT LOCATION



1302 HARRIS



STAFF RECOMMENDATION



- Staff recommends that the City Council approve a resolution approving the application for North Killeen tax abatement for 1302 Harris Killeen-PJY Investments, LLC located at 1302 Harris Avenue and authorize the City Manager to enter into the agreement and sign on the City's behalf.



City of Killeen

Legislation Details

File #: RS-18-042 **Version:** 1 **Name:** Procurement of a Motor Grader for the Street Operations Division

Type: Resolution **Status:** Resolutions

File created: 5/18/2018 **In control:** City Council Workshop

On agenda: 6/5/2018 **Final action:**

Title: Consider a memorandum/resolution authorizing the procurement of a Motor Grader for the Street Operations Division.

Sponsors: Fleet Services, Streets, Public Works Department

Indexes:

Code sections:

Attachments: [Staff Report](#)
[Quotes](#)
[Certificate of Interested Parties](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Procurement of a Motor Grader for the Street Operations Division

BACKGROUND AND FINDINGS:

Since 2002, the City of Killeen has procured a motor grader and subsequent replacements with a three-year guaranteed buyback/repurchase price. The guaranteed buyback funds have then been applied towards the purchase of the replacement motor grader at the end of the three-year term. This heavy equipment is used by the Street Operations Division for many street, utility and maintenance programs.

THE ALTERNATIVES CONSIDERED:

- 1.) Renting is not practical because there must be a motor grader available most all of the time for periodic use. Rental cost for the motor grader would average \$6,900/month plus delivery and pickup.
- 2.) Leasing of a comparable motor grader would cost \$2,815.63 per month.
- 3.) Purchase the motor grader for \$267,624.57 with the three-year guaranteed buyback/repurchase price of \$209,700.00, resulting in a net cost of \$57,924.57 or \$1,609.02/month.

Which alternative is recommended? Why?

Staff recommends Option 3, because it offers the best value.

CONFORMITY TO CITY POLICY:

The City of Killeen is a member of several purchasing cooperatives that are in compliance with Texas Local Government Code section 271.102. Purchases made through a cooperative satisfy competitive bid requirements. Quotes were solicited from four cooperative participating vendors resulting in two complete quotes, one partial and one no-quote. RDO Equipment Co. supplied the quote representing the best value for the City considering price & serviceability.

FINANCIAL IMPACT:

Cooperative quotes received:

Vender	Model	Co-op	Cost	Buyback	Net Cost
RDO Equip.	John Deere 770GP	BuyBoard	\$267,624.57	\$209,700.00	\$57,924.57
Holt CAT	Caterpillar 140M3	NJPA	\$263,500.00	\$195,000.00	\$68,500.00
WPI	Komatsu GD655-6	BuyBoard	\$341,650.00	NA	NA

What is the amount of the expenditure in the current fiscal year? For future years?

Purchase price of \$267,624.57 minus \$250,000.00 received from buyback of previous motor grader = \$17,624.57 expenditure this fiscal year. There are no future costs for this equipment.

Is this a one-time or recurring expenditure?

This is a one-time expenditure.

Is this expenditure budgeted? If not, where will the money come from?

Funds will be available in account number 601-3445-434.61-35 following the mid-year budget amendment.

Is there a sufficient amount in the budgeted line-item for this expenditure?

Funds will be available in account number 601-3445-434.61-35 following the mid-year budget amendment.

RECOMMENDATION:

Staff recommends that City Council approve the purchase of the motor grader from RDO Equipment Company utilizing the Texas Association of School Boards (TASB) BuyBoard Purchasing Cooperative for \$267,624.57, and that the City Manager or designee be expressly authorized to execute any and all change orders within the amounts set by state and local law.

DEPARTMENTAL CLEARANCES:

Public Works
Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Quotes
Certificate of Interested Parties



JOHN DEERE

Retail Purchase Order

RDO Equipment Co.
215 Enterprise
Hewitt TX, 76643
Phone: (254) 666-3900 - Fax: (254) 666-7466

Bill To:
CITY OF KILLEEN
PO BOX 1329
KILLEEN, TX, 765401329
BELL ()
(254) 634-2191

Purchase Order Date: 4/9/2018
Purchase Order #: 1066350
Purchaser Account #: 2191024
Customer Purchase Order #: TBD
Customer Sales Tax Exempt #: None

Customer Purchaser Type: Governmental - County
Customer Market Use: Material Handling - Sand & Gravel/Stone
Location of First Working Use: KILLEEN, TX, 765401329
Dealer Account Number: 177418
Sales Professional: Colin Duecy
Phone: (254) 666-3900
Fax: (254) 666-7466
Email: CDuecy@rdoequipment.com

Comments

Warranty will expire 36 months after machine is delivered to the City of Killeen OR after 3000 machine hours, whichever occurs first.

Buyback Terms:

3 year/1500 Hours- \$209,700

3 year/3000 Hours- \$194,700

Equipment Information

Quantity	Serial Number	Hours (approx.)	Status / Year / Make / Model Additional Items	Cash Price
1	TBD	0	New 2018 JOHN DEERE 770G Other Buyboard Contract# 515-16 Warranty -John Deere Power Train & Hyd.-36 Months, 3000 Hours,Deductible: 0	\$267,624.57
Equipment Subtotal:				\$267,624.57

Purchase Order Totals

Balance: \$267,624.57
Tax Rate 3: (TXEG 0%): \$0.00
Sales Tax Total: \$0.00
Sub Total: \$267,624.57
Cash with Order: **\$0.00**
Balance Due: **\$267,624.57**

For the Construction Product(s)

ACKNOWLEDGMENTS

7
Not Applicable
- CD
5-29-18

The Purchaser promises to pay the balance due shown hereon in cash, or to execute a Time Sale Agreement Product(s) ordered herein. Despite delivery of the Product(s) to the Purchaser, title shall remain with the Seller until one of the foregoing is accomplished. Except as provided herein and as necessary to protect RDO Equipment from the claims of a bankruptcy trustee or a buyer in the ordinary course of business, the Purchaser and the Dealer agree that this Purchase Order is not a security agreement and that delivery of the Product(s) to the Purchaser pursuant to this Purchase Order will not constitute possession of the Product(s) by the Purchaser, as a debtor, for the purposes of the purchase money security provisions in any statutes relating to personal property security or its equivalent. Purchaser understands that its rights in connection with this purchase are limited as set forth in this Purchase Order. I (we) hereby grant a security interest to RDO Equipment in the Product.

DISCLOSURE OF REGULATION APPLICABILITY - (CARB Disclaimer) - When operated in California, any off-road diesel vehicle may be subject to the California Air Resources Board In-Use Off-Road Diesel Vehicle Regulation. It therefore could be subject to retrofit or accelerated turnover requirements to reduce emissions of air pollutants. More information is available on the California Air Resources Board website at <http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>.

Purchase Agreement - The undersigned purchaser(s) (the "Purchaser") hereby orders the equipment (the "Equipment") described above from the Dealer. The Dealer shall not be liable for failure to provide the Equipment or for any delay in delivery if such failure or delay is due to the Dealer's inability to obtain such Equipment from the manufacturer or supplier or other cause beyond the Dealer's control. The cash price shown above is subject to the Dealer receiving the Equipment from the manufacturer or supplier prior to any change in price by the manufacturer or supplier and is also subject to any new or increased taxes being imposed upon the sale of the Equipment after the date of this Purchase Order.

IMPORTANT WARRANTY NOTICE - The Standard Warranty for new John Deere construction and forestry products is set forth in a separate document provided by the dealer. Please read the Standard Warranty carefully before signing. No express warranty is made unless specified in the Warranty Statement. **PURCHASER'S RIGHTS AND REMEDIES PERTAINING TO THIS PURCHASE ARE LIMITED AS INDICATED IN THE STANDARD WARRANTY AND PURCHASE ORDER. WHERE PERMITTED BY LAW, NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS IS MADE. USED JOHN DEERE PRODUCTS ONLY:** John Deere will transfer remaining Standard Warranty and/or Structural Warranty to the purchaser of a used John Deere construction and forestry product that has been used for less than the full warranty period provided at the product's original retail purchase. This transfer is not effective unless and until John Deere's written confirmation of transfer, indicating when the transferred warranty will expire, is received by the customer. **ALL THE TERMS, INCLUDING LIMITATIONS AND EXCLUSIONS, OF THE JOHN DEERE STANDARD WARRANTY AND/OR STRUCTURAL WARRANTY ORIGINALLY PROVIDED FOR THE PRODUCT REMAIN IN EFFECT AND APPLICABLE.**

SIC Information - Please be advised that RDO has assigned its rights to sell construction rental equipment (as defined under SIC code #3831 and as described in this document) and the rights to sales proceeds (including "trade-in assets" related thereto) to North Star Deferred Exchange LLC, as part of IRC Sec. 1031 exchange.

Extended Warranty Oil Sampling Acknowledgement - For extended warranty contracts purchased after June 9, 2008, machines that require oil samples must have a fluid sample submitted prior to entering Extended Warranty. Fluid samples are required at a maximum interval of 500 hours after the first sample has been submitted. Fluid sampling must be done prior to failure as a condition of coverage. Machines with existing Extended Warranty contracts are exempt from this requirement. However, for contract extension purchased on or after June 9, 2008 fluid analysis will be required beginning on the date of contract extension purchase. * Failure to complete samples as recommended by Deere will result in a 20% charge of the total warranty claim to the customer. The following units with Extended Warranty contracts above 5000 hours will require Hydraulic Oil sampling at a maximum interval of 500 hours. - ADT's, backhoes, Crawlers (605, 655, 755, 850, & 1050), Energy Wood Bundlers, Excavators size 75 - 135, Forwarders, Kruidboom Loaders, Swing Machines, Loaders, Motor Graders, Skidders and Wheeled/Tracked Feller Bunchers & Harvesters. The following units with Extended Warranty contracts above 5000 hours will require Hydrostatic Oil sampling at a maximum interval of 500 hours. - Crawlers (450, 550, 650, 700, 750, & 850) The following units with Extended Warranty contracts at any hour level will require Hydraulic Oil sampling at a maximum interval of 500 hours. - Excavators size 160 - 850 The following units are excluded from oil sampling at this time. - Compact excavators, Compact Tractor Loaders, Skid Steers, Compact Loaders, Rigid Frame Trucks, Scraper Tractors and Pull-Type Scrapers. Within the signature area of the PO, the salesperson has explained the "Extended Warranty Oil Sampling Acknowledgement" and I understand as the purchaser my responsibility

Upon signature of delivery acknowledgment, customer is accepting the equipment, including attachments, in "AS IS" condition, agreeing to notify RDO Equipment Co. within 24 hours of any damages or discrepancies found upon receipt of equipment.

Purchase Order Accepted By:

(Customer's Signature)

(Date Accepted)

(Authorized Signature of Dealer)

(Date Accepted)

Delivery of Equipment Acknowledgement:

(Customer's Signature)

Date Accepted

Standard Warranty Acknowledgement:

(Delivered On)

(Warranty Begins)

Extended Warranty Oil Sampling Acknowledgement:

(Customer's Initials)

(deal owner's title's initials)

Equipment Options

Qty	Serial Number	Year / Make / Model	Description
1	TBD	2018 JOHN DEERE 770G	8460T 770G MOTOR GRADER 1020 ELECTRO HYDRAULIC CONTROLS 1140 9.0L ENG,EPA FINAL TIER IV 1240 ALTERNATOR 200 AMP 1310 QUICK SERVICE GROUP 1410 STANDARD FUEL LINES 1610 HYDRAULIC PUMP DISCONNECT 170C JDLINK ULT 5 YEAR SERVICE 1830 BLACK EXHAUST STACK 1920 NO BLADE IMPACT ABSORPTION 2060 14"X24"X7/8" MB (8"CEX5/8") 2605 ENGLISH LABELS & DECALS 2775 NO TOPCON RADIO INSTALLATION 2810 SNGL INPUT W/O SLIP CLUTCH 4611 17.5R25 G2/L2 1*MICH 1PC RIM 5060 EH LOW CAB W/ WINDOWS 5510 AUTOSHIFT TRANSMISSION 5710 TRANS VALVE SOLENOID GUARD 5815 HYDRAU-GREASE,OIL,FUEL,COOLN 6010 CAB PRECLEANER 6140 PREM POST/CONT FAB EH CNTRLS 6555 EH CONTROL VALVE W/ 1 AUX 6650 EH PLACE HOLDER 6710 FRONT PUSH BLOCK 6810 REAR RIPPER/SCARIFIER COMBO 7130 STD LIGHT PKG W/LED COLORED 7820 NO FRONT FENDERS 8110 CONVERTER, 24/12V 10/15 AMP 8210 MIRROR, CONVEX EXTERIOR 8310 LOWER FRONT INT WIPER/WASHER 8410 RADIO AM/FM/WB 8510 A/C - CHARGE 8730 NO SOUND ABSORPTION PKG 8810 REAR CAMERA 9130 REAR RETRACTABLE SUNSHADE 9430 9 EXTRA SCFR SHANKS W/TEETH

**STANDARD WARRANTY FOR NEW JOHN DEERE
CONSTRUCTION, UTILITY, AND FORESTRY PRODUCTS - US & Canada**

- **Construction, Forestry & Commercial Worksite Products:** 12 months Full Machine Standard Warranty
- **Pull-Type Scrapers:** 6 months Full Machine Standard Warranty
- **Scraper Tractors:** 24 Months or 2000 Hours (whichever occurs first) Full Machine Standard Warranty
- **Forestry Attachments:** 12 Months or 2000 Hours (whichever occurs first) Full Machine Standard Warranty
- **Frontier Equipment:** 6 months Full Machine Standard Warranty (90 days in rental applications)

The "Standard Warranty" is part of the warranty protection package available from John Deere Construction & Forestry Company (John Deere Limited in Canada) ("John Deere") to purchasers of new John Deere products ("product"):

STANDARD Warranty is John Deere's standard new product warranty, described in this document, provided at no additional charge to the purchaser.

EXTENDED Warranty is a separate repair contract made available by John Deere for purchasers who wish to complement their Standard Warranty coverage. Complete Extended Warranty details, including coverage options and limitations, are set forth in the Application for Extended Warranty, which is available from authorized John Deere dealers.

STRUCTURAL Warranty applies to certain structural components as listed below and as described in this document.

FACTORY-INSTALLED UNDERCARRIAGE Warranty applies to certain undercarriage components as listed below and as described in this document.

A. STANDARD WARRANTY - GENERAL PROVISIONS

John Deere will repair or replace, at its option, any parts (except those specified below) of a new John Deere product that, as delivered to the original retail purchaser(s), are defective in material or workmanship. Performance of this warranty will be free of charge for parts and labor/labour, except as otherwise stated below. Standard Warranty applies only to purchases from John Deere and authorized John Deere dealers and, except as otherwise provided in the next sentence and section L below, is extended only to the original retail purchaser of the product. Remaining Standard Warranty applicable to a used John Deere product is transferred to a subsequent purchaser of the product only if the subsequent purchaser requests a transfer from an authorized John Deere dealer before the product's Standard Warranty expires. Coverage begins on the date of delivery of the product to the original retail purchaser. For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. Warranty statements required by law covering engine emissions-related parts and components are found on a separate written warranty certificate provided to the purchaser at the time of the original retail purchase.

B. WHAT IS COVERED BY STANDARD WARRANTY -

All parts of a new John Deere product (except those noted in Sections D and E below) are covered during the Standard Warranty period set out above.

C. EXCLUSIVE REMEDY -

The repair or replacement of covered parts or components that are defective, as provided in Sections A, B, D.2 and D.3 herein, shall be the purchaser's exclusive remedy for any defect in the product. However, if after repeated attempts such repair or replacement fails to correct the performance problem caused by the defect, the purchaser's sole remedy shall be a refund of the amount paid for the product (in exchange for a return of the product), excluding any transportation charges, license fees, taxes and insurance premiums, and less a reasonable allowance for use of the product prior to its return. In no event will the dealer, John Deere or any company affiliated with John Deere be liable for any incidental or consequential damages, including but not limited to loss of profits, rental of substitute equipment or other commercial loss. Correction of defects in the manner provided above shall constitute fulfillment of all liabilities of the Dealer, John Deere, or any company affiliated with John Deere to the purchaser or any other person, whether based upon contract, tort, strict liability, or otherwise. This limitation does not apply to claims for personal injury.

D. ITEMS COVERED SEPARATELY -

1. Standard Warranty does not apply to batteries, radios, tires, cameras, or to Cummins, MTU or Detroit Diesel Engines installed in John Deere products, which are covered by separate written warranties.

2. Factory-Installed Undercarriage Warranty covers all non-rubberized factory-installed undercarriage wear components for 3 years or 4,000 hours from the date of delivery to the original retail purchaser, whichever occurs first (unless terminated earlier under Section F, below). For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. In addition to the items listed in section E below, Factory-Installed Undercarriage Warranty does not cover: failures due to wear, machine application, maintenance practices, or improper machine configuration; removal and installation labor/labour; transportation or hauling costs; unapproved parts; non-wear items; and rubberized undercarriage components such as rubber tracks. Warranty claims will be pro-rated based upon wear of the failed component and whether track shoe width is approved by John Deere. Factory-Installed Undercarriage Warranty does not apply to Scraper Tractors.

3. StructurALL Warranty for new John Deere Products (except Compact Excavators & Loaders, Skid-Steer Loaders, Compact Track Loaders, Scraper Tractors, Pull-Type Scrapers, and Forestry Attachments, which are not eligible for StructurALL Warranty) begins at the date of delivery to the original retail purchaser and ends (unless terminated earlier under Section F, below) after three (3) years, or 10,000 hours (whichever occurs first). For purposes of this warranty, a product that has been rented, used for demonstration purposes for 150 or more hours, or otherwise used prior to its original retail purchase has been "used" for the total duration of such use. **StructurALL Warranty applies only to the following structural components listed below as installed on the product at the time of original manufacture.** If a particular component is not listed below it is not covered by StructurALL Warranty.

Arm; Articulation Joint (incl. pins & bushings); Bin Frame; Boom; Carbody; C-Frame*; Circle Frame; Coupler (John Deere built ONLY); Dipperstick; Draft Frame; Engine Frame; Equipment Frame; Grapple Arch and Grapple Boom; Loader Arm; Loader Frame; Mainframe; Moldboard Lift Arm; NeverGrease™ Pin Joints [Includes steering pin and bushing joints (standard equipment), roller elements (roller bearings) in bucket to boom joints and sliding elements (bushing) for boom and linkage joints (optional equipment)]; Rollover Protection Structure (ROPS); Side Frame; Swing Frame; Track Frame; Undercarriage Frame; X-Frame; Z-bar loader linkage (including bell crank and bucket driver link); Specialty booms and arms marketed as "heavy duty" by John Deere.

Items Covered by StructurALL for Cut-to-Length Forestry Machines: Front frame (welded assembly); Rear frame (welded assembly); Crane king post with basement; Middle joint frame; Cabin swing frame; Main Boom

StructurALL Warranty does not apply to:

1. Any product used primarily in extreme duty or severe duty applications such as but not limited to: demolition and wrecking, chemical plant (including fertilizer plants), salt mines, steel mill, land fill and transfer stations, scrap handling, scarifying and other applications that are similarly destructive or similarly heavy duty except specialty booms and arms as stated in Section D.3 above.
2. C-Frames on H-Series & J-Series Crawlers equipped with root rakes or used in forestry applications unless equipped with an "extreme duty" reinforcement package.
3. Cut-to-Length Forestry Heads and Slash Bundler Units.
4. Crawlers equipped with optional side booms.
5. Cut-to-Length Forestry, Excavator, and Log Loader swing bearings.
6. Motor Graders equipped with front- or rear-mounted snow wings.

E. ITEMS NOT COVERED -

John Deere is NOT responsible for the following:

1. Freight
2. Adjustments to compensate for wear, for periodic maintenance or adjustments that result from normal wear and tear.
3. Damage caused by unapproved adjustments (electronic or mechanical) to machine or machine components outside of published specifications including but not limited to engine, hydraulic components and relief valves.
4. Program updates, calibrations, and pressure adjustments.
5. Diagnostic Time
6. Additional Labor/Labour Time - Above SPG/Labor/Labour Rate
7. Additional Cleaning - Above SPG/Labor/Labour Rate
8. Rental Fees
9. Depreciation or damage caused by normal wear or application, lack of reasonable and proper maintenance, failure to follow operating instructions, misuse, negligence, collision or other accidents.
10. Premiums charged for Overtime Labor/Labour
11. Transportation to and from the dealership.
12. Travel time, mileage or service calls by the dealer.

13. Non-John Deere components or modifications, Rotobec grapples, and attachments installed aftermarket.
14. Shop supplies and maintenance items such as, but not limited to: filters, fuels, oil, hydraulic fluid, lubricants, coolants, conditioners, shop towels, cleaners and degreasers. Note: Reimbursement for refills of oils/coolants lost due to a warrantable failure is covered when a system failure occurs outside the boundaries of a normal oil change (within 25% of specified change interval as provided in the Operator's Manual).
15. Torn, cut, or worn hoses.
16. Wear items, such as, but not limited to: body liner, belts, blades, bulbs, lubricated joints (including pins and bushings), dry brakes, brake linings, dry clutch linings, saw blades, chains, skidder grapple shocks, color marking nozzles, and articulation bumpers.
17. Items such as cutting edge parts, delimbing knives, bucket teeth and rubber track are not warranted for depreciation or damage caused by normal wear, lack of proper maintenance, misuse, failure to follow operating instructions, the elements or accident.
18. Any defect in a non-covered component, or damage to or failure of a covered component caused by a defect in a non-covered component.
19. Secondary damage which occurs from continued operation of a product after recognition of the occurrence of a failure.
20. Parts supplied or modifications done by third party suppliers.
21. Topping off fluids when fluid levels fall in the range between low and full
22. Parts/Kits not ordered on machine and installed aftermarket. These parts will be covered by any applicable parts warranty.
23. Attachments installed aftermarket - i.e. Winch not installed at factory.
24. Custom options installed outside the factory - i.e. G.R. Manufacturing option packages.
25. Used Products (except as otherwise provided in section L below).

F. TERMINATION OF WARRANTY

John Deere is relieved of its obligations under Standard Warranty, StructurALL Warranty, Factory-Installed Undercarriage Warranty and/or Extended Warranty if:

1. Service (other than normal maintenance and replacement of service items) is performed by someone other than an authorized John Deere dealer; or
2. The product is modified or altered in ways not approved by John Deere; or
3. Any unapproved or improperly sized attachment is installed on the product. Approval and attachment size shall be at John Deere's sole discretion. (Consult dealer prior to installing attachments or product modification).
4. The product is moved outside the US and/or Canada.

G. PARTS REPLACED UNDER WARRANTY -

Only new or remanufactured parts or components furnished or approved by John Deere, will be used if John Deere elects to repair the product. If any such part or component is defective in material or workmanship when installed in the product, John Deere will repair or replace, as it elects, such defective part or component, provided the defect is reported to an authorized John Deere dealer within 90 days of installation or before expiration of the applicable Standard Warranty, Factory-Installed Undercarriage Warranty and/or StructurALL Warranty whichever is later.

H. TELEMATICS

NOTICE: Products may be equipped with telematics hardware and software ("Telematics") that transmit data to John Deere/ Dealer. Purchaser may deactivate Telematics at www.jdlink.com.

Notwithstanding Purchaser's right, title or interest in the Products, Purchaser agrees that John Deere and Dealer (their affiliates, successors and assigns), without further notice to Purchaser have the right to:

1. Access, use, collect and disclose any data generated by, collected by, or stored in, Products or any hardware or devices interfacing with Products ("Machine Data");
2. Access Machine Data directly through data reporting devices integrated within, or attached to, Products, including Telematics ("Data Reporting Systems"); and
3. Update the Data Reporting Systems software from time to time. Machine Data will only be used in accordance with John Deere's Machine Data Policy, located at www.JohnDeere.com/MachineDataPolicy.

Machine Data may be transferred out of the country where it is generated, including to the U.S.A.

I. OBTAINING WARRANTY SERVICE -

To obtain warranty service, the purchaser must request warranty service from a John Deere dealer authorized to sell the product to be serviced. When making such a request, the purchaser must present evidence of the product's delivery date, make the product available at the dealer's place of business, and inform the dealer in what way the purchaser believes the product to be defective. Standard Warranty, Factory-Installed Undercarriage Warranty and/or

StructurALL Warranty repairs may be made in the field if the purchaser and servicing dealer so desire. However, John Deere will not be responsible for any charges (such as dealer travel time, mileage or extra labor/labour) that would not have been incurred had the product been repaired at the dealer's place of business.

J. NO IMPLIED WARRANTY, CONDITIONS OR OTHER REPRESENTATION -

Where permitted by law, neither John Deere nor any company affiliated with it makes any warranties, representations, conditions or promises, express or implied, as to the quality, performance, or freedom from defect of its products, other than those set forth in this document and **NO IMPLIED WARRANTY OF MERCHANTABILITY, CONDITIONS OR FITNESS IS MADE.**

K. NO DEALER WARRANTY -

The selling dealer makes no warranty of its own on any item covered by this warranty, and makes no warranty on other items unless the dealer delivers to the purchaser a separate written warranty certificate specifically warranting the item. **The dealer has no authority to make any representation or promise on behalf of John Deere, or to modify the terms or limitations of this warranty in any way.**

L. USED JOHN DEERE PRODUCTS ONLY -

John Deere will transfer remaining Standard Warranty, Factory-Installed Undercarriage Warranty and/or StructurALL Warranty to the purchaser of a used John Deere construction and/or forestry product that has been used for less than the full warranty period provided at the product's original retail purchase. This transfer is not effective until change of ownership is registered by a John Deere dealer. **ALL THE TERMS, INCLUDING LIMITATIONS AND EXCLUSIONS, OF THE JOHN DEERE STANDARD WARRANTY, FACTORY-INSTALLED UNDERCARRIAGE WARRANTY, AND/OR STRUCTURAL WARRANTY ORIGINALLY PROVIDED FOR THE PRODUCT REMAIN IN EFFECT AND APPLICABLE.**



RDO Promise — Uptime Guaranteed™ (Construction) Agreement

Customer Name: _____

Machine: _____

Serial Number: _____

Basic Factory Warranty Expiration: _____ Date: _____ Hours: _____

RDO Equipment Co. Responsibilities:

The RDO Promise applies to any new John Deere (Non-forestry) or Hitachi (Non-mining) machines with less than 500 hours at time of purchase and within RDO Equipment Co.'s Area of Responsibility (AOR) and within the continental United States. On Rental Purchase Options, the RDO Promise™ begins at the time of initial rental delivery to the customer.

- Equipment walk around upon delivery of unit (Included)
- Basic Factory Warranty (Included)
- Free loaner for the first 12 months of ownership. Excludes production-class equipment from loaner option. (Included)
 - Free travel time on warranty items during Basic Warranty period (Included)
 - Free After Sales Inspection (Includes JDLINK™ Machine Performance Reports)
 - Free inspection prior to unit coming out of warranty period (Included)
 - Guaranteed Field Service Response Time (Included)
 - Lease or Retail Finance plan to fit your customer (Optional and tailored)
 - Secure Extended Warranty (Optional and tailored)
 - GPS Monitoring (Optional and Tailored)
 - Total repair and scheduled maintenance program (PMs) (Optional and tailored)

1. RDO Equipment Co. will provide an RDO Promise — Uptime Guaranteed™ (Construction) agreement during the term of this agreement:

- a. Repair Inclusions: All items covered under the John Deere BASIC & SECURE Extended (Optional) Warranties are included. This will include travel within RDO Equipment Co.'s Area of Responsibility (AOR) and within the continental United States, during the Basic Warranty period.
- b. Maintenance Inclusions (Optional): It includes the cost of parts, labor, travel, tools, supplies, fluids, OilScan, waste removal, and any other associated costs



of performing the 250hr., 500 hr., 1,000hr., and 2,000hr. maintenance and inspection intervals as outlined in the respective machine Operator's Manual and maintenance guide. Engine tune-ups and cooling system maintenance is also included. Maintenance inclusions apply if the customer purchases the Preventive Maintenance programs option.

State number of months and maximum hours of scheduled maintenance agreement:

Months: _____ Hours: _____

2. Balance of Basic Factory Warranty.

3. Equipment walk around. Salesperson, CSA, ASP, or a designated store employee will be responsible for a thorough explanation of the machine when unit is delivered.

4. Free Loaner during the first 12 months of ownership. – RDO Equipment Co. will make every effort possible to supply the customer with a replacement machine if it is determined that the RDO Promise™ machine cannot be returned to operating condition within 36 hours of:

- Technician's arrival at the machine.
- The arrival of the machine at an RDO Equipment Co. facility.
- a. Machine must be non-functioning or in diminished capacity preventing it from performing it's intended functions.
- b. RDO Equipment Co. will provide a like machine, if available. If a loaner machine is not available or the customer will not accept an available machine, RDO Equipment Co.'s loaner provision is waived.
- c. Customer is responsible for all transportation costs related to the free loaner.
- d. Excludes the following production-class equipment from loaner option:
 - a. Excavators — 470x, 670x, 870x.
 - b. Crawlers — 950x, 1050x.
 - c. 4WD Loaders — 744x, 824x, 844x, 944x.
 - d. ADTs — 250x, 300x, 370x, 410x, 460x.
- e. Use of the free loaner is limited to 8 hours per day, 40 hours per week, and 160 hours per month. All overtime usage will be charged to the customer at the RDO Equipment Co. hourly overtime rate.
- f. The Customer must agree to the terms and conditions of the RDO Equipment Co. Rental Agreement, including, meeting minimum insurance requirements. Machine must be in RDO Equipment Co.'s AOR and within the Continental United States.

5. Free Travel Time during the Basic Factory Warranty. Machine must be in RDO Equipment Co.'s Area of Responsibility (AOR) and within the continental United States.



6. **Free After Sales Inspection.** RDO Equipment Co. will conduct a machine performance inspection, including JDLink™ Machine Performance Reports and machine inspection after purchase. Machine must be in RDO Equipment Co.'s Area of Responsibility (AOR) and within the continental United States. It is the customer's responsibility to schedule the inspection walk around.
7. **Free Inspection (Warranty purposes.)** A CSA, ASP, or service technician will inspect machine before any basic or extended warranty expires. It is the customer's responsibility to notify and schedule an inspection at any RDO Equipment Co. location before warranty expires and must be within the company's Area of Responsibility (AOR) and within the continental United States.
8. **Guaranteed Field Service Response Time not to exceed 4 hours.**
 - a. Machine down must be non-functioning or in a diminished capacity preventing it from performing it's intended functions.
 - b. The Customer must identify the machine as an "RDO Promise — Uptime Guaranteed™ (Construction)" machine at the time of call and the 4 hour response guarantee will begin when the call is received by a RDO Equipment Co. Field Service Dispatcher & stop when the field technician has been dispatched to the jobsite.
 - c. The response guarantee is valid during normal store hours of operation, 8:00 a.m. – 5:00 p.m. Monday through Friday, excluding holidays.
 - d. Failure to respond within the guarantee period will result in a credit of \$100 per hour for each hour the response is late, up to a maximum of \$500. This credit will be applied to the customer's account and can be used to offset charges for any RDO Equipment Co. document on the customer's account.
 - e. Not valid under acts of nature and other obstacles beyond RDO Equipment Co.'s control that would delay response time, i.e. floods, hurricanes, fires, blizzards, etc.
 - f. The Guaranteed Field Service Response Time is only available during the first 12 months of ownership.
9. **Lease or Retail Finance.** (Optional and tailored to customer)
10. **Secure Extended Warranty.** (Optional and tailored to customer)
11. **GPS Monitoring.** (Optional and tailored to customer) The customer will have access to the tracking data upon request.
12. **Total Repair and Scheduled Maintenance.** (Optional and tailored to customer) Oil samples and machine inspections will be taken by RDO Equipment Co. per the Original Equipment Manufacturer (OEM) recommendations.
13. If a failure is believed to be imminent, RDO Equipment Co. may remove and repair/replace components. Component replacement and repair decisions will be



made by RDO Equipment Co. using OilScan, Machine Inspection, Technical Analysis, and expected component life. Decisions regarding parts and component replacement with new, rebuilt, or remanufactured items will be at the discretion of RDO Equipment Co.

14. RDO Equipment Co. agrees to notify the Customer regarding pending repairs of component replacement.

Customer Responsibilities

1. OEM recommended maintenance and preventive maintenance schedules must be followed. These schedules may only be modified through mutual agreement between the Customer and RDO Equipment Co.
2. The Customer is responsible for all costs associated with the daily (10hr.), weekly (50hr.), and biweekly (100hr.) maintenance and inspections as outlined in the respective machine Operator's Manual and maintenance guide. Oil changes from summer to winter and/or winter to summer weight oils outside of scheduled maintenance intervals will be at the customer's expense.
3. Repairs and/or maintenance due to abuse, vandalism, neglect, accident, fire, acts of God, improper operation or operating conditions, substandard maintenance, or maintenance practices are not included in the RDO Promise — Uptime Guaranteed™ (Construction) coverage. Repair, maintenance, and/or replacement of tires on Wheel Loaders, undercarriage wear items (including shoes, link assemblies, sprockets, rollers, idlers, and track guides) on Track Type equipment, ground engaging tools (including bucket wear and dozer face wear), paint, glass, and illumination devices are not included. Repair/replacement of attachments and couplers is not included. Repair/replacement of hydraulic hoses, lines, and fittings are not included.
4. The machine may not be altered or modified in any manner which affects the mechanical operations as described by the OEM without the approval of the OEM and RDO Equipment Co.
5. When advised by RDO Equipment Co., the customer is responsible to schedule the components covered in this agreement for routine overhaul (before failure) to minimize downtime and overhaul costs.
6. The customer agrees to provide RDO Equipment Co. and its representatives reasonable access to the above listed machine for the purpose of Machine Inspection, Technical Analysis, and repair and maintenance on a regular basis. RDO Equipment Co. will make every effort to perform these services during times convenient to the Customer.



7. The Customer agrees to use only genuine OEM parts for all maintenance and repairs performed by Customer personnel. It is further understood that OEM standards will be observed regarding oils and grease.
8. The Customer agrees to shut the machine down if, after inspection by an RDO Equipment Co. representative, it is determined that further operation of the machine will result in imminent mechanical damage to the components covered in this agreement.

General Terms and Conditions

1. All fluids must meet all manufacturer specification. It should be understood and agreed upon by the customer that if he chooses to use oils that are not recommended by the manufacturer that this agreement will be canceled. It should also be noted that it is the customer's responsibility to use quality fuel and that if a problem develops because of poor fuel this agreement as it pertains to that breakdown is voided.
2. Delays in furnishing service shall be excused if caused by acts of God, fires, weather conditions, labor controversies, or causes beyond the control of RDO Equipment Co.
3. If the machine covered in this agreement leaves RDO Equipment Co.'s Area of Responsibility, RDO Equipment Co. retains the right to terminate the guarantees contained in the RDO Promise — Uptime Guaranteed™ (Construction) agreement.
4. This agreement commences upon delivery of the machine to the Customer.
5. THIS AGREEMENT IS NOT TRANSFERRABLE.

Customer (Signature)

RDO Equipment Co. (Signature)

Customer (Print Name)

RDO Equipment Co. (Print Name)

Date

Date

GUARANTEED BUYBACK TERMS

Customer: _____

Address: _____

Phone Number: _____

Contact: _____

Machine: _____

Serial Number: _____

Guaranteed Buyback amount: \$ _____

Maximum hours and/or years allowed: _____

Delivery Date: _____

Hour meter reading: _____

In order for the full dollar amount of the buyback to be given, the machine must comply with the following conditions.

- Transmission, engine, hydraulics, and other drive train components must be oil scanned and have clean reports. All components must be in good, clean working order free of any hazardous materials
- All sheet metal must be straight with no dents, cracks, or holes. The paint should be in good condition with no excessive rust. The overall appearance needs to be straight and clean.
- All tires must be at least 50% tread life remaining and be in good operable condition with no excessive cuts or weather cracking. If a crawler unit undercarriage must be at least 50% remaining.
- The cab can not have any cracked, broken, or badly scratched glass. All lights and mirrors must be in working condition with no cracks or breaks.

NOTES:

Customer signature _____ **Date** _____

The Customer has been explained and agrees to all terms and conditions listed above.

Store manager signature _____ **Date** _____

ADDENDUM TO CONTRACT FOR GOODS OR SERVICES
(Change as needed to match the name or type of your contract)

This addendum supplements that certain Equipment Purchases (Name of Contract), dated _____, made by and between the City of Killeen ("City") and RDO Equipment Co. ("Vendor" or whatever matches the contract).

1. **Verification by Vendor.** Vendor hereby verifies that it does not boycott Israel and will not boycott Israel during the term of this contract. Boycotting Israel is defined in Texas Government Code section 808.001 to mean refusing to deal with, terminating business activities with, or taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.
2. **Incorporation.** The provisions of this Addendum shall be incorporated into and are hereby made an essential part of the contract.
3. **Full Force and Effect.** Except as expressly modified herein, all other terms and provisions set for in the contract shall remain in full force and effect and shall not otherwise be affected by this Addendum.

The City and Vendor have duly executed this Addendum as of this 11th day of May, 2018.

City of Killeen

Vendor

By: _____

Title:

Colin Ducey

By: Colin Ducey

Sales Professional



DATE: March 19, 2018 → 4/24/18
QUOTE #: 215767-03 *REQUOTE*

CITY OF KILLEEN FLEET SERVICES
FRANK TYDLACKA

PO BOX 1329
KILLEEN, TEXAS 76540-1329

DATE: March 19, 2018 QUOTE #: Quote 215767-03

MACHINE SPECIFICATIONS

STOCK NUMBER: HLK033465

SERIAL NUMBER: 0N9D01030

YEAR: 2018

HOURS: 0

DESCRIPTION	REF.#
140M3 MOTOR GRADER	384-8605
LANE 2 ORDER	0P-9002
GLOBAL ARRANGEMENT	385-9294
MOLDBOARD, 14' PLUS	349-3048
RIPPER/SCARIFIER	324-0889
TOOTH, STRAIGHT	8J-1434
WEATHER, STANDARD	353-3316
ACCUMULATORS, BLADE LIFT	358-9338
PRECLEANER, NON SY-KLONE	380-6774
BASE + 1 (RIP)	385-8094
STARTER, ELECTRIC, HEAVY DUTY	394-3945
LIGHTS, FRONT HEADLIGHTS, LOW	308-9370
CAB, PLUS (STANDARD GLASS)	385-9554
CAB, PREMIUM (INTERIOR)	397-7458
FAN, DEFROSTER, REAR WINDOW	233-3137
SCREEN AS	360-0116
CONVERTER GP	361-3136
SEAT, VENTILATED + HEATED	385-8714
RADIO GP - AM/FM	477-1256
SEAT BELT	394-1492
PRODUCT LINK, SATELLITE PLE631	464-6804
INSTALLATION, ACCUGRADE READY	462-7928
JOYSTICK CONTROLS, ADVANCED	458-8701
GUARD GP, HITCH	323-6970
LANGUAGE, ENGLISH	386-1254
DECALS, ENGLISH (U.S.)	442-9940
ANTIFREEZE WINDSHIELD WASHER	0P-1939
LIGHTS, WORKING, PLUS, HALOGEN	395-1967
TRANSMISSION, AUTOSHIFT	396-3515

DESCRIPTION	REF.#
LIGHTS, SERVICE, INTERNAL	380-3070
CAMERA, REAR VISION	396-3921
DRAIN, HIGH SPEED, ENGINE OIL	501-1163
MIRRORS, OUTSIDE MOUNTED	233-3295
GUARD, TRANSMISSION	366-2459
PUSH PLATE, COUNTERWEIGHT	367-6842
TANK, FUEL, STANDARD	540-2373
COOLANT, 50/50, -35C (-31F)	469-8157
ROLL ON-ROLL OFF	0P-2265
CONTROL,AUTO ARTICULATION-DEMO	483-2354
FUEL ANTIFREEZE, -45C (-50F)	0P-3978
LIGHTS, ARM, FOLD DOWN	536-9969
TIRES, 17.5R25 MX XTLA * L2 MP	252-0771
scarifier teeth	

STOCK NUMBER: HLK033465

SERIAL NUMBER: 0N9D01030

YEAR: 2018

HOURS: 0

NJPA QUOTE:

SALE PRICE	\$263,500.00
EXT WARRANTY	Included
TOTAL PRICE	\$263,500.00
<hr/>	
SUB TOTAL	\$263,500.00
TOTAL PURCHASE PRICE	\$263,500.00

WARRANTY

Standard Warranty: 12 Month/Unlimited Hours Total Machine

Extended Warranty: 3YR / 1500 HOUR PREMIER WARRANTY

NOTES

3 YEAR BUYBACK OPTIONS:

3 Year / 1500 Hour	3 Year / 3,000 Hour	3 Year / 5,000 Hour
\$195,000	\$175,000	\$140,000

STANDARD EQUIPMENT

CONSIST NOTE

STANDARD EQUIPMENT:

The standard equipment list includes key

components necessary for an operable machine.

POWERTRAIN

Air cleaner, dual stage dry type radial seal with service indicator and automatic dust ejector
Air-to-air after cooler (ATAAC)
Belt, serpentine, automatic tensioner
Brakes, oil disc, four-wheel, hydraulic
Demand fan, hydraulic
Differential, lock/unlock, Automatic
Drain, engine oil, ecology
Electronic over-speed protection
Engine, C9 with ACERT technology, diesel

with automatic engine derate and idle control. EPA/ARB Tier 4 Final & EU stage IV certified Engine & Aftertreatment
Parking brake, multi-disc, sealed and oil cooled.
Sediment drain, fuel tank.
Tandem drive
Transmission, 8 speed forward and 6 speed reverse, power shift, direct drive
VHP Plus (Variable Horse Power Plus)

ELECTRICAL

Alarm, back-up
Alternator, 150 ampere, sealed
Batteries, maintenance free, heavy duty, 1125 CCA
Breaker panel, ground accessible
Electrical hydraulic valves
Electrical system, 24 volt

Grade Control Ready (Cab harness, software, electrical hydraulic valves, bosses and brackets)
Lights, reversing
Lights, roading, roof-mounted, stop and tail, LED
Starter, electric

OPERATOR ENVIRONMENT

Air Conditioning with heater
Articulation, automatic return to center
Centershift pin indicator
Display, digital speed and gear
Doors, left and right side with wiper
Gauge, machine level
Gauges (analog) inside the cab (includes fuel, articulation, engine coolant temp, engine RPM, and hydraulic oil temp, DEF/AdBlue)
Joystick, adjustable armrests
Joystick gear selection, hydraulic power steering hydraulic controls (right/left, blade lift w/ float position, blade sideshift and tip, circle drive, centershift, front wheel lean and articulation and steering)

Lights, night time cab
Messenger operator information system
Meter, hour, digital
Mirror, inside rearview, wide angle
Power Port, 12V
Radio Ready, Entertainment
ROPS cab, sound suppressed
- 69dB(A) - ISO 6394
Seat, cloth-covered, comfort suspension
Storage area for cooler/lunchbox
Throttle control, electronic
Windows: laminated glass
- Fixed front with intermittent wiper
- Door with intermittent wipers (3)
Windows: Tempered
- Left and right side wipers
- Rear with intermittent wiper

SAFETY AND SECURITY

Clutch, circle drive slip
Doors, 2 engine compartment, (two left hand, two right hand) locking
Doors, 2 service, left and right locking
Ground level engine shutdown
Hammer (emergency exit)

Horn, electric
Lockout, hydraulic implement (for roading and servicing)
Seat belt, retractable 3"
Secondary steering
Tandem walkway/guards

TIRES, RIMS, AND WHEELS

A partial allowance for tires on 10" x 24" multi-piece rims is included

in the base machine price and weight.

FLUIDS

Antifreeze

Extended Life Coolant -35C/-30F

OTHER STANDARD EQUIPMENT

Accumulators -brake -dual certified
Drawbar, 6 shoe w/replaceable wear strips
Fluid check, ground level
Fuel tank, 105 gallon (398 L)
Ground level fueling
DEF/AdBlue Tank, 5.5 gallon (21 L)
Hydraulic lines for base functions
Pump, hydraulic, high capacity

(98cc / 15 cu in)
Radiator, cleanout access
(both sides with swing doors)
SOS ports - engine -hydraulic
-transmission -coolant -fuel
Tandem walkway/guards
Tool box
Debris Guard



Texas Association of School Boards
BUYBOARD Quotation



Quote Date	May 30, 2018	Quote No.	WPI040618-001	
Quotation To		Contract No.	515-16	
Buying Agency		Vendor ID	837	
City of Killeen		Waukesha-Pearce Industries Inc.		
Contact		Construction Machinery Division		
Phone		Contact	James Reynolds	
Fax		Phone	512-947-1405	
Email		Fax		
		Email	james.reynolds@wpi.com	
Pricing Based On Manufacturer's Price List Dated:		Contract Discount	35.0%	
		Factor	65.0%	
A. Base Unit:				
Brand	Model No.	Description	List Price	Net Price
Komatsu	GD655-6	Motor Grader	\$ 532,401.00	\$ 346,060.65
Includes All Standard equipment & attachments as listed in attached brochures and delivery to your facility.				
B. Factory options and attachments INSTALLED				
Sales Code	Description	List Price	Net Price	
	Base Unit	\$ -	\$ -	
	Push Plate		\$ -	
	14' Moldboard		\$ -	
	Rear Ripper & Scarifier Assembly		\$ -	
	Top Con Ready		\$ -	
			\$ -	
	3 year/5,000 hour Powertrain Plus Hydraulics Extended Warranty		\$ -	
			\$ -	
		Sub Total	\$ -	
C. Non-Factory options and attachments INSTALLED				
Sales Code	Description	Net Price		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
		Sub Total	\$ -	
D. Other applicable charges. Allowances, Trade-Ins, Special Discounts, etc.				
Description		Net Price		
Inbound Freight (Estimated) Invoiced at actual		\$ 1,000.00		
		\$ -		
Special Discount		\$ (5,410.65)		
Sub Total		\$ (4,410.65)		
		TOTAL PURCHASE PRICE: \$ 341,650.00		
Delivery:	Determined at Time of Order			
Pricing valid for sixty (60) days from this date. Orders after that period must be re-quoted.				
Transmit copy of quotation with purchase order issued to WPI to: Texas Association of School Boards, BuyBoard, PO Box 400, Austin, TX 78764-0400 email: info@buyboard.com				

1 of 1

www.ethics.state.tx.us



PURCHASE OF MOTOR GRADER FOR THE STREET OPERATIONS DIVISION

RS-18-042

June 5, 2018

Background

2

- Street Operations Division motor grader
 - ▣ Historically purchased through three-year buyback programs.
 - ▣ Proceeds from the vendor buying the motor grader back are used towards the purchase of a new unit.
- Equipment procurement
 - ▣ Three quotes were received through cooperative agreements.
 - ▣ RDO Equipment Company provided the best value:
 - Total purchase price - \$267,624.57
 - Buyback proceeds - \$209,700.00
 - Net cost - \$57,924.57
 - ▣ After applying the buyback funds from the sale of the existing motor grader, the net funds required for this purchase are \$17,624.57 (\$267,624.57 purchase price - \$250,000 buyback).
- Funding will be available following the approval of the mid-year budget amendment.

Alternatives

3

- Option 1: Rent
 - ▣ Rental cost would be \$6,900.00/month.
- Option 2: Lease
 - ▣ Leasing cost would be \$2,815.63/month.
- Option 3: Purchase - Recommended
 - ▣ Purchasing offers the best value at a net cost of \$1,609.02/month.



John Deere 770GP Motor Grader

Recommendation

5

Staff recommends that City Council approve the purchase of the motor grader from RDO Equipment Company utilizing the Texas Association of School Boards (TASB) BuyBoard Purchasing Cooperative for \$267,624.57.



City of Killeen

Legislation Details

File #: RS-18-043 **Version:** 1 **Name:** Petco Foundation FY17-18 and 18-19
Type: Resolution **Status:** Resolutions
File created: 5/21/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Consider a memorandum/resolution to accept 2018-2019 Petco Foundation Grant Funds.
Sponsors: Animal Services, Police Department
Indexes:
Code sections:
Attachments: [Staff Report](#)
[Award Letter & Pre-App](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018

TO: Ronald L. Olson, City Manager

FROM: Charles F. Kimble, Chief of Police

SUBJECT: Acceptance of 2018-2019 Grant Funds from the Petco Foundation

BACKGROUND AND FINDINGS:

The Animal Services Unit (ASU) is in constant search of new ideas to improve on the adoption process and the overall operations of the Shelter. This ensures that animals are healthy and in compliance with the local ordinance and state law by providing fully vetted animals for adoption. It also improves the overall quality of life of the animal and provides a new pet for a family with the least financial impact. In furtherance of this ideology, the Petco Foundation has again chosen to support the Killeen Animal Services by awarding the City of Killeen a grant for \$150,000 (\$80,000 for FY 17-18 and \$70,000 for FY 18-19.)

As this program is implemented and progresses, ASU intends to continue its successful voucher program to spay/neuter and vaccinate animals, funded by previous Petco Foundation Grants. The funds will provide the services to animals in the ASU Shelter prior to adoption when practical, or provide vouchers for the services to those adopting animals. Additionally, ASU plans to use the funds for other life-saving measures in the shelter to include the purchase of kennels cages and safety equipment, medication, veterinary care, medical supplies, food, kennel supplies, commercial quality laundry and dishwashing equipment, and training for ASU personnel. The Petco Foundation has informed ASU that they will have the freedom to use the funds as new needs for lifesaving measures are identified.

Specifically, the funds are anticipated to be broken down as follows:

FY 17-18

\$ 25,000	to support the Spay/Neuter/Vaccination Program for in-shelter animals and for customers who adopt animals as well as general veterinary care for in-shelter animals
\$20,000	Medicine and medical supplies
\$5,000	Kennels, cages, safety equipment
\$5,000	Leashes, food, cat litter, puppy pads
\$15,000	Commercial Laundry Machines
\$10,000	Training for ASU Personnel

FY 18-19

\$ 20,000	to support the Spay/Neuter/Vaccination Program for customers who adopt animals or return an animal to its owner
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\$20,000	Medicine and medical supplies
\$5,000	Kennels, cages, safety equipment
\$5,000	Leashes, food, cat litter, puppy pads
\$10,000	Commercial Dishwasher
\$10,000	Training for ASU Personnel

The grant requires follow up reporting detailing how the funds were used. The reporting will be completed by ASU. The Petco Foundation also requests a press release announcing the award and how the funds will be used in our community. ASU will coordinate the press release through the Police Department Public Affairs Office and City of Killeen Public Information Office. Additionally, they ask that their logo be displayed with an acknowledgement of their lifesaving assistance on the ASU webpage.

THE ALTERNATIVES CONSIDERED:

1. Accept grant funding and use it as presented.
2. Budget City of Killeen funds to provide the supplies and equipment for ASU and service to its customers.
3. Decline grant funds.

Which alternative is recommended? Why?

The first alternative is clearly the most logical. Grant funds from the Petco Foundation will provide critical support to both our adoption program by providing funding for the mandatory sterilization services to customers who adopt animals from the shelter, and to general shelter operational needs.

CONFORMITY TO CITY POLICY:

Acceptance of these funds conforms to City Policy and applicable laws.

FINANCIAL IMPACT:

This grant funding has been approved by the grantor in the amount of \$80,000 payable in FY 17-18 and \$70,000 payable in FY 18-19. There is no matching funds requirement. The grant term runs until all funds are expended, independently of the fiscal year.

The funds will be deposited into Account # 247-0000-362.05-20 Animal Control Donations.

Based on anticipated needs, the funds will be expended from the following accounts:

247-6070-441.41-65 Minor Tools
247-6070-441.41-75 Medical and Chemical
247-6070-441.41-95 Animal

247-6070-441.44-30 Training and Travel
247-6070-441.47-04 Veterinary Services
247-6070-441.61-50 Furniture and Fixtures

All funds related to this grant will have the Petco Project Code.

What is the amount of the expenditure in the current fiscal year? For future years?

\$80,000 for current FY 17-18
\$70,000 for FY 18-19

The grant period runs until all funds are expended, regardless of fiscal year.

Is this a one-time or recurring expenditure?

One-time

Is this expenditure budgeted?

No

If not, where will the money come from?

Petco Foundation Grant

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

The city staff recommends that the City Manager or his designee be authorized to accept the grand funding allocated by the Petco Foundation, which will be managed and tracked by the Animal Services Unit, in collaboration with the Finance Department, to aid the shelter's adoption program and life-saving support operations.

DEPARTMENTAL CLEARANCES:

Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Award Letter & Pre-App



MEMORANDUM

Killeen Police Department

To: Ronald Olson, City Manager
Via: Charles Kimble, COP
Via: Jonathan Locke, Executive Director of Finance
From: Antonia L McDaniel, Lieutenant SSD
Date: April 24, 2018
Subject: **Grant Pre-Application Assessment Considerations**

On 4/10/18, I received an email from the Petco Foundation requesting to set up a conference call to discuss a potential grant opportunity. I responded and a conference call was set up on 4/11/18. I spoke to Joann Randazzo, Manager Lifesaving Grants Administrations. Ms. Randazzo advised the Petco Foundation was pleased with the efforts of the Killeen Animal Shelter and expressed the company's interested in assisting the efforts of saving animal lives. Ms. Randazzo offered the Killeen Animal Shelter a lifesaving grant of \$150,000. She advised the grant is a two-year grant, \$80,000 for the first year (2018) and \$70,000 for the second year (2019). Ms. Randazzo advised the grant funds could be used for any life saving measures.

I graciously thanked Ms. Randazzo and advised her we will begin the process of accepting the grant. Ms. Randazzo advised she would send out a grant agreement and the funds would be awarded upon the signature of the agreement. I asked Ms. Randazzo if equipment could be purchased with the grant and advised it could be used as long as it was for life saving measures. Mr. Randazzo stated she would send out an email explaining the acceptance process and that concluded the phone call. On 4/10/18 at 2:17 PM, I received an email from the Petco Foundation awarding the Killeen Animal Shelter with the grant.

I have completed the grant pre-application assessment considerations form. I followed the listed guidelines in the City of Killeen financial policies. There are no indirect costs associated with this grant and there are no required matching funds. The City of Killeen has received grants from the Petco Foundation in past years and the funds have greatly supported the lifesaving efforts of the Killeen Animal Shelter. I do not anticipate any new grant funded programs or positions. The funds awarded for the 2018 and 2019 Petco Foundation Grant will be used as follows:

- Low cost spay and neuter
- Adoption Drives
- Medical supplies
- Veterinary care
- Equipment
- Other lifesaving efforts

The Killeen Animal Services Unit plans supplement the following budget categories.

Minor tools-Purchases would include but not limited to the following:

- Travel and transfer cages
- Catch poles
- Ferrell boxes
- Cat tongs
- Bite gloves
- Handling gloves
- Kitten cages

Medical/Chemical-Purchases would include but not limited to the following:

- Vaccinations
- Continuation of the low cost spay/neuter voucher program
- Veterinary care
- Testing supplies
- Stetoscopes
- Medications

Animal-Purchases would include but not limited to the following:

- Leashes
- Cat litter
- Food
- Puppy pads
- Warming disks (used for new born kittens)

Machinery and Equipment

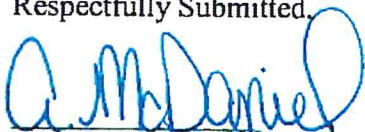
Purchases would include but not limited to the following:

- Industrial grade washing machine/dryer
- Dish washer


Training-Continuing education of Animal Service employees

The Petco Foundation has informed the Killeen Animal Shelter that it has the liberty to utilize the funds in the best manner possible to achieve our organizational goals of saving animal lives. The Petco Foundation advised that the Killeen Animal Shelter would not need to seek permission to purchase any specific item. The Petco Foundation request that the Killeen Animal Shelter provide a summary of the use of funds when submitting the follow up report, which is a requirement of the terms of the grant.

Respectfully Submitted,

 ALB

Antonia McDaniel, LT
KPD Staff Services Div.

This plan was approved by the
Petco official. They are giving
us further freedom to move funds
as new needs are identified, as long
as they are used for lifesaving
measures. 
4-25-18

Excellent offer of
additional funds.
Remained approved.

Antonia L. McDaniel

From: Foundation Administrator <administrator@grantinterface.com>
Sent: Tuesday, April 10, 2018 2:17 PM
To: Antonia L McDaniel
Subject: Killeen Animal Services - Petco Foundation Grant Approval

Follow Up Flag: Follow up
Flag Status: Flagged

Congratulations!

The Petco Foundation is thrilled to support the lifesaving work you do by granting your organization the amount of \$150,000.00 payable in two installments of \$80k and \$70k. Due to the amount of your award, we are preparing a grant agreement which you will receive via email using DocuSign for an electronic signature. Once the agreement is signed by both parties your check will be processed and you should receive it within the following 2-4 weeks. Please note that it is the intention of the Petco Foundation that funds donated shall not be appropriated to the general funds of the municipality, but rather must be utilized and become part of the funding of the animal control sheltering department.

MEDIA COORDINATION:

We would appreciate your cooperation in arranging a check presentation and news release in conjunction with the receipt of this award. We ask that you complete this brief form so that we can coordinate with you in setting up the event:
<https://www.petcofoundation.org/checkcelebration/>

RECOGNITION OF YOUR AWARD:

To support your organization as you publicize the grant we have included a link to our Partner Press Kit. Please use this toolkit – which includes our logo in various formats, brand guidelines, sample social media posts, a sample media alert, and a sample press release – to spread the word to your supporters and community about the lifesaving work you'll do with these funds.

The Petco Foundation makes investments in organizations to achieve our mutual objective of saving lives. Because we support organizations, not programs, the Foundation seeks to be recognized as an organizational supporter rather than the supporter or underwriter of a specific program. Any communication materials you create that mention the Petco Foundation or include our logo—with or without the use of this kit—must be reviewed and approved by our communications team before you share them publicly in any way. Please allow 7 to 10 business days for review. See additional notes at the bottom of this email regarding recognition of awards

Examples of recognition that may not be approved include:

- "This vaccination/wellness clinic is sponsored by the Petco Foundation" on announcements, websites or flyers.
- "The services provided in zip code 55555 are sponsored by the Petco Foundation"

Questions about your grant? Please contact foundationpartners@petco.com.

XX. GRANTS

The City shall seek, apply for, and effectively administer federal, state, and foundation grants-in-aid that address the City's current priorities and policy objectives

A. GUIDELINES

The City shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by City Council. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be identified, planned, and considered prior to applying for a grant.

B. INDIRECT COSTS

The City shall recover full indirect costs unless the funding agency does not permit it. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

C. REVIEW

All grant submittals shall be reviewed by the Finance Department for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there are cash match requirements, the source of funding shall be identified prior to application. If there is a future year's obligation, the source of funding shall be identified prior to application to ensure available cash-flow to meet those obligations.

D. PROGRAM TERMINATION

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified and programmed into the long-term financial plan.

City of Killeen
Grant Pre-Application Assessment Considerations

Grantor:	<u>Petco Foundation</u>	Department/Division	<u>Killeen PD/SSD</u>
Project Name:	<u>Petco Foundation Grant 2018</u>	Project Manager	<u>LT McDaniel</u>
CFDA #:	<u>New Project</u>	Application Due Date:	<u>N/A</u>
Funding Period	<u>4/7/18-10/31/2020</u>	Council Required to Approve Application:	<u>Y N</u>
		Council Required to Accept Award:	<u>Y N</u>

PROJECT BUDGET - YEAR 1							
Budget Category	Federal Funding	State Funding	City Match	In-Kind Match	Program Income	Other	Total Project Cost
Minor Tools	\$ -	\$ -	\$ -	\$ -	\$ 5,000		\$ 5,000
Medical/Chemical					45,000		45,000
Animal					5,000		5,000
Machinery/Equip.					15,000		15,000
Training					10,000		10,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 80,000	\$ -	\$ 80,000

PROJECT BUDGET - YEAR 2							
Budget Category	Federal Funding	State Funding	City Match	In-Kind Match	Program Income	Other	Total Project Cost
Minor Tools	\$ -	\$ -	\$ -	\$ -	\$ 5,000		\$ 5,000
Medical/Chemical					40,000		40,000
Animal					5,000		5,000
Machinery/Equip.					10,000		10,000
Training					10,000		10,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 70,000	\$ -	\$ 70,000

PROJECT BUDGET - YEAR 3							
Budget Category	Federal Funding	State Funding	City Match	In-Kind Match	Program Income	Other	Total Project Cost
							\$ -
							-
							-
							-
							-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT BUDGET - YEAR 4							
Budget Category	Federal Funding	State Funding	City Match	In-Kind Match	Program Income	Other	Total Project Cost
							\$ -
							-
							-
							-
							-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT BUDGET - ALL YEARS							
Budget Category	Federal Funding	State Funding	City Match	In-Kind Match	Program Income	Other	Total Project Cost
Minor Tools							\$ -
Medical/Chemical							-
Animal							-
Machinery/Equip.							-
Training							-
Total	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000

City of Killeen
Grant Pre-Application Assessment Considerations

Grantor:	<u>Petco Foundation</u>	Department/Division	<u>Killeen PD/SSD</u>
Project Name:	<u>Petco Foundation Grant 2018</u>	Project Manager	<u>LT McDaniel</u>
CFDA #:	<u>New Project</u>	Application Due Date:	<u>N/A</u>
Funding Period	<u>4/7/18-10/31/2020</u>	Council Required to Approve Application:	<u>Y N</u>
		Council Required to Accept Award:	<u>Y N</u>

ANNUAL OPERATING IMPACT							
Description	Year 1	Year 2	Year 3	Year 4	Year 5	All Years	
Personnel						\$ -	
Operating	70,000	80,000				150,000	
Capital Outlay						-	
Total	\$ 70,000	\$ 80,000	\$ -	\$ -	\$ -	\$ 150,000	

Continuation Plan:

The Petco Foundation Grant will allow the City of Killeen Animal Shelter to continue to offer its citizens low to no cost adoptions. The grant also will allow funding for animal veterinary care within the shelter.

Describe/justify the project and explain how it ties into the 2030 Plan or City's mission. Attach a memo if additional space is needed.

The Petco Foundation will aid the City of Killeen Animal Shelter in promoting a positive image for the City of Killeen. The grant will allow the citizens of Killeen to adopt animals at little of no cost. Because of previous Petco Foundation grants, fewer animals were euthanized.

Critical Need Addressed:

The Killeen Animal Shelter is need of essential supplies and equipment. The Petco Grant will allow to Killeen Animal Shelter to purchase much needed equipment such as an industrial washing machine and dryer. The Grant will also allow the shelter to purchase critical items such as vaccinations and microchips.

Administration Capacity:

The Petco Grant funds will be managed by the Killeen Animal Shelter Manager under the direction of the Chief of Police.

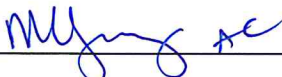
1 Department Director

2 Grants Analyst

3 Finance Director

4 City Manager

5 Return to Grants Analyst





The Petco Foundation
654 Richland Hills Drive
San Antonio, TX 78245

April 10, 2018

Killeen Animal Services
3118 Commerce Drive
Killeen, TX 76543

Dear Dennis Baldwin:

I am pleased to inform you that The Petco Foundation (the "Petco Foundation") has decided to make a grant investment (the "Investment") in Grantee identified above to support the non-profit mission and/or charitable purpose of Grantee.

This grant letter (the "Grant Letter") and the Petco Foundation Grant Investment Terms, attached as Appendix A (together with this Grant Letter, the "Agreement") will govern the terms of the Investment.

1. Investment terms

The Investment period will begin from the date of Grantee's countersignature of this Grant Letter and will continue through the date specified below as the end date. The Investment will be paid in one or more installments beginning on or before the Initial Payment Date. Payments shall be made in the amounts and at the times as stated more fully below. The Investment shall be for the Investment Purpose stated below.

Investment Terms	
Investment amount	\$150,000
Initial Payment Amount and Date	\$80,000 on or before October 31, 2018
Installment Payment Amount(s) and Date(s)	\$70,000 on or before October 31, 2019
Investment Purpose	Lifesaving Investment
Investment Period end date	October 31, 2020



2. Additional Terms and Conditions

In addition to the terms and conditions set forth herein and in Appendix A, Investment shall be restricted for the purposes of adoption promotion with the goal of euthanasia reduction. Uses may include adoption marketing, fee reduction and fee waived adoptions, off-site adoptions, medical care to improve adoptability and other lifesaving expenses as approved by the Petco Foundation in advance.

Grantee will recognize the Investment and partner with the Petco Foundation in the following ways, as mutually acceptable to, and approved in advance by the Petco Foundation:

- a. Issue a press release announcing the Investment and using best efforts to assure wide dissemination of such press release for promotion of the Investment.
- b. Prominently display the Petco Foundation's logo on Grantee's website during the Grant Investment Period.
- c. Promote the Investment on social media and other public promotional opportunities in conjunction with the announcement of the Investment, and monthly thereafter during the Grant Investment Period.
- d. Identify the Petco Foundation as *the primary sponsor* of four (4) or more adoption events or promotions, which may include ongoing promotions, each year during the Grant Investment Period.
- e. Provide materials such as discount coupons or other materials when supplied by the Petco Foundation to all adopters.
- f. Complete all follow up reports as assigned in the grant application portal.
- g. If Grantee is an approved Petco Foundation adoption partner, Grantee shall:
 - i. Participate in all Petco Foundation, monthly national adoption events¹, at one or more Petco stores during the Grant Investment Period
 - ii. Designate a representative of Grantee to receive all Petco Foundation communications
 - iii. Utilize Petco Foundation branded materials, social media recommendations and hashtags, and other outreach materials available at: <https://www.petcofoundation.org/for-partners/adoption-media-resources/>
 - iv. Coordinate with the manager of the Petco store to assure all adoptions are communicated to onsite Petco staff and recorded appropriately
 - v. Participate in such adoption events in a manner that encourages the greatest number of adoptions possible.
 - vi. Participate in the Petco Foundation's annual Be A Foster event in Petco stores to recruit foster parents and increase lifesaving efforts.
- h. If Grantee is not an approved Petco Foundation adoption partner, Grantee shall complete the application to become an adoption partner within sixty (60) days of

¹ Upcoming National Adoption Event dates are updated regularly at: <https://www.petcofoundation.org/for-partners/become-an-adoption-partner/>



executing this agreement². *Organizations with no Petco store within a reasonable driving distance are exempted from this requirement.*


- i. Should any of these funds be utilized towards a capital improvement or capital purchase, the award shall be recognized in a manner mutually agreed upon and approved in advance by the Petco Foundation.
- j. Should any of these funds be utilized for the purchase or operation of a vehicle, the Petco Foundation shall be recognized with prominent logo placements on three sides of the vehicle used or purchased.

If Grantee agrees to the terms and conditions of the Agreement, please sign in the space provided below and return a signed copy of this Grant Letter to the Petco Foundation. You represent that you are authorized to execute the Agreement on behalf of Grantee.

The Petco Foundation asks that you return the signed copy to the Petco Foundation at 654 Richland Hills Drive, San Antonio, TX 78245 within forty-five (45) days from the date written above. If the Petco Foundation has not received the signed copy by that time, the Petco Foundation may withdraw the offer of the Investment.

Yours sincerely,

THE PETCO FOUNDATION

By: 
Name: Susanne Kogut
Title: Executive Director

Accepted and agreed to this date:

Killeen Animal Services

By: _____
Name: Dennis Baldwin
Title: Assistant City Manager

² Link to apply to become an adoption partner can be found at: <https://www.petcofoundation.org/for-partners/become-an-adoption-partner/>



Appendix A

The Petco Foundation Grant Investment Terms

Terms not defined herein have the meanings provided in the Grant Letter.

Section 1. Investment

A. Definitions

Lifesaving – funds invested in animal welfare organizations for operations, programs and partnerships that reduce the number of animals in shelters being needlessly euthanized and do so in a responsible and sound manner. Unless otherwise restricted in the Grant Letter, a grant whose purpose is lifesaving investment may be used in an unrestricted manner so long as the purpose is to responsibly achieve a reduction in euthanasia of companion animals in the United States.

Pet Cancer Research – conducting research relating to curing or preventing cancer in domestic animals. Funds invested with the purpose of Pet Cancer Research shall be used as more fully stated in the grant application.

Pet Cancer Treatment – providing support for the treatment for domestic companion animals suffering from cancer to pet parents of modest means or to pet parents whose pets have provided a service to others. Funds invested with the purpose of Pet Cancer Research shall be used as more fully stated in the grant application.

Helping Heroes – funds invested to organizations that conduct operations to train, care for and otherwise support pets used for service, therapy, or support to people, or for working animals, such as military working dogs, search and rescue animals, and other working or service animals.

Spay/Neuter – funds invested in spay/neuter organizations for the purposes of providing spay/neuter services at subsidized rates, including free services, to those of modest means or to those persons seeking such services for any pet most in need in the community served by such organization. Funds may be used in an unrestricted manner to provide such spay/neuter services and decisions regarding need-based requirements are made in the sole discretion of the organization, including any designation of categories of animals most in need.

B. Purposes

The Petco Foundation makes grant investments in organizations that work to make the most significant impact possible with the support provided by the Petco Foundation. The Petco Foundation desires to support and encourage the work of those organizations that work together in an effort to create a nation where no animal is needlessly euthanized, where domestic animals can be trained to provide service to people and organizations in need, and where all domestic animals can be healthy and find lifelong homes and lifesaving medical care.



Accordingly, the Petco Foundation agrees to make the Investment to Grantee pursuant to the terms of this Agreement.

Grantee agrees that the Investment will be used solely for the purposes described in the Grant Letter, and may not be used for any other purpose without the Petco Foundation's prior written approval.

C. Investment Amount and Payment.

The Petco Foundation agrees to make the Investment to Grantee in the amount stated in the Grant Letter. The Investment will be payable as set forth in the Grant Letter.

If Grantee is a university or a governmental entity, division, or department, Grantee agrees that the Investment will not be used for the general operating purposes or account of the university or entity but will be (1) deposited in a separate account for use as specified herein; or (2) if no such separate account exists, will be segregated for record-keeping purposes and designated for use as specified herein. If Grantee is a governmental entity, division, or department, Grantee agrees that the Investment will not be used in any way to decrease the allocation or budget of governmental funds for any animal welfare purpose.

Each Investment payment is contingent upon (1) Grantee's compliance with the terms of this Agreement, (2) Grantee's progress towards achievement of the purposes described above, as determined in the Petco Foundation's sole discretion, (3) the timely submission by Grantee of all reports and other information required pursuant to Section 4 below and the Grant Letter, if applicable, and (4) there having been no material changes in Grantee's operations, staffing, or funding which would adversely affect its ability to accomplish the purposes for which the Investment was authorized.

The Petco Foundation retains the right to terminate the Investment if in its sole discretion it determines that Grantee will not be able to achieve the purposes of the Investment or that Grantee has failed to comply with the terms of this Agreement. In the event of such termination, Grantee will return any unexpended Investment funds upon the request of the Petco Foundation and the Petco Foundation will have no further funding obligation.

Section 2. Representation, Warranties, and Covenants of Grantee

- A. Grantee is (1) a nonprofit corporation organized and operated for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or (2) a governmental entity, division or department; and Grantee will use the Investment described herein solely for the exempt purposes stated in Section 1 above.
- B. Grantee is duly organized and validly existing under the laws of its state of incorporation or organization and has all requisite power and authority to conduct its business as now conducted and maintains all licenses, permits, and registrations and has satisfied all similar requirements necessary for its lawful operation.



- C. Grantee is in compliance with all applicable local, state and federal laws, regulations and other requirements.
- D. There are no claims, investigations or proceedings in progress, pending or threatened against Grantee which, if determined adversely, would have a material effect on Grantee's ability to fulfill its obligations pursuant to this Agreement and there are no claims, investigations or proceedings in progress, pending or threatened against Grantee which involve animal neglect or abuse.
- E. Any public messaging conducted or authorized by Grantee that includes information about the Petco Foundation and/or its support will promote a positive message about helping animals and saving lives. Neither Grantee nor any of its representatives will disparage or speak negatively or take any action intended, or which would reasonably be expected, to harm the Petco Foundation or its reputation or which would reasonably be expected to lead to unwanted or unfavorable publicity for the Petco Foundation.
- F. All information and materials contained in Grantee's applications to the Petco Foundation for funds granted pursuant to this Agreement are true and correct in all material respects, and if any such information or materials change after the submission of such applications, Grantee will give immediate written notice to the Petco Foundation.
- G. Grantee will give immediate written notice to the Petco Foundation of any change or threatened change in its tax-exempt status, if applicable, or of any material change in Grantee's operations or staffing.

Section 3. Use of Content for Promotion/Publicity

Grantee hereby grants the Petco Foundation a worldwide, royalty-free, non-exclusive license to reproduce, distribute, create derivative works of, publicly display and perform in all media now known or later developed: (A) Grantee's name and logo, as applicable; and (B) any photographs, videos, text, images, and other content provided by Grantee concerning its programs, facilities and operations and the names, likeness and voice of all individuals (whether employees, volunteers, contractors, or others) associated with Grantee and depicted in the foregoing (collectively, "Grantee Content") without notice to Grantee for the duration of the Grant Investment Period plus a period of five (5) years following the end of the Grant Investment Period. Grantee warrants that it has obtained all necessary rights from third parties to grant the foregoing rights to the Grantee Content and that Grantee (on behalf of itself and all individuals named or depicted in any Grantee Content) unconditionally and irrevocably waives all claims, known or unknown, relating to compensation for use of Grantee Content, the right to publicity, the right to privacy, defamation, and any other common law or statutory claims of any nature under the laws of any jurisdiction. If the Petco Foundation wishes to create content (whether photographs, videos, text, images, and other content) about Grantee (and its programs, facilities, operations, and related individuals) ("Foundation Grantee Content"), the Petco Foundation will retain all rights, including copyrights and other intellectual property rights, in the Foundation Grantee Content and, upon request, Grantee will obtain releases and other permissions (in favor of the Petco Foundation) and provide copies of such releases or permission to the Petco Foundation.



Grantee may promote itself as a partner of the Petco Foundation and, if the Petco Foundation has given prior approval, use the Petco Foundation's name and logo in connection with such promotion in accordance with the Petco Foundation's trademark guidelines as may be provided from time to time. Such approval from the Petco Foundation must be in writing (including by email) from an authorized representative and will not be unreasonably withheld. If the Petco Foundation requests, Grantee will submit examples of proposed uses of the Petco Foundation name and trademarks contemplated under this Agreement before use to permit review and approval.

Each party will ensure that the names and/or logos used in accordance with this section will bear appropriate copyright and trademark notices or legends as provided by the owner. Except as expressly permitted in this section, neither party has any rights to use (or rights otherwise in or to) any trademarks, copyrights, trade names, logos, slogans, designs, labels, titles, or insignias now or hereafter owned, adopted, or used by the other party except with the prior written consent of the owning party. All use of the marks by the licensed party will inure to the benefit of the party granting such license.

Section 4. Grantee Reporting

The Petco Foundation desires to provide grant investments to organizations that will make a significant impact on the lives of domestic companion animals with the Petco Foundation's grant investments. Although the exact purpose of funding may vary for each organization the Petco Foundation funds, it is important to the Petco Foundation to monitor the impact within the organization and if possible, the community. Consequently, ongoing reporting and animal related data is important to enable the Petco Foundation to evaluate the impact of its investments.

Grantee agrees to provide the Petco Foundation with annual reports during the Investment Period and for a period of three (3) years after the end of the Investment Period, such reports to be filed on the Petco Foundation online grant system. Such reports may include continued disclosure of basic organizational information similar to the information provided by Grantee in its grant application to the Petco Foundation and must include information regarding the number of animals cared for or trained, as applicable, the operations of Grantee, reports on Grantee's financial condition, reports on the specific uses of Investment funds and any other information as may be reasonably requested by the Petco Foundation.

Grantee agrees to review all Grantee contact information in the Petco Foundation's online system, including all business and mailing addresses, and all individual contact information and to correct all such information by completing the Petco Foundation's online information correction form.

Section 5. Confidentiality

Each party agrees that it will not at any time: (A) disclose any "Confidential Information" of the other party to any third party (except for legal and financial advisors who are advised of the confidential nature of this Agreement); or (B) use the other party's Confidential Information for any purpose other than fulfilling its obligations under this Agreement. "Confidential Information" means all nonpublic information of a party, including, but not limited to, any product formulas, business or marketing plans, and other information of a nonpublic or proprietary nature. Confidential



Information does not include any information which (i) was publicly available at the time of disclosure, (ii) becomes publicly available after disclosure through no fault of the recipient party, (iii) was in the recipient party's possession as evidenced by its written record prior to disclosure by the disclosing party, and was not subject to an earlier confidential relationship, or (iv) was rightfully acquired by the recipient party after disclosure from a third party who was lawfully in possession of the information and was under no obligation to the disclosing party to maintain its confidentiality. Each party will maintain the terms of this Agreement in strict confidence and will not disclose such terms to third parties (other than legal and financial advisors who are advised of the confidential nature of this Agreement) except with prior written consent of the other party.

In the event that a party becomes legally compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, that party will provide the other party with prompt, prior written notice of such requirement so that the party seeking protection of the Confidential Information may seek a protective order or other appropriate remedy at their own expense and/or waive compliance with the terms of this Agreement. In the event that such protective order or other remedy is not obtained, or the other party waives compliance with the provisions hereof, then the disclosing party agrees to furnish only that portion of the Confidential Information which it is advised in writing by its counsel is legally required, and to exercise its best efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded any such disclosures.

Notwithstanding the above, any information submitted by Grantee to the Petco Foundation as required herein or in connection with any other grant investment by the Petco Foundation to Grantee, including any grant application, any required reports of Grantee, or any other related correspondence, will become the property of the Petco Foundation and is not considered Confidential Information herein. The Petco Foundation may use such information as it deems appropriate in its sole discretion and nothing herein prohibits use of such information.

The terms and conditions of this section will survive the termination and/or expiration of this Agreement.

Section 6. Future Funding

Grantee acknowledges that the Petco Foundation is not making any representations regarding future funding of Grantee, other than as specified herein.

Section 7. Amendments

No amendment of this Agreement is valid unless such amendment is in writing and signed by each of the parties hereto.

Section 8. Assignment; Binding Effect

This Agreement may not be assigned by either of the parties hereto without prior written consent of the other party. Except as provided herein, the terms and conditions of this Agreement will extend to, bind and inure to the benefit of the parties and their respective successors and assigns, if permitted.

Section 9. Compliance



The parties represent that they will comply with all applicable federal, state and local laws and regulations governing the performance of this Agreement by the parties.

Section 10. Indemnification

To the extent permitted by law, grantee hereby covenants and agrees to indemnify, save and hold the Petco Foundation free, clear and harmless from any and all liability, loss, costs, charges, penalties, obligations, expenses, attorney's fees, litigation, judgments, damages, claims and demands of any kind whatsoever in connection with or arising out of the Investment. Grantee's covenants under this paragraph will survive termination of this Agreement.

Section 11. Miscellaneous

Each party acknowledges participation in the formation of this Agreement and fully understands all terms and conditions provided herein.

This Agreement and all claims arising out of or relating thereto will be governed by the laws of the State of California, exclusive of its choice of law rules.

The address for notifications to the Petco Foundation is:

The Petco Foundation
654 Richland Hills Drive
San Antonio, TX 78245

The address for notifications to Grantee is Grantee's address as stated in the Grant Letter.

This Agreement constitutes the entire agreement between the parties and supersedes any and all prior written or oral agreements and understandings between the parties.



PETCO FOUNDATION 2018-2019
GRANT

RS-18-043

June 5, 2018

Petco Foundation Grant 2018-2019

- ❑ Provide Spay/Neuter/Vaccination vouchers to customers who adopt animals in need of services.
- ❑ Provide Spay/Neuter/Vaccination services to animals prior to adoption when practical
- ❑ Support Animal Shelter Life-Saving Operations
- ❑ Provide funding for medical care, equipment, supplies, and training for personnel

Funding



- Total Grant Program is \$150,000
 - ▣ \$80,000 FY 17-18
 - ▣ \$70,000 FY 18-19
 - ▣ Grant funds:
 - \$45,000 for vet care and services vouchers
 - \$40,000 Medicine and medical supplies
 - \$10,000 Kennels, cages, safety equipment
 - \$10,000 Food, litter, kennel supplies
 - \$25,000 Commercial washing machines
 - \$20,000 Training
- There is no matching funds requirement

Recommendation



The city staff recommends that the City Manager or his designee be authorized to accept the grant funding allocated by the Petco Foundation, which will be managed and tracked by the Animal Services Unit, in collaboration with the Finance Department, to aid the shelter's adoption program and life-saving support operations.



City of Killeen

Legislation Details

File #:	RS-18-044	Version:	1	Name:	Victim Assistance Grant (VOCA)
Type:	Resolution	Status:		Status:	Resolutions
File created:	5/21/2018	In control:		In control:	City Council Workshop
On agenda:	6/5/2018	Final action:		Final action:	
Title:	Consider a memorandum/resolution authorizing the City Manager to enter into a grant agreement with the Office of Governor, Criminal Justice Division for the purpose of continuing a Crisis Assistance Program.				
Sponsors:	Police Department				
Indexes:					
Code sections:					
Attachments:	Staff Report Grant Application Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018
TO: Ronald L. Olson, City Manager
FROM: Charles F. Kimble, Chief of Police
SUBJECT: FY 2019 Crisis Assistance Program Grant Application

BACKGROUND AND FINDINGS:

The Victim Assistance Office of the Police Department applied for a one-year grant from the Office of the Governor, Criminal Justice Division for the purpose of funding a Crisis Assistance Program to be administered through Victims Assistance. This grant will provide funding for professional counseling services to victims of violent crimes, thereby enhancing the victim services already provided by the Killeen Police Department. These counseling services will be provided by professional counselors contracted through the grant. Additional services made possible will include transportation for medical and shelter needs, direct referrals for local assistance resources, and advocacy for protective orders and housing issues. All services will be provided at no cost to the victims. The grant will also provide funds needed for training staff and volunteers in the Victim Assistance Unit.

THE ALTERNATIVES CONSIDERED:

Which alternative is recommended? Why?

- 1) Find another source of funding to provide this service.
- 2) Not implement the counseling service or training.
- 3) Accept the funds associated with this grant to provide counseling services to victims of crime and provide training to volunteers and staff.

Option number three is recommended as it will have a positive impact to the community and crime victims and no negative impact to the City of Killeen or the Killeen Police Department. Due to the budget constraints, option number one will more than likely not be feasible and the services are in high demand to assist the victims of violent crime.

CONFORMITY TO CITY POLICY:

Conforms to City policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The length of the award is from October 1, 2018 to September 30, 2019. There are no City matching funds required; the City's contribution is limited to in-kind matching.

\$15,000	Grant Funds
\$ 3,750	In-Kind Match (Volunteer Hours)

Is this a one-time or recurring expenditure?

One-time expenditure

Is this expenditure budgeted?

No

If not, where will the money come from?

VOCA grant funds; City contribution is in-kind matching.

Is there a sufficient amount in the budgeted line-item for this expenditure?

No. A budget amendment for \$15,000 is required once the funds are awarded.

RECOMMENDATION:

Staff recommends that City Council authorize the submission of the 2019 VOCA Grant application for the Crisis Assistance Program through the Killeen Police Department; the City Manager to sign the application, reject alter or terminate the grant; to commit to the required matching funds, in the form of in-kind contributions, and to permit the Killeen Police Department to allocate and administer the duties required by the grant, under the oversight of the City's Finance Department. In the event of loss or misuse of grant fund, the City agrees to return all funds to the Criminal Justice Division of the Office of the Governor.

Required Language for Grant:

- Project Name: Crisis Assistance Program.
- Commitment from the City to provide all matching funds: Matching funds for this grant are in the form of in-kind matching.
- Authorized Official for the City of Killeen: Ronald L. Olson, City Manager.
- The City assures that in the event of loss or misuse of grant funds, the City will return all funds to the Criminal Justice Division (CJD)

DEPARTMENTAL CLEARANCES:

Purchasing

Finance

Legal

ATTACHED SUPPORTING DOCUMENTS:

Grant Application

Letter



KILLEEN POLICE DEPARTMENT

3304 Community Boulevard
Killeen, Texas 76542



Office of the Governor
PO Box 12428
Austin Texas 78711

RE: Certification of participation in US Department of Homeland Security programs

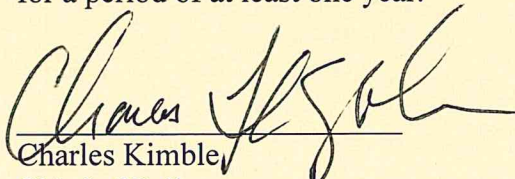
I am the head of an agency or department ("department") that detains individuals after arrest for a criminal violation and I certify that my department participates fully, and will continue for a period no less than two years from the date of this letter to participate fully in all aspects of the programs and procedures utilized by the U.S. Department of Homeland Security (DHS) to:

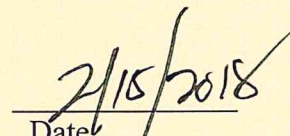
- (1) notify DHS of all information requested by DHS related to illegal aliens in the custody of the Grantee; and
- 2) detain such aliens in accordance with requests by DHS.

I certify that my department does not have, and will continue not to have for a period no less than two years from the date of this letter, any policy, procedure, or agreement (written or unwritten) that in any way limits or impedes Grantee's receipt of or DHS's issuance of detainer requests. I further certify that my department does not have, and will continue not to have for a period no less than two years from the date of this letter, any policy, procedure, or agreement (written or unwritten) that in any way limits or restricts the Grantee's full participation in all aspects of the programs and procedures utilized by DHS to:

- (1) notify DHS of all information requested by DHS related to illegal aliens in the custody of the Grantee; and
- (2) detain such aliens in accordance with requests by DHS.

I acknowledge that failure to comply with this certification may result in OOG, in its sole discretion, terminating this grant and any other grant made by the OOG to the Grantee's county or municipality. I acknowledge that the Grantee will be required to return all funds received by OOG for any grant terminated under this certification. Additionally, I acknowledge that it will remain ineligible for future OOG funding until it can provide satisfactory evidence that the jurisdiction has been in compliance with this requirement for a period of at least one year.


Charles Kimble
Chief of Police


Date

[Print This Page](#)

Agency Name: Killeen, City of
Grant/App: 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019

Project Title: Crisis Assistance Program
Status: Pending OOG Review

Profile Information

Applicant Agency Name: Killeen, City of
Project Title: Crisis Assistance Program
Division or Unit to Administer the Project: Killeen Police Department-Victim Services Unit
Address Line 1: 101 N College
Address Line 2: PO Box 1329
City/State/Zip: Killeen Texas 76541-5298
Start Date: 10/1/2018
End Date: 9/30/2019

Regional Council of Governments(COG) within the Project's Impact Area: Central Texas Council of Governments
Headquarter County: Bell
Counties within Project's Impact Area: Bell

Grant Officials:

Authorized Official

User Name: Ron Olson
Email: rolson@killeentexas.gov
Address 1: 101 N. College Street
Address 1:
City: Killeen, Texas 76541
Phone: 254-501-7700 Other Phone:
Fax: 254-634-2484
Title: Mr.
Salutation: Mr.
Position: City Manager

Project Director

User Name: Lisa Hatfield
Email: lhatfield@killeentexas.gov
Address 1: 3304 Community Blvd
Address 1:
City: Killeen, Texas 76542
Phone: 254-501-7698 Other Phone: 254-768-1276
Fax: 254-501-8832
Title: Ms.
Salutation: Ms.
Position: Crime Victim Liaison

Financial Official

User Name: Kitty Guerrero
Email: cvenzlauskas-guerrero@killeentexas.gov
Address 1: 3304 Community Blvd
Address 1:
City: Killeen, Texas 76542
Phone: 254-501-8952 Other Phone:
Fax: 254-200-7978
Title: Ms.
Salutation: Ms.
Position: Killeen Police Dept Finance Manager

Grant Writer

User Name: Karen Evans
Email: kevans@killeentexas.gov
Address 1: PO Box 1329

Address 1:
City: Killeen, Texas 76540
Phone: 254-501-7740 Other Phone:
Fax:
Title: Ms.
Salutation: Ms.
Position: Controller

You are logged in as **User Name:** KPDCVL505

[Print This Page](#)**Agency Name:** Killeen, City of**Grant/App:** 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019**Project Title:** Crisis Assistance Program**Status:** Pending OOG Review

Resolution from Governing Body

Applications from nonprofit corporations, local units of governments, and other political subdivisions must include a [resolution](#) that contains the following:

1. Authorization by your governing body for the submission of the application to CJD that clearly identifies the name of the project for which funding is requested;
2. A commitment to provide all applicable matching funds;
3. A designation of the name and/or title of an authorized official who is given the authority to apply for, accept, reject, alter, or terminate a grant (Note: If a name is provided, you must update CJD should the official change during the grant period.); and
4. A written assurance that, in the event of loss or misuse of grant funds, the governing body will return all funds to CJD.

Upon approval from your agency's governing body, upload the [approved](#) resolution to eGrants by clicking on the **Upload Files** sub-tab located in the **Summary** tab.

Contract Compliance

Will CJD grant funds be used to support any contracts for professional services?

☒ Yes☐ No

For applicant agencies that selected **Yes** above, describe how you will monitor the activities of the sub-contractor(s) for compliance with the contract provisions (including equipment purchases), deliverables, and all applicable statutes, rules, regulations, and guidelines governing this project.

Activities and services provided to victims by professional therapists will be monitored through an established vendor list; confidential victim/client list; documentation of counseling sessions provided to victim/client maintained by project manager in database; and receipt records of invoices and payments to service provider. Providers of service will be required to sign a contract with the City of Killeen which will outline the services provided; the individuals to which the services are provided; the duration or number of sessions; the payment amount for said services; the required current credentials of the provider of service, and insurance requirements. Contract monitoring and compliance: a policy is currently being drafted to address this.

Lobbying

For applicant agencies requesting grant funds in excess of \$100,000, have any federally appropriated funds been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant loan, or cooperative agreement?

☐ Yes☐ No☒ N/A

For applicant agencies that selected either **No** or **N/A** above, have any non-federal funds been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress in connection with this federal contract, loan, or cooperative agreement?

☐ Yes☒ No☐ N/A

Fiscal Year

Provide the begin and end date for the applicant agency's fiscal year (e.g., 09/01/20xx to 08/31/20xx).

Enter the Begin Date [mm/dd/yyyy]:

10/1/2017

Enter the End Date [mm/dd/yyyy]:

9/30/2017

Sources of Financial Support

Each applicant must provide the amount of grant funds expended during the most recently completed fiscal year for the following sources:

Enter the amount (\$) of Federal Grant Funds:

8420120

Enter the amount (\$) of State Grant Funds:

4964133

Single Audit

Applicants who expend less than \$750,000 in federal grant funding or less than \$750,000 in state grant funding are exempt from the Single Audit Act and cannot charge audit costs to a CJD grant. However, CJD may require a limited scope audit as defined in 2 CFR Part 200, Subpart F - Audit Requirements.

Has the applicant agency expended federal grant funding of \$750,000 or more, or state grant funding of \$750,000 or more during the most recently completed fiscal year?

☒ Yes

☐ No

Applicant agencies that selected **Yes** above, provide the date of your organization's last annual single audit, performed by an independent auditor in accordance with the State of Texas Single Audit Circular; or CFR Part 200, Subpart F - Audit Requirements.

Enter the date of your last annual single audit:

3/28/2017

Equal Employment Opportunity Plan

Type I Entity

Defined as an applicant that meets one or more of the following criteria:

- the applicant has less than 50 employees;
- the applicant is a non-profit organization;
- the applicant is a medical institution;
- the applicant is an Indian tribe;
- the applicant is an educational institution, or
- the applicant is receiving a single award of less than \$25,000.

Requirements for a Type I Entity

- The applicant is exempt from the EEOP requirements required to prepare an EEOP because it is a Type I Entity as defined above, pursuant to 28 CFR 42.302;
- the applicant must complete Section A of the [Certification Form](#) and send it to the Office for Civil Rights (OCR) to claim the exemption from developing an EEOP; and
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services.

Type II Entity

Defined as an applicant that meets the following criteria:

- the applicant has 50 or more employees, and
- the applicant is receiving a single award of \$25,000 or more, but less than \$500,000.

Requirements for a Type II Entity

- Federal law requires a Type II Entity to formulate an EEOP and keep it on file.

- The applicant agency is required to formulate an EEOP in accordance with 28 CFR 42.301, et seq., subpart E;
- the EEOP is required to be formulated and signed into effect within the past two years by the proper authority;
- the EEOP is available for review by the public and employees or for review or audit by officials of CJD, CJD's designee, or the Office of Civil Rights, Office of Justice Programs, U.S. Department of Justice, as required by relevant laws and regulations;
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services; and
- the EEOP is required to be on file in the office of (enter the name and address where the EEOP is filed below):

Enter the name of the person responsible for the EEOP and the address of the office where the EEOP is filed:

Eva Bark, Human Resources Director 101 N. College Killeen, TX 76543

Type III Entity

Defined as an applicant that is NOT a Type I or Type II Entity.

Requirements for a Type III Entity

- Federal law requires a Type III Entity to formulate an EEOP and submit it for approval to the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice.

- The EEOP is required to be formulated and signed into effect within the past two years by the proper authority;
- the EEOP has been submitted to the Office of Civil Rights (OCR), Office of Justice Programs, U.S. Department of Justice and has been approved by the OCR, or it will be submitted to the OCR for approval upon award of the grant, as required by relevant laws and regulations; and
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services.

Based on the definitions and requirements above, the applicant agency certifies to the following entity type:

- ☐ Type I Entity
- ☒ Type II Entity
- ☐ Type III Entity

Debarment

Each applicant agency will certify that it and its principals (as defined in 2 CFR Part 180.995):

- Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal Court, or voluntarily excluded from participation in this transaction by any federal department or agency;
- Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or
- Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in the above bullet; and have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.

Select the appropriate response:

- ☒ I Certify
- ☐ Unable to Certify

If you selected **Unable to Certify** above, please provide an explanation as to why the applicant agency cannot certify the statements.

FFATA Certification

Certification of Recipient Highly Compensated Officers

The Federal Funding Accountability and Transparency Act (FFATA) requires Prime Recipients (CJD) to report the names and total compensation of each of the five most highly compensated officers (a.k.a. positions) of each sub recipient organization for the most recently completed fiscal year preceding the year in which the grant is awarded if the subrecipient answers **YES** to the **FIRST** statement but **NO** to the **SECOND** statement listed below.

In the sub recipient’s preceding completed fiscal year, did the sub recipient receive: (1) 80 percent or more of its annual gross revenue from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; AND (2) \$25,000,000 or more in annual gross revenue from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements?

- ☐ Yes
- ☒ No

Does the public have access to information about the compensation of the senior executives through periodic reports filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or Section 6104 of the Internal Revenue Code of 1986?

- ☐ Yes
- ☒ No

If you answered **YES** to the **FIRST** statement and **NO** to the **SECOND** statement, please provide the name and total compensation amount of each of the five most highly compensated officers (a.k.a. positions) within your agency for the current calendar year. If you answered NO to the first statement you are NOT required to provide the name and compensation amounts. NOTE: “Total compensation” means the complete pay package of each of the sub recipient’s compensated officers, including all forms of money, benefits, services, and in-kind payments (see SEC Regulations: 17 CCR 229.402).

- Position 1 - Name:
- Position 1 - Total Compensation (\$):
- 0
- Position 2 - Name:
- Position 2 - Total Compensation (\$):
- 0
- Position 3 - Name:
- Position 3 - Total Compensation (\$):
- 0
- Position 4 - Name:
- Position 4 - Total Compensation (\$):
- 0
- Position 5 - Name:
- Position 5 - Total Compensation (\$):
- 0

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Agency Name: Killeen, City of

Grant/App: 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019

Project Title: Crisis Assistance Program

Status: Pending OOG Review

Narrative Information

Introduction

This application is for grants under programs funded under the Victims of Crime Act.

Please read the [funding announcement](#) for program rules and application guidelines and review the *Guide to Grants, Grantee Conditions and Responsibilities* and *Standard Certifications and Requirements* - all available at [CJD's resources webpage](#) - for standard rules and conditions the applicant agrees to when certifying an application.

How to Apply for a CJD Grant contains special instructions for this application, and *Developing a Good Project Narrative* is essential reading for drafting effective responses to the nine boxes below in the "Project Narrative" section. Both are also available at [CJD's resources webpage](#), and applicants wishing to receive a grant should review them closely. Applicants that fail to adequately respond to the prompts will NOT be selected by CJD for funding.

Applications for local or regional projects under this announcement will first be reviewed and ranked by the relevant regional Council of Governments' (COG) Criminal Justice Advisory Committee, and some COGs have additional, mandatory application procedures. Applicants should contact their COG's criminal justice planner early as possible for instructions. The local criminal justice planners are also the first, best contact for questions regarding the application or program, and [their contact information can be found here](#).

Unless otherwise specifically instructed, DO NOT UPLOAD ATTACHMENTS with further information. Use the space provided here to address any aspects of the project you consider relevant.

Program-Specific Questions

A. Culturally Competent Victim Restoration

Guidance

Victim service providers must have the ability to blend cultural knowledge and sensitivity with victim restoration skills for a more effective and culturally appropriate recovery process. Cultural competency occurs when: (1) cultural knowledge, awareness and sensitivity are integrated into action and policy; (2) the service is relevant to the needs of the community and provided by trained staff, board members, and management; and (3) an advocate or organization recognizes each client is different with different needs, feelings, ideas and barriers.

Provide information in this section regarding how your organization is culturally competent when providing services to victims. The City of Killeen has an extremely culturally diverse demographic population. This is due to the City's proximate location to Ft. Hood and the varied cultures and ethnicities associated with the military. Crime victims in the City of Killeen are not limited to one culture or ethnicity, nor is there one specific group that is targeted more frequently. Therefore, crime victim services must be prepared to apply services to as many different cultures as possible. To adequately and fairly serve the variety of cultures, staff and volunteers from different ethnic and cultural backgrounds will be sought. All staff and volunteers will be required to successfully complete a training program in cultural diversity that is designed to educate and train them in appropriate crisis assistance for victims and families of different ethnic and cultural backgrounds.

B. Culturally Specific and Underserved Populations

Guidance

Following are relevant definitions needed to answer this question.

- Underserved populations means populations who face barriers in accessing and using victim services, and includes populations underserved because of geographic location, religion, sexual orientation, gender identity, underserved racial and ethnic populations, populations underserved because of special needs (such as language barriers, disabilities, alienage status, or age), and any other population determined to be underserved by the Attorney General or by the Secretary of Health and Human Services, as appropriate.
- Culturally specific means the program is primarily directed toward racial and ethnic minority groups (as defined in section 1707(g) of the Public Health Service Act (42 U.S.C. 300u-6(g)).
- Racial and ethnic minority group means American Indians (including Alaska Natives, Eskimos, and Aleuts); Asian Americans; Native Hawaiians and other Pacific Islanders; Blacks; and Hispanics.
- Hispanic means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country.

Does your program have a primary focus on serving a culturally specific population? (The organization must do more than merely provide services to an underserved population or culturally specific group; rather, the organization's primary focus must be on providing culturally competent services designed to meet the specific needs of the target population in order to justify a **YES** response in the section below.)

☐ Yes
☒ No

If you answered 'YES' above, you must explain in the box below how your organization's program is specifically designed to focus on and meet the needs of culturally specific populations. If this item does not apply enter 'N/A'.

N/A

C. Victim Referral Process

Describe how victims are referred to your agency.

There are multiple methods of victim referrals to the Victim Services Unit, including requests for immediate response to victims at crime scenes, officer referrals, self-referrals, victim response to notification letters, and referrals by various social service agencies and other local law enforcement agencies. Self-referrals occur via telephone, e-mail, instant messaging, and unscheduled in-person contact by victims at the police department. Information regarding available services is posted on the Killeen Police Department Facebook page and the Killeen PD website.

D. Relevance to Priorities

Provide a brief explanation regarding the proposed project's relevance to any or all of the following priorities. If none of these items apply enter 'N/A'

Improving the criminal justice system response.

This project would enhance the opportunities available to victims by providing immediate access to resources to these individuals to include crisis intervention, counseling, and immediate connection to resources.

Improve court services regarding domestic violence, sexual assault, dating violence, and stalking.

N/A

Strengthen victim restoration.

The primary purpose of this program is to focus on the needs of the victims of crime and assist them with the healing and recovery process.

Increase collaboration and communications across all levels of government and among all victims services.

N/A

E. Sustainment

How many additional years, beyond this request, do you plan to request continuation funding?

5

1) If you entered three (3) years or fewer, provide a brief explanation of your sustainment plan (if you entered more than three years or the project will not be sustained, enter 'N/A'):

N/A

2) If you entered more than three (3) years, explain the longer term sustainment plan or why other resources cannot be used to continue this project and why a sustainment strategy is not possible (if you entered three years or fewer or the project will not be sustained, enter 'N/A'):

The City's current financial situation impedes us from implementing a sustainment plan at this time and it is our intention apply for this funding as long as we are eligible to receive funding.

F. Rural Victim Services

Does your project serve victims in rural areas or rural counties, as defined by the Texas Health and Safety Code*?

* Texas Health and Safety Code and Title 25, Health Services Section of the Texas Administrative Code, define "rural area" as (1) a county with a population of 50,000 or less; or (2) a relatively large, isolated, and sparsely populated area in a county with a population of more than 50,000.

☐ Yes
☒ No

If you answered 'YES' above, list the counties or areas of service below and their populations to demonstrate how the definition of "rural area" is met. If you answered 'NO' above, enter 'N/A'.

N/A

G. Vehicle Purchases

VOCA applicants seeking grant funds for the purchase of a vehicle must describe below:

- 1) What are the current program transportation needs that will be addressed with vehicle purchases under this project;
- 2) What evidence exists to support the need for transportation funding that is specific to the program site;
- 3) What current transportation services exist at each specific program site and how will these current services be enhanced;
- 4) What transportation services will be provided; and
- 5) How the grantee will ensure the safe transportation of victims/survivors to and from the program site.

If this application does not seek funds for the purchase of a vehicle, enter 'N/A'.

N/A

H. Applicants Performing Sexual Assault Forensic Exams

If an applicant is currently performing sexual assault forensic exams as any part of their current operations, provide the following information regarding the 12 months prior to submitting the application (enter "0" for all fields if the applicant does not currently perform sexual assault forensic exams).

Number of victims referred for an exam that did not complete one:

0

Number of report exams performed:

0

Number of non-report exams performed:

0

I. Evaluation Projects

This section regards any evaluation budget line item and/or selection of "Program Evaluation" as a project activity.

Tier-One Evaluations

Evaluations of programs that have been implemented and the evaluations will test the fidelity of the program based on proven models or best-practices. The evaluation also will review available program output and outcome information.

Does this application include a tier-one evaluation?

☐ Yes

☒ No

If you answered '**YES**' above, describe below the best practices/model to be used in a fidelity and performance evaluation, the goal(s) of the evaluation, and why it is needed. If you answered '**No**' above, enter '**N/A**'.

N/A

Tier-Two Evaluations

Evaluations directed at measuring the effectiveness of proposed new program models or significant changes in present program models. The goal of tier-two evaluations is both to measure the program's effectiveness and to produce data and evidence necessary for others to replicate the program models and to develop best practices that CJD can use in supporting similar efforts.

Does this application include a tier-two evaluation?

☐ Yes

☒ No

If you answered '**YES**' above, describe below why this new program model is needed and the goal(s) of the evaluation. If you answered '**No**' above, enter '**N/A**'.

N/A

☒ If you answered **NO** to both questions above, check this box.

Certifications

In addition to the requirements found in existing statute, regulation, and the funding announcement, this program requires applicant organizations to certify compliance with the following:

A. Forensic Medical Examination Payments

Health care facilities shall conduct a forensic medical examination of a victim of an alleged sexual assault if the victim arrived at the facility within 96 hours after the assault occurred and the victim consents to the examination. The victim is not required to participate in the investigation or prosecution of an offense as a condition of receiving a forensic medical examination, nor pay for the forensic examination or the evidence collection kit. The evidence collection portion of the exam is to be paid by law enforcement per state law. Crime Victim Compensation funds may be used to pay for the medical portion of the exam unless the victim of sexual assault is required to seek reimbursement for the examination from their insurance carrier. If a health care facility does not provide diagnosis or treatment services for sexual assault victims, the facility is required to refer the victim to a facility that provides those services.

B. Confidentiality and Privacy

Applicant agrees to maintain the confidentiality of client-counselor information and research data, as required by state and federal law. Personally identifying information or individual information collected in connection with services requested, utilized, or denied may not be disclosed; or, reveal individual client information without informed, written, reasonably time-limited consent of the person about whom information is sought. If release of information is compelled by statutory or court mandate, reasonable attempts to provide notice to victims affected by the disclosure of information will be made and steps necessary to protect the privacy and safety of the persons affected by the release of information will be taken.

C. Civil Rights Liaison

A civil rights liaison who will serve as the grantee's civil rights point of contact and who will be responsible for ensuring that the grantee meets all applicable civil rights requirements must be designated. The designee will act as the grantee's liaison in civil rights matters with CJD and with the federal Office of Justice Programs.

Enter the Name of the Civil Rights Liaison:

Jerris Penrod Mapes

Enter the Address for the Civil Rights Liaison:

Killeen Police Department 3304 Community Blvd Killeen Texas 76542

Enter the Phone Number for the Civil Rights Liaison [(999) 999-9999 x9999]:

254-501-8811

D. Activities that Compromise Victim Safety and Recovery

Applicant agrees to not engage in activities that jeopardize victim safety, deter or prevent physical or emotional healing for victims, or allow offenders to escape responsibility for their actions.

E. Legal Assistance for Victims (LAV) Certification

The applicant certifies that it meets the following federal statutory requirements in regards to the provision of legal advocacy:

(1) Any person providing legal assistance through a program funded under this VAWA Program

(a) has demonstrated expertise in providing legal assistance to victims of domestic violence, dating violence, sexual assault or stalking in the targeted population; or

(b) is partnered with an entity or person that has demonstrated expertise described in subparagraph (A) and has completed or will complete training in connection with domestic violence, dating violence, sexual assault or stalking and related legal issues, including training on evidence-based risk factors for domestic and dating violence homicide.

(2) Any training program conducted in satisfaction of the requirement of paragraph (1) has been or will be developed with input from and in collaboration with a state, local, territorial, or tribal domestic violence, dating violence, sexual assault, or stalking victim service provider or coalition, as well as appropriate tribal, State, territorial, and local law enforcement officials.

(3) Any person or organization providing legal assistance through a program funded under this Program has informed and will continue to inform state, local, or tribal domestic violence, dating violence or sexual assault programs and coalitions, as well as appropriate State and local law enforcement officials of their work.

(4) The grantee's organizational policies do not require mediation or counseling involving offenders and victims physically together, in cases where sexual assault, domestic violence, dating violence, or child sexual abuse is an issue.

Does the applicant meet the criteria outlined above?

☐ Yes

☒ No

F. Polygraph Testing Prohibition

A peace officer or attorney representing the state may not require an adult or child victim of an alleged sex offense to submit to a polygraph examination or other truth telling device as a condition for proceeding with the investigation of such an offense. In addition, the refusal of a victim to submit to a polygraph or other truth telling examination will not prevent the investigation, charging, or prosecution of an alleged sex offense or on the basis of the results of a polygraph examination.

G. Protection Orders

Victims applying for a protective order or their attorney may not bear the costs associated with the filing of an order of protections.

H. Offender Firearm Prohibition

Per 18 USC § 992(g), offenders convicted of a felony or misdemeanor level crime of domestic violence and anyone subject to a domestic violence protective order is prohibited from possessing a firearm.

I. Criminal Charges

In connection with the prosecution of any misdemeanor or felony domestic violence offense, the victim may not bear the costs associated with the filing of criminal charges against a domestic violence offender, issuance or service of a warrant, or witness subpoena.

J. Uniform Crime Reports

Eligible applicants operating a law enforcement agency must be current on reporting Part I violent crime data to the Texas Department of Public Safety for inclusion in the annual Uniform Crime Report (UCR) and must have been current for the previous year.

K. Criminal History Reporting

The county (or counties) in which the applicant is located must have a 90% average on both adult and juvenile criminal history dispositions reported to the Texas Department of Public Safety for calendar years 2011 through 2015.

L. Immigration and Customs Enforcement Requests

The full text of this certification can be found [here](#). To be in compliance with this requirement, any county or municipal government that includes a department that detains individuals after arrest for a criminal violation must provide a letter signed by the head of each such department certifying to the requirements. This letter may be used for any application submitted to OOG for a period of up to two years from the date it is signed. If that period expires during the project period of any grant, the grantee must submit an updated letter for each such grant to remain in compliance with this requirement.

All applicants must select one of the following options:

☐ Applicant is not a county or municipal government

☒ Applicant is a county or municipal government and does not include any department that detains individuals after arrest for a criminal violation at any time

☐ Applicant is a county or municipal government that includes department(s) that detain individuals after arrest for a criminal violation. Letters certifying compliance and signed by the heads of all such departments have been uploaded to this application.

☐ Applicant is a county or municipal government that includes department(s) that detain individuals after arrest for a criminal violation. The Authorized Official has read the certification found on the aforementioned CJD website. Further, the Authorized Official will not be submitting signed letters certifying compliance from the heads of all such departments and understands that failure to comply with this certification may result in OOG, at its sole discretion, rejecting this application and any other application from the relevant county or municipal government.

M. Immigration Legal Services

CJD prioritizes funding of projects that provide a full spectrum of counseling, crisis services, and other direct victim services. CJD will not fund projects that focus primarily on immigration legal services and do not provide a significant level of other types of victim services.

N. Services to Victims of Crime

Applicant agrees to provide services to victims of crime which include: responding to the emotional and physical needs of crime victims; assisting victims in stabilizing their lives after victimization; assisting victims to understand and participate in the criminal justice system; and providing victims with safety and security. If the application is for a project that serves victims of sexual assault, applicant agrees to provide services to victims of sexual assault which includes providing core services, direct intervention, and related assistance to victims of sexual assault in order to assist with their recovery from the physical and psychological trauma of rape and sexual assault.

O. Volunteers

If awarded VOCA funds, applicant agrees to use volunteers to support either the project or other agency-wide services/activities, unless CJD determines that a compelling reason exists to waive this requirement.

P. Crime Victims' Compensation

Applicant agrees to assist crime victims in applying for crime victims' compensation benefits.

Q. Community Efforts

Applicant agrees to promote community efforts to aid crime victims. Applicants should promote, within the community, coordinated public and private efforts to aid crime victims. Coordination efforts qualify an organization to receive these funds, but are not activities that can be supported with these funds.

R. Records

Applicant agrees to maintain daily time and attendance records specifying the time devoted to allowable victim services.

S. Civil Rights Information

Applicant agrees to maintain statutorily required civil rights statistics on victims served by race, national origin, sex, age, and disability of victims served, within the timeframe established by CJD. This requirement is waived when providing services, such as telephone counseling, where soliciting the information may be inappropriate or offensive to the crime victim.

T. Victims of Federal Crime

Applicant agrees to provide equal services to victims of federal crime. (Note: Victim of federal crime is a victim of an offense that violates a federal criminal statute or regulation; federal crimes also include crimes that occur in an area where the federal government has jurisdiction, such as Indian reservations, some national parks, some federal buildings, and military installations.)

U. No Charge

Applicant agrees to provide grant-funded services at no charge to victims of crime. Applicants are also prohibited from billing Crime Victims Compensation, private insurance, Medicaid, or Medicare for services provided using VOCA funds.

V. Discrimination

Applicant agrees not to discriminate against victims because they disagree with the State's prosecution of the criminal case.

W. Effective Services

Applicants applying for funds to provide victim services must demonstrate a record of providing effective services to crime victims. If the applicant cannot yet demonstrate a record of providing effective services, the applicant must demonstrate that at least 25 percent of its financial support comes from non-federal sources. (See "Capacity & Capabilities" instructions in the Funding Announcement.)

Overall Certification

Each applicant agency must certify to the specific requirements detailed above as well as to comply with all requirements within the CJD Funding Announcement, the *Guide to Grants*, the *Grantee Conditions and Responsibilities*, any authorizing or applicable state and federal statutes and regulations to be eligible for this program.

X I certify to all of the application content & requirements.

Project Abstract :

The Crisis Assistance Program will promote the rights of victims of crime by providing victims with immediate access to services, to include on-scene crisis intervention; counseling and connection to appropriate resources within the community. This project will also promote the continuing education and training of paid and volunteer staff with regard to the most current victim services available in the State of Texas.

Problem Statement :

Due to the high volume of violent incidents within the City of Killeen, Texas there is a tremendous need for victim-related services that address the unique needs of each individual case, specifically immediate access to counseling and crisis intervention. All victims of violent crime are eligible to apply for financial assistance through the Crime Victim Compensation program through the Office of the Attorney General, however, not all victims are eligible to receive benefits and the length of time required to complete the application process, eligibility review, and determination of appropriate benefits may hinder victims ability to immediately access crisis services and counseling.

An additional need to be addressed within the program is the limited financial resources available in order for paid staff and volunteers within the victim services unit to obtain training that would ensure their knowledge and application of the most current practices and policies regarding victim services. Funding from this grant would allow these issues to be addressed.

Supporting Data :

In 2017, Killeen Police officers generated approximately 15,813 offense reports. More than 3800 reports detailed criminal offenses involving acts of violence that required further investigation, arrest, and/or the application of victim services. More specifically, citizens of Killeen reported 1,589 felony offenses involving violence and 2,237 misdemeanor offenses involving violence. This includes 2 capital murders, 16 murders, 230 sexually based offenses, 819 aggravated assaults, and 1,866 offenses involving family violence. An average of 10 incidents of violence were reported each day in Killeen in 2017. This number does not include general calls for service involving violence that did not result in a criminal offense report.

Project Approach & Activities:

This project will be administered by the Crime Victim Liaison, volunteer staff, and participating counseling professionals, with supervision by administrative and command staff of the Killeen Police Department and the City of Killeen. The activities will include recruitment and training of volunteers; the immediate or near-immediate response of victim services staff to victims of violent crime; the application of victim services, including immediate crisis intervention; and the coordination of immediate access to counseling services. Access to immediate counseling services would involve activities that are not included in the existing program and notification of the availability of counseling will be provided to victims at the time of initial contact with program staff. The model from which this program was adapted is from the Temple Police Department's Crisis Assistance Program.

Capacity & Capabilities:

At this time, the Killeen Police Department employs one employee, the crime victim liaison, with regard to the application of victim services. The current crime victim liaison has more than 23 years of experience in applying victim services in a prosecutorial setting as well as applying victim services in a law enforcement setting. The educational background of the crime victim liaison is in criminal justice. There are no other paid staff within the City of Killeen Police Department or the City of Killeen that is tasked with this duty. This project will enable the Crisis Assistance Program to have greater capacity and capability of acknowledging any victim of crime that resides in Killeen and it will allow victims that were once excluded from receiving certain services to access those services with little to no waiting period and very few restrictions. The program will involve recruiting local counseling professionals, including, but not limited to licensed professional counselors, licensed medical social workers, psychiatrists, psychologists, and trauma counselors, to provide crisis counseling/therapeutic sessions to victims of crime in a timely manner with no cost to the victim. The training and continuing education that the crisis assistance program staff will receive as a result of this funding will ensure that victims are provided with the most current and efficient services in a timely manner.

Performance Management :

The objective of the program is to achieve quantified outcomes of connecting at least 20 victims of extreme trauma or crime with immediate access to counseling within 72 hours of the initial trauma, or notification of the initial trauma; and to allow those victims to continue with uninterrupted services until such time that a secondary program is approved to provide financial support. Another objective is to make initial contact with at least 300 victims of crime within 10 days of the date of crime in an effort to provide those victims with information regarding their rights, the investigative process, notification of crime victim compensation and assistance with submitting applications for crime victim compensation.

Data Management:

The crime victim liaison will continue to collect data in compliance with the grant reporting requirements, including the number of individuals served, the demographics of those individuals served, and the types of services provided through this program. The project manager will use existing software/program in order to record this data and no software will be purchased due to incompatibility with existing data-based programs already in place. A survey will be drafted and distributed to victims that participate in the program. The survey will address the victims' review of the program, including their needs, efficiency, and application of this program by the staff of the Crisis Assistance Program.

Target Group :

The group of individuals that will benefit from this program are victims of violent crime and their family members. This will include residents of the City of Killeen as well as any individuals that reside outside of Killeen, but were victimized within the city limits of Killeen. Specifically, the majority of the population that this program will target, according to past statistics, will be females between the ages of 25-50, and their children, who have been victims of family violence and who do not have immediate access to counseling due to lack of financial means.

Evidence-Based Practices:

The project will include acknowledgement and possible adoption of any evidence-based practices that are active in law enforcement agencies of the same size with similar population, as well as other agencies and non-profit organizations that provide similar services to victims of crime. At this time, there are no evidence-based practices from which this program has been created. The project manager has consulted with several area law enforcement agencies, to include Temple Police Department and Waco Police Department with regard to similar programs.

You are logged in as **User Name:** KPDCVL505

[Print This Page](#)

Agency Name: Killeen, City of
Grant/App: 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019

Project Title: Crisis Assistance Program
Status: Pending OOG Review

Project Activities Information

Introduction

This section contains questions about your project. It is very important for applicants to review their funding announcement for guidance on how to fill out this section. Unless otherwise specified, answers should be about the EXPECTED activities to occur during the project period.

For the activities under the "OOG-Defined Project Activity Area" section near the end of this page, see *CJD Grant Activities and Measures* for definitions and related measures, available at [CJD's resources page](#).

Estimated Individuals Participating/Served/Trained

This question is for the majority of CJD grants that serve or train individuals, or has individuals participating in a program. This question does not apply to projects that ONLY purchase equipment, etc., that will be used generally (such as purchasing a colposcope, vehicle, or communications system), or target the general public (a public awareness campaign, etc.). Please estimate the following for the project period, or if this does not apply to your project, enter "0" in each box.

Number of individuals NEWLY participating/ trained/ being served:

300

Number of carry-over individuals participating/ training/ being served in the program at the beginning of the project period:

100

Number of individuals who will receive the full course of services/ successfully complete the program or training:

20

Choose one:

☐ My program does not have individuals served or participating

☒ My program's typical designed (ideal) length is best measured in HOURS of services delivered/ participation/ training for each individual

☐ My program's typical designed (ideal) length is best measured in DAYS of services delivered/ participation/ training for each individual

Enter the number of hours or days (depending on selection above) of the typical designed (ideal) length of the program for each individual. Enter "0" if you indicated that your program does have individuals participating, served, or trained:

10

Special Project Types and Information

Select all special project types that apply to your project.

Task forces: Project will support the operations and coordination activities of a task force.

☐ Yes

☒ No

If you answered 'YES' above, enter the name of the task force. If you selected **No**, enter **N/A**.

N/A

If you answered 'YES' above, enter the agencies or organizations that participate in the above-named task force. If you selected **No**, enter **N/A**.

N/A

Gang activity: Project involves a focus specifically on gang activity.

☐ Yes

☒ No

Transnational and organized crime: Project involves a focus specifically on transnational and organized crime.

☐ Yes

☒ No

Border activities: Project involves a focus specifically related to the Texas-Mexico border.

☐ Yes

☒ No

Human trafficking (select all that apply):

- ☐ Project focuses on human trafficking
- ☐ Project specifically focuses on trafficking of minors
- ☐ Project specifically focuses on trafficking of adults
- ☐ Project specifically focuses on sex trafficking
- ☐ Project specifically focuses on labor trafficking
- ☒ Project does not have any particular focus on human trafficking

Campus-Based Projects

This project is based on – or serves – one or more specific educational campuses (K-12 or higher education).

How many TOTAL students at ALL campuses will be served by the project? (enter "0" if this project is not based on – or serves – specific educational campuses):

0

List each educational campus that will be served by this project. Enter 'N/A' if this project is not based on – or serves – specific educational campuses.

N/A

Crime or Victim Type

Select the type(s) of crime or crime victim this project targets and provide the percentage of time dedicated to each. Applicants with projects that target multiple-offense offenders or multiple-victimization victims should assign percentages that best describe the activity. Percentages may not exceed 100%.

Sexual assault (%):

10

Domestic abuse (%):

30

Child abuse (%):

10

DUI / DWI (crashes for victim services) (%):

0

Survivors of homicide (%):

10

Assault (%):

10

Adults molested as children (%):

0

Elder abuse (%):

0

Robbery (%):

10

Stalking (%):

0

Dating/acquaintance violence (%):

10

Human trafficking (%):

0

Child sex trafficking (%):

0

All Other Crimes / No Specific Crimes or Victims Targeted (%):

10

Child Sex Trafficking

This section is only for projects serving victims of child sex trafficking. All others should enter "0" when asked to provide a number.

CJD acknowledges that grantees serving child sex trafficking victims may initially enroll, serve, or assess individuals who are eventually determined to be ineligible for services due to their age. For planning purposes, project the total number of victims expected to be served/enrolled that will be:

Under the age of 18:

1

Ages 18 – 22:

1

Over the age of 22:

1

As a component of your organization's victim services, do you offer direct medical care to victims?

☐ Yes

☒ No

Of the number of victims expected to be served/enrolled (see under Section 1 above), how many victims are projected to be served for:

Under 6 months:

0

6-12 months:

0

Over 12 months:

0

Estimate figures related to screenings and assessments:

Number of screenings for child sex trafficking victim status performed:

0

Number of individuals screened for child sex trafficking victim status:

0

Number of individuals screened with the result of "reason to believe" or "suspicions not confirmed":

0

Number of individuals assessed for victim-related needs:

0

Multi-disciplinary teams.

Number of expected regular team meetings:

0

Number of estimated emergency team meetings:

0

Wrap-around services:

Number of hours of wrap-around services provided to victims during regular business hours:

0

Number of hours of wrap-around services provided to victims outside of regular business hours:

0

Respite:

Number of nights of respite provided to foster children:

0

Number of respite episodes facilitated for foster families:

0

Selected Project Activities:

ACTIVITY	PERCENTAGE:	DESCRIPTION
Casework, Non-Licensed Counseling, Individual Advocacy, or Other Support	45.00	Providing crisis intervention, on scene, in office, and other neutral locations, to include emotional support, assistance with questions and concerns regarding law enforcement investigation status and procedures; coordination and transportation to safe shelter; assistance with crime victim compensation information and application assistance; continued assistance with submitting supporting documents and obtaining claim status; investigative, medical, and court accompaniment; intervention with employer/landlord; referrals to area resources.
Counseling, Therapy, or Other Care Performed by a Licensed Professional	20.00	Counseling services, traditional and non-traditional, with participating vendors to include, but not limited to licensed professional counselors; licensed clinical social workers; psychiatrists, psychologists; licensed marriage and family therapists. These services are to be provided to victims and their families at no cost to the victim.
Program Evaluation and Assessment	10.00	Distributing and processing surveys to victims receiving applicable services
Training, Professional Development, or Technical Assistance Provided	15.00	Developing and providing training to potential volunteers and continued training for existing volunteers
Training, Professional Development, or Technical Assistance Received	10.00	Training for paid staff-crime victim liaison.

CJD Purpose Areas

PERCENT DEDICATED	PURPOSE AREA	PURPOSE AREA DESCRIPTION
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[Print This Page](#)**Agency Name:** Killeen, City of**Grant/App:** 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019**Project Title:** Crisis Assistance Program**Status:** Pending OOG Review**Measures Information**

Objective Output Measures

OUTPUT MEASURE	TARGET LEVEL
*REQUIRED TOTAL: Casework, non-licensed counseling, individual advocacy, or other support: Hours delivered by EMPLOYEES	200
*REQUIRED TOTAL: Casework, non-licensed counseling, individual advocacy, or other support: Hours delivered BY VOLUNTEERS	200
*REQUIRED TOTAL: Casework, non-licensed counseling, individual advocacy, or other support: Individuals receiving	300
*REQUIRED TOTAL: Counseling, therapy, or other care performed by a licensed professional: Hours delivered	162
*REQUIRED TOTAL: Counseling, therapy, or other care performed by a licensed professional: Individuals receiving	20
*REQUIRED TOTAL: Program evaluation and assessment: Programs assessed	1
*REQUIRED TOTAL: Training, professional development, or technical assistance: Hours provided	40
*REQUIRED TOTAL: Training, professional development, or technical assistance: hours received	40
Advocacy/ accompaniment / assistance for criminal justice system interactions: Victim individuals receiving	10
Advocacy/ accompaniment for medical care: Individuals receiving	10
Case management or advocacy (general): Individuals receiving	300
Casework/ support/ care: Individuals assessed or screened for needs	300
Licensed counseling/therapy: Individuals assessed or screened for needs	20
Licensed trauma-informed therapy: individuals receiving	20

Licensed treatment for mental health disorders: Individuals receiving	0
Mentoring (general): Individuals receiving	0
Multi-disciplinary care teams: Individuals receiving care	0
Peer support (general): Individuals receiving	0
Referrals to other agencies: Individuals referred	300
Sexual assault exams performed by a certified Sexual Assault Nurse Examiner (SANE): Individuals receiving	0
Sexual assault exams performed by someone other than a certified Sexual Assault Nurse Examiner (SANE): Individuals receiving	0
Sexual Assault Response Teams (SART) (MUST include a law enforcement representative, medical professional, and community-based advocate): Individuals receiving COORDINATED CARE	0
Technical assistance: Hours provided	0
Technical assistance: Hours received	0
Technical assistance: Organizations provided	0
Training or professional development: Hours provided	40
Training or professional development: Hours received	40
Training or professional development: Individuals provided	6
Training or professional development: Individuals received	2
Victim-offender meetings: Victims participating	0
Victims assisted with developing safety plans (non-residential)	25

Objective Outcome Measures

OUTCOME MEASURE	TARGET LEVEL
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Custom Output Measures

CUSTOM OUTPUT MEASURE	TARGET LEVEL
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Custom Outcome Measures

CUSTOM OUTCOME MEASURE	TARGET LEVEL
------------------------	--------------

You are logged in as **User Name:** KPDCVL505

Agency Name: Killeen, City of

Grant/App: 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019

Project Title: Crisis Assistance Program

Status: Pending OOG Review

Resolution from Governing Body

Applications from nonprofit corporations, local units of governments, and other political subdivisions must include a [resolution](#) that contains the following:

1. Authorization by your governing body for the submission of the application to CJD that clearly identifies the [name](#) of the project for which funding is requested;
2. A commitment to provide all applicable matching funds;
3. A designation of the name and/or title of an authorized official who is given the authority to apply for, accept, [reject](#), alter, or terminate a grant (Note: If a name is provided, you must update CJD should the official change during the grant period.); and
4. A written assurance that, in the event of loss or misuse of grant funds, the governing body will return all funds to CJD.

Upon approval from your agency's governing body, upload the [approved](#) resolution to eGrants by clicking on the **Upload Files** sub-tab located in the **Summary** tab.

Contract Compliance

Will CJD grant funds be used to support any contracts for professional services?

☒ Yes
☐ No

For applicant agencies that selected **Yes** above, describe how you will monitor the activities of the sub-contractor(s) for compliance with the contract provisions (including equipment purchases), deliverables, and all applicable statutes, rules, regulations, and guidelines governing this project.

Activities and services provided to victims by professional therapists will be monitored through an established vendor list; confidential victim/client list; documentation of counseling sessions provided to victim/client maintained by project manager in database; and receipt records of invoices and payments to service provider. Providers of service will be required to sign a contract with the City of Killeen which will outline the services provided; the individuals to which the services are provided; the duration or number of sessions; the payment amount for said services; the required current credentials of the provider of service, and insurance requirements. Contract monitoring and compliance: a policy is currently being drafted to address this.

Lobbying

For applicant agencies requesting grant funds in excess of \$100,000, have any federally appropriated funds been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an [officer](#) or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the [making](#) of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, [renewal](#), amendment, or modification of any federal contract, grant loan, or cooperative agreement?

☐ Yes
☐ No
☒ N/A

For applicant agencies that selected either **No** or **N/A** above, have any non-federal funds been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress in connection with this federal contract, loan, or cooperative agreement?

☐ Yes
☒ No
☐ N/A

Fiscal Year

Provide the begin and end date for the applicant agency's fiscal year (e.g., 09/01/20xx to 08/31/20xx).

Enter the Begin Date [mm/dd/yyyy]:

10/1/2017

Enter the End Date [mm/dd/yyyy]:

9/30/2017

Sources of Financial Support

Each applicant must provide the amount of grant funds expended during the most recently completed fiscal year for the following sources:

Enter the amount (\$) of Federal Grant Funds:

8420120

Enter the amount (\$) of State Grant Funds:

4964133

Single Audit

Applicants who expend less than \$750,000 in federal grant funding or less than \$750,000 in state grant funding are exempt from the Single Audit Act and cannot charge audit costs to a CJD grant. However, CJD may require a limited scope audit as defined in 2 CFR Part 200, Subpart F - Audit Requirements.

Has the applicant agency expended federal grant funding of \$750,000 or more, or state grant funding of \$750,000 or more during the most recently completed fiscal year?

☒ Yes

☐ No

Applicant agencies that selected **Yes** above, provide the date of your organization's last annual single audit, performed by an independent auditor in accordance with the State of Texas Single Audit Circular; or CFR Part 200, Subpart F - Audit Requirements.

Enter the date of your last annual single audit:

3/28/2017

Equal Employment Opportunity Plan

Type I Entity

Defined as an applicant that meets one or more of the following criteria:

- the applicant has less than 50 employees;
- the applicant is a non-profit organization;
- the applicant is a medical institution;
- the applicant is an Indian tribe;
- the applicant is an educational institution, or
- the applicant is receiving a single award of less than \$25,000.

Requirements for a Type I Entity

- The applicant is exempt from the EEOP requirements required to prepare an EEOP because it is a Type I Entity as defined above, pursuant to 28 CFR 42.302;
- the applicant must complete Section A of the [Certification Form](#) and send it to the Office for Civil Rights (OCR) to claim the exemption from developing an EEOP; and
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services.

Type II Entity

Defined as an applicant that meets the following criteria:

- the applicant has 50 or more employees, and
- the applicant is receiving a single award of \$25,000 or more, but less than \$500,000.

Requirements for a Type II Entity

- Federal law requires a Type II Entity to formulate an EEOP and keep it on file.

- The applicant agency is required to formulate an EEOP in accordance with 28 CFR 42.301, et seq., subpart E;
- the EEOP is required to be formulated and signed into effect within the past two years by the proper authority;
- the EEOP is available for review by the public and employees or for review or audit by officials of CJD, CJD's designee, or the Office of Civil Rights, Office of Justice Programs, U.S. Department of Justice, as required by relevant laws and regulations;
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services; and
- the EEOP is required to be on file in the office of (enter the name and address where the EEOP is filed below):

Enter the name of the person responsible for the EEOP and the address of the office where the EEOP is filed:

Eva Bark, Human Resources Director 101 N. College Killeen, TX 76543

Type III Entity

Defined as an applicant that is NOT a Type I or Type II Entity.

Requirements for a Type III Entity

- Federal law requires a Type III Entity to formulate an EEOP and submit it for approval to the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice.

- The EEOP is required to be formulated and signed into effect within the past two years by the proper authority;
- the EEOP has been submitted to the Office of Civil Rights (OCR), Office of Justice Programs, U.S. Department of Justice and has been approved by the OCR, or it will be submitted to the OCR for approval upon award of the grant, as required by relevant laws and regulations; and
- the applicant will comply with applicable federal civil rights laws that prohibit discrimination in employment and in the delivery of services.

Based on the definitions and requirements above, the applicant agency certifies to the following entity type:

- ☐ Type I Entity
☒ Type II Entity
☐ Type III Entity

Debarment

Each applicant agency will certify that it and its principals (as defined in 2 CFR Part 180.995):

- Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal Court, or voluntarily excluded from participation in this transaction by any federal department or agency;
- Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or
- Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in the above bullet; and have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.

Select the appropriate response:

- ☒ I Certify
☐ Unable to Certify

If you selected **Unable to Certify** above, please provide an explanation as to why the applicant agency cannot certify the statements.

FFATA Certification

Certification of Recipient Highly Compensated Officers

The Federal Funding Accountability and Transparency Act (FFATA) requires Prime Recipients (CJD) to report the names and total compensation of each of the five most highly compensated officers (a.k.a. positions) of each sub recipient organization for the most recently completed fiscal year preceding the year in which the grant is awarded if the subrecipient answers **YES** to the **FIRST** statement but **NO** to the **SECOND** statement listed below.

In the sub recipient's preceding completed fiscal year, did the sub recipient receive: (1) 80 percent or more of its annual gross revenue from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements; AND (2) \$25,000,000 or more in annual gross revenue from Federal contracts (and subcontracts), loans, grants (and subgrants) and cooperative agreements?

- ☐ Yes
☒ No

Does the public have access to information about the compensation of the senior executives through periodic reports filed under Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or Section 6104 of the Internal Revenue Code of 1986?

- ☐ Yes
☒ No

If you answered **YES** to the **FIRST** statement and **NO** to the **SECOND** statement, please provide the name and total compensation amount of each of the five most highly compensated officers (a.k.a. positions) within your agency for the current calendar year. If you answered **NO** to the first statement you are NOT required to provide the name and compensation amounts. NOTE: "Total compensation" means the complete pay package of each of the sub recipient's compensated officers, including all forms of money, benefits, services, and in-kind payments (see SEC Regulations: 17 CCR 229.402).

Position 1 - Name:

Position 1 - Total Compensation (\$):

0

Position 2 - Name:

Position 2 - Total Compensation (\$):

0

Position 3 - Name:

Position 3 - Total Compensation (\$):

0

Position 4 - Name:

Position 4 - Total Compensation (\$):

0

Position 5 - Name:

Position 5 - Total Compensation (\$):

0

You are logged in as **User Name:** KPDCVL505

[Print This Page](#)

Agency Name: Killeen, City of

Grant/App: 3597601 **Start Date:** 10/1/2018 **End Date:** 9/30/2019

Project Title: Crisis Assistance Program

Status: Pending OOG Review

Budget Details Information

Budget Information by Budget Line Item:

CATEGORY	SUB CATEGORY	DESCRIPTION	OOG	CASH MATCH	IN-KIND MATCH	GPI	TOTAL	UNIT/%
Travel and Training	In-State Registration Fees, Training, and/or Travel	Every Victim, Every Time Conference, Bryan, TX, April: last year's expenses \$275.49 hotel, \$99 per Diem (x2), \$50 registration (x2)	\$528.82	\$0.00	\$0.00	\$0.00	\$528.82	0
Travel and Training	In-State Registration Fees, Training, and/or Travel	Annual Crimes Against Women Conference, Dallas, TX March/April: last year's cost \$477.18 for hotel, \$144 for per Diem, \$350 registration	\$971.18	\$0.00	\$0.00	\$0.00	\$971.18	0
Personnel	Intern, Mentor, Service Provider, Student Worker, and/or Support Staff	Volunteer services: direct victim services to include: providing crisis support, court or medical accompaniment, assistance with completion of crime victims compensation application, connection to local resources;	\$0.00	\$0.00	\$3,750.00	\$0.00	\$3,750.00	1

		indirect duties to include: answering phones, prepare mailings, filing, typing, other clerical duties. Volunteer time of 192.31 hours @ equivalent of Victim Liaison salary of 19.50 per hr						
Contractual and Professional Services	Non-Substance Abuse-Related Case Management, Forensic Interviews, Counseling, Outpatient, and/or Treatment Services	Professional counseling provided to primary victims, secondary victims and immediate family members billed at \$80.00 per session. Potential providers of service include, but are not limited to Stephanie LaLouette; Ellis Counseling Group; Equus Librium; Bri David; LaDonna Harris; Counseling Solutions, Shakina Marion. All are professional counselors. The ideal vendor list would include as many counselors that are willing to commit to the program, allowing for a greater opportunity of	\$13,000.00	\$0.00	\$0.00	\$0.00	\$13,000.00	0

		services to be provided.						
Supplies and Direct Operating Expenses	Office Supplies (e.g., paper, postage, calculator)	Paper, pens, folders, postage, business cards and brochures, staples, adhesive tape, printer ink cartridges, pencils, notebooks, binders, highlighters, correction tape, labels, binder clips, markers, scissors, sheet protectors, stapler, paper clips, envelopes, legal pads, staple remover, dividers, organizer, desk pad, business card holder, tape, letter opener, desk tray	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00	0

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CRISIS ASSISTANCE PROGRAM GRANT

RS-18-045

June 5, 2018

Grant Overview



- ❑ 2019 Crisis Assistance Program Grant Application
- ❑ Provides assistance to the Killeen victims of crime through professional counseling services and training for the unit.
- ❑ Counseling services provide another outlet for victims and is routinely requested through our victims' assistance office.
- ❑ During 2016 and 2017, a similar grant allowed for counseling assistance and was widely used within the community with 162 counseling hours completed.

Grant Details



□ Grant Program total: \$18,750

□ Grant Funds: \$15,000

▣ Counseling Services: \$13,000

▣ Crime Victim Training: \$ 1,500

▣ Office Supplies: \$ 500

□ In-Kind Match: \$3,750

▣ Volunteer Hours: 200 Hours

■ Over 500 hours completed during previous grant.

Grant Requirements



- ❑ Required Language for Grant Application:
- ❑ Project Name: Crisis Assistance Program
- ❑ The City commits to provide all matching funds; matching funds for this grant application are in the form of in-kind match.
- ❑ The City Manager, Ronald L. Olson, is the authorized official for the City of Killeen.
- ❑ The City assures that in the event of loss or misuse of grant funds, the City will return all funds to the Criminal Justice Division (CDJ).

Recommendation



- Staff recommends that the City Council approve the submission of the 2019 Crisis Assistance Program grant through the Killeen Police Department, authorized the City Manager to sign the application, and to permit the Killeen Police Department to allocate and administer the duties required by the grant, under the oversight of the Finance Department.



City of Killeen

Legislation Details

File #: PH-18-012A **Version:** 1 **Name:** Receive Quarterly Financial Report
Type: Public Hearing **Status:** Public Hearings
File created: 5/31/2018 **In control:** City Council Workshop
On agenda: 6/5/2018 **Final action:**
Title: Receive Quarterly Financial Report
Sponsors: Finance Department
Indexes:
Code sections:
Attachments: [Presentation](#)

Date	Ver.	Action By	Action	Result
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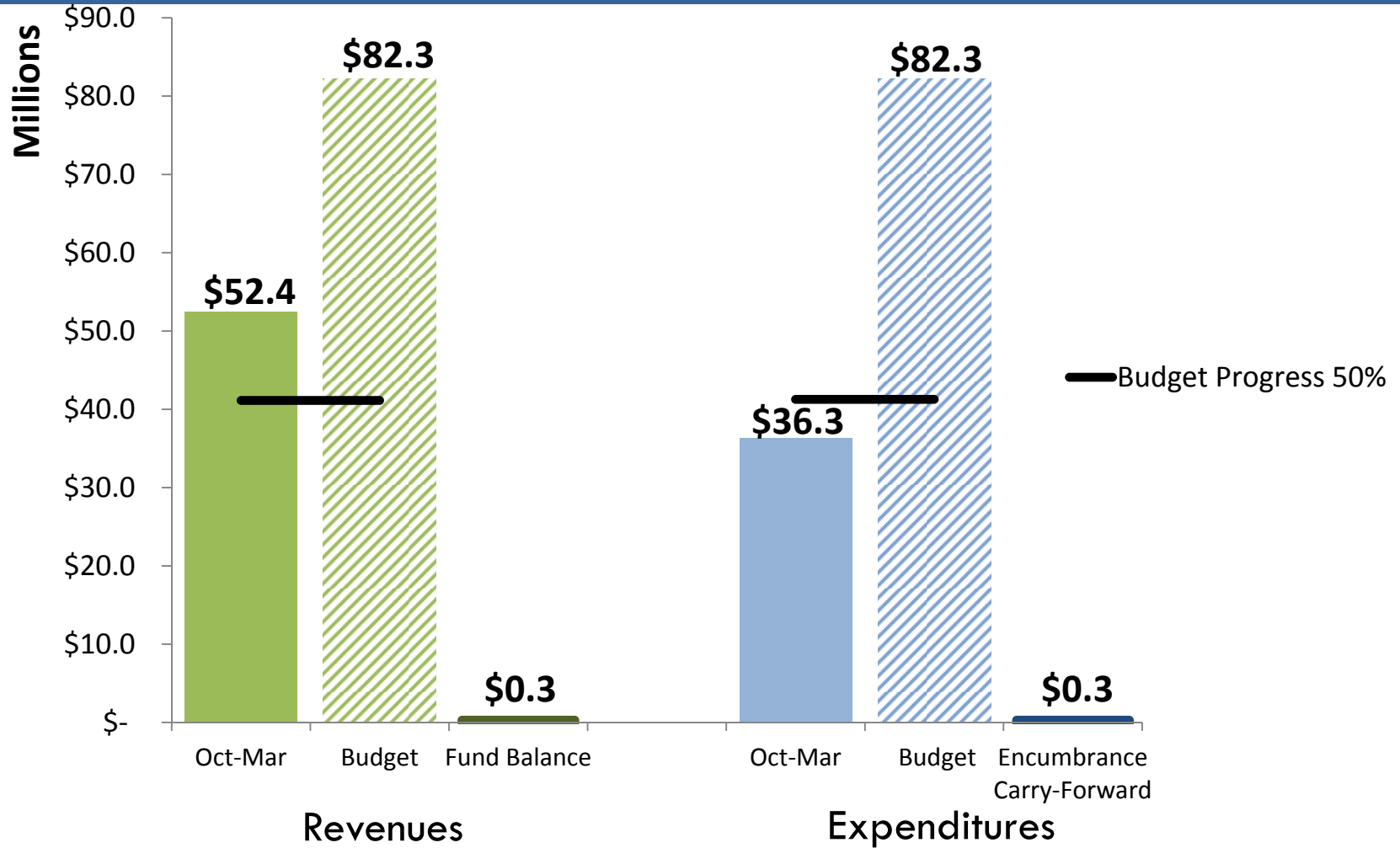
FY 2018 MID-YEAR FINANCIAL REVIEW AND BUDGET AMENDMENT

PH-18-012A & B

June 5, 2018

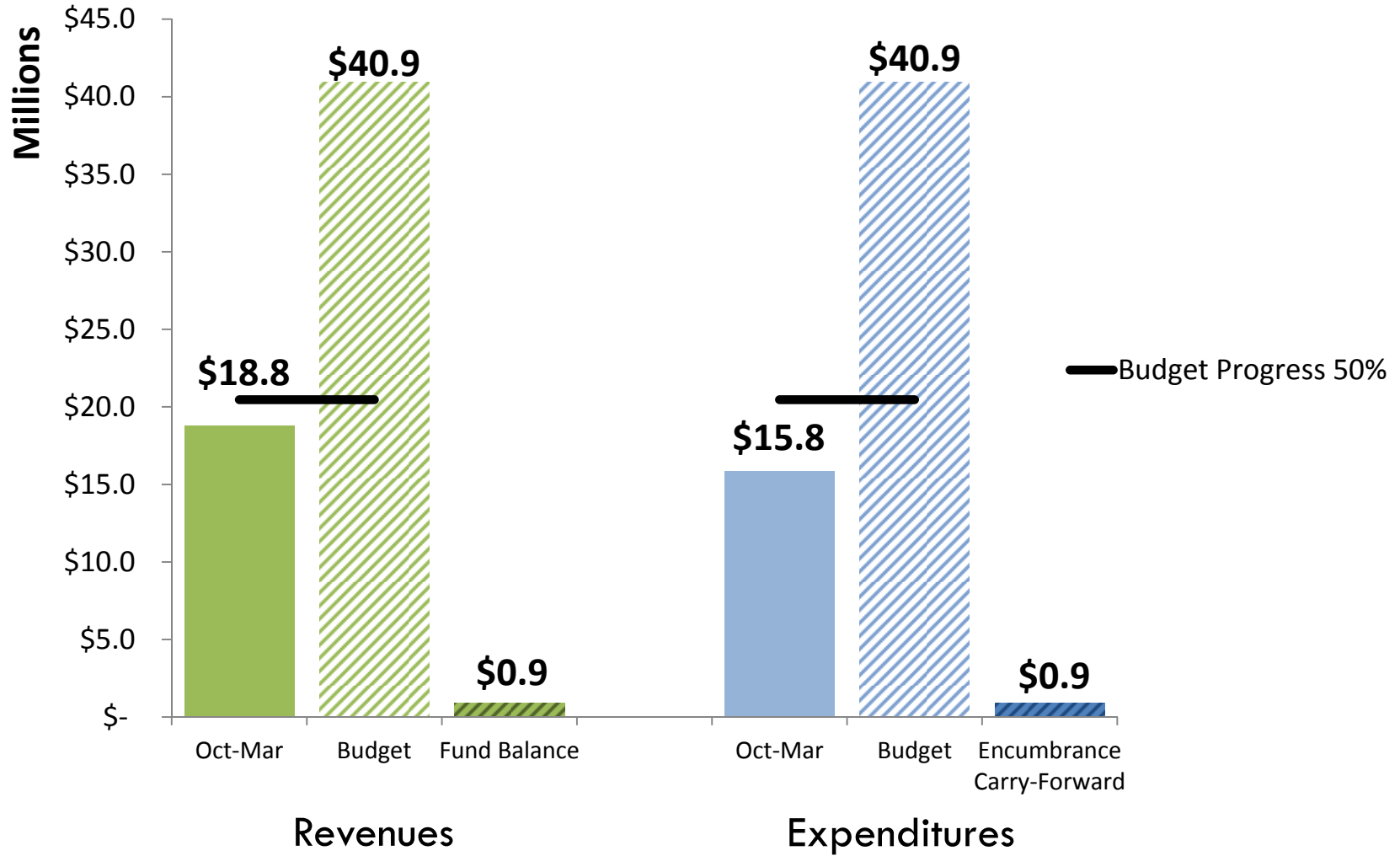
General Fund

2



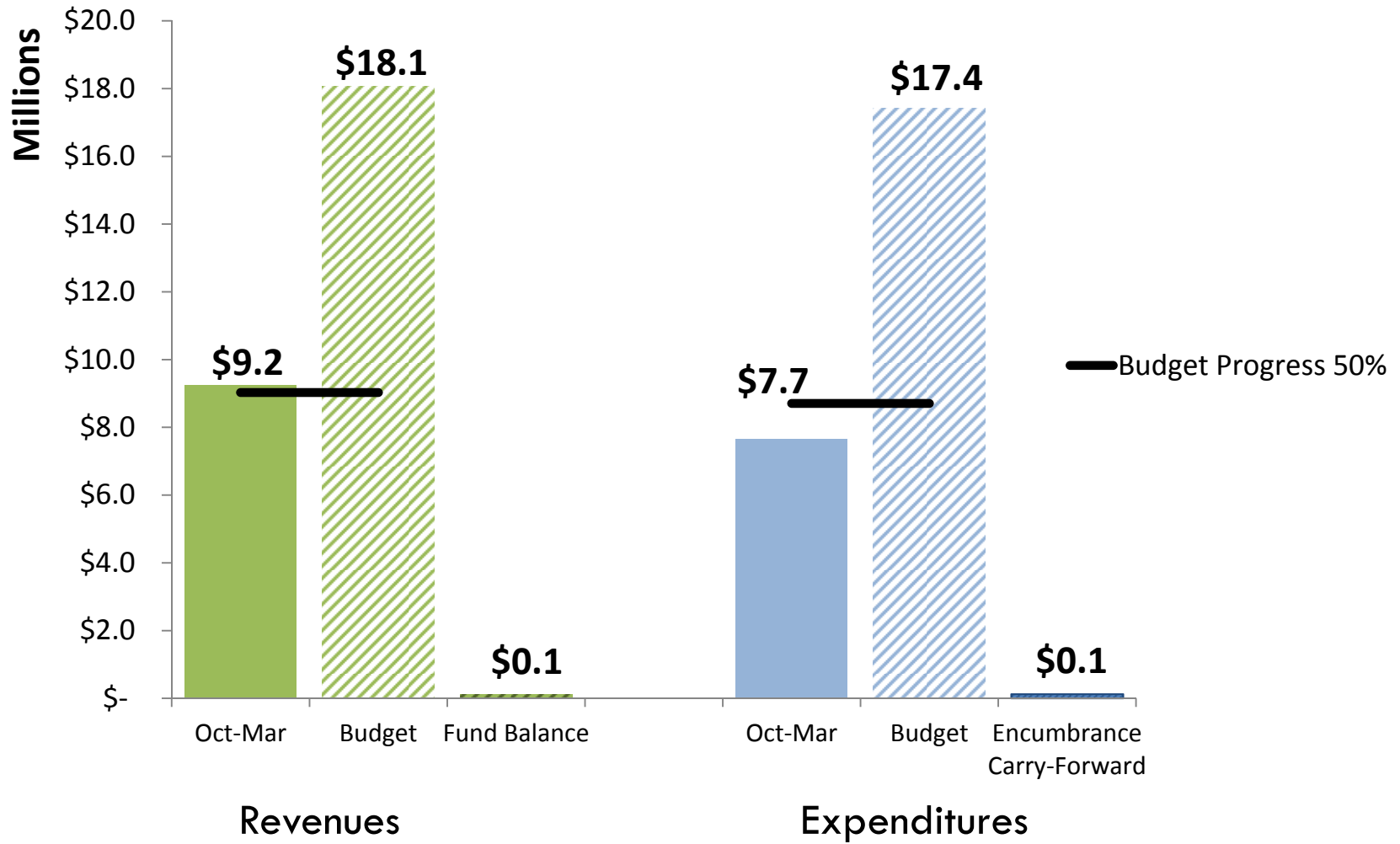
Water and Sewer

3



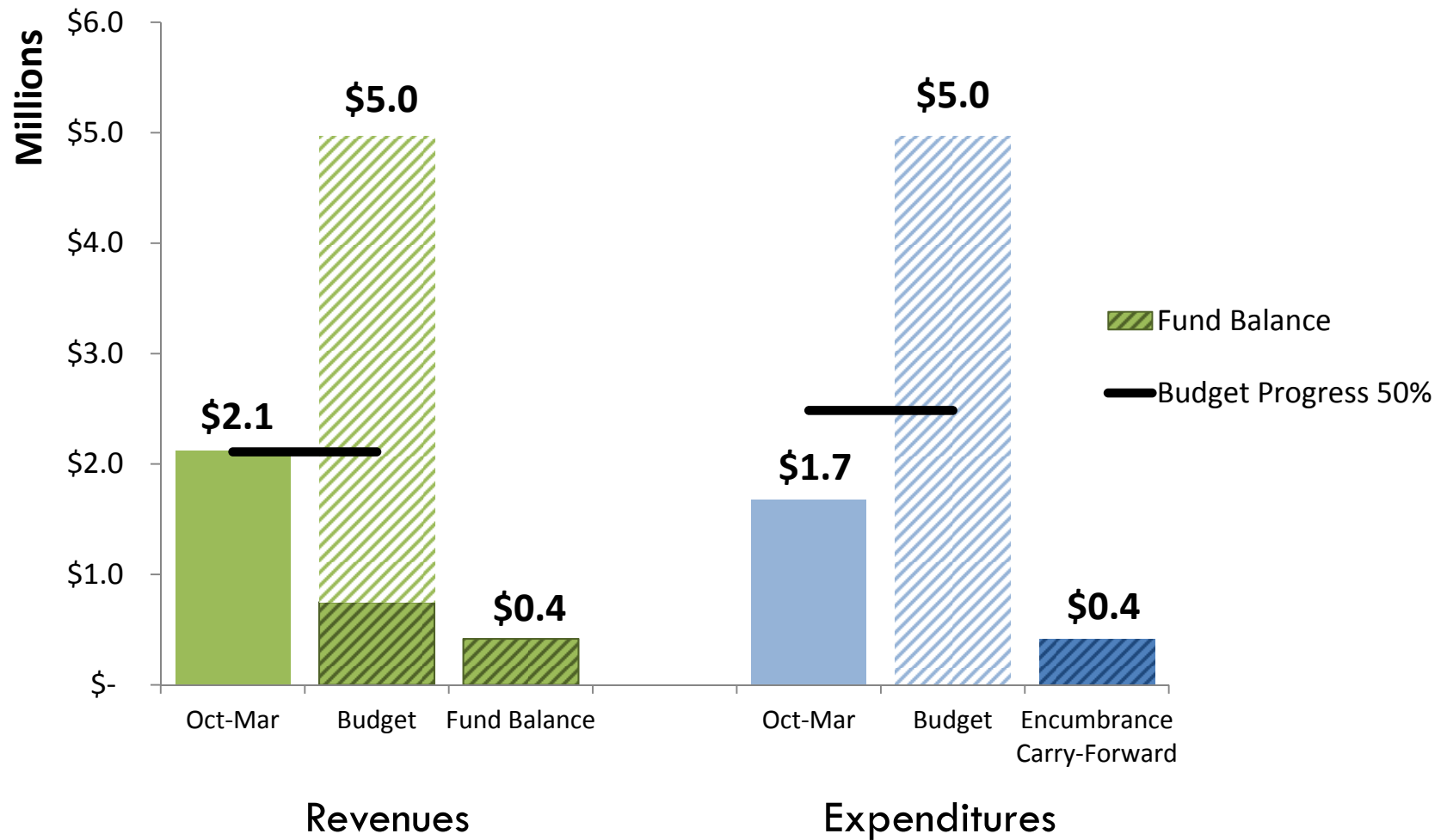
Solid Waste

4



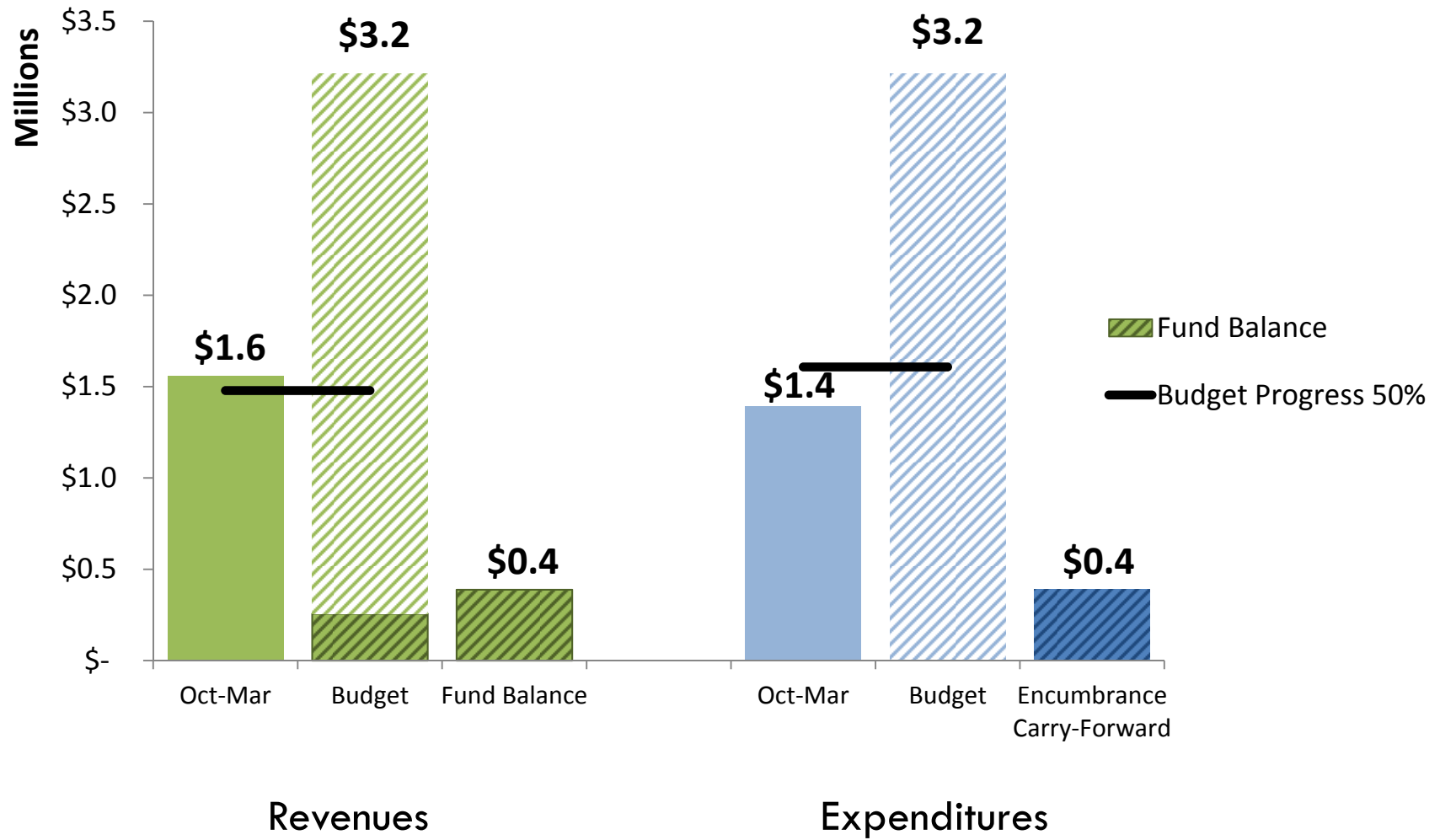
Drainage

5



Aviation

6



Mid-Year Review

7

- Analyzed revenue and expenditure activity.
- Compared budget to actual results.
- Forecasted revenues and expenditures.
- Identified required budget amendments.
 - ▣ City Manager approves budget amendments between accounts of the same department and fund.
 - ▣ City Council approves budget amendments between accounts of different departments and to increase the overall budget of a fund.

Summary of Expenditure Amendments

8

□ Major Operating Funds

- ▣ General Fund – increase of \$285,000 covered by increased revenue.
- ▣ Water and Sewer – no expenditure increase.
- ▣ Drainage – no expenditure increase.
- ▣ Aviation – no expenditure increase.
- ▣ Solid Waste – increase of \$97,245 covered by fund balance.

□ Special Revenue Funds

- ▣ Multiple funds - increase of \$618,317 covered by increased revenue and fund balance.

□ Internal Service Funds

- ▣ Multiple funds – increase of \$297,041 covered by increased revenue.

□ Capital Improvement Project Funds

- ▣ Multiple funds – increase of \$138,545 covered by increased revenue and fund balance.

General Fund

Expenditure Increase - \$285,000

9

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$285,000</u>
Total Revenues		<u>\$285,000</u>
Expenditures		
Police	Personnel	(\$755,109)
Streets	Operating	(17,625)
Non-departmental	Operating	(500)
City Council	Operating	15,000
City Secretary	Operating	35,000
Finance	Personnel	27,782

General Fund

Expenditure Increase - \$285,000

10

Department	Account Type	Budget Change
Planning & Development	Operating	500
Non-departmental	Personnel	659,437
Non-departmental	Operating	22,489
Transfer-Out	Operating	<u>298,026</u>
Total Expenditures		<u>\$285,000</u>

Water and Sewer Fund

Expenditure Increase - \$0

11

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$0</u>
Total Revenues		<u>\$0</u>
Expenditures		
Public Works	Operating	(\$20,932)
Non-departmental	Operating	(2,223)
Transfer-Out	Operating	20,932
Finance	Operating	<u>2,223</u>
Total Expenditures		<u>\$0</u>

Drainage Fund

Expenditure Increase - \$0

12

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$0</u>
Total Revenues		<u>\$0</u>
Expenditures		
Public Works	Personnel	(\$828)
Transfer-Out	Operating	<u>828</u>
Total Expenditures		<u>\$0</u>

Aviation Fund

Expenditure Increase - \$0

13

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$388,718</u>
Total Revenues		<u>\$388,718</u>
Expenditures		
Expenditures		<u>\$0</u>
Total Expenditures		<u>\$0</u>

Solid Waste Fund

Expenditure Increase - \$97,245

14

Department	Account Type	Budget Change
Fund Balance		
Fund Balance	Fund Balance	<u>\$97,245</u>
Total Fund Balance		<u>\$97,245</u>
Expenditures		
Non-departmental	Personnel	\$88,152
Transfer-Out	Operating	<u>9,093</u>
Total Expenditures		<u>\$97,245</u>

Special Revenue Funds

Expenditure Increase - \$618,317

15

Fund	Account Type	Budget Change
Revenues and Fund Balance		
Police State Seizure	Fund Balance	\$79,352
Police Federal Seizure	Fund Balance	350,365
Community Development	Transfer-In Revenue	13,837
Animal Services	Revenue	80,000
Wellness	Revenue	62,100
Library Memorial	Revenue	35,500
Hotel Occupancy Tax	Fund Balance	<u>11,000</u>
Total Revenues and Fund Balance		<u>\$632,154</u>

Special Revenue Funds

Expenditure Increase - \$618,317

16

Fund	Account Type	Budget Change
Expenditures		
Police State Seizure	Operating	\$79,352
Police Federal Seizure	Operating	350,365
Animal Service	Operating	80,000
Wellness	Operating	62,100
Library Memorial	Operating	35,500
Hotel Occupancy Tax	Transfer-Out	<u>11,000</u>
Total Expenditures		<u>\$618,317</u>

Internal Services Funds

Expenditure Increase - \$297,041

17

Fund	Account Type	Budget Change
Revenues		
Fleet Services	Transfer-In Revenue	\$267,625
Information Technology	Transfer-In Revenue	<u>29,416</u>
Total Revenues		<u>\$297,041</u>
Expenditures		
Fleet Services	Water/Sewer Capital	(\$74,000)
Fleet Services	Streets Capital	267,625
Fleet Services	Water/Sewer Capital	74,000
Information Technology	Operating	<u>29,416</u>
Total Expenditures		<u>\$297,041</u>

Capital Improvement Project Funds

Expenditure Increase - \$138,545

18

Fund	Account Type	Budget Change
Revenues and Fund Balance		
Governmental CIP	Transfer-In Revenue	\$11,000
Solid Waste CIP	Transfer-In Revenue	5,500
Water and Sewer CIP	Transfer-In Revenue	12,500
Rosewood PTF	Fund Balance	<u>109,545</u>
Total Revenues and Fund Balance		<u>\$138,545</u>
Expenditures		
Governmental CIP	Capital	11,000
Solid Waste CIP	Capital	5,500
Water and Sewer CIP	Capital	12,500
Rosewood PTF	Capital	<u>109,545</u>
Total Expenditures		<u>\$138,545</u>

Recommendation

19

Staff recommends that City Council approve the ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services.



City of Killeen

Legislation Details

File #:	PH-18-012B	Version:	1	Name:	Mld-Year Budget Amendment
Type:	Ordinance/Public Hearing	Status:		Status:	Public Hearings
File created:	5/29/2018	In control:		In control:	City Council Workshop
On agenda:	6/5/2018	Final action:		Final action:	
Title:	HOLD a public hearing and consider an ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services of the City of Killeen to adjust revenue and expenditure accounts in multiple operating, special revenue, internal service, and capital improvement project funds.				
Sponsors:	Finance Department				
Indexes:	Budget Amendments				
Code sections:					
Attachments:	Staff Report Ordinance Presentation				

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Mid-Year Budget Amendment

BACKGROUND AND FINDINGS:

At the June 5, 2018 City Council Workshop, staff will provide a FY 2018 Mid-Year Financial Review presentation. The briefing includes revenue and expenditure information for the major operating funds. Following the presentation, staff will recommend mid-year budget amendments for City Council's consideration. This ordinance authorizes the recommended budget amendments.

The amendments include increasing revenues and expenditures in the same amount in the General Fund, adjusting departmental budgeted funds within the Water and Sewer Fund and Drainage Fund, and increasing revenues in the Aviation Fund. The amendment will also increase expenditure budgets in the Solid Waste Fund, as well as multiple special revenue funds, internal service funds, and capital improvement project funds.

THE ALTERNATIVES CONSIDERED:

No alternatives were considered.

Which alternative is recommended? Why?

A budget amendment is required to address forecasted budget shortfalls.

CONFORMITY TO CITY POLICY:

The City's Financial Governance Policies, Section V. Budget Administration (B)(1) states that City Council may amend or change the budget by ordinance.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

Upon approval, expenditure accounts will be amended in the FY 2018 Budget as follows:

- General Fund - increase of \$285,000, of which \$285,000 will be covered from an increase in budgeted revenues.
- Water and Sewer Fund - no increase in expenditures.
- Drainage Fund - no increase in expenditures.

- Aviation Fund - no increase in expenditures.
- Solid Waste Fund - increase of \$97,245, of which \$97,245 will be covered from fund balance.
- Special Revenue Funds - increase of \$618,317, of which \$177,600 will be covered from an increase in budgeted revenues and \$440,717 will be covered from fund balance.
- Internal Service Funds - increase of \$297,041, of which \$297,041 will be covered from an increase in budgeted revenues.
- Capital Improvement Project Funds - increase of \$138,545, of which \$29,000 will be covered from an increase in budgeted revenues and \$109,545 will be covered from fund balance.

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Staff recommends that City Council approve the ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Mid-Year Budget Amendment Ordinance

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2018 ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES OF THE CITY OF KILLEEN TO ADJUST REVENUE AND EXPENDITURE ACCOUNTS IN MULTIPLE OPERATING, SPECIAL REVENUE, INTERNAL SERVICE, AND CAPITAL IMPROVEMENT PROJECT FUNDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVING CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, a budget for operating the municipal government of the City of Killeen for the Fiscal Year October 1, 2017 to September 30, 2018, has been adopted by City Council in accordance with the City Charter; and

WHEREAS, it is the desire of the Killeen City Council to amend the FY 2018 Annual Budget and Plan of Municipal Services; and

WHEREAS, the budget amendment requires City Council approval;

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

SECTION 1. That Ordinance 17-050, adopting a budget for operating the municipal government of the City of Killeen for the Fiscal year October 1, 2017 to September 30, 2018, be amended as to the portion of said budget as follows:

Account #	Account Description	Original Budget	Budget Change	Amended Budget
010-0101-412-4431	Training & Travel - District 1	\$ 2,400	\$ 1,500	\$ 3,900
010-0101-412-4432	Training & Travel - District 2	2,400	1,500	3,900
010-0101-412-4433	Training & Travel - District 3	2,400	1,500	3,900
010-0101-412-4434	Training & Travel - District 4	2,400	1,500	3,900
010-0101-412-4435	Training & Travel - At Large 1	2,400	1,500	3,900
010-0101-412-4436	Training & Travel - At Large 2	2,400	1,500	3,900
010-0101-412-4437	Training & Travel - At Large 3	2,400	1,500	3,900
010-0101-412-4438	Training & Travel - Mayor	4,600	1,500	6,100
010-0101-412-4470	Trophies & Awards	1,890	3,000	4,890
010-0000-382-2501	School Reimbursements [KISD for election]	-	35,000	35,000
010-1010-416-5045	Election Expense	35,500	35,000	70,500

Account #	Account Description	Original Budget	Budget Change	Amended Budget
010-2010-415-4010	Part-time [Temporary Staff Accountant]	\$ -	\$ 21,126	\$ 21,126
010-2010-415-4515	Social Security	46,015	1,617	47,632
010-2010-415-4520	Workers' Compensation	1,119	39	1,158
010-2030-415-4005	Full-time Salaries (Purchasing)	191,622	5,000	196,622
010-4052-450-4404	Water Service (Building Inspections)	-	250	250
010-4053-450-4404	Water Service (Code Enforcement)	-	250	250
010-9502-491-4404	Water Service (Municipal Annex)	2,208	(500)	1,708
010-9501-491-4024	Separation Pay - Salaries	300,000	523,445	823,445
010-9501-491-4510	Separation Pay - Retirement	-	64,018	64,018
010-9501-491-4515	Separation Pay - Social Security	-	62,995	62,995
010-9501-491-4520	Separation Pay - Workers Compensation	-	8,979	8,979
010-9501-491-4730	Accounting Services	60,000	22,489	82,489
010-6000-441-4005	Full-time Salaries (Police)	18,297,592	(724,708)	17,572,884
010-0000-363-9930	Sale of City Property (General Fund)	12,276	250,000	262,276
010-3445-434-6135	Machinery & Equipment (Streets)	56,000	(17,625)	38,375
010-9595-492-9601	Transfers to ISF 601 (Fleet Services)	3,068,458	267,625	3,336,083
601-0000-371-9010	Transfer from General Fund	3,068,458	267,625	3,336,083
601-3445-434-6135	Machinery & Equipment (Streets)	-	267,625	267,625
208-6000-441-7400	Reserve Appropriation	-	79,352	79,352
208-0000-280-0000	Fund Balance State Seizure Fund	-	(79,352)	-
209-6000-441-4635	Equipment & Machinery	-	37,800	37,800
209-6000-441-4640	Computer Equipment/Software	-	6,500	6,500
209-6000-441-6140	Computer Equipment/Software	-	8,100	8,100
209-6000-441-7400	Reserve Appropriation	-	297,965	297,965
209-0000-280-0000	Fund Balance Federal Seizure Fund	-	(350,365)	-
228-0000-371-9010	Transfer In from General Fund	-	13,837	13,837
010-9595-492-9228	Transfer To CDBG Fund	-	13,837	13,837
010-6000-441-4005	Police Full-time Salaries	17,572,884	(13,837)	17,559,047
247-0000-362-3001	PETCO Grant	-	80,000	80,000
247-6070-441-4165	Minor Tools	400	5,000	5,400
247-6070-441-4175	Medical/Chemical	-	20,000	20,000
247-6070-441-4195	Animal Supplies	400	5,000	5,400
247-6070-441-4430	Training & Travel	-	10,000	10,000
247-6070-441-4704	Veterinary Services	53,213	25,000	78,213
247-6070-441-6150	Furniture & Fixtures	-	15,000	15,000
252-0000-363-9950	Wellness Non-Assessment Fee	-	62,100	62,100
252-2305-418-4110	Office Supplies	-	100	100
252-2305-418-4120	Uniforms & Clothing	-	11,000	11,000
252-2305-418-4135	Print Supplies	-	500	500
252-2305-418-4160	Food Supplies	-	3,000	3,000
252-2305-418-4433	Employee Appreciation	-	600	600
252-2305-418-4464	Employee Engagement Programs	-	2,000	2,000
252-2305-418-4470	Trophies & Awards	-	11,700	11,700
252-2305-418-4701	Consulting Services	-	32,000	32,000
252-2305-418-4702	Entertainment	-	1,200	1,200

Account #	Account Description	Original Budget	Budget Change	Amended Budget
224-0000-353-1500	Library Memorial Collected	\$ -	\$ 35,500	\$ 35,500
224-3215-423-4210	Building Maintenance	-	22,000	22,000
224-3215-423-4650	Furniture & Fixtures	-	13,500	13,500
540-9501-491-4024	Separation Pay (Solid Waste)	27,656	66,062	93,718
540-9501-491-4510	Retirement	-	9,316	9,316
540-9501-491-4515	Social Security	-	7,169	7,169
540-9501-491-4520	Workers Compensation	-	1,491	1,491
540-9595-439-4730	Accounting Services	6,300	4,114	10,414
540-0000-285-0000	Retained Earnings Solid Waste Fund	-	(88,152)	-
214-9595-492-9349	Transfer to Governmental CIP	-	11,000	11,000
214-0000-280-0000	Fund Balance from HOT Fund	-	(11,000)	-
349-0000-371-9214	Transfers from Fund 214	-	11,000	11,000
349-3258-426-4320	Heating & Air Conditioning Repair	-	11,000	11,000
540-9595-439-9388	Transfer to Solid Waste CIP	-	5,500	5,500
540-0000-285-0000	Retained Earnings Solid Waste Fund	-	(5,500)	-
388-0000-371-9540	Transfer from Solid Waste Fund	-	5,500	5,500
388-3258-426-4320	Heating & Air Conditioning Repair	-	5,500	5,500
550-9595-492-9387	Transfer to Fund 387 (W&S CIP)	-	12,500	12,500
550-3405-435-5502	W&S Contracts - Sewage Treatment	5,864,176	(12,500)	5,851,676
387-0000-371-9550	Transfer from W&S Fund	-	12,500	12,500
387-3258-426-4320	Heating & Air Conditioning Repair	-	12,500	12,500
341-3490-800-5823	Rosewood/Skylark	-	109,545	109,545
341-0000-280-0000	Fund Balance PTF 190/2410 CIP Fund	-	(109,545)	-
525-0000-382-0502	AIP Grant- Airport Master Plan	-	388,718	388,718
550-2050-411-4404	Water Service - Utility Collections Facility	-	2,223	2,223
550-9595-492-4404	Water Service - Non-Departmental	2,223	(2,223)	-
601-2050-411-6110	Motor Vehicles (Utility Collections)	24,000	74,000	98,000
601-3415-437-6110	Motor Vehicles (Sanitary Sewers)	666,120	(74,000)	592,120
010-6000-441-4005	Police Full-time Salaries	17,559,047	(16,564)	17,542,483
010-9595-492-9627	Transfer to Info Tech ISF	1,039,263	16,564	1,055,827
540-0000-285-0000	Retained Earnings Solid Waste Fund	-	(3,593)	-
540-9595-439-9627	Transfer to Info Tech ISF	266,816	3,593	270,409
550-3405-435-5502	W&S Contracts - Sewage Treatment	5,851,676	(8,432)	5,843,244
550-9595-492-9627	Transfer to Info Tech ISF	1,149,764	8,432	1,158,196
575-3448-434-4005	Drainage Maint. Full-time Salaries	927,563	(828)	926,735
575-9595-492-9627	Transfer to Info Tech ISF	167,866	828	168,694
627-0000-371-9010	Transfer from General Fund	1,039,263	16,564	1,055,827
627-0000-371-9540	Transfer from Solid Waste Fund	266,816	3,593	270,409
627-0000-371-9550	Transfer from W&S Fund	1,149,764	8,432	1,158,196
627-0000-371-9575	Transfer from Drainage Fund	167,866	828	168,694
627-2705-419-4243	Computer Maintenance	665,500	29,416	694,916

SECTION II: That the City Council finds that the public notice and public hearing requirements of Section 56 of the City Charter have been complied with prior to the enactment of this ordinance.

SECTION III: That should any section or part of any section or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or

impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION IV: That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION V: That this ordinance shall be effective after its passage and publication according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 12th day of June, 2018, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

APPROVED

Jose L. Segarra
MAYOR

ATTEST:

APPROVED AS TO FORM

Lucy Aldrich
City Secretary

Kathryn H. Davis
City Attorney



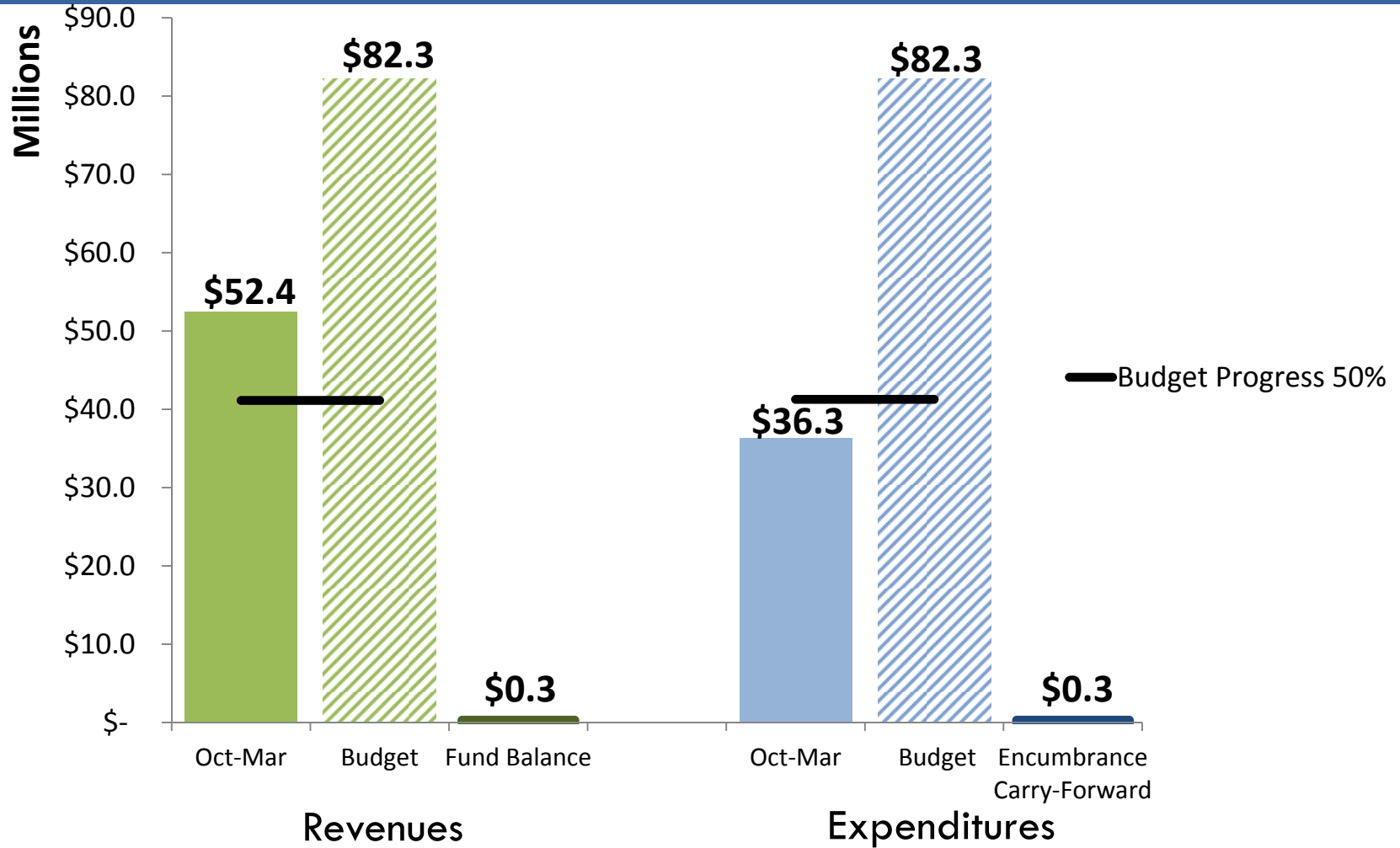
FY 2018 MID-YEAR FINANCIAL REVIEW AND BUDGET AMENDMENT

PH-18-012A & B

June 5, 2018

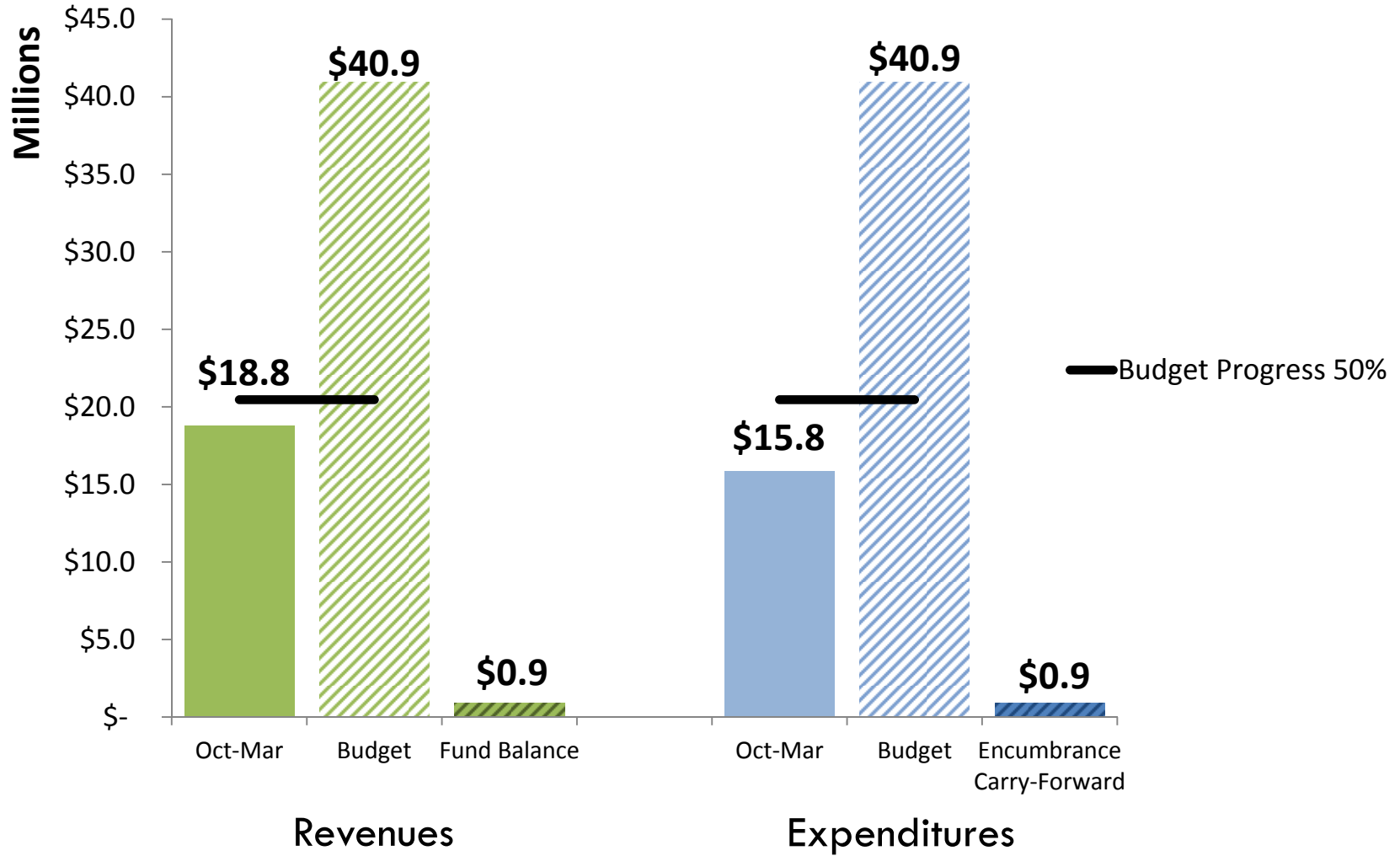
General Fund

2



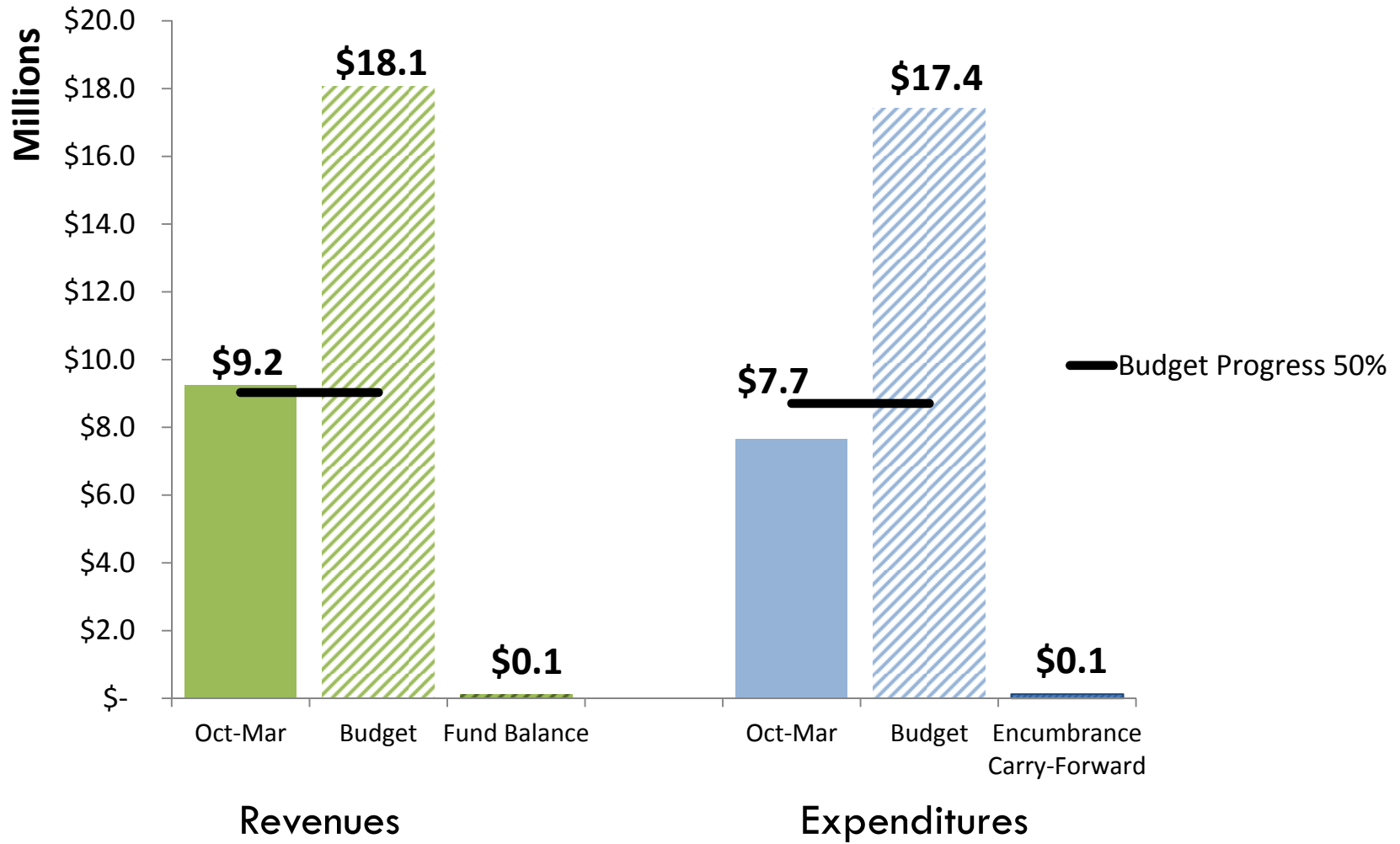
Water and Sewer

3



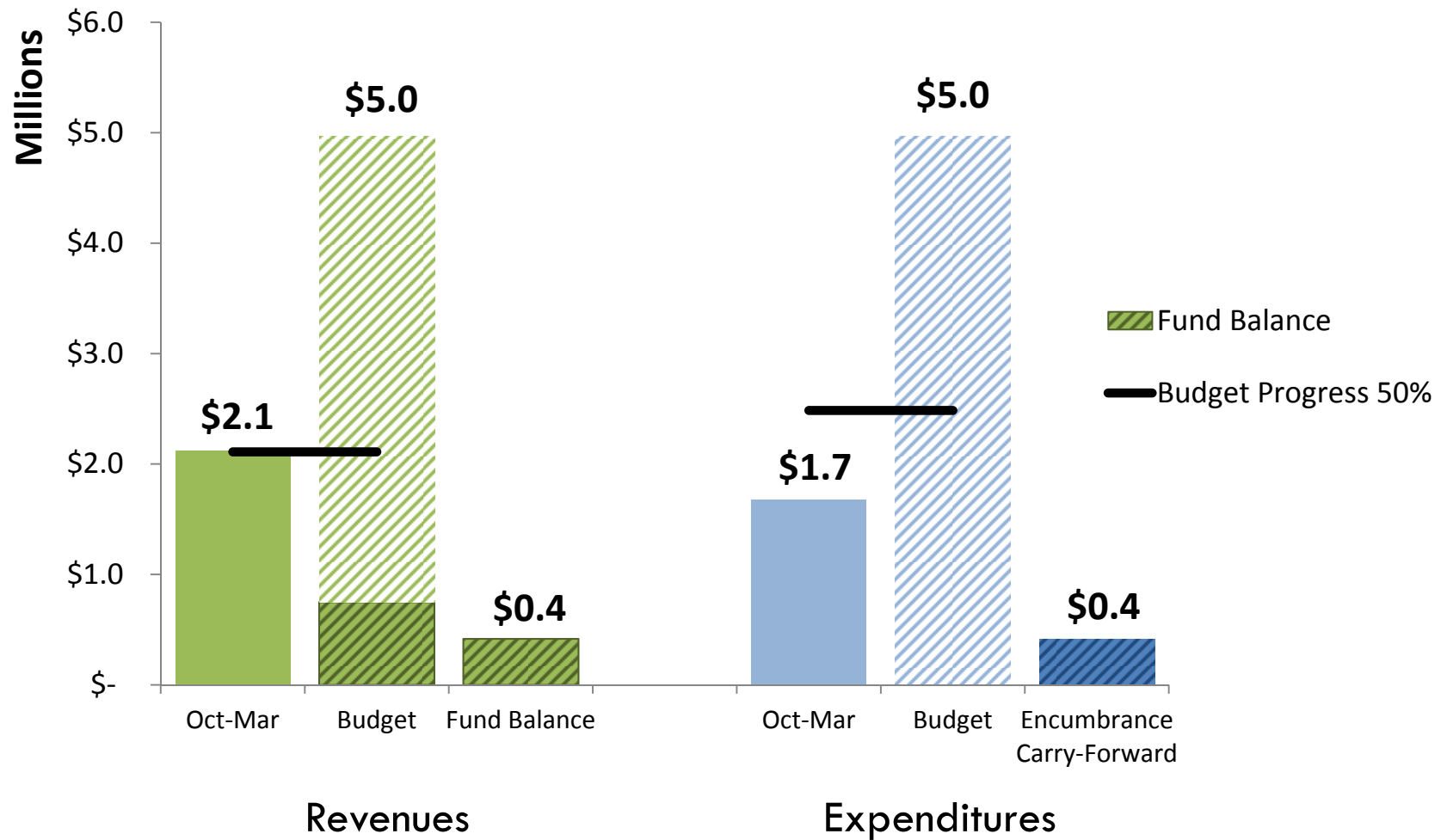
Solid Waste

4



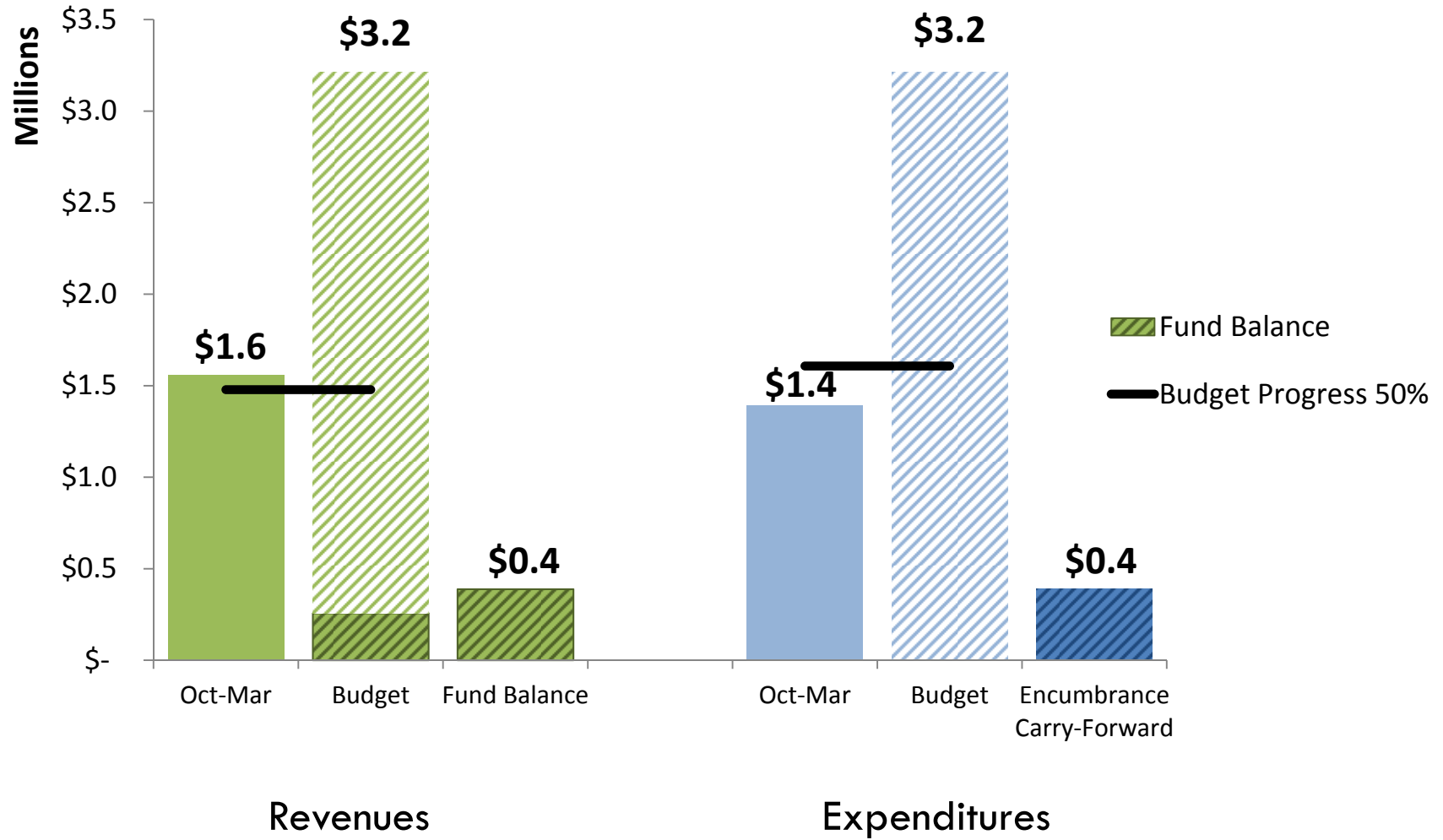
Drainage

5



Aviation

6



Mid-Year Review

7

- Analyzed revenue and expenditure activity.
- Compared budget to actual results.
- Forecasted revenues and expenditures.
- Identified required budget amendments.
 - ▣ City Manager approves budget amendments between accounts of the same department and fund.
 - ▣ City Council approves budget amendments between accounts of different departments and to increase the overall budget of a fund.

Summary of Expenditure Amendments

8

□ Major Operating Funds

- ▣ General Fund – increase of \$285,000 covered by increased revenue.
- ▣ Water and Sewer – no expenditure increase.
- ▣ Drainage – no expenditure increase.
- ▣ Aviation – no expenditure increase.
- ▣ Solid Waste – increase of \$97,245 covered by fund balance.

□ Special Revenue Funds

- ▣ Multiple funds - increase of \$618,317 covered by increased revenue and fund balance.

□ Internal Service Funds

- ▣ Multiple funds – increase of \$297,041 covered by increased revenue.

□ Capital Improvement Project Funds

- ▣ Multiple funds – increase of \$138,545 covered by increased revenue and fund balance.

General Fund

Expenditure Increase - \$285,000

9

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$285,000</u>
Total Revenues		<u>\$285,000</u>
Expenditures		
Police	Personnel	(\$755,109)
Streets	Operating	(17,625)
Non-departmental	Operating	(500)
City Council	Operating	15,000
City Secretary	Operating	35,000
Finance	Personnel	27,782

General Fund

Expenditure Increase - \$285,000

10

Department	Account Type	Budget Change
Planning & Development	Operating	500
Non-departmental	Personnel	659,437
Non-departmental	Operating	22,489
Transfer-Out	Operating	<u>298,026</u>
Total Expenditures		<u>\$285,000</u>

Water and Sewer Fund

Expenditure Increase - \$0

11

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$0</u>
Total Revenues		<u>\$0</u>
Expenditures		
Public Works	Operating	(\$20,932)
Non-departmental	Operating	(2,223)
Transfer-Out	Operating	20,932
Finance	Operating	<u>2,223</u>
Total Expenditures		<u>\$0</u>

Drainage Fund

Expenditure Increase - \$0

12

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$0</u>
Total Revenues		<u>\$0</u>
Expenditures		
Public Works	Personnel	(\$828)
Transfer-Out	Operating	<u>828</u>
Total Expenditures		<u>\$0</u>

Aviation Fund

Expenditure Increase - \$0

13

Department	Account Type	Budget Change
Revenues		
Revenue	Revenue	<u>\$388,718</u>
Total Revenues		<u>\$388,718</u>
Expenditures		
Expenditures		<u>\$0</u>
Total Expenditures		<u>\$0</u>

Solid Waste Fund

Expenditure Increase - \$97,245

14

Department	Account Type	Budget Change
Fund Balance		
Fund Balance	Fund Balance	<u>\$97,245</u>
Total Fund Balance		<u>\$97,245</u>
Expenditures		
Non-departmental	Personnel	\$88,152
Transfer-Out	Operating	<u>9,093</u>
Total Expenditures		<u>\$97,245</u>

Special Revenue Funds

Expenditure Increase - \$618,317

15

Fund	Account Type	Budget Change
Revenues and Fund Balance		
Police State Seizure	Fund Balance	\$79,352
Police Federal Seizure	Fund Balance	350,365
Community Development	Transfer-In Revenue	13,837
Animal Services	Revenue	80,000
Wellness	Revenue	62,100
Library Memorial	Revenue	35,500
Hotel Occupancy Tax	Fund Balance	<u>11,000</u>
Total Revenues and Fund Balance		<u>\$632,154</u>

Special Revenue Funds

Expenditure Increase - \$618,317

16

Fund	Account Type	Budget Change
Expenditures		
Police State Seizure	Operating	\$79,352
Police Federal Seizure	Operating	350,365
Animal Service	Operating	80,000
Wellness	Operating	62,100
Library Memorial	Operating	35,500
Hotel Occupancy Tax	Transfer-Out	<u>11,000</u>
Total Expenditures		<u>\$618,317</u>

Internal Services Funds

Expenditure Increase - \$297,041

17

Fund	Account Type	Budget Change
Revenues		
Fleet Services	Transfer-In Revenue	\$267,625
Information Technology	Transfer-In Revenue	<u>29,416</u>
Total Revenues		<u>\$297,041</u>
Expenditures		
Fleet Services	Water/Sewer Capital	(\$74,000)
Fleet Services	Streets Capital	267,625
Fleet Services	Water/Sewer Capital	74,000
Information Technology	Operating	<u>29,416</u>
Total Expenditures		<u>\$297,041</u>

Capital Improvement Project Funds

Expenditure Increase - \$138,545

18

Fund	Account Type	Budget Change
Revenues and Fund Balance		
Governmental CIP	Transfer-In Revenue	\$11,000
Solid Waste CIP	Transfer-In Revenue	5,500
Water and Sewer CIP	Transfer-In Revenue	12,500
Rosewood PTF	Fund Balance	<u>109,545</u>
Total Revenues and Fund Balance		<u>\$138,545</u>
Expenditures		
Governmental CIP	Capital	11,000
Solid Waste CIP	Capital	5,500
Water and Sewer CIP	Capital	12,500
Rosewood PTF	Capital	<u>109,545</u>
Total Expenditures		<u>\$138,545</u>

Recommendation

19

Staff recommends that City Council approve the ordinance amending the FY 2018 Annual Budget and Plan of Municipal Services.



City of Killeen

Legislation Details

File #: PH-18-013 **Version:** 1 **Name:** FY2018-19 Annual Action Plan (1 of 2 Public Hearings)

Type: Public Hearing **Status:** Public Hearings

File created: 5/21/2018 **In control:** City Council Workshop

On agenda: 6/5/2018 **Final action:**

Title: HOLD a public hearing on the proposed FY 2018-2019 Annual Action Plan describing use of funds and authorizing application for an allocation of Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) program funds. (1st of 2 Public Hearings)

Sponsors: Community Development Department

Indexes:

Code sections:

Attachments: [Staff Report](#)
[CDAC Minutes](#)
[FY2018 Allocation Tables](#)
[Presentation](#)

Date	Ver.	Action By	Action	Result
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STAFF REPORT

DATE: June 5, 2018

TO: Ronald L. Olson, City Manager

FROM: Leslie Hinkle, Executive Director of Community Development

SUBJECT: FY2018-2019 Community Development Block Grant (CDBG) and Home Investments Partnerships (HOME) Program

BACKGROUND AND FINDINGS:

The City of Killeen will receive \$980,404.00 from the U.S. Department of Housing and Urban Development (HUD) for FY 2018-2019 CDBG program activities. \$24,546.45 in funds from completed CDBG projects and prior and current year program income is available for use, providing a total of \$1,004,950.45 available for FY 2018-19 CDBG activities. The City will also receive \$438,678.00 from HUD for FY 2018-2019 Home Investment Partnerships (HOME) Program activities. \$204,150.73 in reprogrammable funds and prior year and anticipated program income to the HOME program is available for use, providing a total of \$642,828.73 for FY 2018-19 HOME activities.

Two community planning meetings were held February 8 and 21, 2018, resulting in identification and prioritization of housing and community needs. Annual CDBG and HOME program applications for funding were made available to the public on February 26, 2018, through the City's website at the Community Development page. Technical workshops were conducted on February 28, March 7, and March 13, 2018. The workshops provided interested parties with information on eligible activities and completing and submitting an application for either the CDBG and HOME program. Funding applications were submitted by the deadline date of March 30, 2018, and were presented to the Community Development Advisory Committee (CDAC) on May 2, 2018. CDAC meeting minutes with recommendations for funding the applications proposed to address identified community priorities are attached.

THE ALTERNATIVES CONSIDERED:

No alternatives were considered.

Which alternative is recommended? Why?

No alternative was considered as this funding, plan submissions and due dates are prescribed by federal regulation for continued receipt of the federal funding.

CONFORMITY TO CITY POLICY:

The action conforms to City policy through following adopted procedures with regard to development of annual action plans, project proposals and application process, technical

assistance, and Advisory Committee review and recommendation of applications and proposals to address identified community needs for the Community Development federal grant programs.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The amount of expenditure in the current fiscal year is anticipated at \$1,004,950.45 for CDBG and \$642,828.73 for the HOME program. Future funding will not be affected.

Is this a one-time or recurring expenditure?

One-time expenditure. This expenditure will occur during the FY 2018-19 fiscal year.

Is this expenditure budgeted?

Expenditure of FY 2018-19 CDBG and HOME program funds will be budgeted under the Special Revenue Funds budget.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

Yes

RECOMMENDATION:

Following the first public hearing on June 12, 2018, Staff recommends continued acceptance of citizen comments and participation in the development of the 2018-19 Community Development Annual Action Plan and approval of CDBG and HOME program funding recommendations from CDAC, after the second public hearing on July 10, 2018.

DEPARTMENTAL CLEARANCES:

Finance
City Attorney

ATTACHED SUPPORTING DOCUMENTS:

CDAC Minutes
FY2018 Allocation Tables

MINUTES
COMMUNITY DEVELOPMENT ADVISORY COMMITTEE
May 2, 2018

Killeen Arts and Activities Center
802 N. 2nd Street, Building E – First Floor - Community Development Training Room
Killeen, TX 76541
12:00 PM

1. PRESIDING: Ms. TaNeika Driver-Moultrie, Committee Chair presided over meeting called to order at 12:00 PM.
2. PRESENT: Committee members present: Riakos Adams, Richard Banta, Kim Barr, Angelia Batie, Kathy Bradley, John Driver, Nick Guajardo, Andre Owens, Ashley Whitworth. City staff present: Cinda Hayward, CD Administrator; Holli Clements, Deputy City Attorney – Public Works; Celeste Sierra, CD Specialist. Absent: Leslie Hinkle, Executive Director of Community Development.
3. APPROVAL OF AGENDA: Mr. Adams moved, seconded by Mr. Banta to approve meeting agenda. Motion carried unanimously.
4. APPROVAL OF MINUTES: Mr. Driver moved, seconded by Mr. Owens to approve December 8, 2017 minutes as written. Motion carried unanimously.
5. AGENDA ITEMS
 - Receive briefing on 1st & 2nd quarter status reports of CDBG and HOME projects: Ms. Hayward briefed CDAC on current status of CDBG and HOME projects. She provided CDAC information on quarter start and end dates, how persons assisted are counted under public services and housing activities. She also briefed CDAC on status of Bob Gilmore Senior Center Renovations advising that the asbestos survey was complete and will advertise for bids shortly. She also briefed CDAC on marketing strategies for HOME program and the change in income limits in June of 2017 making it more prohibitive to be eligible for funding under the Homebuyer Assistance Program.
 - Receive briefing on status of notification from HUD on annual entitlement amounts for FY 2018-19 CDBG and HOME programs and process for making recommendations on funding proposed activities and projects: Ms. Hayward briefed CDAC on receiving notification from HUD on CDBG and HOME Entitlement funds for FY 18-19. She also advised that the allocation process would be straight forward this year because funding figures were actual and not proposed. She advised an allocation of \$980,404.00 for CDBG and \$438,678.00 for HOME for use during FY 18-19.
 - Discuss and consider reprogramming of CDBG and HOME funds to eligible FY 2018-2019 activities:
Ms. Hayward directed CDAC to the funds available for reprogramming on the Funds Available for Eligible Activities for FY 18-19 spreadsheet which included the Entitlement amounts and current funds that need to be reprogrammed during the allocations process. Under CDBG she pointed out completed projects with a balance remaining to include FY 16-17 CDBG Admin in the amount of \$11,744.13, FY 16-17 FIC Transportation Services in the amount of \$2,224, and FY 15-16 Stewart Neighborhood Improvements in the amount of \$1.51 plus program income received in FY 16-17 in the amount of \$2,517.85 and FY 17-18 program income in the amount of \$8,058.96 for a

total available to reprogram of \$24,546.45 in CDBG funds. Under HOME she advised on \$104,507.25 in FY 16-17 Homebuyer Assistance Program funds, \$49,821.75 in FY 16-17 program income funds and \$49,821.73 in program income anticipated for FY 18-19 for a total available to reprogram of \$204,150.73 in HOME funds. Mr. Guajardo moved, seconded by Mr. Owens to approve amounts listed under CDBG and HOME as described for reprogramming to eligible activities during FY 18-19 allocation process. Motion carried unanimously.

- Discuss and consider approval of applications submitted for FY 2018-2019 proposed program of activities for recommendation to City Council: CDAC listened to project summaries from the following organizations applying for CDBG funding; Christy Pierce and Kimbra Hobbs from Hill Country Community Action Association, Inc. for salary assistance for Killeen Elderly Meals Program; Cotina Quiney and Guadalupe Barnes from Heritage House of Central Texas for salary assistance for Empowerment Program; Michael Dewees and Cinnamon Clay from Communities in Schools of Greater Central Texas, Inc. for salary assistance for Connections Program-Eastward Elementary; William Hall and Suzanne Armour for Client Transportation Project and salary assistance for Homeless Shelter Case Manager; Maureen Jouett from Bring Everyone in the Zone, Inc. for salary assistance for Resource Manager and operations; Marlene DiLillo from Greater Killeen Free Clinic for clinical salary assistance; Celeste Sierra, City of Killeen (COK) Community Development for the Elderly Transportation Program; Cinda Hayward on CDBG 20% allocation for CDBG administration and planning; Brett Williams, COK Community Services for Bob Gilmore Senior Center Renovations Phase 2; Ed Radeke, COK Community Development for Housing Rehabilitation Program.

Mr. Adams excused himself from the meeting at 2:20PM and CDAC adjourned for a break from 3:00-3:15 PM. After calling the meeting back to order, Committee Chair Driver-Moultrie opened the floor up for discussion of proposals and process on funding. CDAC decided to discuss each proposal and provide initial funding. After a final discussion on all proposals, with Ms. Bradley abstaining from discussion of Heritage House of Central TX proposal and Mr. Barr abstaining from discussion of Greater Killeen Free Clinic proposal, Mr. Owens moved, seconded by Ms. Whitworth to make the following CDBG funding recommendations of public service proposals for a total of \$147,060.60 to the Killeen City Council for consideration. Motion carried unanimously.

Hill Country Community Action Association, Inc. for Killeen Elderly Meals Program salary and fringe assistance for meal delivery driver in the amount of \$9,490.00

Heritage House of Central TX for Empowerment Program salary assistance for client advocate in the amount of \$5,000.00

Communities in Schools of Greater Central Texas, Inc. for Connections program-Eastward Elementary salary and fringe assistance for CIS case worker in the amount of \$21,000.00

Families in Crisis, Inc. for client transportation in the amount of \$2,500.00

Families in Crisis, Inc. for Homeless Shelter Case Manager salary assistance in the amount of \$20,000.00

Bring Everyone in the Zone, Inc. for Resource Manager salary assistance and operations assistance in the amount of \$12,070.60

Greater Killeen Free Clinic for Clinical salary assistance in the amount of \$27,000.00

City of Killeen Community Development for Elderly Transportation Program in the amount of \$50,000.00

Mr. Barr moved, seconded by Mr. Banta to recommend funding in the amount of \$196,080.80 in CDBG funds for the administration and planning of CDBG activities to Killeen City Council for consideration. Motion carried unanimously.

Mr. Barr moved, seconded by Mr. Banta to recommend the following CDBG funding in the amount of \$661,809.05 to Killeen City Council for consideration. Motion carried unanimously.

City of Killeen Community Services for the Bob Gilmore Senior Center Renovations Phase 2 in the amount of \$574,447.05

City of Killeen Community Development for Housing Rehabilitation Program in the amount of \$87,362.00

Total amount of CDBG recommendations to Killeen City Council for funding is \$1,004,950.45.

6. ADJOURNMENT. Committee Chair Driver-Moultrie advised CDAC that since the agenda item was not completed this date, the meeting would be adjourned to May 3, 2018 at 12:30 PM in the CD Training Room. Ms. Whitworth moved, seconded by Mr. Owens to adjourn until May 3, 2018. Motion carried. Meeting adjourned at 3:39 PM.

1. PRESIDING: Ms. TaNeika Driver-Moultrie, Committee Chair presided over meeting called to order at 12:33 PM on May 3, 2018.

2. PRESENT: Committee members present: Riakos Adams, Richard Banta, Kim Barr, Angelia Batie, Kathy Bradley, John Driver, Andre Owens, Ashley Whitworth. Absent: Nick Guajardo City staff present: Cinda Hayward, CD Administrator; Holli Clements, Deputy City Attorney – Public Works; Celeste Sierra, CD Specialist. Leslie Hinkle, Executive Director of Community Development joined the meeting at 2:10 PM.

5. AGENDA ITEMS

- Discuss and consider approval of applications submitted for FY 2018-2019 proposed program of activities for recommendation to City Council: CDAC listened to project summaries from the following organizations applying for HOME funding; Maureen Jouett from Bring Everyone in the Zone for Client Housing Assistance – Security Deposits; Cotina Quiney and Guadalupe Barnes from Heritage House of Central TX for Housing Assistance for Empowerment Program; William Hall and Suzanne Armour from Families in Crisis, Inc. for Tenant Based Rental Assistance Program; Cinda Hayward for COK Community Development Homebuyer Assistance Program; for North Killeen Housing Redevelopment Program; CHDO Set Aside requirement and HOME administration and planning.

CDAC adjourned for a break from 2:20 – 2:30 PM. After calling the meeting back to order, Madame Chair Driver-Moultrie opened the floor up for discussion of proposals. After final discussions Mr. Adams moved, seconded by Mr. Banta to make the following HOME funding recommendations to Killeen City Council for consideration with motion carrying unanimously.

Bring Everyone in the Zone, Inc. for Client Housing Assistance – Security Deposits in the amount of \$22,762.00

Heritage House of Central Texas for Housing Assistance – Security Deposits and first month rent for Empowerment Program clients in the amount of \$12,500.00

Families in Crisis, Inc. for Tenant Based Rental Assistance in the amount of \$175,000.00

COK Community Development for Homebuyer Assistance Program in the amount of \$100,000.00

COK Community Development for North Killeen Housing Redevelopment Program in the amount of \$217,915.05

Mr. Adams moved, seconded by Mr. Driver to recommend HOME funding in the amount of \$65,801.70 for the CHDO set aside requirement to Killeen City Council for consideration. Motion carried unanimously.

Mr. Driver moved, seconded by Mr. Adams to recommend HOME funding in the amount of \$43,867.80 in HOME Entitlement funds and \$4,982.18 in program income funds for a total of \$48,849.98 for HOME administration and planning activities to Killeen City Council for consideration. Motion carried unanimously.

Total amount of HOME recommendations to Killeen City Council for funding is \$642,828.73.

Committee Chair Driver-Moultrie reminded members to turn in completed and signed project evaluation & assessment review forms for each proposal and advised on public hearings scheduled.

6. ADJOURNMENT: Mr. Adams moved, seconded by Mr. Banta to adjourn the meeting. Motion carried and meeting adjourned at 2:50 PM.

Celestina Sierra _____

**FY 2018-2019
CDBG and HOME Program**

		HUD FY 2018 CDBG and Reprogrammed Funds		\$1,004,950.45
Public Service Programs (maximum 15% of annual amount)	Community Development Block Grant (CDBG)	Original Amount Requested	CDAC Recomnd	
	Hill Country Community Action Association - Killeen Elderly Meals Program	\$9,490.00	\$9,490.00	
	Heritage House of Central Texas - Empowerment Program	\$10,000.00	\$5,000.00	
	Communities In Schools - Connections Program, Eastward Elementary	\$21,000.00	\$21,000.00	
	Families In Crisis - 2018 Client Transportation Project	\$5,000.00	\$2,500.00	
	Families In Crisis - Homeless Shelter Case Manager	\$28,504.08	\$20,000.00	
	Bring Everyone In the Zone -Resource Manager Salary; Operations	\$18,000.00	\$12,070.60	
	Greater Killeen Free Clinic -2018 Clinical Salary Assistance	\$27,000.00	\$27,000.00	
	Killeen Community Development - Elderly Transportation Program	\$50,000.00	\$50,000.00	
	Killeen Community Services - Bob Gilmore Senior Center Renovations Phase 2	\$635,165.00	\$574,447.05	
	Killeen Community Development - Housing Rehab Program	\$183,909.71	\$87,362.00	
	CDBG Admin (maximum 20% of annual amount)	\$196,080.80	\$196,080.80	
Total FY2018-19 CDBG			\$1,004,950.45	
		HUD FY2018 HOME and Reprogrammed Funds		642,828.73
Housing and Public Improvements (65% of all funds available)	Home Investment Partnerships (HOME) Program	Original Requested	CDAC Recomnd	
	CHDO Setaside (minimum 15% of annual amount)	\$65,801.70	\$65,801.70	
	Bring Everyone in the Zone - client security deposit assistance	\$45,524.00	\$22,762.00	
	Heritage House of Central Texas - client security deposit assistance	\$25,000.00	\$12,500.00	
	Families in Crisis, Inc. - tenant based rental assistance	\$211,221.12	\$175,000.00	
	Killeen Community Development - First Time Homebuyer Assistance Program	\$220,000.00	\$100,000.00	
	Killeen Community Development - North Killeen Housing Redevelopment Program	\$257,558.00	\$217,915.05	
	HOME Admin (maximum 10% of annual amount plus maximum 10% of FY17-18 program income = \$4,982.18)	\$48,849.98	\$48,849.98	
	Total FY2018-19 HOME			\$ 642,828.73



FY 19 CDBG & HOME FUNDING REQUESTS

PH-18-013

June 5, 2018

Community Development Grant Programs

2

- **CDBG program national objectives:**

1. activities must benefit low to moderate income persons
2. activities must eliminate slum and blight
3. activities that respond to natural disasters

- **HOME program national objective:**

The development of affordable housing programs

- FY 18-19 CDBG & HOME program -CDAC recommendations
- Public hearing schedule – June 12th and July 10th
- Submission of Annual Action Plan to HUD for approval – August 15, 2018

Community Development Grant Programs (CDBG& HOME) Funding FY 19

3

□ CDBG grant	\$ 980,404.00
□ Reprogrammed funds & program income	\$ 24,546.45
□ Total funding available	\$1,004,950.45
□ HOME grant	\$ 438,678.00
□ Reprogrammed funds & program income	\$ 204,150.73
□ Total funding available	\$ 642,828.73

Community Development Block Grant - public service funding requests = 15% of grant allowed

4

Agency	Project Description	Amount Requested	CDAC Recommendation
Bring Everyone in the Zone	Resource Program Operations	\$18,000.00	\$12,070.60
Heritage House of Central Texas	Empowerment Program	\$10,000.00	\$ 5,000.00
Communities in Schools of Greater Central Texas	Connections Program (Eastward Elementary)	\$21,000.00	\$21,000.00
Families in Crisis	Client Transportation Services	\$ 5,000.00	\$ 2,500.00
Families in Crisis	Homeless Shelter- Case Manager	\$28,504.08	\$20,000.00

Community Development Block Grant – public service funding requests

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Agency	Project Description	Amount Requested	CDAC Recommendation
Hill Country Community Action Association	Killeen Elderly Meals Program	\$ 9,490.00	\$ 9,490.00
Greater Killeen Free Clinic	Clinical Program Assistance	\$ 27,000.00	\$ 27,000.00
City of Killeen-Community Development	Elderly Transportation Program	\$ 50,000.00	\$ 50,000.00
Totals=15% of grant amount allowed		\$168,994.08	\$147,060.60

Community Development Block Grant –housing, public facilities & improvements funding requests

6

Agency	Project Description	Amount Requested	CDAC Recommendation
City of Killeen – Community Services	Bob Gilmore Senior Center Renovations	\$635,165.00	\$574,447.05
City of Killeen – Community Development	Housing Rehabilitation Program	\$183,909.71	\$ 87,362.00
Totals =65% of grant amount allowed		\$819,074.71	\$661,809.05

Community Development Block Grant -administration funding request

7

Agency	Project Description	Amount Requested	CDAC Recommendation
City of Killeen – Community Development	CDBG administration	\$196,080.80	\$196,080.80
Totals =20% of grant amount allowed		\$196,080.80	\$196,080.80

HOME Program - affordable housing programs funding requests

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Agency	Project Description	Amount Requested	CDAC Recommendation
Bring Everyone in the Zone	Client Housing Assistance	\$ 45,524.00	\$ 22,762.00
Heritage House of Central Texas	Housing Assistance for Empowerment Program	\$ 25,000.00	\$ 12,500.00
Families in Crisis	Housing Program-Tenant Based Rental Assistance	\$211,221.12	\$175,000.00
City of Killeen – Community Development	Homebuyer Assistance Program	\$220,000.00	\$100,000.00

HOME Program – affordable housing programs funding requests

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Agency	Project Description	Amount Requested	CDAC Recommendation
City of Killeen-Community Development	North Killeen Housing Redevelopment Program	\$257,588.00	\$217,915.05
CHDO Set aside	Minimum 15%of grant must be set aside—no applications received	\$ 65,801.70	\$ 65,801.70
City of Killeen – Community Development	Program Administration=10% of grant & 10% of program income	\$ 48,849.98	\$ 48,849.98
Totals		\$873,984.48	\$642,828.73

Summary

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- 30-day comment period begins June 11th and ends July 10th.
- Annual Action Plan to HUD by August 15, 2018, for approval.
- Funding released in October 2018