



AGENDA
JOINT CITY COUNCIL AND
PLANNING & ZONING COMMISSION MEETING AND
REGULAR CITY COUNCIL MEETING
MONDAY, JULY 27, 2020 - 6:00 PM
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142
AND VIA VIDEOCONFERENCE/TELECONFERENCE

**This meeting will be held using
videoconferencing/teleconferencing
technology with public access via:
[WWW.ZOOM.US/JOIN](https://www.zoom.us/join) OR
(888)788-0099 (TOLL FREE)
MEETING/WEBINAR ID: 896 6238 5048
PASSWORD: 013527**

PLEDGE OF ALLEGIANCE

CALL MEETING TO ORDER

City Council: Mayor calls the City Council to order, states the date and time, Council Members present, and declares a quorum present.**

Planning and Zoning Commission: Planning and Zoning Commission Chair calls the Commission to order, states the date and time, Commissioners present, and declares a quorum present.**

JOINT PUBLIC HEARING OF THE PLANNING AND ZONING COMMISSION AND THE CITY COUNCIL

1. Conduct a Public Hearing and take appropriate action to make a recommendation on amendments to Chapter 118 "Zoning" of the City of Kaufman's Code of Ordinances, and Ordinance No. O-02-07, the same being the Comprehensive Zoning Ordinance by adopting amendments to allow outside sidewalk displays of retail goods, merchandise or materials only in the Central Business District with a City approved Specific Use Permit, prohibiting overnight display, providing restrictions regarding the location of sidewalk displays, providing maximum height of the displays, providing a maximum sidewalk area that may be used for the display, prohibiting displays that impede pedestrian travel or ingress and egress to retail establishments and prohibiting the location of sidewalk displays, and exempting accessible public seating, including tables, chairs, benches from the restrictions of the location requirements by amending Section 33.4 "Use Regulations," Chart 3 "Accessory and Incidental Uses," Chart 6" Retail and Services Uses," Section 33.5 "Definitions," and Section 25 "Central Business District" relative to outside sidewalk display of retail goods, merchandise and materials (not overnight) as a Specific Use Permit and thereby prohibiting outside

sidewalk display of retail goods, merchandise, and materials (overnight) in the Central Business District (CBD). (Z-03-20)

- a. Presentation.
- b. Conduct a joint Council and Commission Public Hearing.
- c. Planning and Zoning Commission consider and take appropriate action to make a recommendation to the City Council regarding proposed amendments.

ADJOURN PLANNING & ZONING COMMISSION MEETING AND RECONVENE THE CITY COUNCIL MEETING

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the Council agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the City Council on any subject but must first complete a Request to Speak Form so that the Mayor may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the Council as a whole. **When addressing the Council, please step forward to the speaker's podium, state your name and address, and direct your comments to the Mayor and City Council. If attending virtually via Zoom, please use the raise hand function in the Zoom meeting. Once recognized, please state your name and address, and direct your comments to the Mayor and City Council.**

ACTION ITEMS

2. Consider and take appropriate action on Ordinance O-16-20, an Ordinance of the City of Kaufman, Texas, amendment Chapter 118 "Zoning" of the Kaufman Code of Ordinances, and Ordinance No. O-02-07, the same being the Comprehensive Zoning Ordinance, by adopting amendments to allow outside sidewalk displays of retail goods, merchandise or materials only in the Central Business District with a City approved Specific Use Permit, prohibiting overnight display, providing restrictions regarding the location of sidewalk displays, providing maximum height of the displays, providing a maximum sidewalk area that may be used for the display, prohibiting displays that impede pedestrian travel or ingress and egress to retail establishments and prohibiting the location of sidewalk displays, and exempting accessible public seating, including tables, chairs, benches from the restrictions of the location requirements by amending Section 33.4 "Use Regulations," Chart 3 "Accessory and Incidental Uses," Chart 6 "Retail and Services Uses," Section 33.5 "Definitions," and Section 25 "Central Business District" relative to outside sidewalk display of retail goods, merchandise and materials (not overnight) as a Specific Use Permit and thereby prohibiting outside

sidewalk display of retail goods, merchandise, and materials (overnight) in the Central Business District (CBD). (Z-03-20)

CONSENT AGENDA

3. Consider and take appropriate action on the minutes from the June 22, 2020, Regular City Council Meeting.
4. Consider and take appropriate action on the minutes from the July 6, 2020, Special City Council Meeting.
5. Consider and take appropriate action on an interlocal agreement between the City of Kaufman, Texas and Becker-Jiba Special Utility District.

END OF CONSENT AGENDA

PUBLIC HEARING

6. Conduct a Public Hearing, consider and take appropriate action on Ordinance O-17-20, an ordinance of the City of Kaufman, Texas, amending Subparagraphs (a) and (b) of Section 106.256 "Municipal Stormwater Utility System Fee Schedule" of Article VI "Municipal Stormwater (Drainage) Utility System" of Chapter 106 "Utilities" of the Code of Ordinances of the City of Kaufman; amending the Municipal Stormwater Utility System Fee Schedule for single family residential and all other non-exempt property to provide for a fifty-cent increase every two years for the years 2020 through 2028 in order to pay the costs of the utility; providing for publication and providing an effective date
 - a. Presentation.
 - b. Conduct a Public Hearing.
 - c. Consider and take appropriate action on Ordinance O-17-20.

DISCUSSION/ACTION ITEMS

7. Consider and take appropriate action on Ordinance O-18-20, an ordinance of the City of Kaufman, Texas, providing for the issuance of City of Kaufman, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2020, in an aggregate principal amount not to exceed \$5,000,000.00 for the purpose of paying contractual obligations to be

incurred by the City for the following purposes, to-wit: (i) constructing, reconstructing, and improving streets, roads, alleys, bridges and sidewalks including related utility relocation, stormwater, drainage, signalization, landscaping, lighting and signage; (ii) acquiring, constructing, installing and equipping improvements to the City's stormwater and drainage system, and (iii) legal, fiscal and engineering fees in connection with such projects; and ordaining other matters relating to the subject.

8. Consider and take appropriate action on Resolution R-22-20, a resolution of the City of Kaufman, Texas, authorizing the Mayor to execute an Interlocal Cooperation Agreement with Kaufman County, Texas providing for construction associated with the widening of CR 151 (Tabor Parkway) from a 2-lane to a 4-lane roadway, from Kings Fort Parkway to East of SH 34 Bypass, located within the municipal limits of the City of Kaufman and Kaufman County Commissioner Precinct #1; and providing an effective date.
9. Consider and take appropriate action to authorize the City Manager to take necessary steps to retain a vendor to provide landscaping services on the exterior of the Downtown Square and to negotiate and execute a contract for those services in an amount not to exceed \$20,000 annually.
10. Consider and take appropriate action on the South Pointe Development Incentive Agreement between Cedar Crest Development Company, LLC and the City of Kaufman, for development of the 54 acre tract of land located at the northwest corner of South Houston Street (FM 1388) and the State Highway 34 Bypass and owned by the City of Kaufman; and authorizing the Mayor or designee to execute necessary documents.

ANNOUNCEMENTS AND REPORTS FROM CITY MANAGER

11. Receive an update and discussion regarding the following:
 - a. ATMOS City Profile Update
 - b. Sales & Use Tax Legislative and Policy Change Update
 - c. Kaufman PID #1 Financial Calendar Update
 - d. NTMWD 427A Kaufman 20" Waterline Preconstruction Conference
 - e. Solid Waste RFP Update

- f. TML Conference- Grapevine- October 14-16
- g. Discussion Item Report (DIR)
- h. STAR Transit Ridership Report- June 2020
- i. Careflite Compliance Report- June 2020
- j. Fire Department Monthly Report- June 2020
- k. Monthly Calendars Attached

EXECUTIVE SESSION

- 12. The City Council will recess into Executive Session pursuant to Texas Government Code for an executive session regarding the following:
 - a. Texas Government Code §551.072: Deliberation regarding Real Property, to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person & Texas Government Code §551.087(1&2): Deliberation regarding Economic Development Negotiations, to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations (Section 551.087(1)), and to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). (Section 551.087(2)) regarding: 54 Acres City Owned Property (South Pointe)

RECONVENE INTO OPEN SESSION In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session.

- 13. Consider and take appropriate action, if any, on matters discussed in Executive Session.

ADJOURNMENT

I, JESSIE HANKS, CITY SECRETARY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE WINDOW AT KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS, A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES AND SAID NOTICE WAS POSTED AT THE KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS AT 4:30 P.M. ON FRIDAY, JULY 24, 2020, AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULE TIME OF SAID MEETING.


JESSIE HANKS
CITY SECRETARY



THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THE COURSE OF THIS MEETING TO DISCUSS ANY OF THE MATTERS LISTED ABOVE, AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE. SECTION 551.071 (CONSULTATION WITH ATTORNEY).

****PURSUANT TO SECTION 551.127, TEXAS GOVERNMENT CODE, ONE OR MORE COUNCILMEMBERS OR EMPLOYEES MAY ATTEND THIS MEETING REMOTELY USING VIDEOCONFERENCING TECHNOLOGY. THE VIDEO AND AUDIO FEED OF THE VIDEOCONFERENCING EQUIPMENT CAN BE VIEWED AND HEARD BY THE PUBLIC BY ACCESSING WWW.ZOOM.US/JOIN OR (888)788-0099 (TOLL FREE) MEETING /WEBINAR ID: 896 6238 5048 PASSWORD: 013527**

THE BUILDING IN WHICH THE ABOVE MEETING WILL BE CONDUCTED IS WHEELCHAIR ACCESSIBLE AND PARKING SPACES FOR THE MOBILITY IMPAIRED ARE AVAILABLE. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, READERS, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-932-2216 AT LEAST TWO (2) WORKING DAYS PRIOR TO THE TIME OF THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.



Meeting
Date: 7/27/2020

Date: 7/9/2020

Item #: 1.

Dept.: Development
Services

Action Item

SUBJECT:

Conduct a Public Hearing and take appropriate action to make a recommendation on amendments to Chapter 118 "Zoning" of the City of Kaufman's Code of Ordinances, and Ordinance No. O-02-07, the same being the Comprehensive Zoning Ordinance by adopting amendments to allow outside sidewalk displays of retail goods, merchandise or materials only in the Central Business District with a City approved Specific Use Permit, prohibiting overnight display, providing restrictions regarding the location of sidewalk displays, providing maximum height of the displays, providing a maximum sidewalk area that may be used for the display, prohibiting displays that impede pedestrian travel or ingress and egress to retail establishments and prohibiting the location of sidewalk displays, and exempting accessible public seating, including tables, chairs, benches from the restrictions of the location requirements by amending Section 33.4 "Use Regulations," Chart 3 "Accessory and Incidental Uses," Chart 6 "Retail and Services Uses," Section 33.5 "Definitions," and Section 25 "Central Business District" relative to outside sidewalk display of retail goods, merchandise and materials (not overnight) as a Specific Use Permit and thereby prohibiting outside sidewalk display of retail goods, merchandise, and materials (overnight) in the Central Business District (CBD). (Z-03-20)

BACKGROUND:

The proposed amendments are the result of a Zoning Ordinance issue found at 110 E. Grove (The Mercantile) for outside storage of goods in the Central Business District (CBD) along the exterior perimeter sidewalks. The Mercantile is continuously using the perimeter sidewalks (which is part of street right-of-way) to display items and act as advertisement for the selling of antiques and more retail goods, merchandise and materials inside. The Zoning Ordinance has two existing definitions one being outside display and the other being outside storage. **Outside storage** is the permanent and/or continuous keeping, display or storing outside of a building any goods, materials, merchandise or equipment on a lot or tract for more than 24 hours. Outside storage is prohibited in the CBD. **Outside display** is the outside temporary display of finished goods being sold by the same retail business that occupies the main building on the lot that are specifically intended for retail sale but NOT displayed outside overnight. Display may NOT occupy any designated parking space or be placed in any STREET or ALLEY RIGHT-OF-WAY. Outside display is allowed with an approved specific use permit (SUP) in the CBD. Neither definition defines what is actually occurring at The Mercantile.

The Planning and Zoning Commission at their regular meetings in May, June and July, as a discussion item (see the attached staff reports), reviewed the request by the owners of The Mercantile, Kellie Stalusky and Doug Haning to consider amendments that would allow the continuous outside sidewalk display of retail, goods, merchandise or materials only in the CBD. The Commission was very concerned with any proposed language and how it would affect the entire Central Business District, not just The Mercantile. A joint public hearing with City Council is

scheduled for July 27, 2020. Below is a summary of the language drafted by Staff for the July 7, 2020 meeting for the Commission's consideration:

1. Created the definition for "outside sidewalk displays" with **no** overnight displays
2. Created the definition for "outside sidewalk displays" **with** overnight displays
3. Created 25.3.F.4 - Other Regulations in the CBD specific only to "outside displays" further defining the requirements of the location, size, and height of the display areas, conditions addressing the City Attorney concerns regarding the private use of street right-of-ways, complying with the American Disabilities Act (ADA) sidewalk requirements, requiring unobstructed ingress to and egress from a building or buildings and that all items shall be actively for sale and have a visible price tag, prohibiting vending machines, propane tank sales or rental, ice machines and other similar apparatus, and exempting any area devoted to accessible public seating, including table and chair sets, benches, chairs, stools.
4. Amended both Chart 3 "Accessory & Incidental Uses" & Chart 6 "Retail and Service Uses"
5. "Outside sidewalk displays with **no** overnight displays" allowed as a **permitted use** in the CBD
6. "Outside sidewalk displays **with** overnight displays" allowed with an approved **SUP**

The Commission's ultimate concern was with the appearance and aesthetics of the historic square and how the drafted language could affect the entire square. The Commission's recommendation was to allow "outside sidewalk displays with **no** overnight displays" only as a SUP. This language means all the items can only be displayed temporarily outside in the defined sidewalk area during operating hours and only with an approved SUP.

Author:

Marcy Ratcliff, Development Services Director

Reviewed:

Mike Slye, City Manager

Cost: N/A

Funds Available: N/A

Source: N/A

Recommendation: The Planning and Zoning Commission, on July 7, 2020, recommended by a vote of 5-0 language to allow "outside sidewalk displays with no overnight displays" only as a SUP.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☒	☒	☒	☒	☐

ORDINANCE NO. O-16-20

AN ORDINANCE OF THE CITY OF KAUFMAN, TEXAS, AMENDING ZONING ORDINANCE NO. O-02-07 AND CHAPTER 118, "ZONING" OF THE CITY'S CODE OF ORDINANCES, "THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF KAUFMAN", BY ADOPTING AMENDMENTS TO ALLOW OUTSIDE SIDEWALK DISPLAYS OF RETAIL GOODS, MERCHANDISE OR MATERIALS IN THE CENTRAL BUSINESS DISTRICT WITHOUT OVERNIGHT DISPLAY, BY AMENDING SECTION 25, "CENTRAL BUSINESS DISTRICT", SECTION 25.3, "AREA REGULATIONS" SECTION 25.3.F "OTHER REGULATIONS", TO ADOPT SUBPARAGRAPH "4" OF SUBSECTION "F" CENTRAL BUSINESS DISTRICT; AND SPECIFICALLY AMENDING THE USE REGULATIONS OF SECTION 33.4 - CHART 3 "ACCESSORY AND INCIDENTAL USES" AND CHART 6 "RETAIL AND RELATED SERVICE USES" TO ALLOW OUTSIDE SIDEWALK DISPLAYS OF RETAIL GOODS, MERCHANDISE OR MATERIALS WITH AN APPROVED SPECIFIC USE PERMIT IN THE CENTRAL BUSINESS DISTRICT ONLY, AS SET FORTH IN EXHBIIT "A" ATTACHED HERETO; AND SPECIFICALLY AMENDING SECTION 33.5 DEFINITIONS BY ADOPTING THE DEFINITION OF "OUTSIDE SIDEWALK DISPLAYS OF RETAIL GOODS, MERCHANDISE OR MATERIALS"; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING AMENDMENTS; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE IN AN AMOUNT NOT TO EXCEED TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED UPON EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES; AND PROVIDING FOR PUBLICATION AND SETTING AN EFFECTIVE DATE.

WHEREAS, the City of Kaufman is a home rule municipality authorized to adopt regulations governing the use of land; and

WHEREAS, the City of Kaufman has adopted development standards designed to maintain and encourage development and redevelopment within the central section (old downtown) of the City, identified as the Central Business District ("CBD"); and.

WHEREAS, the City of Kaufman has adopted a Comprehensive Zoning Ordinance regulating land use within the City, providing regulations applicable only in the Central Business District designed to preserve the character of the CBD and to maintain certain standards for uses located within the CBD; and

WHEREAS, the City of Kaufman in recent years has replaced the existing sidewalks with new and broader sidewalks that are conducive to pedestrian traffic, providing landscaping, public lighting, and seating, and which meet the American

Disabilities Act (ADA) in an effort to attract the public to the Central Business District to make existing and new businesses more viable; and;

WHEREAS, the City has determined it appropriate to adopt regulations authorizing and regulating outside sidewalk displays of retail goods, merchandise and materials in the Central Business District when a Specific Use Permit is approved by the City and setting forth guidelines for their orderly display; and

WHEREAS, at a special joint meeting held on the 27th day of July 2020, the Planning and Zoning Commission of the City of Kaufman, after holding a public hearing, considered and made a recommendation to the City Council for approval of a request (Case No. Z-03-20) to amend the Central Business District and the Use Regulations of the Comprehensive Zoning Ordinance, specifically Section 25.3.F “Other Regulations”, Section 33.4 – Chart 3 “Accessory and Incidental Uses”, Section 33.4 Chart-6 “Retail and Related Service Uses” and Section 33.5 “Definitions”; and

WHEREAS, at a special joint meeting held on the 27th day of July 2020, the City Council of the City of Kaufman, after holding a public hearing for the proposed amendments to the Central Business District and the Use Regulations of the Comprehensive Zoning Ordinance, specifically to Section 25.3.F “Other Regulations”, Section 33.4 - Chart 3 “Accessory and Incidental Uses”, Section 33.4 - Chart.6 “Retail and Related Service Uses”, and Section 33.5 “Definitions”, determined that all legal requirements of notice and hearings were met. Having provided the public an opportunity to provide input, and after considering the public input and the recommendation of the Planning and Zoning Commission, the Council determined that the proposed amendments to the Comprehensive Zoning Ordinance are consistent with the goals of set forth in the Comprehensive Plan of the City and would serve the best interest of the health and safety and substantially further the economic development and general welfare of the City;

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

SECTION 1. INCORPORATION OF PREMISES.

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2. AMENDMENTS.

(a) That Chapter 118, “Zoning” of the Code of Ordinances of the City of Kaufman and Ordinance No. O-02-07, the “Comprehensive Zoning Ordinance of the City of Kaufman”, are hereby amended to adopt Subparagraph “4”, “Outside Sidewalk Displays” of Section 25.3.F “Other Regulations” of Section 25.3, “Area Regulations” of Section 25, “Central Business District” of Ordinance No. O-02-07 as set forth below and

all other chapters and subsection of Ordinance No. O-02-07 and Chapter 118 "Zoning" not specifically amended hereby shall remain in full force and effect without amendment.

25.3.F. Other Regulations:

...

"4. Outside Sidewalk Display. Outside sidewalk displays of retail goods, merchandise or materials shall be allowed only in the Central Business District (See Use Charts 3 and 6) in conjunction with all of the following requirements:

- a) The display is for showcasing of finished goods, merchandise, or materials that are sold in the same retail business that occupies the main building on the lot and is not intended for additional sales space or as outside storage;
- b) Display location shall be limited to designated sidewalk areas adjacent to the front or side of the main building;
- c) No display shall be allowed to be located in the public right-of-way adjacent to the rear of the main building;
- d) After approval of a Specific Use Permit by the City and subject to compliance with the conditions of the Specific Use Permit, outside sidewalk display shall be allowed in accordance with the requirements of this section provided that all of the following conditions are met: :
 - i. The property owner and/or tenant enters into an encroachment agreement with the City of Kaufman;
 - ii. The property owner and/or tenant shall provide proof of insurance coverage meeting requirements specified by the City of Kaufman, including without limitation, an additional insured endorsement naming the City of Kaufman and its officials, officers, and employees as additional insured and providing a waiver of subrogation in favor of the City;
 - iii. That the display shall not extend a distance greater than five (5') feet from the front of the wall of the principal building;
 - iv. That the display shall not be permitted to block windows, entrances or exits, delivery and service doors, nor impair the ability of pedestrians to have unobstructed ingress to and egress from a building or buildings;
 - v. That the display shall not occupy any designated parking space or be placed in any street or alley right-of-way or thoroughfare;
 - vi. That all times displays shall not interfere with pedestrian circulation in or along the sidewalk or right of way and shall comply with the American Disabilities Act (ADA), as amended;
 - vii. That the display shall not be allowed on a sidewalk, which has a width that is five (5') feet or less;
 - viii. That the display shall not occupy an area that is larger than thirty percent (30%) of the linear distance of the wall adjacent to the location of the sidewalk display. The distance shall be measured along the applicable front or sidewall of the main building or suite for the retail

- space providing the display. Each exterior wall equivalency is a standalone area and may not be combined;
- ix. That the display shall not extend to a height above seven (7') feet as measured from the sidewalk;
 - x. That all displayed retail goods shall be actively for sale by the retail establishment providing the display and shall have a visible price tag;
 - xi. That the display area shall be established and delineated on an approved sidewalk plan;
 - xii. That prohibited items in sidewalk displays include anything expressly prohibited in the approved specific use permit. Including but not limited to vending machines, propane tank sales or rental, ice machines and other similar apparatus; and
- e) xiii. That no display is left out on a day that the retail establishment is closed or at any time after the retail establishment has closed on a regular business day of the retail establishment. Exempted from the location requirement of Section 25.F.4.d.viii are any accessible public seating, including table and chair sets, benches, chairs, stools, rocking chairs, etc., and that are manufactured for outdoor use and exterior decorative planters."

(b) That Chapter 118, "Zoning" of the Code of Ordinances of the City of Kaufman and Ordinance No. O-02-07, the "Comprehensive Zoning Ordinance of the City of Kaufman", is hereby amended to provide for Outside Sidewalk Displays of Retail Goods, Merchandise or Materials (with no overnight display) in the Central Business District pursuant to a Specific Use Permit approved by the City by amending Chart 3 – "Accessory and Incidental Uses" and Chart 6 – "Retail and Service Uses" by amending Section 33.4 "Use Charts" of Section 33 "Use Regulations" of Ordinance No. O-02-07 as set forth in Exhibit "A", a copy of which is attached hereto and incorporated herein, and Chapter 118 "Zoning" of the Code of Ordinances of the City as set forth within this paragraph and all other chapters and subsection of Ordinance No. O-02-07 and Chapter 118 "Zoning" not specifically amended hereby shall remain in full force and effect without amendment.

(c) Chapter 118, "Zoning" of the Code of Ordinances of the City of Kaufman and Ordinance No. O-02-07, the "Comprehensive Zoning Ordinance of the City of Kaufman", are hereby amended to adopt the definition of "Outside Sidewalk Displays of Retail Goods, Merchandise or Materials (with no overnight displays)", to add that definition in alphabetical order and to renumber all subsections of Section 33.5 "Definitions" of Section 33 "Use Regulations" of Ordinance No. O-02-07 accordingly and amending Chapter 118 "Zoning" of the Code of Ordinances of the City as set forth below with all other chapters and subsection of Ordinance No. O-02-07 and Chapter 118 "Zoning" not specifically amended hereby to remain in full force and effect without amendment.

"##_OUTSIDE SIDEWALK DISPLAYS OF RETAIL GOODS, MERCHANDISE OR MATERIALS (with no overnight display) is defined

as the temporary showcasing, on a designated sidewalk, of finished goods, merchandise, or materials that are sold in the same retail business, that occupies the main building on the lot. The displays of such items are allowed only during the business' operating hours. Outside sidewalk display areas are not intended as additional sales space area or as outside storage, but as a way to exhibit a selection of items sold inside the store."

SECTION 3. CUMULATIVE REPEALER.

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided, however, that any complaint, action, claim, or lawsuit, which has been initiated or has arisen under or pursuant to such Ordinance on the date of adoption of this Ordinance shall continue to be governed by the provisions of that Ordinance and for that purpose, the Ordinance shall remain in full force and effect.

SECTION 4. SEVERABILITY CLAUSE.

If any section, subsection, clause, phrase or provision of this Ordinance, or any application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unconstitutional, the remaining sections, subsections, clauses, phrases and provisions of this Ordinance, or any application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

SECTION 5. PENALTY. Any person who intentionally, knowingly, recklessly or criminally negligent violates any provision of this Ordinance, upon conviction, shall be deemed guilty of a misdemeanor and shall be fined a sum not to exceed two thousand dollars (\$2,000.00) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 6. PUBLICATION AND EFFECTIVE DATE.

This Ordinance shall take effect upon its passage and publication as required by law and as prescribed by City.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KAUFMAN, TEXAS on this the 27th day of July 2020.

APPROVED:

Jeff Jordan, Mayor
City of Kaufman, Texas

ATTEST:

Jessie Hanks, City Secretary
City of Kaufman, Texas

APPROVED AS TO FORM:

Patricia A. Adams, City Attorney

Exhibit "A"
Amended Chart 3, "Accessory and Incidental Uses" and Chart 6, "Retail and Service Uses"

CHART – 3
CITY OF KAUFMAN, TEXAS
ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

ACCESSORY & INCIDENTAL USES	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Accessory bldg. - commercial (business or industry)	2										P	P	P	P	P	P	P	
Accessory building - residential	1	P	P	P	P	P	P	P	P	P								P
Caretaker's or guard's residence	31	P	P					P	P	P	S	S	S	S	P	P	P	
* Festivals, carnivals or special events	32										TU	TU	TU	TU	TU	TU	TU	
Garage/accessory dwelling	81	P	S															
Home occupation	90	P	P	P	P	P	P	P	P	P								
Off-street parking	147	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
On-street parking (subject to no parking ordinances)	149	P	P	P	P	P	P	P	P	P				P				
Outside display of retail goods (no overnight display)	150											S	P	S	P	P	P	P
<u>Outside sidewalk displays of retail goods, merchandise or materials (with no overnight display)</u>	151													S				
Seasonal and temporary uses	198 143	TU										TU	TU		TU	TU	TU	
Seasonal and temporary uses (CBD only)	198													TU				
Temporary classrooms for church or school	226	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Temporary field office or construction yard or office	225	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Wedding receptions in residential districts	249	TU	TU	TU	TU	TU	TU	TU	TU	TU								

Exhibit "A"
Amended Chart 3, "Accessory and Incidental Uses" and Chart 6, "Retail and Service Uses"

CHART - 6
CITY OF KAUFMAN, TEXAS
ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

RETAIL AND SERVICE USES (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
* Animal humane society	96 97														S	P		
Antiques (indoors)	11										S	P	P	P	P	P	P	P
Appliance sales and repair (no outside storage)	79												P	P	P	P	P	P
Appliance, tool or furniture rental (indoors)	79											S	P	S	P	P	P	P
Bakery or confectionary (retail) (WSC only)	17																	P
Banking, automatic teller only	19										P	P	P	P	P	P	P	P
Bldg. mat'ls, hardware/home improvement (indoor only)	27												P	P	P	P	P	
*Bldg. mat'ls, hardware/ home improve (outdoor storage)	27												S		P	P	P	
*Commercial laundry (dry cleaning plant)	41														S	P		
Consignment shop (indoors)	187										S	P	P	P	P	P	P	P
*Convenience store with gasoline sales	47											S	P		P	P	S	
Convenience store without gasoline sales	47											P	P		P	P	S	
Donut, bakery or confectionery shop	17										S	P	P	P	P	P	P	
Dry cleaners	59										S	P	P	S	P	P	P	
*Food store greater than 7,500 sf	75 188											S	P		P	P	P	
Food store less than 7,500 sf	75 188											P	P	S	P	P	P	
Funeral home or mortuary	78												S		P	P	S	
Retail stores, general merchandise (indoor only) (WSC only)	187 188																	P
* Retail stores, general merchandise or services greater than 7500 sf	73, 187 188											S	P	S	P	P	P	
Retail stores, general merchandise or services less than 7,500 sf	73 187 188										S	P	P	P	P	P	P	
Greenhouse/ plant nursery w/outside display (retail)	140												S		P	P	P	

Exhibit "A"
Amended Chart 3, "Accessory and Incidental Uses" and Chart 6, "Retail and Service Uses"

RETAIL AND SERVICE USES (Continued) (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Kiosk	99										S	S	S		S	S	S	
Laundromat / washateria self-service	104											P	P		P	P	P	
Light equipment sales or rental (outdoor display)	204 232														S	P		
Mini-warehouse	130												S		P	P		
<u>Outside sidewalk displays of retail goods, merchandise or materials (with no overnight display)</u>	98													S				
Pawn shop	159														P	P		
Personal service use (barber/beauty shop, tailor, shoe repair, seamstress, etc.)	58 73 161										S	P	P	P	P	P		P
Pet shop and grooming	162											S	P		P	P		P
Pharmacy / drug store	187										S	P	P	P	P	S	S	P
Produce stand w/ outside display (not temporary)	172	P											S		P	P	S	
Recycling kiosk	180														P	P		
Restaurant without drive thru service	186										S	P	P	P	P	P	P	P
*Restaurant with drive thru service	185											S	P		P	P	P	S
Seasonal and temporary uses	198	TU										TU	TU		TU	TU	TU	
Studio, decorator, artist, photographer	192										P	P	P	P	P	P	P	P
Studio, music, dance or drama	85										S	P	P	P	P	P	S	P
Studio, tattoo or body piercing	216														S			
Swimming instruction as home occupation	218	S	S	S	S	S	S	S	S	S								
Used merchandise or second hand thrift store (inside)	187											S	S	S	P	P		S
Veterinarian hospital (with outside animal pens)	248	P														S		
Veterinarian office/hospital (inside animal pens only)	248	P													S	P		P
Wedding reception/private party facility	249												S	S	P	P	S	



Planning and Zoning Commission Agenda Item: 2

Meeting Date: July 7, 2020

Consent: No

Discussion/Action: Yes

SUBJECT: Consider and take appropriate action regarding possible amendments to Chapter 118, "Zoning" of the Code of Ordinances, specifically to Section 33.4 Use Regulations, Chart 3, Accessory and Incidental Uses, Chart 6, Retail and Service Uses, Section 33.5 Definitions and Section 25 Central Business District relative to "outside sidewalk display" of retail goods, merchandise, and materials (not overnight) as a permitted use and "outside sidewalk display" of retail goods, merchandise, and materials (overnight) as a specific use permit in the Central Business District (CBD).

BACKGROUND/SUMMARY:

June 2, 2020 Motion Summary - The Planning and Zoning Commission had a difficult time agreeing on what actions should be taken. See the summary below and the attached June 2nd staff report.

1. First motion that **failed** was to set a public hearing to create a new use called "outside sidewalk display" of retail goods, merchandise, and materials (with NO overnight display).
2. Second motion that **failed** was to make no amendments and not set a public hearing.
3. Third motion which **passed** was to table further action until July 7, 2020 (with no further directions to staff).

June 2, 2020 Expressed Issues - No specific directions were given to staff to prepare for the July 7th meeting. Staff and Chairman Brown discussed the concerns the Commission had regarding the overnight "outside sidewalk display". Below is summary of issues staff derived from the June 2, 2020 meeting:

1. Commissioners supported the idea of "outside sidewalk display"
2. Concerned with the overnight continuous display of "outside sidewalk display"
3. Least concerned with allowing "outside sidewalk display" if the display was brought in every day at the close of business
4. Concerned with the amount of area defined as allowed "outside sidewalk display"
5. Allow the exemption of tables, benches, etc. for public seating and exempt from the defined "outside sidewalk display" area
6. Adherence to the ADA sidewalk requirements

Summary of Revised Draft Language - Staff amended the draft language to address the issues expressed at the June 2, 2020 meeting that may raise the Commission's comfort level enough to schedule a public hearing for August 4, 2020:

1. Create two new definitions: (see page 5 Definitions)
 - a. "outside sidewalk display" with **no** overnight display

- b. “outside sidewalk display” **with** overnight continuous display
- 2. List in the use tables “outside display with **no** overnight display” as a **permitted use** in the CBD
- 3. List in the use tables “outside display **with** overnight continuous display” as allowed with a **SUP** in the CBD
- 4. Minor changes to the draft language in Section 25.F.4 - Central Business District - Other Regulations were made applicable to both no overnight and with overnight “outside sidewalk displays”
- 5. Defined area of the “outside sidewalk display” area is still limited to 30% of the linear distance of the wall adjacent to the designated sidewalk, multiplied by the available sidewalk space (maximum 5 feet wide) after the ADA requirements are met.

Example of how to determine the “outside sidewalk display” area as defined on page 7 (Section 25.F.4.d.viii Central Business District Other Regulations:

The Mercantile 210 E. Grove Street side

Building wall width = 74 feet wide

Maximum % of wall width = 30%

Sidewalk width = 10 feet wide (measured from building to the outer edge of sidewalk)

Available sidewalk width (maximum width 5 feet) = 5 feet

ADA reserved sidewalk area = 5 feet

Building wall width x maximum % x available sidewalk width = “outside sidewalk display area”
(74 feet wall width x 30% of wall width) x 5 feet = 110 SF of “outside sidewalk display area”.

May 5, 2020 - The Planning and Zoning Commission, directed staff: (See attached May 5th staff report)

- 1. Create a new definition of “outside sidewalk display” of retail goods, merchandise, and materials (with overnight display)
- 2. List “outside sidewalk display” as a specific use permit (SUP) in the Central Business District (CBD). The changes proposed distinguish that all items displayed outside are for retail sales and not outside storage. The CBD prohibits outside storage.

City Attorney’s Concerns –

- 1. Obstructions in the sidewalk area,
- 2. Who is going to police the obstructions,
- 3. See liability issues regarding possible accidents (addressed in Section 25.F.4.d.i and d.ii),
- 4. Issues dealing with stolen display property,
- 5. City sidewalk maintenance and repairs in the “outside sidewalk display” area.
- 6. Specific use permits are a form of zoning and goes with the land. The City will not be allowed to make judgements on displays of any retail goods, merchandise, or materials that the business owner feels best represents his or her business. Unless you expressly prohibit what items can or cannot be displayed at the time of the SUP approval process, no arbitrary changes can be made after the fact. The City of Kaufman can only enforce what is specifically listed in the SUP. The majority of City’s do not allow overnight display/storage in their Central Business District.

RECOMMENDATIONS:

Staff does not have a recommendation. The Planning and Zoning Commission has two options to consider

1. Recommend authorizing staff to set a public hearing for August 4, 2020 to specifically amend the Zoning Ordinance as follows:
 - a) Amend Section 33.5 Definitions creating two new definitions:
 - i) “outside sidewalk display” for retail goods, merchandise, and materials **with no** overnight display as a permitted use and only in the CBD,
 - ii) “outside sidewalk display” for retail goods, merchandise, and materials **with** overnight display as a SUP and only in the CBD,
 - b) Create Section 25.F.4 Central Business District adding specific regulations and conditions for “outside sidewalk displays” with no overnight display and with overnight display:
 - i) Encroachment agreements and proof of insurance coverage
 - ii) Defining the sidewalk location,
 - iii) Display area’s size and height, and adherence to the American Disabilities Act (ADA).
 - iv) Prohibiting vending machines, propane tank sales and rental, ice machines and similar apparatus’ on the sidewalk area.
 - v) Exempting accessible public seating that is manufactured for outdoor use and its location from the area defined as “outside sidewalk display”.
 - c) Amend Section 33.4 Use Chart 3 Accessory and Incidental Uses and Chart 6 Retail and Service Use listing “outside sidewalk display” of retail goods, merchandise and materials **(with no overnight display) as a permitted use in the CBD only.**
 - d) Amend Section 33.4 Use Chart 3 Accessory and Incidental Uses and Chart 6 Retail and Service Use listing “outside sidewalk display” of retail goods, merchandise and materials **(with overnight display) as a specific use permit (SUP) in the CBD only.**

or

2. Recommend tabling discussion and request additional time to review and consider needed research or revised language to the **August 4, 2020 meeting** or to **another specific meeting date.**

ATTACHMENTS:

1. Current Pictures of The Mercantile
2. Zoning Ordinance Section 33.5 Definitions
3. Zoning Ordinance Section 25 Central Business District
4. Zoning Ordinance Section 33.4 Use Chart 3 –Accessory and Incidental Uses
5. Zoning Ordinance Section 33.4 Use Chart 6 – Retail and Service Uses

Marcy Ratcliff, Development Services
972-932-2216 ext. 117

Kaufmanplanning@kaufmantx.org

1. Current Pictures of The Mercantile



6-15-20



3. Section 33.5 Definitions

93. **OFFICE SHOWROOM/WAREHOUSE** - An establishment with a portion of its total floor area devoted to storage and warehousing, but not accessible to the general public. The remaining area may include retail and wholesale sales areas, sales offices, and display areas for products sold and distributed from the storage and warehousing areas.
94. **OFF-STREET PARKING SPACES** - Off-street parking spaces provided in accordance with the requirements of this Ordinance, located on the same lot or tract occupied by the main use, which vehicles may not access directly from a public right-of-way.
95. **OFF-SITE PARKING SPACES** – Off-street parking spaces located on private property on a different lot as the main use it serves when the lot on which the use is located cannot provide sufficient spaces to meet the parking requirement. Off-site parking must be within 1000 feet of the use it serves and must be approved by the City Council.
96. **ON-STREET PARKING SPACES** – On-street parking is allowed only in the Central Business District and in Residential Districts, except where “No Parking” ordinances are in effect or on any State controlled right-of-way.
97. **OUTSIDE DISPLAY** - Outside temporary display of finished goods being sold by the same retail business that occupies the main building on the lot that are specifically intended for retail sale but not displayed outside overnight. Displays may not occupy any designated parking space or be placed in any street or alley right-of-way
98. **OUTSIDE SIDEWALK DISPLAY OF RETAIL GOODS, MERCHANDISE OR MATERIALS (CBD only - with no overnight display)** is defined as the temporary showcasing, on a designated sidewalk, of finished goods, merchandise, or materials that are sold in the same retail business, that occupies the main building on the lot. The display of such items are allowed only during the business’ operating hours. Outside sidewalk display areas are not intended as additional sales space area or as outside storage, but as a way to exhibit a selection of items sold inside the store.
99. **OUTSIDE SIDEWALK DISPLAY OF RETAIL GOODS, MERCHANDISE OR MATERIALS (CBD only - with overnight display)** is defined as the overnight showcasing, on a designated sidewalk, of finished goods, merchandise, or materials that are sold in the same retail business, that occupies the main building on the lot. Outside sidewalk display areas are not intended as additional sales space area or as outside storage, but as a way to exhibit a selection of items sold inside the store.
100. **OUTSIDE STORAGE** - The permanent and/or continuous keeping, displaying or storing, outside a building, of any goods, materials, merchandise or equipment on a lot or tract for more than twenty-four (24) hours. Also referred to as open storage.
101. **PAINT SHOP** - A commercial establishment where painting services are performed (but not automotive-related painting services, which would be included under "Automobile Repair, Major"). A paint retail store would not be included in this definition but would be considered to be a dry goods store.
102. **PARCEL** - Any unplatted tract of land, or any portion of an unplatted tract of land (see "Tract").
103. **PARK OR PLAYGROUND (PRIVATE)** - A recreation facility, park or playground which is not owned by a public agency such as the City or School District, and which is operated for the exclusive use of private residents or neighborhood groups and their guests and not for use by the general public.

4. Section 25 Central Business District

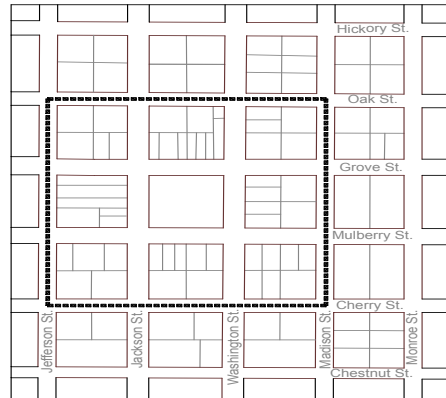
25.F. Other Regulations:

1. Open storage is prohibited in the CBD district.
2. As established in the Development Standards, Sections 34 through 44.
3. Trash receptacles must be enclosed and not visible from the front of the building. Those buildings not having alley or rear access may place a portable trash receptacle curbside on a side street to the rear of the building that is located on the square on trash pickup days only.
4. Outside sidewalk displays of retail goods, merchandise or materials is allowed only in the Central Business District (See Use Charts 3 and 6) in conjunction with all of the following requirements:
 - a) The display is for showcasing of finished goods, merchandise, or materials that are sold in the same retail business that occupies the main building on the lot and is not intended for additional sales space or as outside storage;
 - b) Display location shall be limited to designated sidewalk areas adjacent to the front or side of the main building;
 - c) No display shall be allowed to be located in the public right-of-way adjacent to the rear of the main building;
 - d) Conditions of the outside sidewalk display areas shall be:
 - i. To enter into an encroachment agreement with the City of Kaufman;
 - ii. To provide proof of insurance coverage meeting requirements specified by the City of Kaufman, including without limitation, an additional insured endorsement naming the City of Kaufman and its officials, officers, and employees as additional insured and providing a waiver of subrogation in favor of the City;
 - iii. That the display shall not extend a distance greater than five (5') feet from the front of the wall of the principal building;
 - iv. That the display shall not be permitted to block windows, entrances or exits, delivery and service doors, nor impair the ability of pedestrians unobstructed ingress to and egress from a building or buildings;
 - v. That the display shall not occupy any designated parking space or be placed in any street or alley right-of-way or thoroughfare;
 - vi. That all times displays shall not interfere with pedestrian circulation in or along the sidewalk or right of way and shall comply with the American Disabilities Act (ADA), as amended;
 - vii. That the display shall not be allowed on a sidewalk, which has a width that is five (5') feet or less;
 - viii. That the display shall not occupy an area that is larger than thirty percent (30%) of the linear distance of the wall adjacent to the location of the sidewalk display. The distance shall be measured along the applicable front or side wall of the main building or suite for the retail space providing the display. Each exterior wall equivalency is a standalone area and may not be combined;
 - ix. That the display shall not extend to a height above seven (7') feet as measured from the sidewalk;
 - x. That all displayed retail goods shall be actively for sale by the retail establishment providing the display and shall have a visible price tag;
 - xi. That the display area shall be established and delineated on an approved sidewalk plan;

4. Section 25 Central Business District

- xii. That prohibited items in sidewalk displays include anything expressly prohibited in the approved specific use permit. Including but not limited to vending machines, propane tank sales or rental, ice machines and other similar apparatus; and
- xiii. Exempted from the location requirement of Section 25.F.4.d.viii are any accessible public seating, including table and chair sets, benches, chairs, stools, rocking chairs, etc., and that are manufactured for outdoor use and exterior decorative planters.

Central Business District Boundaries



5. Section 33.4 Use Chart 3 Accessory and Incidental Uses

CHART - 3 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

ACCESSORY & INCIDENTAL USES	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Accessory bldg. - commercial (business or industry)	2										P	P	P	P	P	P	P	
Accessory building - residential	1	P	P	P	P	P	P	P	P	P								P
Caretaker's or guard's residence	31	P	P					P	P	P	S	S	S	S	P	P	P	
* Festivals, carnivals or special events	32										TU	TU	TU	TU	TU	TU	TU	
Garage/accessory dwelling	81	P	S															
Home occupation	90	P	P	P	P	P	P	P	P	P								
Off-street parking ►►	147	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
On-street parking (subject to no parking ordinances)	149	P	P	P	P	P	P	P	P	P				P				
Outside display of retail goods (no overnight display)	150											S	P	S	P	P	P	P
<u>Outside sidewalk display of retail goods (with no overnight display)</u>	98													P				
<u>Outside sidewalk display of retail goods (with overnight display)</u>	99													S				
Seasonal and temporary uses	198 143	TU										TU	TU		TU	TU	TU	
Seasonal and temporary uses (CBD only) ►	198													TU				
Temporary classrooms for church or school	226	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Temporary field office or construction yard or office	225	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Wedding receptions in residential districts	249	TU	TU	TU	TU	TU	TU	TU	TU	TU								

- Amended May 18, 2009 by Ordinance O-05-09
- Amended May 24, 2010 by Ordinance O-09-10

CHART - 6

CITY OF KAUFMAN, TEXAS

ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
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RETAIL AND SERVICE USES (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
* Animal humane society	96 97														S	P		
Antiques (indoors)	11										S	P	P	P	P	P	P	P
Appliance sales and repair (no outside storage)	79												P	P	P	P	P	P
Appliance, tool or furniture rental (indoors)	79											S	P	S	P	P	P	P
Bakery or confectionary (retail) (WSC only)	17																	P
Banking, automatic teller only	19										P	P	P	P	P	P	P	P
Bldg. mat'ls, hardware/home improvement (indoor only)	27												P	P	P	P	P	
*Bldg. mat'ls, hardware/ home improve (outdoor storage)	27												S		P	P	P	
*Commercial laundry (dry cleaning plant)	41														S	P		
Consignment shop (indoors)	187										S	P	P	P	P	P	P	P
*Convenience store with gasoline sales	47											S	P		P	P	S	
Convenience store without gasoline sales	47											P	P		P	P	S	
Donut, bakery or confectionery shop	17										S	P	P	P	P	P	P	
Dry cleaners	59										S	P	P	S	P	P	P	
*Food store greater than 7,500 sf	75 188											S	P		P	P	P	
Food store less than 7,500 sf	75 188											P	P	S	P	P	P	
Funeral home or mortuary	78												S		P	P	S	
Retail stores, general merchandise (indoor only) (WSC only)	187 188																	P
* Retail stores, general merchandise or services greater than 7500 sf	73 187 188											S	P	S	P	P	P	
Retail stores, general merchandise or services less than 7,500 sf	73 187 188										S	P	P	P	P	P	P	
Greenhouse/ plant nursery w/outside display (retail)	140												S		P	P	P	
Kiosk	99										S	S	S		S	S	S	
Laundromat / washateria self-service	104											P	P		P	P	P	
Light equipment sales or rental (outdoor display)	204 232														S	P		
Mini-warehouse	130												S		P	P		

CHART – 6 (continued)

CITY OF KAUFMAN, TEXAS

ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

RETAIL AND SERVICE USES (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
<u>Outside sidewalk display of retail goods (with no overnight display)</u>	98													P				
<u>Outside sidewalk display of retail goods (with overnight display)</u>	99													S				
Pawn shop	159														P	P		
Personal service use (barber/beauty shop, tailor, shoe repair, seamstress, etc.)	58 73 161										S	P	P	P	P	P		P
Pet shop and grooming	162											S	P		P	P		P
Pharmacy / drug store	187										S	P	P	P	P	S	S	P
Produce stand w/ outside display (not temporary)	172	P											S		P	P	S	
Recycling kiosk	180														P	P		
Restaurant without drive thru service	186										S	P	P	P	P	P	P	P
*Restaurant with drive thru service	185											S	P		P	P	P	S
Seasonal and temporary uses	198	TU										TU	TU		TU	TU	TU	
Studio, decorator, artist, photographer	192										P	P	P	P	P	P	P	P
Studio, music, dance or drama	85										S	P	P	P	P	P	S	P
Studio, tattoo or body piercing	216														S			
Swimming instruction as home occupation	218	S	S	S	S	S	S	S	S	S								
Used merchandise or second hand thrift store (inside)	187											S	S	S	P	P		S
Veterinarian hospital (with outside animal pens)	248	P														S		
Veterinarian office/hospital (inside animal pens only)	248	P													S	P		P
Wedding reception/private party facility	249												S	S	P	P	S	

► Amended 02-16-2016 by O-08-2015



**MINUTES OF THE
PLANNING AND ZONING
COMMISSION MEETING
BOARD MEETING
TUESDAY, JULY 7, 2020 - 6:00 PM
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142**

PLEDGE OF ALLEGIANCE

Chairman Brown called the Planning and Zoning meeting to order at 06:03 PM. Board members present were Burton Brown, Patrick Cardoza, Richard Dunn, Porfirio Lopez, and Curtis Snow. Chairman Brown declared a quorum present. Also present were Director of Development Services Marcy Ratcliff, Permit Technician Joy Henderson, and City Secretary Jessie Hanks.

The board conducted the Pledge of Allegiance.

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the P&Z Commission on any subject but must first complete a Request to Speak Form so that the Chairman may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the P&Z Commission as a whole. **When addressing the P&Z Commission, please step forward to the speaker's podium, state your name and address, and direct your comments to the Chairman and P&Z Commission.**

No comments were given.

CONSENT AGENDA

1. Consider and take appropriate action on the Minutes of June 2, 2020 Planning and Zoning Commission Meeting

Curtis Snow made a motion to approve Consent Agenda Item 1, seconded by Commissioner Dunn. Chairman Brown called for a vote with all voting AYE, the motion carried by a vote of 5--0.

END OF CONSENT AGENDA

DISCUSSION/ACTION ITEMS

2. Consider and take appropriate action regarding possible amendments to Chapter 118, "Zoning" of the Code of Ordinances, specifically to Section 33.4 Use Regulations, Chart 3, Accessory and Incidental Uses, Chart 6, Retail and Services Uses, Section 33.5 Definitions and Section 25, Central Business District relative to outside sidewalk display of retail goods, merchandise and materials (not overnight) as a permitted use and outside sidewalk display or retail goods, merchandise and materials (overnight) as a specific use permit in the Central Business District (CBD).

Marcy Ratcliff, Director of Development Services, presented the Commissioners with a report on the draft language for outside display for more than 24 hours for the Central Business District. The Commissioners met on June 2, 2020, and May 5, 2020, to discuss the possibility of adding the additional use for the downtown area only. She reviewed the discussions on this topic from the previous meetings as well as the staff's discussions. She outlined the amendment options the Board could consider. She informed the board there would be a joint public hearing with City Council on July 27, 2020.

Commissioner Snow asked about the actions required tonight before the public hearing. Ms. Ratcliff informed the board any amendments they wanted to make to the ordinance could be done before the public hearing.

Chairman Brown requested elaboration on what the City Attorney said and what other cities are doing regarding similar matters. Ms. Ratcliff outlined the attorney's guidance regarding the amendments. There were discussions about the special use permit, the time frame for that permit, and the way other cities handle similar situations. Chairman Brown inquired about the enforcement of the proposed amendments. Ms. Ratcliff stated it would be on a trial basis and continued monitoring of the district.

Commissioner Snow asked about the attorney's concern regarding the liabilities issues for the city. He inquired about the need for a public hearing if the board recommends no amendments be made.

Commissioner Cardoza stated the options are either amendment for no overnight storage or overnight storage with a SUP. Ms. Ratcliff informed the board of their options in regards to the amendments.

There were discussions about the proposed amendments to the ordinance, the attorney's concerns, and what the board would like to see changed from the proposed language.

Commissioner Cardoza made comments about whether the board would prefer overnight display being permitted.

Commissioner Snow made a motion to make a recommendation to move forward with the proposed language with the removal of the Outside sidewalk display with overnight storage and the use of display on sidewalk be done by a SUP, seconded by Commissioner Cardoza. Chairman Brown called for a vote, the motion failed by a vote of 2-3.

Commissioner Dunn made a motion to make a recommendation with the staff recommendation with no overnight and no sup, seconded by Commissioner Lopez. Chairman Brown called for a vote, the motion failed by a vote of 2-3.

Commissioner Cardoza made a motion to make a recommendation to move forward with the no overnight storage and sidewalk storage with a SUP, seconded by Commissioner Snow. Chairman Brown called for a vote, the motion passed by a vote of 5/0.

Chairman Brown made a statement regarding his feelings toward the store that sparked this whole

amendment discussion.

ANNOUNCEMENTS AND REPORTS FROM DEVELOPMENT SERVICES DIRECTOR

3. New Developments

A. 214 E Mulberry Detour Restaurant Grand Opening July 11, 2020 (former Sonic Restaurant)

The Grand opening for the Detour Restaurant is July 11, 2020.

B. Future Gateway Entry Signage Amendments

There will be a possible amendment to the sign ordinance for gateway entry signage to allow for off premise marketing.

C. Future Zoning Case on Rubio Property at Southwest Corner of S. Houston Street and W. Highway 175

The board will be hearing a zoning case on the Rubio Property at the Southwest Corner of S. Houston and W. HWY 175 at a future meeting.

ADJOURNMENT

There being no further business, Chairman Brown adjourned the meeting at 7:24 PM.

**JOY HENDERSON
PLANNING TECHNICIAN**



Planning and Zoning Commission Agenda Item: 2

Meeting Date: June 2, 2020

Consent: No

Discussion/Action: Yes

SUBJECT: Consider and take appropriate action regarding possible amendments to Chapter 118, "Zoning" of the Code of Ordinances, specifically to Section 33.4 Use Regulations, Chart 3, Accessory and Incidental Uses, Chart 6, Retail and Service Uses, Chart 8, Commercial Uses, Section 33.5 Definitions and Section 25 Central Business District relative to outside sidewalk display of retail goods, merchandise, and materials as a specific use permit in the Central Business District (CBD).

BACKGROUND/SUMMARY:

The Planning and Zoning Commission, on May 5, 2020 directed staff to create a new definition of outside sidewalk display of retail goods, merchandise, and materials (with overnight display) and list as a specific use permit (SUP) in the Central Business District (CBD). The changes proposed distinguish that all items displayed outside are for retail sales and not outside storage. The CBD prohibits outside storage. The proposed amendments are the result of a Zoning Ordinance violation found at 110 E. Grove (The Mercantile) for outside storage of goods in the Central Business District (CBD) along the exterior sidewalks. The Mercantile is using the outside sidewalk display to act as advertisement for the selling of antiques and more retail goods, merchandise and materials inside. See the attached May 5, 2020 Planning and Zoning Commission Report for more background information.

The proposed definition was crafted to distinguish the difference between outside storage and displaying of goods, merchandise and materials on designated sidewalks for retail sales in the CBD. The proposed definition of outside sidewalk display created the need for specific regulations pertinent only to Section 25 Central Business District. The regulations define the sidewalk display area location, the display area's size and height, and adherence to the American Disabilities Act (ADA). Additionally, vending machines, propane tank sales and rental, ice machines and similar apparatus were prohibited. Accessible public seating that is manufactured for outdoor use is exempt from the specific use permit requirement and the sidewalk location area requirement.

Staff reviewed all eleven Use Charts for all uses allowed within the Central Business to best determine, which chart should include the new definition. It was determined outside sidewalk display is an accessory use to retail sales in an adjacent main building; and therefore should be listed in Chart 3, Accessory and Incidental Uses. It was drafted to include the outside sidewalk display use in Chart 6, Retail and Service Uses, because it is associated with only the retail uses allowed in the CBD. This location choice was added for the benefit of the general public, who may not know to look in Chart 3 Accessory and Incidental Uses. Outside sidewalk display was

not included in Chart 8, Commercial Uses because none of the uses (laboratory, motel or hotel, and a printing shop) allowed in the CBD would have a need for outside display.

Staff drafted the following amendments for your review based on the discussion at the previous meeting and after discussions with the City Attorney. The City Attorney expressed the following concerns with obstructions in the sidewalk area, who is going to police the obstructions, liability issues regarding possible accidents, stolen property, city sidewalk maintenance and repairs. Specific use permits are a form of zoning and go with the land. The City will not be allowed to make judgements on displays of any retail goods, merchandise, or materials that the business owner feels best represents their business. Unless you expressly prohibit what items can or cannot be displayed at the time of the SUP approval process, no arbitrary changes can be made after the fact. The City of Kaufman can only enforce what is specifically listed in the SUP. The majority of City's do not allow overnight display/storage. Please review to discuss.

Section 33.5 Definitions:

OUTSIDE SIDEWALK DISPLAY OF RETAIL GOODS, MERCHANDISE OR MATERIALS (CBD only -with overnight display) is defined as the overnight show casing, on a designated sidewalk, of finished goods, merchandise, or materials that are sold in the same retail business, that occupies the main building on the lot. Outside sidewalk display areas are not intended as additional sales space area, but as a way to exhibit a selection of items sold inside the store.

Section 25.F.4 Central Business District Regulations

4. Outside sidewalk displays of retail goods, merchandise or materials is allowed only in the Central Business District with an approved specific use permit in conjunction with all of the following requirements:
 - a) The display is for show casing finished goods, merchandise, or materials that are sold in the same retail business that occupies the main building on the lot and is not intended for additional sales space.
 - b) Display location shall be limited to designated sidewalk areas adjacent to the front or side of the main building;
 - c) No display shall be allowed to be located in the public right-of-way adjacent to the rear of the main building;
 - d) The display shall not occupy any designated parking space or be placed in any street or alley right-of-way or thoroughfare;
 - e) A condition of the specific use permit shall be to:
 - i. Enter into an encroachment agreement with the City of Kaufman
 - ii. Provide proof of insurance coverage meeting requirements specified by the City of Kaufman, including without limitation, an additional insured endorsement naming the City of Kaufman and its officials, officers and employees as additional insured and providing a waiver of subrogation in favor of the City;
 - f) The display shall not be permitted to block windows, entrances or exits, delivery and service doors, nor impair the ability of pedestrians unobstructed ingress to and egress from a building or buildings;
 - g) The display shall not extend a distance greater than five (5) feet from the front of the wall of the principal building;
 - h) At all times displays shall not interfere with pedestrian circulation in or along the sidewalk

- or right of way and shall comply with the American Disabilities Act (ADA), as amended;
- i) Display shall not be allowed on a sidewalk, which has a width that is five (5) feet or less;
- j) The display shall not occupy an area that is larger than thirty percent (30%) of the linear distance of the wall adjacent to the location of the sidewalk display. The distance shall be measured along the applicable front or side wall of the main building or suite for the retail space providing the display. Each exterior wall equivalency is a standalone area and may not be combined.
- k) The display shall not extend to a height above seven (7) feet as measured from the sidewalk;
- l) All displayed retail goods shall be actively for sale by the retail establishment providing the display and shall have a visible price tag.
- m) The display area shall be established and delineated on the approved specific use permit site plan;
- n) Prohibited items in sidewalk displays include anything expressly prohibited in the approved specific use permit. Including but not limited to vending machines, propane tank sales or rental, ice machines and other similar apparatus; and
- o) Exempted from the specific use permit requirement and only the location requirement of Section 25.F.4.g above are any accessible public seating, including table and chair sets, benches, chairs, stools, rocking chairs, etc., and that are manufactured for outdoor use.

Retail and Service Uses allowed within the Central Business District (CBD) that have the potential for outside sidewalk display of retail goods:

1. Antiques (indoors)
2. Appliance sales and repair (no outside storage)
3. Appliance, tool or furniture rental (indoors)
4. Building materials, hardware/home improvement (indoor only)
5. Consignment shop (indoors)
6. Food store less than 7,500 SF
7. Retail stores, general merchandise or services greater than 7,500 SF
8. Retail stores, general merchandise or services less than 7,500 SF
9. Personal service use (barber/beauty shop, tailor, shoe repair, seamstress, etc.)
10. Pharmacy/drug store
11. Seasonal and temporary uses
12. Studio, decorator, artist, photographer
13. Studio, music, dance or drama
14. Used merchandise or second hand thrift store (inside)
15. Wedding reception/private party facility
16. Auto parts and accessory sales (indoor)
17. Auto repair, minor (paint less, dent repair & accessory install)
18. Art gallery or museum

Retail uses specifically NOT allowed within the Central Business District that:

1. Building materials, hardware/home improvement (outside storage)
2. Convenience store with gasoline sales
3. Food store greater than 7,500 SF
4. Greenhouse/plant nursery with outside display
5. Light equipment sales or rental (outdoor display)
- 6. Pawn shop**
7. Pet shop and grooming
8. Produce stand with outside display (not temporary)
9. Auto glass, seat cover/upholstery and muffler shop

10. Auto sales – new or used
11. Auto storage or auto auction
12. Auto painting or body repair shop
13. Boat sales

The language drafted was mindful of what The Mercantile is trying to accomplish with the outside sidewalk display and Council's improvements to the oldest and most historic commercial development in Kaufman. Both parties want the CBD to become even more viable, attractive and walker friendly, in order to draw more patrons to the center of town. Staff tried to think of all instances and issues that could arise for any retail business in the CBD who wants to have outside sidewalk displays.

The Mercantile's building is 74 feet wide and the sidewalk width on E. Grove Street is 10.5 feet wide (measured from the building to the outer edge of the curb,) and on N. Madison is 7 feet wide. The usable width of E. Grove Street is 10 feet. Currently, the display area along E. Grove Street is approximately 370 SF (74 feet wide x 5 feet deep). The drafted language would allow a display area of approximately 110 SF (74 feet wide x 30% of the linear width x 5 foot deep). The 30% figure is what the City of Georgetown uses to determine the amount of outside sidewalk display area in their commercial district. Georgetown does not allow overnight outside sidewalk display area in their downtown square area.

RECOMMENDATIONS:

Staff does not have a recommendation. The Planning and Zoning Commission has three options to consider

1. Recommend authorizing staff to set a public hearing for July 7, 2020 to specifically amend the Zoning Ordinance as follows:
 - a. Amend Section 33.5 Definitions adding the definition of outside sidewalk display for retail goods, merchandise, and materials allowed overnight and only in the CBD,
 - b. Amend Section 25 Central Business District for more specific regulations define the sidewalk location, the display area's size and height, and adherence to the American Disabilities Act (ADA). Prohibiting vending machines, propane tank sales and rental, ice machines and similar apparatus' on the sidewalk area. Exempting accessible public seating manufactured for outdoor use from the specific permit requirement and the sidewalk location area requirement.
 - c. Amend Section 33.4 Use Chart 3 Accessory and Incidental Uses and Chart 6 Retail and Service Use listing outside sidewalk display of retail goods, merchandise and materials (with overnight display) as a specific use permit (SUP) in the CBD only.
 - d. Not to amend Section 33.4 Use Chart 8 Commercial Uses

or

2. Request additional time to review and consider needed research or language at a specific meeting date.

or

3. Recommend no amendments should be made to the Zoning Ordinance.

ATTACHMENTS:

1. Current Pictures of The Mercantile
2. Surveys of Other Cities Regulations of Outside Display vs. Outside Storage
3. Zoning Ordinance Section 33.5 Definitions
4. Zoning Ordinance Section 25 Central Business District
5. Zoning Ordinance Section 33.4 Use Chart 3 –Accessory and Incidental Uses
6. Zoning Ordinance Section 33.4 Use Chart 6 – Retail and Service Uses
7. Zoning Ordinance Section 33.4 Use Chart 8 - Commercial Uses

Marcy Ratcliff, Development Services

972-932-2216 ext. 117

Kaufmanplanning@kaufmantx.org

1. Current Pictures of The Mercantile



2. Surveys of Other Cities Regulations of Outside Display vs. Outside Storage

CITY	OUTSIDE DISPLAY	OUTSIDE/OPEN STORAGE
Waxahachie	SUP - No overnight	SUP Screening required
Ennis	Not in street frontage building setbacks Limited to 5% of building area Over 14 days screening required 5' wide unobstructed walkway	Not allowed in the front Rear yard only screening required
McKinney	Site Plan 16 hours per day Temporary seasonal sales allowed Restaurants outside seating allowed 10% of building only Attached to a wall Screening required	Allowed in specific districts - Use Chart Not allowed in the front of main building 10% of building only Attached to a wall Screening required
Forney	Bulk Goods - 30% of open area available & 50' from public ROW or property line No overnight	Open storage is prohibited in the Central Business District Located behind the front building line and observe all setback requirements. Screening required
Rockwall	Require a permit from the city	Not allowed
Rowlett	SUP TUP permitted a total of 14 consecutive days or less, four times per calendar year 4' wide unobstructed walkway	SUP Screening required
Georgetown for limited	Site Plan – Items actively for sale Not allowed in required setback Set back at least 15 feet from the curb limited to 30% of wall	Site Plan - Items not actively for sale Not allowed in required setback set back at least 15 feet from the curb not in front yard 1,000 sf or 20% of total site Screening required
Georgetown for general	Site Plan - Items actively for sale Not allowed in required setback set back at least 15 feet from the curb limited to 1,000 sf or 10% of site limited to no more than 30% of wall	Site Plan - Items not actively for sale Not allowed in setback Set back 15 feet from the curb 1,000 sf or 20% of total site not in front yard Screening required

3. Section 33.5 Definitions

93. **OFFICE SHOWROOM/WAREHOUSE** - An establishment with a portion of its total floor area devoted to storage and warehousing, but not accessible to the general public. The remaining area may include retail and wholesale sales areas, sales offices, and display areas for products sold and distributed from the storage and warehousing areas.
94. **OFF-STREET PARKING SPACES** - Off-street parking spaces provided in accordance with the requirements of this Ordinance, located on the same lot or tract occupied by the main use, which vehicles may not access directly from a public right-of-way.
95. **OFF-SITE PARKING SPACES** – Off-street parking spaces located on private property on a different lot as the main use it serves when the lot on which the use is located cannot provide sufficient spaces to meet the parking requirement. Off-site parking must be within 1000 feet of the use it serves and must be approved by the City Council.
96. **ON-STREET PARKING SPACES** – On-street parking is allowed only in the Central Business District and in Residential Districts, except where “No Parking” ordinances are in effect or on any State controlled right-of-way.
97. **OUTSIDE DISPLAY** - Outside temporary display of finished goods being sold by the same retail business that occupies the main building on the lot that are specifically intended for retail sale but not displayed outside overnight. Displays may not occupy any designated parking space or be placed in any street or alley right-of-way
98. **OUTSIDE SIDEWALK DISPLAY OF RETAIL GOODS, MERCHANDISE OR MATERIALS (CBD only -with overnight display)** is defined as the overnight show casing, on a designated sidewalk, of finished goods, merchandise, or materials that are sold in the same retail business, that occupies the main building on the lot. Outside sidewalk display areas are not intended as additional sales space area, but as a way to exhibit a selection of items sold inside the store.
99. **OUTSIDE STORAGE** - The permanent and/or continuous keeping, displaying or storing, outside a building, of any goods, materials, merchandise or equipment on a lot or tract for more than twenty-four (24) hours. Also referred to as open storage.
100. **PAINT SHOP** - A commercial establishment where painting services are performed (but not automotive-related painting services, which would be included under "Automobile Repair, Major"). A paint retail store would not be included in this definition but would be considered to be a dry goods store.
101. **PARCEL** - Any unplatted tract of land, or any portion of an unplatted tract of land (see "Tract").
102. **PARK OR PLAYGROUND (PRIVATE)** - A recreation facility, park or playground which is not owned by a public agency such as the City or School District, and which is operated for the exclusive use of private residents or neighborhood groups and their guests and not for use by the general public.

4. Section 25 Central Business District

SECTION 25 CENTRAL BUSINESS DISTRICT (CBD)

25.1 GENERAL PURPOSE AND DESCRIPTION:

The development standards in the CBD, Central Business District, are designed to maintain and encourage development and redevelopment within the central section (old downtown) of the City. Standards for vehicle parking, building setbacks, and building height are similar to those existing on developed properties in this section of the City.

25.2 PERMITTED USES:

A. Uses permitted in the CBD district are outlined in Section 33 (Use Charts).

25.3 AREA REGULATIONS:

A. **Size of Yards:**

1. **Minimum Front Yard** - none specified
2. **Minimum Side Yard** - none specified
3. **Minimum Rear Yard** - none specified

B. **Size of Lot:**

1. **Minimum Lot Area** - none specified
2. **Minimum Lot Width** - none specified
3. **Minimum Lot Depth** - none specified

C. **Height Regulations:**

1. **Maximum Height:**
 1. Three (3) stories or forty-five feet (45') for the main building.
 2. One (1) story for accessory buildings.
 3. Other (Section 40).

D. **Maximum Lot Coverage** - none specified

E. **Parking Regulations:**

1. **For existing structures/uses (in existence prior to the effective date of this Ordinance)** - Any existing parking, or lack of same, for any existing structure/use within the CBD district shall be considered a conforming parking arrangement. Additional parking, in accordance with Section 35.6, shall only be required for additions to an existing building or for significant expansion of an existing use (as determined by the City Planner or his designee). In the event of destruction of an existing structure within the CBD district, said structure may be rebuilt to its pre-destruction size with no requirements for additional parking provided that reconstruction commences (i.e., a building permit is applied for and issued) within one (1) year of the date of destruction. If reconstruction does not commence within the one-year time frame, or if the structure is rebuilt to exceed its pre-destruction size, then the structure's nonconforming parking status is deemed to expire and any reconstruction of the structure must provide additional parking in accordance with this Ordinance.

4. Section 25 Central Business District

2. **For new structures/uses** - One (1) space per three hundred (300) square feet of gross floor area, and each use shall provide a minimum of two (2) spaces. In order to preserve the character of the square, in which existing buildings were joined together with a common wall, required parking for new structures may be restricted to the rear of the building or to offsite parking on private property to be located not more than 1,500 feet from the site, in accordance with Section 35.8 of this Ordinance.

F. Other Regulations:

1. Open storage is prohibited in the CBD district.
2. As established in the Development Standards, Sections 34 through 44.
3. Trash receptacles must be enclosed and not visible from the front of the building. Those buildings not having alley or rear access may place a portable trash receptacle curbside on a side street to the rear of the building that is located on the square on trash pickup days only.
4. Outside sidewalk displays of retail goods, merchandise or materials is allowed only in the Central Business District with an approved specific use permit in conjunction with all of the following requirements:
 - a) The display is for show casing finished goods, merchandise, or materials that are sold in the same retail business that occupies the main building on the lot and is not intended for additional sales space.
 - b) Display location shall be limited to designated sidewalk areas adjacent to the front or side of the main building;
 - c) No display shall be allowed to be located in the public right-of-way adjacent to the rear of the main building;
 - d) A condition of the specific use permit shall be to:
 - e) Enter into an encroachment agreement with the City of Kaufman
 - f) Provide proof of insurance coverage meeting requirements specified by the City of Kaufman, including without limitation, an additional insured endorsement naming the City of Kaufman and its officials, officers and employees as additional insured and providing a waiver of subrogation in favor of the City;
 - g) The display shall not extend a distance greater than five (5) feet from the front of the wall of the principal building;
 - h) The display shall not be permitted to block windows, entrances or exits, delivery and service doors, nor impair the ability of pedestrians unobstructed ingress to and egress from a building or buildings;
 - i) The display shall not occupy any designated parking space or be placed in any street or alley right-of-way or thoroughfare;
 - j) At all times displays shall not interfere with pedestrian circulation in or along the sidewalk or right of way and shall comply with the American Disabilities Act (ADA), as amended;
 - k) Display shall not be allowed on a sidewalk, which has a width that is five (5) feet or less;
 - l) The display shall not occupy an area that is larger than thirty percent (30%) of the linear distance of the wall adjacent to the location of the sidewalk display. The distance shall be measured along the applicable front or side wall of the main building or suite for the retail space providing the display. Each exterior wall equivalency is a standalone area and may not be combined.
 - m) The display shall not extend to a height above seven (7) feet as measured from the sidewalk;
 - n) All displayed retail goods shall be actively for sale by the retail establishment providing the display and shall have a visible price tag.
 - o) The display area shall be established and delineated on the approved specific use permit site plan;
 - p) Prohibited items in sidewalk displays include anything expressly prohibited in the approved specific use permit. Including but not limited to vending machines, propane tank sales or rental, ice machines and other similar apparatus; and
 - q) Exempted from the specific use permit requirement and only the location requirement of Section 25.F.4.g above are any accessible public seating, including table and chair sets, benches, chairs, stools, rocking chairs, etc., and that are manufactured for outdoor use.

4. Section 25 Central Business District

25.4 DESIGN CRITERIA

A. Purpose

Kaufman's downtown Central Business District (CBD) has been identified by the Comprehensive Plan as a valuable resource worthy of preservation as a unique district. This district provides development and design standards that preserve the historic and architectural character of existing development, provides for adaptive reuse of existing buildings and the compatibility of new structures and uses with the historic nature of the CBD.

B. Goals

1. Historic preservation, economic development, and maintaining the pedestrian friendly character of the Central Business District shall be the primary consideration in the development design review.
2. The preservation and restoration of historically or architecturally significant buildings as well as buildings that contribute to the unique character of the CBD shall be considered as a high priority in the future development of the CBD.
3. Preservation, restoration, renovation and redevelopment should encourage and promote economic vitality, professional and business activities, tourism, and effective adaptive reuse of structures, upper floors and vacant spaces.
4. The preservation, restoration, renovation and redevelopment should encourage and promote the concept of the traditional downtown area as the origin and heart of the community as a place for people to gather as well as patronize the businesses located there.

C. District Boundaries

1. The Central Business District (CBD) is generally bounded by Oak Street on the north, Cherry Street on the south, Jefferson Street on the west, and Madison Street on the east. These boundaries are shown on the map in Figure 25-1 for informational purposes.
2. The precise boundaries of the Central Business District (CBD) shall be shown on the official zoning map of the City of Kaufman. The boundaries of the CBD may be amended from time to time based on a request from area property owners, a request of the staff, the Downtown Steering Committee, the Planning and Zoning Commission, or at the pleasure of the Council. In considering a request for a change in district boundaries, the Council shall require:
 - a. Any additions to the district shall be contiguous to the existing boundaries of the district;
 - b. Any reductions in the district shall be located on the edge of the district such that a hole is not left inside the district; and
 - c. If requested by a property owner, a petition shall be presented showing owners of more than 50 percent of the land within the district, excluding streets, and owners of more than 50 percent of the building sites in the district are in support of the requested change in boundaries.

4. Section 25 Central Business District

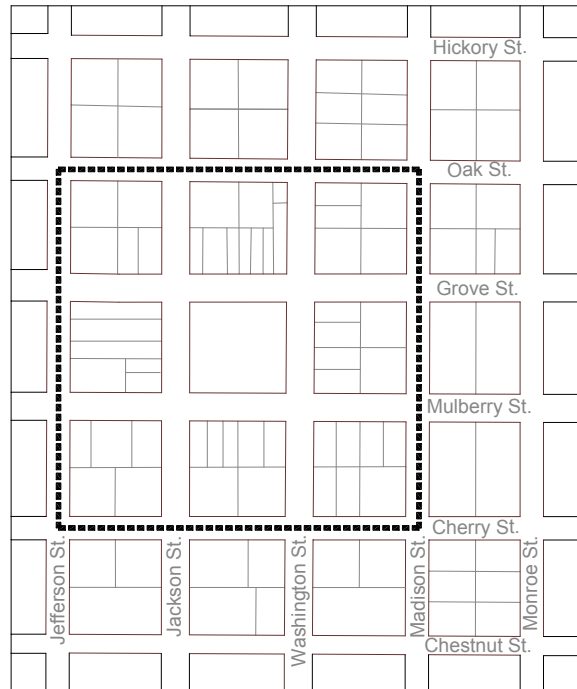


Figure 25-1 Downtown Central Business District Boundaries

D. General Provisions

1. Site plan and design review is required for new construction and substantial renovation of existing buildings within the Central Business District. Substantial renovation means:
 - a. Alterations to the exterior of existing buildings that change the placement or design of windows, doors or other exterior features of the building such as coping or pilasters;
 - b. An increase in the floor area of the building greater than 10 percent.
2. Interior renovation of existing buildings that do not alter the exterior appearance of the building do not require site plan and design review under the provisions of this section. (e.g., a drop ceiling that covers part of an existing window would alter the exterior appearance and require review)
3. Physical properties of an existing building such as setbacks, foot prints, height, or other similar characteristics that cannot be altered without substantial hardship are not required to meet the development or design standards within this section. All other provisions shall apply.
4. Site Plan applications submitted for review will first be considered by the Downtown Design Review Committee and a Certificate of Appropriateness issued within ten (10) days to accompany the application to the Planning and Zoning Commission and City Council for approval. If the Downtown Design Review Committee recommends denial of the application or approval with stipulations the Planning and Zoning Commission must render a three-fourths affirmative vote to overturn the recommendations of the Committee in order to recommend approval to the City Council.
5. All new development, exterior renovations to any existing buildings, maintenance and/or preservation of any structure, shall require an exterior paint permit to be approved by the Development Services Director.

4. Section 25 Central Business District

- (a) Request to appeal the requirements of Sections 25.4.F.5.a.(3) or 25.5.B.1.h shall be heard by the Planning and Zoning Commission. The Planning and Zoning Commission shall determine what appeals shall be approved, if any.
 - (1) An appeal request submittal shall include a proposed paint color combination scheme for the body, trim and accent features of the building.
 - (2) Notice of the appeal request shall be mailed ten (10) days prior to the meeting, to all property owners as listed at the Kaufman County Appraisal District, and to all the building addresses, located within the boundaries of the Central Business District.
 - (3) All appeal requests shall be placed on the next available Planning and Zoning Commission agenda.

E. Mixed Use Criteria

- 1. The Central Business District may contain any combination of uses shown in the Use Chart in Section 33 (Use Charts).
- 2. Within the CBD there are both residential and nonresidential uses which may be located in either residential structures or commercial structures. To maintain the architectural and historic character of existing blocks where one type of structure predominates, the following regulations shall apply.
 - a. Residential uses may be in residential structures or commercial structures. Residential uses in commercial structures are only allowed if they occupy no more than 50 percent of the floor area of the building; and do not occupy the area adjacent to the street front.
 - b. Nonresidential uses may be in residential or commercial structures. Nonresidential uses in residential structures must be in those blocks where existing residential structures predominate.
 - c. In block faces within the District that are currently developed with residential structures, new construction shall be compatible residential structures. Either residential or nonresidential uses may be located in the residential structures.
 - d. In block faces within the Central Business District that are currently developed with commercial structures, new construction shall be compatible commercial structures.

F. Central Business District Development and Design Standards

- 1. All new development and exterior renovations to existing buildings must meet requirements provided in this section for Site Design, and Architectural Standards.
- 2. **Purpose of Central Business District Design Standards.** The purpose of these design standards is to ensure the preservation of the historic and architectural qualities which make the CBD a unique place by permitting new development compatible with existing historic buildings and by maintaining the historic and architectural qualities of existing buildings.
 - a. Site Design Standards. The purpose of the Site Design Standards is to provide for building and parking placement compatible with existing development.
 - b. Architectural Standards. The purpose of the Architectural Standards is to provide for the preservation of existing historic and architectural qualities of downtown Kaufman, ensure new construction and all exterior renovations to existing buildings are compatible with these qualities, and to protect and promote the uniqueness of downtown as a commercial area.
- 3. **Design Standards Review.** All new development and all exterior renovations to existing buildings shall comply with the Site Design Standards included in Subsection 4, and the Architectural Standards in Subsection 5.

4. Section 25 Central Business District

4. Site Design Standards

a. Building Placement - Commercial Structures

- (1) Buildings shall be placed on the front property line. Building may be moved back from the front property line to provide for a wider sidewalks and entries, or pedestrian oriented streetscapes if: The buildings takes up an entire block face; or is located on a corner; or has a total frontage of more than 50 percent of the block face.
- (2) New commercial structures shall be allowed only in block faces which are predominately developed with existing commercial structures, or are predominately vacant land.
- (3) Buildings shall be placed on the side property line except when adjacent to a residential type structure in which a fifteen (15') feet minimum side yard shall be observed. Buildings may be moved back from the side property line a total of four feet to provide for wider sidewalks and entries when the side property line is along a street.
- (4) Buildings that go through a block so that they have frontage on two parallel streets, shall treat each frontage as a main façade.
- (5) All service areas, dumpsters and loading shall be from the rear of the building or alley.

5. Architectural Design Standards

a. Street Facade – Commercial Structures

- (1) Primary street facades for nonresidential buildings in the Central Business District shall have the following basic features of existing historic buildings:
 - (a) Cornice at top of facade;
 - (b) Display windows with transom windows above and lower window panels below.
 - (c) Pilasters that divide the facade vertically and separate the display windows units into discrete visual elements.
 - (d) Second floor windows, recessed with multiple lights, lintels, and sills.
- (2) Architectural elements such as doors, windows, awnings, canopies and architectural details shall be compatible with the overall visual qualities existing within the historic buildings downtown.
- (3) Choice of Paint Colors for the Primary facades, various architectural elements, and/or details.
 - (a) Paint colors should highlight architectural details based on historic tradition for the building's type and style.
 - (b) Keep colors compatible with the building style and design.
 - (c) Loud, garish, or harsh colors and bright hues are prohibited.
 - (d) Generally no more than three colors are applied per building.
 - (e) Brick, stone or other naturally unpainted materials shall not be painted unless the material has been painted previously.
 - (f) A variety of approved paint color combinations are available for reference in the Development Services Department. The approved combinations specify paint colors for the body, trim and accent areas of the building. An exterior paint permit shall be approved prior to painting any exterior portion of any building.
 - (g) Exterior grade paints shall be used for exterior siding.

4. Section 25 Central Business District

- (4) In addition to the above, all commercial structures shall have at least two of the following desirable design features as appropriate:
 - (a) Street facades on side streets that meet the requirements for primary facades; or
 - (b) Buildings on corners which create a diagonal corner cut with the entrance on the corner; or
 - (c) Pediments added to the top of the facade; or
 - (d) Decorative brickwork and architectural detailing on or around the cornice, fascia, pilasters, or around windows; or
 - (e) Use of natural wooden doors with glass windows; or
 - (f) Projecting canopies and or awnings placed over the ground floor windows and doors.
- (5) Whenever possible, new additions or alterations to existing structures shall be done in such a manner that if such additions or alterations were to be removed in the future, the essential form and integrity of the original structure would be unimpaired.
- (6) The distinguishing original qualities or character of a building should be preserved and the maintenance, repair, replacement, renovation or alteration of such structures should avoid removing or destroying any distinctive architectural features whenever possible.
- (7) Deteriorated architectural features shall be repaired rather than replaced whenever possible. In the event replacement is necessary, the new material should match the original material being replaced in composition, design, color, texture and other visual qualities. Plastic or vinyl architectural features or siding shall not be approved.
- (8) Plate glass or divided display windows should always be preserved and not covered, painted or filled in. Traditional recessed doorways with substantial wooden doors should be retained or re-installed if significant restoration is undertaken.

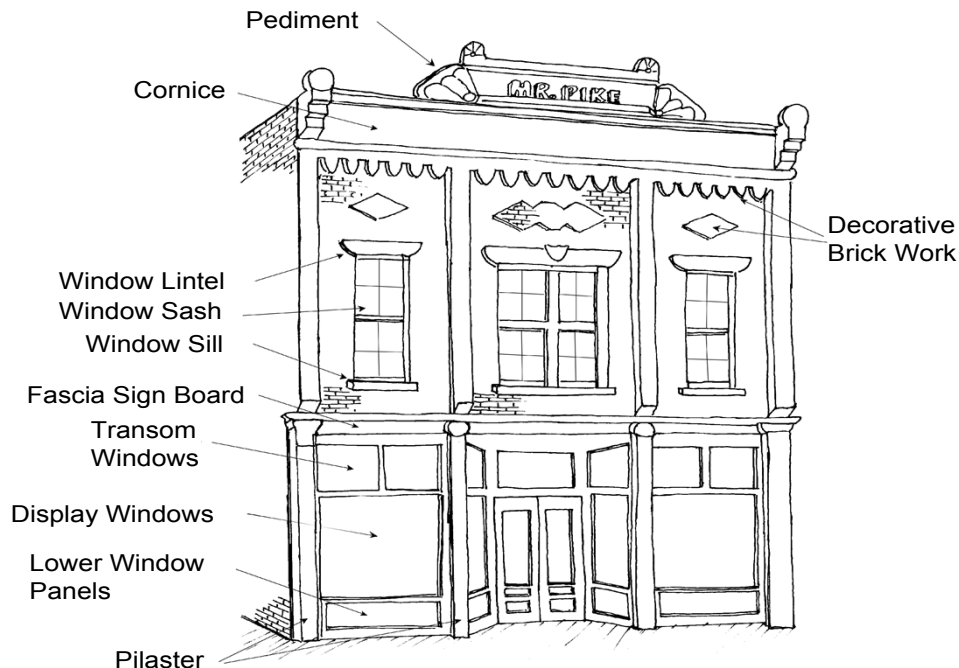


Figure 25-2 Typical Features of Commercial Structures in the Central Business District

b. Building Proportions – Commercial Structures

4. Section 25 Central Business District

- (1) Overall height of single story commercial buildings in the Central Business District shall be between 18 and 26 feet.
- (2) The proportion of the height to width of the facade between pilasters shall be in the range of 2.5 to 1 to 3 to 1. The basic window units shall be between 2 to 2.5 times the remaining height to the top of the cornice.
- (3) The ground floor facade shall have at least 45 percent of its area in transparent windows, or doors. The second floor facade shall have at least 20 percent of its area in windows. The area of windows includes any mullions framing individual lights within the window frame.

c. Building Materials - Commercial Structures

- (1) The base facade materials for commercial structures within the Central Business District shall be brick or stone. Architectural details, trim, window or door framing may be wood, stone, cast stone, cast iron, or other materials compatible with the historic and architectural character of the Central Business District.

6. Fencing – Commercial Structures

- a. Any fencing for commercial structures within the Central Business District shall be in the rear of the building not visible from the street.

25.5 MAINTENANCE AND PRESERVATION

A. Purpose

Existing buildings in the Central Business District collectively create an image that is vital to the character and attractiveness of the city that must be properly maintained and preserved in order to sustain the appearance and economic vitality of the CBD.

B. Preservation of Architectural Features and Materials

1. Facades

- a. Original doors, entrances, windows, cornices, friezes, parapets and wall treatments should be preserved or restored to the original design in as much as possible using proper maintenance, painting, cleaning and established restoration methods and techniques.
- b. Wood siding materials and architectural details are such an important feature of an historic building it should be restored and repaired using materials that resemble the original texture and character of the original material as much as possible, aluminum, plastic or vinyl siding or materials shall not be used.
- c. Wood materials should be painted at least every five years to prevent deterioration.
- d. Wood materials should not be sand blasted or stripped using wet or dry abrasives or power wire brushes that will damage the wood. Wood surfaces should be hand scraped and sanded before painting.
- e. Masonry materials usually do not require cleaning as aging produces a patina or color changes that creates a desirable appearance. Cleaning should only be done to halt deterioration or to remove heavy soiling and should be done with the gentlest method possible, such as low pressure water and detergents.
- f. Masonry walls built prior to 1860 were customarily painted and after this date were usually left

4. Section 25 Central Business District

unpainted. Surfaces that were previously painted should remain painted and unpainted surfaces should remain unpainted.

- g. Waterproofing materials may actually change the color, appearance or damage the materials and should be used with caution and tested on a small area prior to application.
- h. Choice of Paint Colors for the Primary facades, various architectural elements, and/or details.
 - 1) Paint colors should highlight architectural details based on historic tradition for the building's type and style.
 - 2) Keep colors compatible with the building style and design.
 - 3) Loud, garish, or harsh colors and bright hues are prohibited.
 - 4) Generally no more than three colors are applied per building.
 - 5) Brick, stone or other naturally unpainted materials shall not be painted unless the material has been painted previously.
 - 6) A variety of approved paint color combinations are available for reference in the Development Services Department. The approved combinations specify paint colors for the body, trim and accent areas of the building. An exterior paint permit shall be approved prior to painting any exterior portion of any building.
 - 7) Exterior grade paints shall be used for exterior siding.

2. Demolition

- a. Demolition of an existing building should only be considered as a last resort and only if the building is structurally unsafe and determined it cannot be repaired or rendered safe upon inspection by a qualified registered structural engineer or architect.
- b. If demolition reveals the side of an adjacent building that was designed never to be exposed the wall should be painted a neutral or brick color compatible with surrounding buildings. Stucco or stucco panels should only be used if the wall is too unattractive to paint.

5. Section 33.4 Use Chart 3 Accessory and Incidental Uses

CHART - 3 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must follow Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

ACCESSORY & INCIDENTAL USES	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Accessory bldg. - commercial (business or industry)	2										P	P	P	P	P	P	P	
Accessory building - residential	1	P	P	P	P	P	P	P	P	P								P
Caretaker's or guard's residence	31	P	P					P	P	P	S	S	S	S	P	P	P	
* Festivals, carnivals or special events	32										TU	TU	TU	TU	TU	TU	TU	
Garage/accessory dwelling	81	P	S															
Home occupation	90	P	P	P	P	P	P	P	P	P								
Off-street parking ►►	147	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
On-street parking (subject to no parking ordinances)	149	P	P	P	P	P	P	P	P	P				P				
Outside display of retail goods (no overnight display)	150											S	P	S	P	P	P	P
Outside sidewalk display of retail goods (with overnight display)	151													S				
Seasonal and temporary uses	198 143	TU										TU	TU		TU	TU	TU	
Seasonal and temporary uses (CBD only) ►	198													TU				
Temporary classrooms for church or school	226	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Temporary field office or construction yard or office	225	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Wedding receptions in residential districts	249	TU	TU	TU	TU	TU	TU	TU	TU	TU								

- Amended May 18, 2009 by Ordinance O-05-09
- Amended May 24, 2010 by Ordinance O-09-10

6. Section 33.4 Use Chart 6 Retail and Service Uses

CHART - 6 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

RETAIL AND SERVICE USES (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
* Animal humane society	96 97														S	P		
Antiques (indoors)	11										S	P	P	P	P	P	P	P
Appliance sales and repair (no outside storage)	79												P	P	P	P	P	P
Appliance, tool or furniture rental (indoors)	79											S	P	S	P	P	P	P
Bakery or confectionary (retail) (WSC only)	17																	P
Banking, automatic teller only	19										P	P	P	P	P	P	P	P
Bldg. mat'ls, hardware/home improvement (indoor only)	27												P	P	P	P	P	
*Bldg. mat'ls, hardware/ home improve (outdoor storage)	27												S		P	P	P	
*Commercial laundry (dry cleaning plant)	41														S	P		
Consignment shop (indoors)	187										S	P	P	P	P	P	P	P
*Convenience store with gasoline sales	47											S	P		P	P	S	
Convenience store without gasoline sales	47											P	P		P	P	S	
Donut, bakery or confectionery shop	17										S	P	P	P	P	P	P	
Dry cleaners	59										S	P	P	S	P	P	P	
*Food store greater than 7,500 sf	75 188											S	P		P	P	P	
Food store less than 7,500 sf	75 188											P	P	S	P	P	P	
Funeral home or mortuary	78												S		P	P	S	
Retail stores, general merchandise (indoor only) (WSC only)	187 188																	P
* Retail stores, general merchandise or services greater than 7500 sf	73 187 188											S	P	S	P	P	P	
Retail stores, general merchandise or services less than 7,500 sf	73 187 188										S	P	P	P	P	P	P	
Greenhouse/ plant nursery w/outside display (retail)	140												S		P	P	P	
Kiosk	99										S	S	S		S	S	S	
Laundromat / washateria self-service	104											P	P		P	P	P	
Light equipment sales or rental (outdoor display)	204 232														S	P		
Mini-warehouse	130												S		P	P		

6. Section 33.4 Use Chart 6 Retail and Service Uses

CHART – 6 (continued) CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

RETAIL AND SERVICE USES (See definition 93) (See definition 201)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Outside sidewalk display of retail goods (with overnight display)	151													S				
Pawn shop	159														P	P		
Personal service use (barber/beauty shop, tailor, shoe repair, seamstress, etc.)	58 73 161										S	P	P	P	P	P		P
Pet shop and grooming	162											S	P		P	P		P
Pharmacy / drug store	187										S	P	P	P	P	S	S	P
Produce stand w/ outside display (not temporary)	172	P											S		P	P	S	
Recycling kiosk	180														P	P		
Restaurant without drive thru service	186										S	P	P	P	P	P	P	P
*Restaurant with drive thru service	185											S	P		P	P	P	S
Seasonal and temporary uses	198	TU										TU	TU		TU	TU	TU	
Studio, decorator, artist, photographer	192										P	P	P	P	P	P	P	P
Studio, music, dance or drama	85										S	P	P	P	P	P	S	P
Studio, tattoo or body piercing	216														S			
Swimming instruction as home occupation	218	S	S	S	S	S	S	S	S	S								
Used merchandise or second hand thrift store (inside)	187											S	S	S	P	P		S
Veterinarian hospital (with outside animal pens)	248	P														S		
Veterinarian office/hospital (inside animal pens only)	248	P													S	P		P
Wedding reception/private party facility	249												S	S	P	P	S	

► Amended 02-16-2016 by O-08-2015

7. Section 33.4 Use Chart 8 Commercial Uses

CHART - 8 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses	
	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

COMMERCIAL USES (See definition 93)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
*Ambulance service	6												S		S	P	S	
Bakery or confectionary (wholesale or commercial)	18												S		P	P	S	S
Bottling works	95															S		
*Contractor shop	49														S	P	S	
*Distribution center	57 241															P	P	
*Feed and grain store	68												S		P	P		
*Food processing plant (no slaughtering of animals)	74															P		
*Heavy machinery, truck tractor, trailer repair	238																	
*Heavy machinery, truck tractor, trailer sales, lease or rental	87 234 239 242															P	S	
Kennel (indoor pens)	96	S													S	P		
Kennel (outdoor pens)	97	S														S		
Laboratory, scientific or research	196										S	S	S	S	P	P	P	
*Light manufacturing and assembly processes	106 241														S	P	P	
Manufactured or industrialized home sales	125																	
Milk depot, dairy or ice cream plant	74														S	S		
*Motel or hotel (less than 75 rooms)	132												S	S	P	P	P	
*Motel or hotel (more than 75 rooms)	132														S	P	P	
Office showroom / warehouse	146												S		P	P	P	S
*Outside storage of equipment or materials (more than 24 hrs.)	151														S	P	S	
*Paint shop	152														S	P		
Portable building sales (outdoor display)	167														S	P		
Printing or lithographic shop	48 170												S	S	S	P	P	S
*Propane sales (retail)	174												S		P	P		
Storage or wholesale warehouse	207 241														S	P	P	
Taxidermist													P		P	P		S



Planning and Zoning Commission Agenda Item: 4

Meeting Date: May 5, 2020

Consent: No

Discussion/Action: Yes

SUBJECT: Consider and take appropriate action regarding possible amendments to Chapter 118, "Zoning" of the Code of Ordinances, specifically to Section 33.4 Use Regulations, Chart 8, Commercial Uses and 33.5 Definitions relative to permitting outside storage as a specific use permit in the Central Business District (CBD).

BACKGROUND/SUMMARY:

The property at 110 E. Grove (The Mercantile) was found to be in violation of the Zoning Ordinance due to outside storage of goods in the Central Business District (CBD) along the exterior sidewalks. The Mercantile is using the display to act as advertisement they sell antiques and more retail sales. The store sub leases booth areas within the building. The booths sell clothing, clothing accessories (example purses, hats, scarves, etc.) jewelry, pictures, art, collectables, soaps, antique appliances, hardware, building materials, furniture etc. (See the attached pictures) Kellie Stalusky and Doug Haning, owners of the building and the business, came directly to speak with staff regarding the violation and questioned the steps for amending the Zoning Ordinance.

Below is the definition of outside display and outside storage and the zoning district summary chart illustrating which district it is allowed as a matter of right or through approval of a specific use permit. A specific use permit requires notice in the newspaper and to property owners within 300 feet of the public hearing dates for the Planning and Zoning Commission and City Council.

Outside display of retail goods (no overnight display) is defined as the outside temporary (not overnight) display of finished goods being sold by the same retail business that occupies the main building on the lot that are specifically intended for retail sale but not displayed outside overnight. Displays may not occupy any designated parking space or be placed in any street or alley right-of-way.

Outside Display of Retail Goods – Zoning District Summary Table							
Zoning Districts	Local Retail (LR)	Retail (R)	Commercial (C)	Highway Commercial (HC)	Central Business District (CBD)	Washington Street Corridor (WSC)	Light Industrial (LI)
Allowed As	SUP	P	P	P	SUP	P	P

SUP = Specific Use Permit P=Permitted as a matter of right

Outside storage (or open storage) is defined as the permanent and/or continuous keeping, displaying or storing, outside a building, of any goods, materials, merchandise or equipment on a lot or tract for more than 24 hours.

Outside Storage of Goods, Materials, Merchandise or Equipment – Zoning District Summary Table							
Zoning Districts	Local Retail (LR)	Retail (R)	Commercial (C)	Highway Commercial (HC)	Central Business District (CBD)	Washington Street Corridor (WSC)	Light Industrial (LI)
Allowed As			SUP	SUP			P

Blank= Not Allowed SUP= Specific Use Permit P=Allowed as a matter of right

The appearance of downtown structures, its sidewalks, available parking spaces and landscaping are important factors in attracting potential tenants and visitors. City Council recently invested \$3.1 million in the physical improvements to the downtown square. The improvements included replacing water and sewer lines, removing the existing sidewalks and constructing new and wider sidewalks, providing handicapped ramps, landscaping, period street lighting, new crosswalks, new driving patterns and lane striping and new signalization. All these improvements were to make the oldest and most historic commercial development in Kaufman viable, attractive and walker friendly, in order to draw more patrons to the center of town. Prior to the latest physical improvements, the downtown area was in a decline and drew fewer patrons. So, it is important to recognize how amending the use charts of the Zoning Ordinance, can affect the current and future downtown property owners, tenants, and patrons.

The definition of outside storage includes a wide variety of items, materials and equipment that could be continuously stored/displayed. The definition of outside display of retail goods better defines what The Mercantile is trying to advertise by the displaying their wares with the exception of the temporary term. Attached is a list of items The Mercantile is currently storing on the sidewalk around the perimeter of the building. The sidewalk width on E. Grove Street is 10.5 feet wide and on N. Madison is 7 feet wide. All the sidewalks located in the CBD are located within the right-of-way. The Mercantile building has no windows on the exterior walls. The building was originally occupied by Ford dealership with large windows, but the windows were enclosed many years ago.

Downtown Development Advisory Board Summary:

The first step taken to consider such amendments was with the Downtown Development Advisory Board (DDAB), who were apprised of the issue and the possible impacts. The DDAB is a board required by the Zoning Ordinance to consider requests for physical improvements/changes to the exterior of the buildings and to report back to the Planning and Zoning Commission. The board is made up of property owners and tenants within the central business district boundaries. The DDAB requested information on what other cities with vibrant downtowns allowed. The DDAB reviewed the findings and recommended the Zoning Ordinance be amended to requiring a specific use permit (SUP) be approved prior to allowing outside

storage in the CBD (see the attached April 13, 2020 minutes). A SUP would allow an application to be reviewed on an individual basis and allow input from surrounding property owners for the Planning and Zoning Commission and City Council to use in their deliberations.

Attached is list of items from various places in and around Kaufman that have been or could possibly be stored and/or displayed. The items highlighted in yellow were items that have been displayed at one time or another by The Mercantile since their opening. Outside storage in any of our commercial type districts is a Pandora's Box. A good definition of continuous outside display would be a must.

RECOMMENDATIONS:

Staff recommends authorizing staff to set a public hearing to amend the Zoning Ordinance to either:

1. Create a second definition of continuous outside display (not as a temporary) and amend Use Chart 8 Commercial Uses by listing outside display continuously as a specific use permit in the Central Business District; or
2. Amend Use Chart 8 Commercial Uses and list outside storage as requiring a specific use permit.

The Commission can also recommend no amendments should be made to the Zoning Ordinance.

ATTACHMENTS:

1. Current Pictures of The Mercantile
2. Possible Outside Storage and Outside Display Items
3. Downtown Development Advisory Board Minutes of April 13, 2020
4. Surveys of Other Cities Regulations of Outside Display vs. Outside Storage
5. Zoning Ordinance Use Chart 8 - Commercial Uses
6. Zoning Ordinance Use Chart 3 –Accessory and Incidental Uses

Marcy Ratcliff
Development Services
972-932-2216 ext. 117
Kaufmanplanning@kaufmantx.org

1. Current Pictures of The Mercantile



1. Current Pictures of The Mercantile



2. Possible Outside Storage and Outside Display Items

Items Displayed at The Mercantile Highlighted in Yellow

Animal & Farm Supplies	Feed, feeders, cages, chicken coop, animals, leashes, harnesses, pails, wire, hay, fencing, scales, tractor seats,
Appliances	Stove, refrigerator, freezer, dishwasher, microwave, washer, dryer, pedestals,
Automobile	Fenders, tires, oils, cleaners, gas cans, cargo carriers, campers, cleaning supplies, tarps
Baby & Kids	Stroller, changing table, walkers, wagons, toys, swings, high chairs, strollers, sand boxes, potties, car seats, booster seats,
Camping	Tent, mattress, lanterns, supplies,
Construction	Windows, doors, screen doors, sinks, toilets, post, cabinets, fences, gates, mirrors, heaters, air conditioner, mail boxes, lumber, carpet, flooring, paneling, nails, screws, bolts, lighting, hardware, ceiling fan, windows, display containers, ladder,
Electronics	TV, computer, monitors, games, phones, software packages
Furniture	Couch, chairs, bench, dresser, tables, shelves, desk, beds, bed frame, bed springs, mattress, step stools, cushions, tv stands, room divider, bar stools, file cabinets, wine racks, night stand, cabinets, magazine holder, serving cart, parts of furniture
Houseware	Pots, pans, bowls, glasses, plates, utensils, irons, ironing board, books, knick-knacks, baskets, artificial flower/plants, planters, art, stained glass, water jugs or pitchers, picture frames, fans
Material	Clothing for Men, women and/or children, bedding, towels, curtains, pillows, etc.
Medical Supplies & Devices	Walker, wheel chairs, canes, crutches, beds, poles, potties,
Miscellaneous	Spools, trash cans, crates, lids, boxes, firewood, cork or laminate boards, statues, bird baths, signs,
Musical	Drums, guitars, pianos, organs, speakers,
Outdoor Items	Tables, chairs, swings, planters, wheel burrows, dolly, watering cans, barrels, rakes, shovels, pitchforks, spades, plants, potting soil, bark
Outside Equipment	Mower, weed eater, trimmers, blowers, tillers, tools, tool boxes, handles, spreaders, grills, smokers, furniture, pipe, yard tools,
Sports	Kayak, golf clubs, bikes, trikes, scooters, treadmills, exercise equipment, basketball stands, skis, tennis or racquet ball
Currently being displayed by other businesses	Redbox, ice machines, water dispenser, soda machines, propane, rock, plastic swimming pools, bench, trash cans, fire wood,

3. Downtown Development Board Minutes of April 13,-2020



**CITY OF KAUFMAN
DOWNTOWN DEVELOPMENT ADVISORY BOARD
MONDAY, APRIL 13, 2020 — 12:00 P.M.
CITY HALL – COUNCIL CHAMBERS
209 S. WASHINGTON ST.
KAUFMAN, TEXAS 75142**

PLEDGE OF ALLIGENCE

CALL MEETING TO ORDER: Chairman Phillips called the meeting to order at 12:03 p.m. and declared a quorum was present. Board members present were Keith Philips, Brandon Diviney, Misti Maddron, and Kari Rough. Board members Glee Pugh joined the meeting at 12:06 p.m. Also present were City Manager Mike Slye, Assistant City Manager Mike Holder, and City Secretary Jessie Hanks.

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES)

No comments were given.

DISCUSSION/ACTION ITEMS

1. Consider and take appropriate action on the December 3, 2019, minutes.

Board member Rough made a motion to approve the December 3, 2019, minutes. The motion was seconded by Board Member Maddron and passed 4/0.

2. Consider and take appropriate action regarding to the Code of Ordinance, Chapter 118, Zoning Ordinance, Central Business District, Section 25.F.1, prohibition of open storage (sidewalk sales/storage) in the Central Business District (Kaufman Square).

Mr. Slye reviewed the discussion from the board's previous meeting and the information collected by staff from other municipalities. There were discussions regarding other businesses in town that store products outdoors, potentially speaking to the business owners, and how the city could work with the business to allow the open storage.

Board Member Rough made a motion to make a recommendation to the City Council to amend the zoning ordinance to allow a Special Use Permit in the Central Business District to allow this issue to be reviewed on a case by case basis. The motion was seconded by Chairman Phillips and passed 5/0.

3. Consider and take appropriate action on the creation of a Tax Abatement Program for the Central Business District (Kaufman Square)

Mr. Holder gave a presentation on the creation of a Tax Abatement Program for the Central Business District. He reviewed the purpose, the proposed program, and the specific incentives associated with the program. He outlined the process for receiving an incentive, and the payout of the incentives. Mr. Slye discussed the potential role the County may take

3. Downtown Development Board Minutes of April 13,-2020

with this program. There were discussions about the benefits of creating a Tax Incentive Program.

Board Member Diviney made a motion to make a recommendation to the City Council for approval of the proposed Tax Refund Program. The motion was seconded by Board Member Rough and passed 5/0.

ADJOURNMENT

There being no further business, Chairman Phillips adjourned the meeting at 1:15 p.m.

**KEITH PHILLIPS
CHAIRMAN**

ATTEST:

**JESSIE HANKS
CITY SECRETARY**

4. Surveys of Other Cities with Regulations of Outside Display vs. Outside Storage

CITY	OUTSIDE DISPLAY	OUTSIDE/OPEN STORAGE
Waxahachie	SUP - No overnight	SUP Screening required
Ennis	Not in street frontage building setbacks Limited to 5% of building area Over 14 days screening required 5' wide unobstructed walkway	Not allowed in the front Rear yard only screening required
McKinney	Site Plan 16 hours per day Temporary seasonal sales allowed Restaurants outside seating allowed 10% of building only Attached to a wall Screening required	Allowed in specific districts - Use Chart Not allowed in the front of main building 10% of building only Attached to a wall Screening required
Forney	Bulk Goods - 30% of open area available & 50' from public ROW or property line No overnight	Open storage is prohibited in the Central Business District Located behind the front building line and observe all setback requirements. Screening required
Rockwall	Require a permit from the city	Not allowed
Rowlett	SUP TUP permitted a total of 14 consecutive days or less, four times per calendar year 4' wide unobstructed walkway	SUP Screening required
Georgetown for limited	Site Plan – Items actively for sale Not allowed in required setback Set back at least 15 feet from the curb limited to 30% of wall	Site Plan - Items not actively for sale Not allowed in required setback set back at least 15 feet from the curb not in front yard 1,000 sf or 20% of total site Screening required
Georgetown for general	Site Plan - Items actively for sale Not allowed in required setback set back at least 15 feet from the curb limited to 1,000 sf or 10% of site limited to no more than 30% of wall	Site Plan - Items not actively for sale Not allowed in setback Set back 15 feet from the curb 1,000 sf or 20% of total site not in front yard Screening required

5. Zoning Ordinance Use Chart 3

CHART - 8 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

Legend for Interpreting Schedule of Uses

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

COMMERCIAL USES (See definition 93)	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
*Ambulance service	6												S		S	P	S	
Bakery or confectionary (wholesale or commercial)	18												S		P	P	S	S
Bottling works	95															S		
*Contractor shop	49														S	P	S	
*Distribution center	57 241															P	P	
*Feed and grain store	68												S		P	P		
*Food processing plant (no slaughtering of animals)	74															P		
*Heavy machinery, truck tractor, trailer repair	238																	
*Heavy machinery, truck tractor, trailer sales, lease or rental	87 234 239 242															P	S	
Kennel (indoor pens)	96	S													S	P		
Kennel (outdoor pens)	97	S														S		
Laboratory, scientific or research	196										S	S	S	S	P	P	P	
*Light manufacturing and assembly processes	106 241														S	P	P	
Manufactured or industrialized home sales	125																	
Milk depot, dairy or ice cream plant	74														S	S		
*Motel or hotel (less than 75 rooms)	132												S	S	P	P	P	
*Motel or hotel (more than 75 rooms)	132														S	P	P	
Office showroom / warehouse	146												S		P	P	P	S
*Outside storage of equipment or materials (more than 24 hrs.)	151														S	P	S	
*Paint shop	152														S	P		
Portable building sales (outdoor display)	167														S	P		
Printing or lithographic shop	48 170												S	S	S	P	P	S
*Propane sales (retail)	174												S		P	P		
Storage or wholesale warehouse	207 241														S	P	P	
Taxidermist													P		P	P		S

6. Zoning Ordinance Use Chart 3

CHART - 3 CITY OF KAUFMAN, TEXAS ZONING ORDINANCE

* Must
follow
Sec. 33.1.B

	Designates use prohibited in District indicated
P	Designates use permitted in District indicated
S	Designates use requires a Specific Use Permit
TU	Designates use requires a Temporary Use Permit

ACCESSORY & INCIDENTAL USES	Definitions	AO	SF-20	SF-10	SF-8	SF-6	TH	MF-1	MF-2	MH	O	LR	R	CBD	C	LI	HC	WSC
Accessory bldg. - commercial (business or industry)	2										P	P	P	P	P	P	P	
Accessory building - residential	1	P	P	P	P	P	P	P	P	P								P
Caretaker's or guard's residence	31	P	P					P	P	P	S	S	S	S	P	P	P	
* Festivals, carnivals or special events	32										TU	TU	TU	TU	TU	TU	TU	
Garage/accessory dwelling	81	P	S															
Home occupation	90	P	P	P	P	P	P	P	P	P								
Off-street parking ►►	147	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
On-street parking (subject to no parking ordinances)	149	P	P	P	P	P	P	P	P	P				P				
Outside display of retail goods (no overnight display)	150											S	P	S	P	P	P	P
Seasonal and temporary uses	198 143	TU										TU	TU		TU	TU	TU	
Seasonal and temporary uses (CBD only) ►	198													TU				
Temporary classrooms for church or school	226	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Temporary field office or construction yard or office	225	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	TU	
Wedding receptions in residential districts	249	TU	TU	TU	TU	TU	TU	TU	TU	TU								



Meeting
Date: 7/27/2020

Date: 7/9/2020

Item #: 2.

Dept.: Administration

Ordinance

SUBJECT:

Consider and take appropriate action on Ordinance O-16-20, an Ordinance of the City of Kaufman, Texas, amendment Chapter 118 "Zoning" of the Kaufman Code of Ordinances, and Ordinance No. O-02-07, the same being the Comprehensive Zoning Ordinance, by adopting amendments to allow outside sidewalk displays of retail goods, merchandise or materials only in the Central Business District with a City approved Specific Use Permit, prohibiting overnight display, providing restrictions regarding the location of sidewalk displays, providing maximum height of the displays, providing a maximum sidewalk area that may be used for the display, prohibiting displays that impede pedestrian travel or ingress and egress to retail establishments and prohibiting the location of sidewalk displays, and exempting accessible public seating, including tables, chairs, benches from the restrictions of the location requirements by amending Section 33.4 "Use Regulations," Chart 3 "Accessory and Incidental Uses," Chart 6 "Retail and Services Uses," Section 33.5 "Definitions," and Section 25 "Central Business District" relative to outside sidewalk display of retail goods, merchandise and materials (not overnight) as a Specific Use Permit and thereby prohibiting outside sidewalk display of retail goods, merchandise, and materials (overnight) in the Central Business District (CBD). (Z-03-20)

BACKGROUND:

See Agenda Item 1 for all details.

Author:
Jessie Hanks, City Secretary

Reviewed:
Mike Slye, City Manager

Cost: N/A

Funds Available: N/A

Source: N/A

Recommendation: Staff recommends approval of Ordinance O-16-20.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☒	☒	☒	☒	☐



**MINUTES OF THE
CITY COUNCIL MEETING
MONDAY, JUNE 22, 2020 - 6:00
PM
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142**

PLEDGE OF ALLEGIANCE

CALL MEETING TO ORDER Mayor calls the Meeting to order, states the date and time, state Councilmembers present, and declares a quorum present.

Mayor Jordan called the City Council meeting to order at 6:02 PM. Councilmembers present were Patty Patterson, Jeff Council, Charles Gillenwater, Jeff Jordan, Carole Aga, and Barry Ratcliffe. Councilmember Matt Phillips was absent. Mayor Jordan declared a quorum present. Also present were City Manager Mike Slye, Assistant City Manager Mike Holder, City Attorney Patricia Adams, City Secretary Jessie Hanks, Finance Director Mary Wennerstrom, Public Works Director Richard Underwood, Police Chief Dana Whitaker.

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the Council agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the City Council on any subject but must first complete a Request to Speak Form so that the Mayor may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the Council as a whole. **When addressing the Council, please step forward to the speaker's podium, state your name and address, and direct your comments to the Mayor and City Council. If attending virtually via Zoom, please use the raise hand function in the Zoom meeting. Once recognized, please state your name and address, and direct your comments to the Mayor and City Council.**

No comments were given.

CONSENT AGENDA

1. Consider and take appropriate action on the minutes from the May 18, 2020, Regular City Council Meeting.
2. Consider and take appropriate action on the minutes from the May 29, 2020, Special City Council Meeting.
3. Consider and take appropriate action on Resolution R-16-20, a resolution of the City Council of the City of Kaufman, Texas, approving the annual review of the City of Kaufman investment Policy pursuant to the Public Funds Investment Act; approving the adoption of an amended City of Kaufman Investment Policy; providing for the incorporation of premises; and providing for an effective date.
4. Consider and take appropriate action on Resolution R-17-20, a resolution of the City Council

of the City of Kaufman, Texas, a resolution of the City Council of the City of Kaufman, Texas, acknowledging compliance with mandated cybersecurity awareness training and authorizing the City Manager or his designee to file the compliance report pursuant to Texas HB 3834, which amended Subchapter N-1 of Chapter 2054 of the Texas Government Code, with the Texas Department of Information Resources, ("DIR"); providing for the incorporation of premises; and providing an effective date.

5. Consider and take appropriate action on Resolution R-18-20, a resolution of the City Council of the City of Kaufman, Texas, accepting Public Improvements for S. Houston Street, W. Fourth Street, S. Austin Street, and W. Fair Street; and establishing the date for a two (2) year warranty period; and providing and effective date.
6. Consider and take appropriate action on the KEDC recommendation to increase funding for the Small Business Stimulus Program implemented pursuant to Division 4, "Small Business Stimulus Program" Chapter 2 of the Code of Ordinances.

Mayor Pro-Tem Patterson made a motion to approve Consent Agenda Items 1-6 as presented. The motion was seconded by Councilmember Ratcliffe and passed 6/0.

END OF CONSENT AGENDA

PRESENTATION

7. Presentation regarding the FY 2020 Sales Tax Update

Mr. Slye gave a presentation reviewing the Fiscal Year 2020 Sale Tax.

8. Presentation regarding Police Training and Community Outreach update.

Chief Whitaker gave a presentation regarding police training and community outreach in reaction to the current unrest of the country.

DISCUSSION/ACTION ITEMS

9. Consider and take appropriate action regarding Public Transportation Operations provided by Star Transit.

Mr. Slye introduced Tom Hendrix and Kim Britton with Star Transit. Mr. Hendrix thanked the City Council for supporting the public transit in the community. Ms. Britton reviewed the current services provided to Kaufman residents. She presented the new, proposed business model for the Star Transit which is similar to Uber or Lyft style transit. She outlined the marketing steps to notify the public of the new program if approved by Council.

Mayor Pro-Tem Patterson made a motion to approve the New Public Transportation Operations provided by Star Transit for FY21. The motion was seconded by Councilmember Gillenwater and passed 6/0.

10. Consider and take appropriate action on Ordinance No. O-14-20, an Ordinance of the City Council of the City of Kaufman, Texas amending the Personnel Policies Manual of the City

adopted pursuant to Section 2-62, "Personnel Policies; Job Classification Plan", of Article III, "Officers And Employees", of Chapter 2, "Administration", of the City's Code of Ordinances, ("The Personnel Policies Manual") to provide for the amendment of Section 3.00, "Hiring Practices" by repealing existing Subsection 3.01, "Equal Employment Opportunity Policy Statement," and adopting a new Subsection 3.01 "Equal Employment Opportunity Policy Statement," as set forth in Exhibit "A" hereto, and by repealing Subsection 3.02, "Affirmative Action" of Section 3.00, "Hiring Practices" in its entirety, the repealed text being shown on Exhibit "A", hereto; providing that the Personnel Policies Manual shall be amended as set forth in Exhibit "A" and that a copy of the updated Personnel Policies Manual shall remain on file in the Office of the Kaufman City Secretary; Providing for Severability and Cumulative Repealer Clauses; and Providing an Effective Date.

Mr. Holder informed Council about the Supreme Court ruling regarding the protections under the Equal Employment Statues to include the sexual orientation, gender identity, and pregnancy. The amendment to the policy would add these

Councilmember Gillenwater made a motion to approve Ordinance O-14-20 as presented. The motion was seconded by Councilmember Ratcliffe and passed 6/0.

11. Consider and take appropriate action on Resolution R-19-20, a resolution of the City Council of the City of Kaufman, Texas, authorizing the City Manager to enter into an agreement with the Texas Department of Transportation to temporarily close portions of Business SH 34 and FM 1388 on Saturday, October 24, 2020 from 9:00 a.m. until 11:00 a.m. for the purpose of the 2020 Kaufman Scarecrow Festival Parade (Oktoberfest); and providing an effective date.

Mayor Jordan opened the discussion for items 11, 12, and 13. Ms. Hanks presented the ideas of transitioning the Kaufman Scarecrow Festival to Kaufman Oktoberfest. There were discussions about the parade, the locations of the event, the various activities, and the sale of alcohol.

Councilmember Council made a motion to approve Resolution R-19-20, Resolution R-20-20, and Resolution R-21-20 as presented. The motion was seconded by Mayor Pro-Tem Patterson and passed 6/0.

12. Consider and take appropriate action on Resolution R-20-20, a resolution of the City Council of the City of Kaufman, Texas, authorizing the City Manager to enter into an agreement with the Texas Department of Transportation to close portions of Business SH 34 that comprise the Kaufman County Courthouse Square on Saturday, October 24, 2020, at 4:30 a.m. through 5:00 p.m. for the 2020 Kaufman Scarecrow Festival (Oktoberfest); and providing an effective date.
13. Consider and take appropriate action on Resolution R-21-20, a resolution of the City Council of the City of Kaufman, Texas, authorizing the City Manager to grant a special use permit for the consumption, possession, and sale of beer and wine by vendors duly licensed in accordance with state law for Scarecrow Festival (Oktoberfest); and providing an effective date.
14. Consider and take appropriate action on the First Amendment to the Georgetown at Kings

Fort Development Agreement; and provide direction to the City Manager regarding timing of bond issuance.

Mr. Slye stated the current Developers Agreement requires the PID Bond process for Phase 1A and 1B at the 46th permit. He outlined the proposed amendment and the impact it would have on the city and the development.

Councilmember Ratcliffe made a motion to approve the First Amendment to the Georgetown at Kings Fort Development Agreement. The motion was seconded by Mayor Pro-Tem Patterson and passed 6/0.

15. Consider and take appropriate action regarding a Proposal from David Pettit Economic Development, LLC ("DPED") and Agreement between the City and DPED for the provision of professional consulting services relative to a potential Tax Increment Reinvestment Zone for South Pointe Development; and authorize the City Manager or designee to execute necessary documents.

Mr. Slye informed Council the proposal is for the professional consulting for the TIRZ #2 in regards to South Pointe.

Councilmember Gillenwater made a motion to approve the proposal from David Pettit Economic Development, LLC, and agreement between the City and DPED for the provision of professional consulting services relative to a potential Tax Increment Reinvestment Zone for South Pointe Development. The motion was seconded by Councilmember Ratcliffe and passed 6/0.

16. Consider and take appropriate action to authorize City Staff to solicit sealed bids for the sale of excess Rooftop Air Conditioning Units acquired as a result of the Civic Center construction project; and authorize the City Manager or his designee to execute necessary documents.

Mr. Slye stated several rooftop Air Conditioning Units were removed from the Civic Center that were still in better shape. The City wishes to sell these items by sealed bids to be awarded to the highest bidder.

Councilmember Council made a motion to authorize City Staff to solicit bids for the sale of excess Rooftop Air Conditioning Units acquired as a result of the Civic Center construction project and authorize the City Manager or his designee to execute necessary documents. The motion was seconded by Mayor Pro-Tem Patterson and passed 6/0.

17. Consider and take appropriate action on a proposal for the installation of audio and video systems for the Civic Center from Terrell Alarm Company and authorizing the City Manager or his designee to execute necessary contract documents.

Mr. Slye outlined the history of the audio and video systems for the Civic Center and the current proposal in front of the Council. He reviewed the difference in cost and specs from the original proposal in the bid process and the proposal before Council.

Mayor Pro-Tem Patterson made a motion to approve a proposal for the installation of audio and video systems for the Civic Center from Terrell Alarm Company and authorizing the City Manager or his

designee to execute necessary documents. The motion was seconded by Councilmember Aga and passed 6/0.

ANNOUNCEMENTS AND REPORTS FROM CITY MANAGER

18. Receive an update and discussion regarding the following:
 - a. ONCOR PUC Filing Settlement
 - b. Utility Billing Fees and Fine Implementation Plan
 - c. Storm Drainage Certificates of Obligation– issuance estimate of \$5,000,000
 - d. Discussion Item Report (DIR)
 - e. Performance Measures Update
 - f. STAR Transit Ridership Report- May 2020
 - g. Careflite Compliance Report- May 2020
 - h. Monthly Calendars Attached

Mr. Slye gave an update on the above-stated items.

EXECUTIVE SESSION

Mayor Jordan recessed into Executive Session at 7:30 PM.

19. The City Council will recess into Executive Session pursuant to Texas Government Code for an executive session regarding the following:
 - a. Texas Government Code 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: Performance Evaluation – City Secretary.

RECONVENE INTO OPEN SESSION In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session.

Mayor Jordan reconvened the Regular Session at 7:37 PM.

20. Consider and take appropriate action, if any, on matters discussed in Executive Session.

There was no action necessary.

ADJOURNMENT

There being no further business, Mayor Jordan adjourned the meeting at 7:38 PM

ATTEST:

JEFF JORDAN
MAYOR

JESSIE HANKS
CITY SECRETARY



**MINUTES OF THE
CITY COUNCIL MEETING
MONDAY, JULY 6, 2020 - 10:00
AM
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142**

CALL MEETING TO ORDER Mayor calls the Meeting to order, states the date and time, state Councilmembers present, and declares a quorum present.

Mayor Jordan called the City Council meeting to order at 10:08 AM. Councilmembers present were Patty Patterson, Carole Aga, Charles Gillenwater, Jeff Council, and Jeff Jordan. Mayor Jordan declared a quorum present. Also present were City Manager Mike Slye, Assistant City Manager Mike Holder, City Attorney Patricia Adams, and City Secretary Jessie Hanks.

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the Council agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the City Council on any subject but must first complete a Request to Speak Form so that the Mayor may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the Council as a whole. **When addressing the Council, please step forward to the speaker's podium, state your name and address, and direct your comments to the Mayor and City Council.**

No comments were given.

DISCUSSION/ACTION ITEMS

1. Consider and take appropriate action on the Second Declaration regarding Local State of Disaster sue to Public Health Emergency; and providing a penalty for violations hereof.

Mr. Slye outlined the purpose on the declaration to require masks in the commercial industry and in public. He updated the Council on the county and state orders also requiring masks. He reviewed the penalties associated with the different declarations.

Councilmember Gillenwater made a motion to to adopt Ordinance No. O-15-20, an ordinance amending the City Council of the City of Kaufman, Texas Second Declaration Regarding Local State of Disaster due to public health emergency and the Second Mayoral Declaration regarding local state of Disaster due to public health emergency by amending Section 2, Health and Safety Plan – Commercial Entities”, Section 3, “Face Coverings – General Public”, Section 4, “Face Coverings Do not need to be worn in the following circumstances”, Section 7, “No penalty on individuals” and Section 9, “Penalty” in order to provide for a class C violation for individuals and fine up to \$250.00 to be consistent with Executive Order GA 29 and to the extent that there is a conflict between the City and Mayoral Declaration, GA 29 will supersede. The motion was seconded by Mayor Pro-Tem Patterson and passed 5/0.

ADJOURNMENT

There being no further business, Mayor Jordan adjourned the meeting at 10:29 AM.

ATTEST:

JEFF JORDAN
MAYOR

JESSIE HANKS
CITY SECRETARY



Meeting
Date: 7/27/2020

Date: 7/1/2020

Item #: 5.

Dept.: Public Works

Action Item

SUBJECT:

Consider and take appropriate action on an interlocal agreement between the City of Kaufman, Texas and Becker-Jiba Special Utility District.

BACKGROUND:

This interlocal agreement is for the purpose of replacing master meters by Becker-Jiba. It doesn't change the existing water corporation agreement and will not cost the city anything.

Author:

Richard Underwood, Public Works Director

Reviewed:

Mike Slye, City Manager

Cost: N/A

Funds Available: N/A

Source: N/A

Recommendation: Staff recommends approval of the interlocal agreement with Becker-Jiba.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☐	☐	☒	☒

**INTERLOCAL AGREEMENT BETWEEN THE
CITY OF KAUFMAN, TEXAS AND
BECKER-JIBA SPECIAL UTILITY DISTRICT**

This agreement, made and entered into, by and between the City of Kaufman, TX hereinafter referred to as "City", acting herein by and through its Mayor and City Council and the Becker-Jiba Special Utility District hereinafter referred to as "District", acting herein by and through its Board of Directors.

WITNESSETH:

WHEREAS, Becker-Jiba Special Utility District purchases water from the City from three (3) master meters delivery locations; and

WHEREAS, Becker-Jiba Special Utility District desires to carefully monitor the flows through the master meters so that water loss can be monitored within the District's distribution system; and

WHEREAS, Becker-Jiba Special Utility District proposes to replace the existing master meters with new master meters; and

WHEREAS, Becker-Jiba Special Utility District desires to retain ownership of the meters;

AND WHEREAS, the City desires to give authorization to the District for said meter replacement.

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

Said City Council authorizes the following:

1. The 4-inch meter located on CR 151, the 4-inch meter located on Fair Road and the 6-inch meter located on SH 175 shall be replaced with Neptune MACH 10 Ultrasonic Meters;
2. The District will furnish all labor and materials for the meter replacements;
3. The District will replace or repair the meters as may be necessary while in service;
4. The City will use the new meters for the billing meters for the District's usage;
5. If replaced or taken out of service in the future, the City agrees to return the meters to the District;

AND BE IT FURTHER RESOLVED, PASSED AND APPROVED, this _____ day
of _____, 2020.

City of Kaufman

Diana Clemmo, President
Becker-Jiba Special Utility District

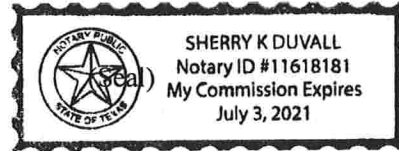
STATE OF TEXAS
COUNTY OF KAUFMAN.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day
personally appeared Diana Clemmo known to me to be the
person(s) whose name(s) is(are) subscribed to the foregoing instrument, and acknowledged to me that he
(she) (they) executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE 26 day of June,
2020.

Sherry K Duvall

Kaufman County, Texas.



STATE OF TEXAS
COUNTY OF KAUFMAN.

BEFORE ME, the undersigned, a Notary Public in and for said County and State, on this day
personally appeared _____ known to me to be the
person(s) whose name(s) is(are) subscribed to the foregoing instrument, and acknowledged to me that he
(she) (they) executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS THE _____ day of _____,
20____.

Kaufman County, Texas.

(Seal)



Meeting
Date: 7/27/2020

Date: 5/28/2020

Item #: 6.

Dept.: Administration

Ordinance

SUBJECT:

Conduct a Public Hearing, consider and take appropriate action on Ordinance O-17-20, an ordinance of the City of Kaufman, Texas, amending Subparagraphs (a) and (b) of Section 106.256 "Municipal Stormwater Utility System Fee Schedule" of Article VI "Municipal Stormwater (Drainage) Utility System" of Chapter 106 "Utilities" of the Code of Ordinances of the City of Kaufman; amending the Municipal Stormwater Utility System Fee Schedule for single family residential and all other non-exempt property to provide for a fifty-cent increase every two years for the years 2020 through 2028 in order to pay the costs of the utility; providing for publication and providing an effective date

BACKGROUND:

State statute requires a Public Hearing before amending the Storm Drainage fee assessed to all residential, commercial, churches and ISD properties. Ordinance O-17-20 would provide for a \$.50 increase to the Equivalent Residential Unit (ERU) cost every other year beginning 2022 thru 2028 maximizing the Storm Drainage Fee at \$6 per ERU. The current ERU rate is \$4.

This gradual increase over time is necessary to service the \$5 million C.O. issued to make major storm drainage improvements throughout the city.

Author:
Mike Slye, City Manager

Reviewed:
Mike Slye, City Manager

Cost: **Funds Available:** **Source:**

Recommendation: Recommend approval of Ordinance O-17-20

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☐	☐	☒	☒

ORDINANCE NO. O-17-20

AN ORDINANCE OF THE CITY OF KAUFMAN, TEXAS, AMENDING SUBPARAGRAPHS (A) AND (B) OF SECTION 106.256 “MUNICIPAL STORMWATER UTILITY SYSTEM FEE SCHEDULE” OF ARTICLE VI “MUNICIPAL STORMWATER (DRAINAGE) UTILITY SYSTEM” OF CHAPTER 106 “UTILITIES” OF THE CODE OF ORDINANCES OF THE CITY OF KAUFMAN TO AMEND THE MUNICIPAL STORMWATER UTILITY SYSTEM FEE SCHEDULE TO PROVIDE FOR A FIFTY CENT INCREASE EVERY TWO YEARS FOR THE YEARS 2020 THROUGH 2028 IN ORDER TO PAY COSTS OF THE UTILITY; PROVIDING FOR THE INCORPORATION OF PREMISES; PROVIDING FOR AMENDMENTS; PROVIDING FOR SEVERABILITY AND CUMULATIVE REPEALER/SAVINGS CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Kaufman, Texas (“City Council”) has previously investigated and determined that it would be advantageous and beneficial to the citizens of the City of Kaufman, Texas (“City”) to promote the public health, safety and welfare of the citizens to adopt a Municipal Stormwater Utility System; and

WHEREAS, the City Council previously adopted a Municipal Stormwater Utility System pursuant to the Municipal Drainage Utility Systems Act, Chapter 552, Subchapter C, Texas Local Government Code, as amended, (the “Act”) and codified as Section 106-250 of the Code of Ordinances of the City of Kaufman; and

WHEREAS, pursuant to the Act, the City Council has investigated and determined that a schedule of drainage fees shall be applied against all real property in the proposed service area(s) (the “Drainage Fees”); and

WHEREAS, in accordance with the Act, the City published notice of a public hearing to be held on July 27, 2020 for the purpose of considering the proposed amendment to the schedule of Drainage Fees on June 4, 2020, on June 11, 2020, and on June 18, 2020, which notices contained the time, date and location of the public hearing and the proposed schedule of drainage charges to be considered at the public hearing (hereinafter “Public Hearing Notice”); and

WHEREAS, the Public Hearing Notice was published three (3) times before the hearing with the first publication occurring on or before the 30th day before July 27, 2020; and

WHEREAS, having held the required public hearing and reviewed the proposed amendments to the Municipal Stormwater Utility System Fee Schedule, the City Council further finds that the proposed Drainage Fees are not based upon value of property, rather, the Drainage Fees directly relate to providing drainage for all real properties in the service area, the calculations for determining the Drainage Fees are based upon an inventory of the lots within the service area, the rates are equitable for similar services in all areas of the City's service area, and the classification of properties are nondiscriminatory, equitable and reasonable; and

WHEREAS, based upon the foregoing, the City Council has determined that it would be in the best interest of its citizens to amend Subparagraphs (a) and (b) of section 106.256 "Municipal Stormwater Utility System Fee Schedule" Section 106.256 "Municipal Stormwater Utility System Fee Schedule" of Article VI "Municipal Stormwater (Drainage) Utility System" of Chapter 106 "Utilities" of the City of Kaufman Code of Ordinances, as set forth below.

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

Section 1. Findings Incorporated. The premises set forth above constitute findings of the Kaufman City Council, are hereby adopted, and are incorporated into the body of this Ordinance as if fully set forth herein.

Section 2. Amendment. Subparagraphs (a) and (b) of section 106.256 "Municipal Stormwater Utility System Fee Schedule" of Article VI "Municipal Stormwater (Drainage) Utility System" of Chapter 106 "Utilities" of the Code of Ordinances of the City of Kaufman are hereby amended to be and read as follows with all other sections and subsections of section 106.256 of Article Chapter 106 not expressly amended hereby to remain in full force and effect:

Sec. 106.256 Municipal Stormwater Utility System Fee Schedule.

- (a) The following fees are hereby established for the years 2020 through 2028 and shall be collected through the City's bill for public utilities pursuant to the Act and other applicable law.

(b) Impervious Area.

(1) Rates shall be charged based on a property's contribution to the public stormwater utility system. The contribution shall be based on the impervious area for the property.

(2) The stormwater utility fee shall be established according to the following schedule and the fee shall be charge on a monthly basis:

MUNICIPAL STORMWATER UTILITY FEE SCHEDULE

Property Type	2020 Rate	2022 Rate	2024 Rate	2026 Rate	2028 Rate
Single-Family Residential	\$4.00	\$4.50	\$5.00	\$5.50	\$6.00
All Other Non-Exempt Property	\$4.50 Per ERU	\$4.50 Per ERU	\$5.00 Per ERU	\$5.50 Per ERU	\$6.00 Per ERU

*ERU (Equivalent Residential Unit) = 3500 square feet impervious area

(3) A minimum charge of 1 ERU shall be applied to each non-exempt developed property.

Section 3. Severability. It is hereby declared to be the intention of the City Council of Kaufman, Texas that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any section, paragraph, sentence, clause or phrase of this Ordinance shall be declared unconstitutional or invalid by the judgment or decree of any court of competent jurisdiction, such constitutionality or invalidity shall not affect any of the remaining sections, paragraphs, sentences, clauses or phrases of this Ordinance, since they would have been entered by the City Council without the incorporation of this Ordinance of unconstitutional or invalid sections, paragraphs, sentences, clauses or phrases.

Section 4. Cumulative Repealer/Savings. This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances or parts thereof in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim, or lawsuit, which has been initiated or has arisen under or pursuant to such Ordinance on the date of adoption of this Ordinance shall continue to be governed

by the provisions of that Ordinance and for that purpose the Ordinance shall remain in full force and effect.

Section 5. Publication. The City Secretary of the City of Kaufman is hereby directed to publish the Caption of this Ordinance in the official newspaper of the City of Kaufman, Texas.

Section 6. Effective Date. This ordinance shall be in full force and effect from and after its passage and publication as required by law and Charter, and it so ordained.

PASSED AND APPROVED this 27th day of July 2020.

JEFF JORDAN
MAYOR

ATTEST:

JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:

PATRICIA A. ADAMS
CITY ATTORNEY



Meeting
Date: 7/27/2020

Date: 7/23/2020

Item #: b.

Dept.: Administration

Discussion Item

SUBJECT:

Conduct a Public Hearing.

BACKGROUND:

Author:

Reviewed:

Mike Slye, City Manager

Cost:

Funds Available:

Source:

Recommendation:

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☐	☐	☐	☐



Meeting
Date: 7/27/2020

Date: 6/30/2020

Item #: 7.

Dept.: Administration

Ordinance

SUBJECT:

Consider and take appropriate action on Ordinance O-18-20, an ordinance of the City of Kaufman, Texas, providing for the issuance of City of Kaufman, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, Series 2020, in an aggregate principal amount not to exceed \$5,000,000.00 for the purpose of paying contractual obligations to be incurred by the City for the following purposes, to-wit: (i) constructing, reconstructing, and improving streets, roads, alleys, bridges and sidewalks including related utility relocation, stormwater, drainage, signalization, landscaping, lighting and signage; (ii) acquiring, constructing, installing and equipping improvements to the City's stormwater and drainage system, and (iii) legal, fiscal and engineering fees in connection with such projects; and ordaining other matters relating to the subject.

BACKGROUND:

This is the final step and approval of the sale of \$5 million dedicated to Storm Drainage Improvements in/around the entire city. 4 separate 'hot spots' have been identified, engineered and are now ready to go out for bid for the much needed improvements.

Attached is a DRAFT Ordinance ... the actual ordinance will have the details purchase price and interest rate included. These C.O.'s will be sold 7/27/20.

Author:
Mike Slye, City Manager

Reviewed:
Mike Slye, City Manager

Cost: \$5,000,000.00

Funds Available: Yes

Source: CO 2020

Recommendation: Approve Ordinance O-18-20.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☒	☐	☐	☐	☒

ORDINANCE NO. O-18-20

ORDINANCE PROVIDING FOR THE ISSUANCE OF CITY OF KAUFMAN, TEXAS, COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, SERIES 2020, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,000,000; AND ORDAINING OTHER MATTERS RELATING TO THE SUBJECT

WHEREAS, on May 18, 2020, the City Council of the City of Kaufman (the “City” or the “Issuer”) passed a resolution authorizing and directing notice of its intention to issue certificates of obligation in a maximum principal amount of \$5,000,000, with such notice to be published in a newspaper as required by Section 271.049 of the Texas Local Government Code (“Section 271.049”); and

WHEREAS, a notice was published in *The Kaufman Herald*, a “newspaper” of the type described in Section 2051.044 of the Texas Government Code, as required by Section 271.049, on May 21, 2020 and May 28, 2020; and

WHEREAS, said notice stated that the City Council of the City tentatively proposed to adopt an ordinance authorizing the issuance of the certificates of obligation at a regular meeting to commence at 6:00 o’clock, p.m., on the 27th day of July, 2020; and

WHEREAS, no petition, signed by at least 5% of the qualified electors of the City as permitted by Section 271.049 protesting the issuance of such certificates of obligation, has been filed; and

WHEREAS, the certificates of obligation hereinafter authorized are to be issued and delivered pursuant to the Texas Constitution and the laws of the State of Texas, including specifically Subchapter C of Chapter 271 of the Texas Local Government Code; Now, Therefore

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

Section 1. AUTHORIZATION OF CERTIFICATES OF OBLIGATION. That the City’s certificates of obligation, to be designated the “City of Kaufman, Texas Combination Tax and Limited Surplus Revenue Certificate of Obligation, Series 2020” (the “Certificates”), are hereby authorized to be issued and delivered in an aggregate principal amount of \$[_____] for the purpose of paying contractual obligations to be incurred by the City for the following purposes, to-wit: (i) constructing, reconstructing, and improving streets, roads, alleys, bridges and sidewalks including related utility relocation, stormwater, drainage, signalization, landscaping, lighting and signage; (ii) acquiring, constructing, installing and equipping improvements to the City’s stormwater and drainage system, and (iii) legal, fiscal and engineering fees in connection with such projects s.

The term “Certificates” as used in this Ordinance shall mean and include collectively the certificates of obligation initially issued and delivered pursuant to this Ordinance and all

substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term "Certificate" shall mean any of the Certificates.

Section 2. DATE, DENOMINATIONS, NUMBERS, MATURITIES, AND INTEREST RATES. That the Certificates shall initially be issued, sold, and delivered hereunder as fully registered certificates, without interest coupons, dated July 15, 2020, shall be in principal denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"), shall be numbered, payable to the respective initial registered owner thereof, or to the registered assignee or assignees of the Certificates or any portion thereof (in each case, the "registered owner") in the manner provided and on the dates stated in the FORM OF CERTIFICATE, and shall mature on February 15 in each of the years in the principal amounts, respectively, bearing interest from the Date of Delivery to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the following schedule:

	Principal Amount	Interest
<u>Year</u>	<u>(\$)</u>	<u>(%)</u>

Section 3. REDEMPTION.

(a) *Optional Redemption.* That the City reserves the right to redeem the Certificates maturing on and after February 15, 2030, in whole, or in part, in Authorized Denominations, on August 15, 2029, or on any date thereafter, at the redemption price of par plus accrued interest thereon to the date fixed for redemption. If less than all of the Certificates are to be redeemed by the City, the City shall determine the maturity or

maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar (hereinafter defined) to call by lot Certificates, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; provided that during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository. The City shall notify the Paying Agent/Registrar at least forty-five (45) days prior to the scheduled redemption date that a redemption of the Certificates is to be effected.

(b) *Mandatory Sinking Fund Redemption.* The Certificates scheduled to mature on February 15, in the years [] (the "Term Certificates") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Certificates, on dates and in the respective principal amounts, set forth in the following schedule:

Term Certificates due February 15, 20[]:

Mandatory Redemption Date: 2/15/20__	Principal Amount: \$[]
Mandatory Redemption Date: 2/15/20__*	Principal Amount: \$[]

Term Certificates due February 15, __:

Mandatory Redemption Date: 2/15/20__	Principal Amount: \$[]
Mandatory Redemption Date: 2/15/20__*	Principal Amount: \$[]

* Stated Maturity

The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Certificates of the same maturity which, at least forty-five (45) days prior to a mandatory redemption date (1) shall have been acquired by the Issuer at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

(c) *Notice.* At least thirty (30) days prior to the date fixed for any such redemption the City shall cause a written notice of such redemption to be deposited in the United States mail, first-class postage prepaid, addressed to each such registered owner at the address shown on the Registration Books (hereinafter defined) of the Paying

Agent/Registrar on the forty-fifth (45th) day before such redemption date. By the date fixed for any such redemption, due provision shall be made by the City with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or the portions thereof which are to be so redeemed, plus accrued interest thereon to the date fixed for redemption. Except as provided in subsection (d) of this Section with respect to a conditional redemption of Certificates, if such notice of redemption is given, and if due provision for such payment is made, all as provided above, the Certificates, or the portions thereof which are to be so redeemed, thereby automatically shall be redeemed prior to their scheduled maturities, and shall not bear interest after the date fixed for their redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price of par plus accrued interest thereon to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of the Certificates or any portion thereof. If a portion of any Certificate shall be redeemed, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in one or (at the written request of the registered owner) more Authorized Denominations, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in this Ordinance.

(d) Notice of Conditional Redemption. With respect to any optional redemption of the Certificates, unless certain prerequisites to such optional redemption required by this Ordinance have been met and money sufficient to pay the principal of, premium, if any, and interest on the Certificates to be redeemed will have been received by the Paying Agent/Registrar prior to giving such notice, such notice may state that the optional redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied, such notice will be of no force and effect, the City will not redeem such Certificates, and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Certificates have not been redeemed.

Section 4. CHARACTERISTICS OF THE CERTIFICATES.

(a) Registration of Certificates. That the Issuer shall keep or cause to be kept at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., or such other bank, trust company, financial institution, or other agency named in accordance with the provisions of subsection (g) of this Section (the "Paying Agent/Registrar"), books or records for the registration and transfer of the Certificates (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Issuer and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers

and registrations as herein provided. The place of payment so designated by the Paying Agent/Registrar shall be referred to herein as the "Designated Trust Office" of the Paying Agent/Registrar. It shall be the duty of the Paying Agent/Registrar to obtain from the registered owner and record in the Registration Books the address of the registered owner of each Certificate to which payments with respect to the Certificates shall be mailed, as herein provided. The Issuer or its designee shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar at its Designated Trust Office, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. Registration of each Certificate may be transferred in the Registration Books only upon presentation and surrender thereof to the Paying Agent/Registrar at its Designated Trust Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing the assignment of such Certificate, or any portion thereof in an Authorized Denomination, to the assignee or assignees thereof, and the right of such assignee or assignees to have such Certificate or any such portion thereof registered in the name of such assignee or assignees. Upon the assignment and transfer of any Certificate or any portion thereof, a new substitute Certificate or Certificates shall be issued in exchange therefor in the manner herein provided. As of the date this Ordinance is approved by the Issuer, the Designated Trust Office is the Dallas, Texas office of The Bank of New York Mellon Trust Company, N.A., set forth in the "Paying Agent/Registrar Agreement" executed by the City and the Paying Agent/Registrar in connection with the sale and delivery of the Certificates.

(b) Registration Books; Ownership. The entity in whose name any Certificate shall be registered in the Registration Books at any time shall be treated as the absolute owner thereof for all purposes of this Ordinance, whether such Certificate shall be overdue, and the City and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Certificate shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid.

(c) Paying Agent. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates, and to act as its agent to exchange or replace Certificates, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all exchanges thereof, and all replacements thereof, as provided in this Ordinance.

(d) Exchange, Assignment and Transfer of Certificates. Each Certificate may be exchanged for fully registered certificates in the manner set forth herein. Each Certificate issued and delivered pursuant to this Ordinance, to the extent of the unredeemed principal amount thereof, may, upon surrender thereof at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly

authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered certificates, without interest coupons, in the form prescribed in the FORM OF CERTIFICATE, in an Authorized Denomination (subject to the requirement hereinafter stated that each substitute Certificate shall have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the principal amount of any Certificate or Certificates so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Certificate shall be redeemed prior to its scheduled maturity as provided herein, a substitute certificate or certificates having the same maturity date, bearing interest at the same rate, in one or (at the request of the registered owner) more Authorized Denominations, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation. If any Certificate or portion thereof is assigned and transferred, each Certificate issued in exchange therefor shall have the same principal maturity date and bear interest at the same rate as the Certificate for which it is being exchanged. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate. The Paying Agent/Registrar shall exchange or replace Certificates as provided herein, and each fully registered certificate or certificates delivered in exchange for or replacement of any Certificate or portion thereof as permitted or required by any provision of this Ordinance shall constitute one of the Certificates for all purposes of this Ordinance, and may again be exchanged or replaced. It is specifically provided, however, that any Certificate delivered in exchange for or replacement of another Certificate prior to the first scheduled interest payment date on the Certificates (as stated on the face thereof) shall be dated the same date as such Certificate, but each substitute Certificate so delivered on or after such first scheduled interest payment date shall be dated as of the interest payment date on which interest due on the respective Certificate was paid in full, next preceding the date on which such substitute Certificate is delivered, unless such substitute Certificate is delivered on an interest payment date, in which case it shall be dated as of such delivery date; provided, however, that if at the time of delivery of any substitute Certificate the interest on the Certificate for which it is being exchanged has not been paid, then such substitute Certificate shall be dated as of the date to which such interest has been paid in full, and if no interest has been paid on the Certificate, then such substitute Certificate will be dated as of July 15, 2020. On each substitute Certificate issued in exchange for or replacement of any Certificate or Certificates issued under this Ordinance there shall be printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form set forth in the FORM OF CERTIFICATE (the "Authentication Certificate"). An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such substitute Certificate, date such substitute Certificate in the manner set forth above, and manually sign and date the Authentication Certificate, and no such substitute Certificate shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Certificates surrendered for exchange or transfer. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council so as to accomplish the foregoing exchange, assignment or transfer of any Certificate or portion thereof, and the Paying Agent/Registrar shall

provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of exchange and transfer of any Certificate as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the substitute Certificate shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates which were originally issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(e) General. All Certificates issued in exchange for or, pursuant to Section 11 hereof, replacement of any other Certificate or portion thereof (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) shall be payable as to the principal of and interest on the Certificates, all as provided, and in the manner required or indicated, in the FORM OF CERTIFICATE.

(f) Fees of Paying Agent/Registrar. The City shall pay the Paying Agent/Registrar's reasonable and customary fees and charges for making transfers of Certificates, but the registered owner of any Certificate requesting such transfer shall pay any taxes or other governmental charges required to be paid with respect thereto. The registered owner of any Certificate requesting any exchange shall pay the Paying Agent/Registrar's reasonable and standard or customary fees and charges for exchanging any such Certificate or portion thereof, together with any taxes or governmental charges required to be paid with respect thereto, all as a condition precedent to the exercise of such privilege of exchange, except, however, that in the case of the exchange of an assigned and transferred Certificate or any portion thereof in any Authorized Denomination, and in the case of the exchange of the unredeemed portion of a Certificate which has been redeemed in part prior to maturity, as provided in this Ordinance, such fees and charges will be paid by the City. In addition, the City hereby covenants with the registered owners of the Certificates that it will pay the (i) reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on Certificates, when due, and (ii) fees and charges of the Paying Agent/Registrar for services with respect to the transfer or registration of Certificates solely to the extent above provided, and with respect to the exchange of Certificates solely to the extent above provided.

(g) Change in Paying Agent/Registrar. The City covenants with the registered owners of the Certificates that at all times while the Certificates are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Certificates under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than sixty (60) days written notice to the Paying Agent/Registrar. In the event that the entity at any time acting as the Paying Agent/Registrar (or its successor by

merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that it will promptly appoint a competent and legally qualified bank, trust company, financial institution, or other agency which shall be a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, subject to supervision or examination by federal or state authority, and whose qualifications are substantially similar to the those of the previous Paying Agent/Registrar, to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver to the new Paying Agent/Registrar, designated and appointed by the City, the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(h) Form 1295 Filing. The Paying Agent/Registrar has confirmed to the City that it is exempt from the disclosure form filing requirements of the Texas Ethics Commission in accordance with Section 2252.908(c)(4), Texas Government Code.

Section 5. FORM OF CERTIFICATE. That the Certificates, including the form of the Comptroller's Registration Certificate to accompany the Certificates initially issued and delivered to the Purchaser pursuant to Section 20 of this Ordinance, and both the forms of the Authentication Certificate and of Assignment to be printed on each of the Certificates authorized to be issued and delivered hereunder, shall be substantially in the form as set forth in Exhibit A to this Ordinance, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance. The printer of the Certificates is hereby authorized to print on the Certificates (i) the form of bond counsel's opinion relating to the Certificates, and (ii) an appropriate statement of insurance furnished by a municipal bond insurance company providing municipal bond insurance, if any, covering all or any part of the Certificates.

Section 6. DEFINITIONS. That the term "Available Revenues" shall have the meaning given said term in Section 7 hereof; the term "Business Day" means any day that is not a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close; the term "Code" means the Internal Revenue Code of 1986; the term "Date of Delivery" means the day on which the Certificates initially issued are delivered to the Purchaser or the Purchaser's nominee in consideration of the payment by the Purchaser of the agreed purchase price of the Certificates; "MSRB" means the Municipal Securities Rulemaking Board; the term "Rule" means SEC Rule 15c2-12; the term "SEC" means the United States Securities and Exchange Commission; and the term "Surplus Revenues" means the revenues pledged

herein from the operation of the City's Waterworks and Sewer System (not to exceed \$1,000) remaining after payment of all operation and maintenance expenses thereof and other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates.

Section 7. INTEREST AND SINKING FUND. That a special fund or account, to be designated the "City of Kaufman, Texas Series 2020 Certificate of Obligation Interest and Sinking Fund" (the "Interest and Sinking Fund") is hereby created and shall be established and maintained by the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying principal of and interest on the Certificates as such principal and interest comes due. All ad valorem taxes levied and collected for and on account of the Certificates shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any Certificate is outstanding and unpaid, the City Council shall compute and ascertain the rate and amount of ad valorem tax, based on the latest approved tax rolls of the City, with full allowances being made for tax delinquencies and costs of tax collections, which will be sufficient to raise and produce the money required to pay the interest on the Certificates as such interest comes due, and to provide and maintain a sinking fund to pay the principal of the Certificates as such principal matures (including principal maturing due to mandatory sinking fund redemption, if any), but never less than 2% of the outstanding principal amount of the Certificates as a sinking fund each year. The rate and amount of ad valorem tax is hereby ordered to be levied against all taxable property in the City for each year while any Certificate is outstanding and unpaid, and the ad valorem tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund. The ad valorem taxes necessary to pay the interest on and principal of the Certificates, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Notwithstanding the foregoing, if the City deposits or budgets to be deposited in the Interest and Sinking Fund any other revenues, income or resources, including without limitation, Surplus Revenues (the "Available Revenues"), in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes which otherwise would have been required to be levied may be reduced to the extent and by the amount of the Available Revenues then on deposit or budgeted to be deposited in the Interest and Sinking Fund.

Section 8. SURPLUS REVENUES. That the Certificates are additionally secured by and shall be payable from the Surplus Revenues. The Surplus Revenues are pledged by the City pursuant to authority of Chapter 1502, Texas Government Code. The City shall deposit such limited Surplus Revenues to the credit of the Interest and Sinking Fund created pursuant to Section 8 hereof, to the extent necessary to pay the principal of and interest on the Certificates.

Section 9. CONSTRUCTION FUND.

(a) *Construction Fund Established.* The City hereby creates and establishes and shall maintain on the books of the City a separate fund to be entitled "City of Kaufman, Texas Series 2020 Certificate of Obligation Construction Fund" (the "Construction Fund"), for use by the City for payment of all lawful costs associated with the acquisition and construction of the projects described in clauses (i) and (ii) of Section 1, and the payment of the costs described in clause (iii) of Section 1. Upon payment of all such costs, any money remaining on deposit to the credit of the Construction Fund shall be transferred to the Interest and Sinking Fund. Amounts so deposited to the credit of the Interest and Sinking Fund shall be used in the manner described in Section 7.

(b) *Investment of Moneys.* The City may invest proceeds of the Certificates (including investment earnings thereon) and amounts deposited to the credit of the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Government Code, and the City's investment policy. The City covenants that the proceeds of the sale of the Certificates will be used as soon as practicable for the purposes for which the Certificates are issued.

Section 10. TRANSFER. That the City shall do any and all things necessary to accomplish the transfer funds from Interest and Sinking Fund of this issue to the Paying Agent/Registrar in a manner sufficient to effectuate the timely payment of principal of and interest on the Certificates as such principal and interest become due and payable.

Section 11. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES.

(a) *Replacement Certificates.* That in the event any outstanding Certificate is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new certificate of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate, in replacement for such Certificate in the manner hereinafter provided.

(b) *Application for Replacement Certificates.* Application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates shall be made only by the registered owner thereof (or such registered owner's designee) to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate, the applicant for a replacement Certificate shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate, the applicant shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Certificate, as the case may be. In every case of damage or mutilation of a Certificate, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Certificate so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate shall have matured, and no default has occurred which is then continuing in the payment of the principal of, premium, if any, or interest on the Certificate, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate) instead of issuing a replacement Certificate, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates. Prior to the issuance of any replacement Certificate, the Paying Agent/Registrar shall charge the registered owner of such Certificate with all legal, printing, and other expenses in connection therewith. Every replacement Certificate issued pursuant to the provisions of this Section, by virtue of the fact that any Certificate is lost, stolen, or destroyed, shall constitute a contractual obligation of the City whether the lost, stolen, or destroyed Certificate shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates duly issued under this Ordinance.

(e) Authority for Issuing Replacement Certificates. In accordance with Chapter 1206, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Certificate without necessity of further action by the City Council of the City or any other body or person, and the duty of the replacement of such Certificates is hereby authorized and imposed upon the Paying Agent/Registrar, subject to the conditions imposed by this Section 11 of this Ordinance, and the Paying Agent/Registrar shall authenticate and deliver such Certificates in the form and manner and with the effect, as provided in paragraphs (d) and (e) of Section 4(d) of this Ordinance for Certificates issued in exchange or transfer of other Certificates.

Section 12. FEDERAL INCOME TAX MATTERS.

(a) Covenants. That the City covenants to take such action as to ensure, or refrain from any action which would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than ten percent (10%) of the proceeds of the Certificates or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use", as defined in section 141(b)(6) of the Code or, if more than ten percent (10%) of the proceeds are so used, that amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than ten percent (10%) of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the “private business use” described in subsection (a) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of five percent (5%) is used for a “private business use” which is “related” and not “disproportionate”, within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or five percent (5%) of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Certificates being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates being “federally guaranteed” within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates, other than investment property acquired with –

(i) proceeds of the Certificates invested for a reasonable temporary period of three (3) years or less, until such proceeds are needed for the purpose for which the Certificates are issued,

(ii) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(iii) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed ten percent (10%) of the proceeds of the Certificates;

(7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Certificates or the proceeds of any prior bonds to pay debt service on another issue more than ninety (90) days after the issuance of the Certificates in contravention of section 149(d) of the Code (relating to advance refunding); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the Date of Delivery of the Certificates) an amount that is at least equal to ninety percent (90%) of the “Excess Earnings”, within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than sixty (60) days after the Certificates have been paid in full, one hundred percent (100%) of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(10) to file or cause to be filed with the Secretary of the Treasury, not later than the fifteenth (15th) day of the second calendar month after the close of the calendar quarter in which the Certificates are issued, an information statement concerning the Certificates, all under and in accordance with section 149(e) of the Code and the applicable Treasury Regulations promulgated thereunder; and

(11) to assure that the proceeds of the Certificates will be used solely for new money projects.

(b) Use of Proceeds. For purposes of the foregoing clauses (a)(1) and (a)(2) above, the Issuer understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally-recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally-recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the Mayor Pro-Tem, the City Manager, any Assistant City Manager, and the Director of Finance to execute any documents, certificates or reports required by the Code, and to make such elections on behalf of the City which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates.

(c) Rebate Fund. In order to facilitate compliance with clause (i) above, a “Rebate Fund” is hereby established by the City for the sole benefit of the United States of America, and such Fund shall not be subject to the claim of any other person, including without limitation the registered owners of the Certificates. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(d) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the U.S. Treasury Regulations.

(e) Allocation of, and Limitation on, Expenditures for the Project. That the Issuer covenants to account for the expenditure of proceeds from the sale of the Certificates and any investment earnings thereon to be used for the purposes described in Section 1 of this Ordinance (such purpose referred to herein and Section 14 hereof as a "Project") on its books and records by allocating proceeds to expenditures within eighteen (18) months of the later of the date that (a) the expenditure on a Project is made or (b) such Project is completed. The foregoing notwithstanding, the Issuer shall not expend such proceeds or investment earnings more than sixty (60) days after the earlier of (a) the fifth anniversary of the Date of Delivery of the Certificates or (b) the date the Certificates are retired. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains a legal opinion, from nationally-recognized bond counsel, that such failure to comply will not adversely affect the excludability of interest on the Certificates from gross income for federal income tax purposes.

(f) Disposition of Project. That the Issuer covenants that the property constituting a Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of this Section, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(g) Designation as a Qualified Tax-Exempt Obligation. The Issuer hereby designates the Certificates as a "qualified tax-exempt obligation" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the Issuer represents, covenants and warrants the following: (a) that during the calendar year in which the Bond is issued, the Issuer (including any subordinate entities) has not designated nor will designate obligations that when aggregated with the Bond, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) that the Issuer reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Bond is issued, by the Issuer (or any subordinate entities) will not exceed \$10,000,000; and, (c) that the Issuer will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, hereof, in order that the Bond will not be considered a "private activity bond" within the meaning of section 141 of the Code.

Section 13. DEFAULT AND REMEDIES.

(a) Events of Default. That each of the following occurrences or events, for the purposes of this Ordinance, is hereby declared to be an Event of Default:

(i) the failure to make funds available to the Paying Agent/Registrar sufficient to make payment of the principal of or interest on any Certificate when the same becomes due and payable; or

(ii) except as provided in Section 16(c)(iv) of this Ordinance, default in the performance or observance of any other covenant, agreement or obligation of the City, which the failure to perform materially, adversely affects the rights of the registered owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of sixty (60) days after notice of such default is given by any registered owner to the City.

(b) Remedies for Default.

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

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

(c) Remedies Not Exclusive.

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

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

(iii) By accepting the delivery of a Certificate authorized under this Ordinance, such registered owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or members of the City or the City Council.

(iv) None of the members of the City Council, nor any other official or officer, agent, or employee of the City, shall be charged personally by the registered owners with any liability, or be held personally liable to the registered owners under any term or provision of this Ordinance, or because of any Event of Default or alleged Event of Default under this Ordinance.

Section 14. CUSTODY, APPROVAL, AND REGISTRATION OF CERTIFICATES. That the Mayor of the City or the designee thereof is hereby authorized to have control of the Certificate initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificate pending the delivery and investigation, examination, and approval by the Attorney General of the State of Texas, and registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the initial Certificate, said Comptroller (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificate, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Registration Certificate.

Section 15. DTC REGISTRATION. That the Certificate initially shall be issued and delivered in such manner that no physical distribution of the Certificates will be made to the public, and the Depository Trust Company ("DTC"), New York, New York, initially will act as depository for the Certificates. DTC has represented that it is a limited purpose trust company incorporated under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the City accepts, but in no way verifies, such representations. Upon the receipt of payment from the Purchaser for the Certificates originally issued and delivered as authorized by this Ordinance, the Paying Agent/Registrar shall cancel the initial Certificates and issue and deliver to DTC, separate single definitive Certificates for each maturity of the Certificates, in the aggregate principal amount of the Certificates of such maturity, fully registered in the name of CEDE & CO., as the nominee of DTC. It is expected that DTC will hold the Certificates on behalf of the Purchaser and DTC's participants. So long as each Certificate is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system which will identify beneficial ownership of the Certificates in Authorized Denominations, with transfers of beneficial ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by DTC and its participants, and that the definitive Certificates initially deposited with DTC shall be immobilized and not be further exchanged for substitute Certificates except as hereinafter provided. The City is not responsible or liable for any functions of DTC, will not be responsible for paying any fees or charges with respect to its services, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Certificates. It shall be the duty of the DTC Participants, as defined in the Official Statement herein approved, to make all arrangements with DTC to establish this book-

entry system, the beneficial ownership of the Certificates, and the method of paying the fees and charges of DTC. The City does not represent, and does not in any way covenant that the initial book-entry system established with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Certificates is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Ordinance, substitute Certificates will be duly delivered as provided in this Ordinance, and there will be no assurance or representation that any book-entry system will be maintained for such Certificates. In connection with the initial establishment of the foregoing book-entry system with DTC, the previous execution and delivery of the Blanket Letter of Representations shall apply to the Certificates.

Section 16. CONTINUING DISCLOSURE OBLIGATION.

(a) *Annual Reports.* (i) That the City shall provide annually to the MSRB, in an electronic format prescribed by the MSRB, certain updated financial information and operating data of City, being the following (1) the City's financial statements; and (2) the information found in Tables 1 through 6 and 8 through 15 in the Official Statement authorized by Section 20 of this Ordinance. The City will update and provide the information in Tables 1 through 6 and 8 through 15 of the Official Statement within six (6) months after the end of each fiscal year ending in and after 2020. The City's financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in the financial statements of the City appended to the Official Statement as Appendix B, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within twelve (12) months after the end of each fiscal year ending in or after 2020. If audited financial statements are not available by the end of the twelve (12) month period, then the City shall provide notice that the audited financial statements are not available, shall provide unaudited financial statements by the required time, and the City shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements becomes available.

(ii) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB or filed with the SEC. All filings shall be made electronically, in the format specified by the MSRB.

(b) *Disclosure Event Notices.* The City shall notify the MSRB, in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, of any of the following events with respect to the Certificates:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a Financial Obligation of the City, and which reflect financial difficulties.

As used in clause 12 above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the City, or if jurisdiction has been assumed by leaving the City Council and official or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. As used in clauses 15 and 16 above, the term “Financial Obligation” means: (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii), however, the term Financial Obligation shall not include Municipal Securities as to which a final official statement has been provided to the MSRB consistent

with the Rule; and the term “Municipal Securities” means securities which are direct obligations of, or obligations guaranteed as to principal or interest by, a state or any political subdivision thereof, or any agency or instrumentality of a state or any political subdivision thereof, or any municipal corporate instrumentality of one or more states and any other Municipal Securities described by Section 3(a)(29) of the Securities Exchange Act of 1934, as the same may be amended from time to time.

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

(c) Limitations, Disclaimers, and Amendments. (i) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes Certificates no longer to be outstanding.

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

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

(iv) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under the Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(v) Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City agrees to undertake such obligation in accordance with the Rule as amended.

(vi) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (A) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consent to such amendment or (B) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

Section 17. DEFEASANCE.

(a) Deemed Paid. That any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsection (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates shall have become due and payable. At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues

herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such Defeased Certificates, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, the City hereby reserves the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption at an earlier date Defeased Certificates, provided that in the proceedings providing for the Defeased Certificates, the City: (1) expressly reserves the right to call the Defeased Certificates for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates immediately following the making of the firm banking and financial arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) *Investment in Defeasance Securities.* Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) above. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Securities, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) *Selection of Defeased Certificates.* In the event that the City elects to defease less than all of the principal amount of Certificates of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates by such random method as it deems fair and appropriate.

(d) *Defeasance Securities.* The term “Defeasance Securities” means any securities or obligations now or hereafter authorized by the laws of the State of Texas as eligible to discharge obligations such as the Certificates. The laws of the State of Texas currently permit defeasance of obligations such as the Certificates with the following types of securities: (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council approves the proceedings

authorizing the defeasance of the Certificates or the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council approves the proceedings authorizing the defeasance of the Certificates or the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent.

(e) Continuing Duty of Paying Agent/Registrar. Until all Defeased Certificates shall become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services.

Section 18. AMENDMENTS. That the City hereby reserves the right to amend this Ordinance subject to the following terms and conditions.

(a) Amendments Not Requiring Consent. The City may from time to time, without the consent of any holder of the Certificates, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (1) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interest of the holders of the Certificates, (2) grant additional rights or security for the benefit of the holders of the Certificates, (3) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interest of the holders of the Certificates, (4) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (5) make such other provisions in regard to matters or questions arising under this Ordinance that are not inconsistent with the provisions hereof and which, in the opinion of nationally-recognized bond counsel selected by the City, do not materially adversely affect the interests of the holders of the Certificates.

(b) Amendments With Consent. Except as provided in paragraph (a) above, the holders of the Certificates aggregating in principal amount 51% of the aggregate principal amount of the Certificates then outstanding shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the Certificates then outstanding, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Certificates so as to:

- (1) Make any change in the maturity of any of the outstanding Certificates,
- (2) Reduce the rate of interest borne by any of the outstanding Certificates,
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Certificates,

(4) Modify the terms of payment of principal of, redemption premium, if any, or interest on the outstanding Certificates, or imposing any condition with respect to such payment, or

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

(c) Notice. If at any time the City shall desire to amend this Ordinance, the City shall provide notice of such amendment to the registered owners of the Certificates then outstanding by sending via United States mail, first-class postage prepaid, to each registered owner of the affected Certificates a copy of the proposed amendment.

(d) Receipt of Consents. Whenever at any time within one (1) year from the date of the first mailing of said notice of the proposed amendment the City shall receive an instrument or instruments executed by the owners of at least a majority in aggregate principal amount of all the Certificates then outstanding, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Effect of Amendments. Upon the adoption by the City of any ordinance to amend this Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be amended in accordance with the amendatory ordinance, and the respective rights, duties, and obligations of the City and all the owners of then outstanding Certificates and all future Certificates shall thereafter be determined, exercised, and enforced under this Ordinance, as amended.

(f) Consent Irrevocable. Any consent given by any owner of Certificates pursuant to the provisions of this Section shall be irrevocable for a period of six (6) months from the date of such consent, and shall be conclusive and binding upon all future owners of the same Certificates during such period. Such consent may be revoked at any time after six (6) months from the date such consent was given by the owner, or by a successor in title, by filing notice thereof with the Paying Agent/Registrar and the City, but such revocation shall not be effective if the owners of a majority in aggregate principal amount of the Certificates then outstanding, prior to the attempted revocation, consented to and approved the amendment.

(g) Ownership. For the purpose of establishing ownership of the Certificates, the City shall rely solely upon the registration of the ownership of such Certificates on the Registration Books kept by the Paying Agent/Registrar.

Section 19. SECURITY FOR FUNDS. That the Interest and Sinking Fund and the Construction Fund created by this Ordinance shall be secured in the manner and to the fullest extent permitted or required by law for the security of public funds, and the Interest and Sinking Fund and the Construction Fund shall be used only for the purposes and in the manner permitted or required by this Ordinance.

Section 20. SALE OF CERTIFICATES.

(a) Sale. That the Certificates are hereby sold and shall be delivered to [] (the "Purchaser") for the purchase price of par, plus cash premium in the amount of \$[], pursuant to the terms and provisions of an Official Notice of Sale and Official Bid Form, in substantially the form presented at this meeting, which the Mayor (or in the Mayor's absence the Mayor Pro Tem) is hereby authorized to execute and deliver. Certificates, one for each principal amount and maturing on the respective maturity date as set forth in Section 2 hereof, shall be delivered to the Purchaser, and the Purchaser shall have the right to exchange such Certificates as provided in Section 4 hereof without cost. The Certificates shall be initially registered in the name of the Purchaser or the Purchaser's nominee.

(b) Findings. It is hereby officially found, determined and declared that the Certificates have been sold in a public sale to the Purchaser, after receiving sealed bids pursuant to an Official Notice of Sale and Official Bid Form. Before being awarded the winning bid, the Purchaser certified to the City in the Official Bid Form that either it filed the disclosure form required under Section 2252.908, Texas Government Code, or that it is exempt from the disclosure form filing requirements of the Texas Ethics Commission pursuant to Section 2252.908(c)(4), Texas Government Code. The sale of the Certificates to the Purchaser was on terms that are most advantageous to the City reasonably obtained and, upon the advice of the City's financial advisor, is in the best interests of the City.

(c) Offering Documents. The City Council hereby approves the form and content of the Official Statement relating to the Certificates and any addenda, supplement or amendment thereto (the "Official Statement"), and approves the distribution of such Official Statement in the reoffering of the Certificates by the Purchaser in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement prior to the date hereof is hereby ratified and confirmed. The City Council also hereby approves the form and content of both the Official Notice of Sale and the Official Bid Form, and hereby ratifies and confirms the use of the Notice of Sale and Official Bid Form for the solicitation of bids on the Certificates prior to the date hereof.

Section 21. FURTHER PROCEDURES. That the Mayor, the Mayor Pro-Tem, the City Manager, and the Finance Director, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, and the sale and delivery of the Certificates and fixing all details in connection therewith. In case any officer whose signature shall appear on any Certificate, or any document relating to the authorization, sale or issuance of the

Certificates, shall cease to be such officer before the Date of Delivery of the Certificates, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 22. USE OF PROCEEDS. That the proceeds from the sale of the Certificates may be used for the purposes described in Section 1 of this Ordinance, in the manner described in the letter of instructions executed by the City or on behalf of the City by its financial advisor. The foregoing notwithstanding, proceeds representing accrued interest on the Certificates shall be deposited to the credit of the Interest and Sinking Fund, and proceeds representing premium on the Certificates shall be used in a manner consistent with the provisions of Section 1201.042(d), Texas Government Code, as amended. Any amounts remaining after completion of the improvements described in Section 1 hereof shall be transferred FIRST to the Rebate Fund, to the extent required by Section 12 hereof and as further described in Section 23 hereof, and THEREAFTER to the Interest and Sinking Fund. The proceeds from the sale of the Certificates, including premium, to be deposited to the credit of the Construction Fund shall not exceed \$[5,000,000].

Section 23. INTEREST EARNINGS. That the interest earnings derived from the investment of proceeds from the sale of the Certificates may be used along with other proceeds for the construction of the permanent improvements set forth in Section 1 hereof for which the Certificates are issued; provided, that after completion of such permanent improvements, if any of such interest earnings remain on hand, such interest earnings shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on proceeds which are required to be rebated to the United States of America pursuant to this Ordinance hereof in order to prevent the Certificates from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

Section 24. MISCELLANEOUS PROVISIONS. (a) *Titles Not Restrictive.* That the titles assigned to the various sections of this Ordinance are for convenience only and shall not be considered restrictive of the subject matter of any section or of any part of this Ordinance.

(b) **Rules of Construction.** The words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular section or other subdivision. Except where the context otherwise requires, terms defined in this Ordinance to impart the singular number shall be considered to include the plural number and vice versa. References to any named person means that party and its successors and assigns. References to any constitutional, statutory or regulatory provision means such provision as it exists on the date this Ordinance is adopted by the City and any future amendments thereto or successor provisions thereof. Any reference to “FORM OF CERTIFICATE” shall refer to the form of the Certificates set forth in Exhibit A to this Ordinance. Any reference to the payment of principal in this Ordinance shall be deemed to include the payment of any mandatory sinking fund redemption payments as may be described herein.

(c) *Inconsistent Provisions.* All ordinances, orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed and declared to be inapplicable, and the provisions of this Ordinance shall be and remain controlling as to the matters prescribed herein.

(d) *Severability.* If any word, phrase, clause, paragraph, sentence, part, portion, or provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance shall nevertheless be valid and the City hereby declares that this Ordinance would have been enacted without such invalid word, phrase, clause, paragraph, sentence, part, portion, or provisions.

(e) *Governing Law.* This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas.

(f) *Open Meeting.* The City officially finds and determines that the meeting at which this Ordinance is adopted was open to the public; and that public notice of the time, place, and purpose of such meeting was given, all as required by Chapter 551, Texas Government Code.

(g) *Application of Chapter 1208, Government Code.* Chapter 1208, Texas Government Code, applies to the issuance of the Certificates and the pledge of ad valorem taxes and the Surplus Revenues granted by the City under Sections 7 and 8 hereof, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of the ad valorem taxes and Surplus Revenues granted by the City is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

(h) *Section 271.047, Local Government Code.* No bond proposition to authorize the issuance of bonds for the same purpose as the Certificates was submitted to the voters of the City during the preceding three (3) years and failed to be approved.

(i) *Section 252.051, Local Government Code.* The City has satisfied or will satisfy the appraisal requirements of Section 252.051, Texas Local Government Code, in the acquisition of real property with proceeds of the Certificates.

(j) *Payment of Attorney General Fee Authorized.* The City Council hereby authorizes the payment of the fee of the Office of the Attorney General of the State of Texas for the examination of the proceedings relating to the issuance of the Certificates, in the amount determined in accordance with the provisions of Section 1202.004, Texas Government Code.

(k) Preamble. The preamble to this Ordinance is incorporated by reference and made a part hereof for all purposes.

(l) Immediate Effect. In accordance with the provisions of Section 1201.028, Texas Government Code, this Ordinance shall be effective immediately upon its adoption by the City Council.

[Execution Page Follows]

PASSED, APPROVED AND EFFECTIVE this 27th day of July, 2020.

Jeff Jordan, Mayor
City of Kaufman, Texas

ATTEST:

Jessie Hanks, City Secretary
City of Kaufman, Texas

(SEAL)

EXHIBIT A

FORM OF CERTIFICATE

1. Form of definitive Certificates

NO. R -

\$ _____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF KAUFMAN
CITY OF KAUFMAN, TEXAS
COMBINATION TAX AND LIMITED SURPLUS REVENUE
CERTIFICATE OF OBLIGATION
SERIES 2020

MATURITY DATE

INTEREST RATE
%

DATE OF DELIVERY
August 26, 2020

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the City of Kaufman, Texas, in Kaufman County (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner specified above, or to the registered assigns thereof (hereinafter called the "Registered Owner") the principal amount of, on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Delivery specified above at the Interest Rate per annum specified above. Interest is payable on February 15, 2021, and semiannually on each August 15 and February 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined) such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such Principal Amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. At maturity, or upon the date fixed for its redemption prior to maturity, the principal of this

Certificate shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate at the designated corporate trust office in Dallas, Texas (the "Designated Trust Office") of The Bank of New York Mellon Trust Company, N.A., which is the "Paying Agent/Registrar" for this Certificate. The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Certificate (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared at the close of business on the last business day of the month next preceding such interest payment date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. Any accrued interest due at maturity or redemption prior to maturity, as provided herein, shall be paid to the registered owner upon presentation and surrender of this Certificate for payment at the Designated Trust Office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Certificate that on or before each principal and interest payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IN THE EVENT OF NON-PAYMENT of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest ("Special Payment Date", which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner of a Certificate appearing on the Registration Books kept by the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a series of Certificates dated July 15, 2020, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$[____], for the purpose of paying contractual obligations to be incurred by the Issuer, to-wit: (i) constructing, reconstructing, and improving streets,

roads, alleys, bridges and sidewalks including related utility relocation, stormwater, drainage, signalization, landscaping, lighting and signage; (ii) acquiring, constructing, installing and equipping improvements to the City's stormwater and drainage system, and (iii) legal, fiscal and engineering fees in connection with such projects.

THE CERTIFICATES of this series scheduled to mature on and after February 15, 2030 may be redeemed prior to their scheduled maturities, in whole, or in part in principal amounts of \$5,000 or any integral multiple thereof, at the option of the Issuer, on August 15, 2029, or on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. If less than all of the Certificates are to be redeemed by the Issuer, the Issuer shall determine the maturity or maturities and the amounts therewith to be redeemed and shall direct the Paying Agent/Registrar to call by lot Certificates, or portions thereof, within such maturity or maturities and in such principal amounts, for redemption; *provided*, that during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository.

THE CERTIFICATES SCHEDULED TO MATURE on February 15, in the years [] (the "Term Certificates") are subject to scheduled mandatory redemption by the Paying Agent/Registrar by lot, or by any other customary method that results in a random selection, at a price equal to the principal amount thereof, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund for the Certificates, on dates and in the respective principal amounts, set forth in the following schedule:

Term Certificates due February 15, 20__ :

Mandatory Redemption Date: 2/15/20__	Principal Amount: \$[]
Mandatory Redemption Date: 2/15/20__ *	Principal Amount: \$[]

Term Certificates due February 15, 20__ :

Mandatory Redemption Date: 2/15/20__	Principal Amount: \$[]
Mandatory Redemption Date: 2/15/20__ *	Principal Amount: \$[]

* Stated Maturity

The principal amount of Term Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer, by the principal amount of any Term Certificates of the same maturity which, at least forty-five (45) days prior to a mandatory redemption date (1) shall have been acquired by the Issuer at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of

the Issuer at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

A WRITTEN NOTICE OF redemption shall be sent to the registered owner of each Certificate or a portion thereof being called for redemption at least thirty (30) days prior to the date fixed for such redemption by depositing such notice in the United States mail, first-class postage prepaid, addressed to each such registered owner at his address shown on the Registration Books of the Paying Agent/Registrar. If such notice of redemption is mailed, and if due provision for such payment is made, all as provided above, this Certificate, or the portion hereof which is to be so redeemed, thereby automatically shall be redeemed prior to its scheduled maturity, and shall not bear interest after the date fixed for its redemption, and shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price plus accrued interest to the date fixed for redemption from the Paying Agent/Registrar out of the funds provided for such payment. The Paying Agent/Registrar shall record in the Registration Books all such redemptions of principal of this Certificate or any portion hereof. If a portion of any Certificate shall be redeemed a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Ordinance.

THE FOREGOING NOTWITHSTANDING, with respect to any optional redemption of the Certificates, unless certain prerequisites to such optional redemption required by the Ordinance have been met and money sufficient to pay the principal of, premium, if any, and interest on the Certificates to be redeemed will have been received by the Paying Agent/Registrar prior to giving such notice, such notice may state that the optional redemption will, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in the notice of redemption. If a notice of conditional redemption is given and such prerequisites to the redemption are not satisfied, such notice will be of no force and effect, the Issuer will not redeem such Certificates and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Certificates will not be redeemed.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered Certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, and exchanged for a like aggregate principal amount of fully registered Certificates, without interest coupons, payable to the appropriate registered owner, assignee, or assignees, as the case may be, having the same maturity date, and bearing interest at the same rate, in any

denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee, or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar at its Designated Trust Office for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar at its Designated Trust Office, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be transferred and registered. The form of Assignment printed or endorsed on this Certificate may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the registered owner. The one requesting such exchange shall pay the Paying Agent/Registrar's reasonable standard or customary fees and charges for exchanging any Certificate or portion thereof. The foregoing notwithstanding, in the case of the exchange of an assigned and transferred Certificate or Certificates or any portion or portions thereof, such fees and charges of the Paying Agent/Registrar will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, or exchange as a condition precedent to the exercise of such privilege. In any circumstance, both the Issuer and the Paying Agent/Registrar shall not be required (i) to make any such transfer or exchange during the period beginning at the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date; or (ii) to transfer or exchange any Certificates so selected for redemption when such redemption is scheduled to occur within forty-five (45) calendar days; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of an unredeemed balance of a Certificate called for redemption in part.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and promptly will cause written notice thereof to be mailed to the registered owners of the Certificates.

IT IS HEREBY certified, recited and covenanted that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization,

issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; that this Certificate is a direct obligation of said Issuer, issued on the full faith and credit thereof; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, in the manner provided in the Ordinance, and have been pledged for such payment, within the limit prescribed by law; and that a limited pledge (not to exceed \$1,000) of the surplus revenues from the operation of the Issuer's combined waterworks and sewer system remaining after payment of all operation and maintenance expenses thereof and any other obligations heretofore or hereafter incurred to which such revenues have been or shall be encumbered by a lien on and pledge of such revenues superior to the lien on and pledge of such revenues to the Certificates, have been pledged as additional security for the Certificates.

BY BECOMING the registered owner of this Certificate, the registered owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the Issuer, and agrees that the terms and provisions of this Certificate and the Ordinance constitute a contract between the Issuer and each registered owner hereof.

IN WITNESS WHEREOF, this Certificate has been signed with the manual or facsimile signature of the Mayor of the Issuer (or in the Mayor's absence, of the Mayor Pro-Tem of the Issuer), attested by the manual or facsimile signature of the City Secretary, and the official seal of the Issuer has been duly affixed to, or impressed, or placed in facsimile, on this Certificate.

City Secretary

Mayor

(SEAL)

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

It is hereby certified that this Certificate has been issued under the provisions of the proceedings adopted by the Issuer as described in the text of this Certificate; and that this Certificate has been issued in exchange for or replacement of a Certificate of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated _____

The Bank of New York Mellon Trust Company,
N.A., Paying Agent/Registrar

By _____
Authorized Representative

*FORM OF COMPTROLLER'S CERTIFICATE ATTACHED TO
THE CERTIFICATES UPON INITIAL DELIVERY THEREOF

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that there is on file and of record in my office a true and correct copy of the opinion of the Attorney General of the State of Texas approving this Certificate and that this Certificate has been registered this day by me.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of
Texas

(COMPTROLLER'S SEAL)

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers
unto

(Please insert Social Security or Taxpayer Identification Number of Transferee)

/ _____/

(Please print or typewrite name and address, including zip code of Transferee)

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the within Certificate on books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

2. Insertions for the initial Certificate.

(i) The initial Certificate shall be in the form set forth in Section 1 of this Exhibit A, except that:

A. immediately under the name of the Certificate, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. _____" shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF KAUFMAN, TEXAS, in Kaufman County, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or to the registered assigns thereof (hereinafter called the "Registered Owner"), on February 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments (\$)</u>	<u>Interest Rates</u>
(Information from Section 2 to be inserted)		

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Delivery specified above at the respective Interest Rate per annum specified above. Interest is payable on February 15, 2021, and semiannually on each August 15 and February 15 thereafter to the date of payment of the Principal Installment specified above, or the date of redemption prior to maturity; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of

authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full.”

C. The initial Certificate shall be numbered “T-1.”



Meeting
Date: 7/27/2020

Date: 7/9/2020

Item #: 8.

Dept.: Administration

Resolution

SUBJECT:

Consider and take appropriate action on Resolution R-22-20, a resolution of the City of Kaufman, Texas, authorizing the Mayor to execute an Interlocal Cooperation Agreement with Kaufman County, Texas providing for construction associated with the widening of CR 151 (Tabor Parkway) from a 2-lane to a 4-lane roadway, from Kings Fort Parkway to East of SH 34 Bypass, located within the municipal limits of the City of Kaufman and Kaufman County Commissioner Precinct #1; and providing an effective date.

BACKGROUND:

This required Interlocal Cooperation Agreement (ICA) is similar to an agreement we entered into w/Kaufman County and their consultant (ITS) for Phase I of Tabor Parkway. This ICA provides the reimbursement process to complete Tabor Parkway Phase II. Both the City and County have to approve this agreement, once that occurs, we have a Notice to Proceed with this project to widen Tabor Parkway to a 4-lane divided road from SH34 By Pass to Kings Fort Parkway.

This agreement is still being finalized. If not attached, it will be forwarded for your review on Monday morning.

Author:
Mike Slye, City Manager

Reviewed:
Mike Slye, City Manager

Cost: **Funds Available:** **Source:**

Recommendation: Recommend approval of Resolution R-22-20/

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☒	☐	☒	☐	☒

RESOLUTION NO. R-22-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KAUFMAN, TEXAS AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL COOPERATION AGREEMENT WITH KAUFMAN COUNTY, TEXAS PROVIDING FOR CONSTRUCTION ASSOCIATED WITH THE WIDENING OF CR 151 (TABOR PARKWAY) FROM A 2-LANE TO A 4-LANE ROADWAY, FROM KINGS FORT PARKWAY TO EAST OF SH 34 BYPASS, LOCATED WITHIN THE MUNICIPAL LIMITS OF THE CITY OF KAUFMAN AND KAUFMAN COUNTY COMMISSIONER PRECINCT #1; PROVIDING FOR THE INCORPORATION OF PREMISES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, as political subdivisions of the state of Texas, the City of Kaufman and Kaufman County desire to enter into this Interlocal Cooperation Agreement pursuant to the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter "the Act," which provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act and the County and the City hereby mutually agree to be subject to the provisions of the Act; and

WHEREAS, the City Council believes it is in the best interest of the citizens of the City of Kaufman to enter into this Agreement for the construction associated with the widening of CR 151 (Tabor Parkway) from a 2-lane to a 4-lane roadway from Kings Fort Parkway to east of SH 34 Bypass.

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

Section 1. The above and foregoing recitals are true and correct and are incorporated herein and made a part of this Agreement for all purposes.

Section 2. The Interlocal Cooperation Agreement between the City of Kaufman, Texas and the County of Kaufman, Texas, attached hereto as Exhibit "A" and incorporated as if set forth fully herein, is hereby approved by the City Council and the City Manager is authorized to execute and enter into this Agreement on behalf of the City of Kaufman.

Section 3. This Resolution shall be effective upon its adoption.

PASSED AND APPROVED this 27th day of July, 2020.

JEFF JORDAN
MAYOR

ATTEST:

JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:

PATRICIA A. ADAMS
CITY ATTORNEY

EXHIBIT A
EXECUTED AGREEMENT

THE STATE OF TEXAS §
COUNTY OF KAUFMAN §

**INTERLOCAL COOPERATION AGREEMENT BETWEEN KAUFMAN COUNTY,
TEXAS, AND THE CITY OF KAUFMAN, TEXAS**

THIS INTERLOCAL COOPERATION AGREEMENT hereinafter referred to as the “Agreement” is made and entered into by and between KAUFMAN COUNTY, TEXAS, a duly organized political subdivision of the State of Texas, hereinafter “the County,” and the CITY OF KAUFMAN, TEXAS, a duly incorporated municipality, hereinafter “the City,” whereby the County and the City are both collectively referred to herein as “the Parties.”

WHEREAS, the County and the City mutually desire to enter into this Agreement for the purpose of providing for the engineering, utility relocations, and construction associated with the widening of CR 151 (Tabor Parkway) from a 2-lane to a 4-lane roadway and associated pedestrian improvements and safety lighting from Kings Fort Parkway to east of SH 34 Bypass, located within the municipal limits of the City of Kaufman and Kaufman County Commissioner Precinct #1; and

WHEREAS, the Interlocal Cooperation Act, Texas Government Code Chapter 791, hereinafter “the Act,” provides authorization for a local government to contract with one or more local governments to perform governmental functions and services under the terms of the Act and the County and the City hereby mutually agree to be subject to the provisions of the Act; and

WHEREAS, the County and the City value the timely completion of the Project which involves roads which are an integral part of the Parties’ road system and the Parties are undertaking the Project to facilitate safe travel on an improved roadway; and

NOW THEREFORE, this Agreement is hereby made and entered into by the County and the City upon and for the mutual consideration stated herein:

WITNESSETH:

I.

Pursuant to Texas Government Code §791.011, the County and the City hereby enter into this Agreement in order to perform certain governmental functions and services in the area of

streets, roads, and drainage. The purpose of this Agreement is to provide a governmental function or service that each party is authorized to perform individually.

II.

The County and the City hereby agree that the scope of the Project shall consist of: providing for the engineering, utility relocations, and construction associated with the widening of CR 151 (Tabor Parkway) from a 2-lane to a 4-lane roadway and associated pedestrian improvements and safety lighting from Kings Fort Parkway to east of SH 34 Bypass at a total estimated project cost of FOUR MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$4,500,000.00).

III.

The County hereby agrees to contribute from the Kaufman County Transportation Bond Program – 2019, an amount which shall not exceed FOUR MILLION FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$4,500,000.00) from its 2020 issuance toward satisfactory completion of the project.

IV.

The City hereby agrees to provide all necessary design, installation, inspections, right-of-way acquisition, utility relocations, and construction required for satisfactory completion of the Project.

V.

The City agrees to secure a contract for the construction of the Project and to oversee any and all necessary engineering which may be required for satisfactory completion of the Project. In addition, the City will ensure all inspections are conducted and approve all payments, including requested funding from the County, as invoices are received.

VI.

This exchange of funds and in-kind services between the County and the City is deemed adequate consideration for the obligations exchanged by the Parties herein.

VII.

As the City proceeds with the completion of the Project, the City shall submit invoices for reimbursement to the Kaufman County Auditor, C/O Mr. John Polster, Innovative Transportation

Solution, Inc., 2701 Valley View Lane, Farmers Branch, Texas 75234, on a monthly basis, and the County shall reimburse the City on a pro rata basis, for all approved expenses related to the Project within thirty calendar days of receipt of an invoice from the City, provided that all expenditures are made in a manner which is consistent with the terms of this Agreement. Upon satisfactory completion of the Project, the County and the City shall prepare and complete a full audit of the Project.

VIII.

As required by Texas Transportation Code §251.012 and as evidenced by the signature of the City's representative below, the governing body of the City by the execution of and approval of this Agreement hereby approves of the expenditure of County money to finance the construction, improvement, maintenance, or repair of a street or alley in the County that is located in the City.

IX.

This agreement may be terminated in whole, or in part, by the County or the City upon thirty days written notice to the other party. In the event of termination by the County, the County shall pay all approved invoices submitted up to and including the date of termination.

X.

This agreement represents the entire integrated agreement between the County and the City and supersedes all prior negotiations, representations or agreements, either oral or written. This Agreement may be amended only by written instrument signed by both of the Parties. Notices shall be directed as follows:

For City: Honorable Jeff Jordan
 City of Kaufman, Texas
 209 S. Washington
 Kaufman, Texas 75142

Copy To: Mr. Mike Slye, City Manager
 City of Kaufman, Texas
 209 S. Washington
 Kaufman, Texas 75142

For County: Honorable Hal Richards

Kaufman County Judge
100 W. Mulberry
Kaufman, Texas 75142

Copy To: Kaufman County District Attorney's Office – Civil Division
100 W. Mulberry
Kaufman, Texas 75142

XI.

The covenants, terms, and conditions herein are to be construed under the laws of the State of Texas and are performable by the Parties in Kaufman County, Texas. The Parties mutually agree that venue for any obligation arising from this Agreement shall lie in Kaufman County, Texas.

XII.

The County agrees and understands that the County, its employees, servants, agents, or representatives shall at no time represent themselves to be employees, servants, agents, or representatives of the City.

XIII.

The City agrees and understands that the City, its employees, servants, agents, or representatives shall at no time represent themselves to be employees, servants, agents, or representatives of the County.

XIV.

The City agrees to accept full responsibility for the acts, negligence, or omissions of all City employees, agents, subcontractors, or contract laborers, and for all other persons doing work under a contract or agreement with the City.

XV.

This Agreement is not intended to extend the liability of the Parties beyond that provided for by law. Neither the County nor the City waive, nor shall be deemed to have hereby waived, any immunity or defense that would otherwise be available to it against claims made by third parties.

XVI.

In the event that any portion of this Agreement shall be found to be contrary to law, it is the

intent of the Parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

XVII.

The undersigned officers or agents of the Parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the Parties hereto, and each party hereby certifies to the other that any necessary resolutions extending said authority have been duly passed and are now in full force and effect.

XVIII.

This Agreement becomes effective when signed by the last party whose signing makes the respective agreement fully executed, and the term of this Agreement is for the life of the Project beginning on the date of execution of this Agreement and continuing until the Project is completed.

Executed this _____ day of _____, 2020.

KAUFMAN COUNTY, TEXAS

Kaufman County Courthouse
100 West Mulberry
Kaufman, Texas 75142

By: _____

Honorable Hal Richards
Kaufman County Judge

ATTEST:

By: _____

Kaufman County Clerk

APPROVED AS TO FORM:

By: _____

Assistant District Attorney

CITY OF KAUFMAN, TEXAS

209 S. Washington
Kaufman, Texas 75142

By: _____

Honorable Jeff Jordan
City of Kaufman Mayor

ATTEST:

By: _____

City Secretary

APPROVED AS TO FORM:

By: _____

City Attorney



Meeting
Date: 7/27/2020

Date: 7/23/2020

Item #: 9.

Dept.: Administration

Resolution

SUBJECT:

Consider and take appropriate action to authorize the City Manager to take necessary steps to retain a vendor to provide landscaping services on the exterior of the Downtown Square and to negotiate and execute a contract for those services in an amount not to exceed \$20,000 annually.

BACKGROUND:

This action would authorize the City Manager to enter into an agreement for the landscape maintenance of the beds on the square. This would include the initial cleanup of the current beds as well as the continued maintenance to ensure the landscaped areas remain in good order.

Author:
Mike Slye, City Manager

Reviewed:
Mike Slye, City Manager

Cost: \$20,000

Funds Available: Yes

Source: General Fund

Recommendation: Authorization of the City Manager to enter into an agreement for landscaping services on the exterior of the Downtown Square for an amount not to exceed \$20,000 annually.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☐	☐	☐	☐



Meeting
Date: 7/27/2020

Date: 7/1/2020

Item #: 10.

Dept.: Administration

Action Item

SUBJECT:

Consider and take appropriate action on the South Pointe Development Incentive Agreement between Cedar Crest Development Company, LLC and the City of Kaufman, for development of the 54 acre tract of land located at the northwest corner of South Houston Street (FM 1388) and the State Highway 34 Bypass and owned by the City of Kaufman; and authorizing the Mayor or designee to execute necessary documents.

BACKGROUND:

This Developer's Incentive Agreement will lay out the following provisions related to the South Pointe development ... the actual agreement will be forwarded to you no later than next Monday morning as the respective attorneys are still editing the final document. Here are the deal points:

1. Developer will pay for (and be reimbursed thru TIRZ) all public improvements including: Streets, Utilities, Storm Drainage (including retention pond), elevated 500,000 gallon water tank, Splash Pad, Hike & Bike trails, connecting sidewalk to the Junior and Senior high school.
2. The 174,000 sq ft Athletic Complex will be required to be built before any other component of the project is built.
3. The transfer of ownership of the 52 acres will occur concurrently with the developer's construction loan closing.
4. City Council will be required to create TIRZ #2 (participation is undetermined at this time) Kaufman County will be approached to participate as well.
5. Probable cost estimate for the project is \$19M for public improvements; \$104M in total construction.

Author:
Mike Slye, City Manager

Reviewed:
Mike Slye, City Manager

Cost: **Funds Available:** **Source:**

Recommendation: Recommend approval of the South Pointe Developers Incentive Agreement.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☒	☐	☐	☒

SOUTH POINTE DEVELOPMENT INCENTIVE AGREEMENT

This Development Incentive Agreement (this "Agreement") is entered into by and between **Cedar Crest Development Company, LLC**, a Texas limited liability company, (the "Developer") and the **City of Kaufman**, a home rule municipal corporation (the "City"), to be effective on the date upon which the last of all of the Parties has approved and duly executed this Agreement ("Effective Date").

ARTICLE I **RECITALS**

WHEREAS, certain terms used herein are defined in Article II; and

WHEREAS, the City is a home-rule municipality of the State of Texas located within Kaufman County; and

WHEREAS, the Developer and the City (which are sometimes individually referred to as a "Party" and collectively as the "Parties") desire to enter into this Agreement; and

WHEREAS, the City is currently the owner of an approximately 54-acre tract of land generally located at the northwest corner of South Houston Street (FM 1388) and State Highway 34 Bypass, on a tract of land out of the D. Falcon Survey, Abstract 151, and more specifically described on **Exhibit "A"** and depicted on **Exhibit "B"**, (collectively the "Land"), each of which is attached hereto and incorporated herein; and

WHEREAS, with the permission of the City, the Developer submitted a zoning application for the Land to both the Kaufman Planning and Zoning Commission and the Kaufman City Council which proposed that the Land be zoned to allow a mixed-use development which includes an indoor multi-sports facility, office, retail, restaurants, multi-family, townhouse, and single-family use and that the Land be developed in four phases; and

WHEREAS, on or about May 18, 2020, the Kaufman City Council approved Ordinance No. O-10-20 which rezoned the Land to Planned Development District No. 18 and thereby authorized the Land to be used for the proposed mixed-use development ("PD-18"), and the Land may be developed and used only in accordance with PD-18, as amended from time to time upon approval of the Kaufman City Council. A copy of PD-18 is attached hereto and incorporated herein as **Exhibit "C"**, and any and all subsequent amendments to PD-18 shall be automatically incorporated into this Agreement by reference and shall replace the PD-18 attached hereto as **Exhibit "C"**; and

WHEREAS, Developer wishes to acquire approximately 52 acres of the Land from the City, more specifically described in **Exhibit "D"** and depicted on **Exhibit "E"** (the "**Property**") for the purpose of developing and constructing improvements to the Property as part of a public-private partnership, and City desires to enter into this Agreement to provide economic development incentives to Developer, including the conveyance of the Property to the Developer pursuant to a ground lease or other legally authorized

instrument, in consideration for Developer expending its funds and constructing designated improvements upon the Property that will expand the economic growth and tax base of the City of Kaufman; and

WHEREAS, the Property is a part of the PD-18 District and the Parties intend that the Property will be developed in accordance with the zoning regulations of Planned Development District No. 18, including without limitation the approved concept plan attached thereto, all City Regulations, construction plans approved by the City and this Agreement, each as may be amended from time to time in accordance with this Agreement, and all applicable state and federal regulations; and

WHEREAS, the Property is located wholly within the city limits of the City and not within the extraterritorial jurisdiction or corporate limits of any other municipality; and

WHEREAS, Developer and City have worked together to establish a plan for the development on the Property for the purpose of furthering economic development within the City of Kaufman, which plan will include an indoor multi-sports facility, office, retail and restaurants; and

WHEREAS, the Parties recognize and agree that the establishment of a residential component consisting of multi-family, townhouse and single-family structures provides a population base and supports the establishment and continued viability of the commercial development on the Property; and

WHEREAS, the Parties agree and the City Council finds that the proposed development of the Property in accordance with PD-18 will spark economic growth and further the City's goals of providing quality recreation and dining and retail establishments that will attract patrons and promote the development of the economy in the City; and

WHEREAS, the Developer proposes to develop the Property in four phases generally described as follows and more specifically described in **Article 9, "Development" Section 9.3, "Phased Development"** of this Agreement; and

WHEREAS, the Parties are authorized to enter into this Agreement to alter existing requirements of the City Regulations (as defined below) for Property located within the corporate limits of the City pursuant to state law and home rule authority of the City; and

WHEREAS, the Developer intends to acquire, design, construct, install and make financial contributions to certain on-site and off-site public improvements to serve the development of the Property ("Authorized Improvements"), which Authorized Improvements are generally identified in **Article 9** of this Agreement and as set forth in **Exhibit "H"** attached hereto; and

WHEREAS, the Developer intends to dedicate such Authorized Improvements to the City, subject to City approval of the plans and inspection of the Authorized Improvements in accordance with this Agreement, City Regulations and City processes; and

WHEREAS, in consideration of the Developer's agreements contained herein to accomplish the high-quality development of the Property envisioned by the Parties and to provide financing for the Authorized Improvements, the City intends to exercise its powers to create a tax increment reinvestment zone (a "TIRZ") in accordance with Chapter 311 of the Texas Tax Code, as amended (the "TIF Act"), for the Property in accordance with the terms of this Agreement; and

WHEREAS, as soon as is practicable and in consideration of the Developer's agreements contained herein, the Parties shall use best efforts to agree to the final form for submission to the Kaufman City Council of the following documents, which will enable the Developer to be reimbursed for a specified portion of TIRZ eligible reimbursement costs: (a) the TIRZ Project and Finance Plan; (b) an ordinance creating the TIRZ; (c) the ordinance approving the final TIRZ Project and Finance Plan required by the TIF Act; and (d) the TIRZ tax participation agreement, and City further agrees to request that County participate in the TIRZ for the benefit of the Property; and

WHEREAS, all of the City's Administrative Expenses (defined herein) associated with the TIRZ, including without limitation any and all costs associated with the creation of the TIRZ will receive priority status and will be paid from monies in the TIRZ Fund in accordance with Chapter 311 of the Texas Tax Code, as amended, and the Developer will not be responsible for payment of such Administrative Expenses; and

WHEREAS, this Agreement is intended to establish certain restrictions and impose certain commitments in connection with the development of the Property, including without limitation, certain design and building material standards to be adopted as restrictive covenants running with the Property for the purpose of securing future development that complies with minimum standards agreed upon by the Parties, and as partial consideration for the benefits received hereunder, such restrictions shall include the filing of covenants and deed restrictions to require the use of specified building materials in accordance with **Exhibit "F", "Deed Restrictions"** to this Agreement, and the enforcement of such covenants and restrictions as by Developer and subsequent HOA/COA; and

WHEREAS, the Developer is responsible for the construction of all on-site and off-site Authorized Improvements as indicated in **Exhibit "H"**, including without limitation water and wastewater facilities, roadway and drainage improvements necessary to serve the development of the Property and, in light of these Developer obligations, the Developer shall not be required to pay Impact Fees due for all improvements to the Property; and

WHEREAS, the Parties agree that the project is exempt from Park Fees; and

WHEREAS, the managed growth described in this Agreement will drive infrastructure investment and job creation, both of which will, in turn, have a multiplier effect that increases both the City's tax base and utility revenues; and

WHEREAS, The City is authorized under Chapter 380 of the Texas Local Government Code to offer certain economic development incentives for public purposes, including the promotion of local economic development and the stimulation of business and commercial activity in the City, and the City has determined that the development of the Property as proposed by the Developer will promote local development and stimulate business and commercial activity within the City.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and the City's conveyance of the Property, the City intends to create and utilize the TIRZ to reimburse the Developer for the costs of the fair market value of the purchase price of the Property and the costs of the Authorized Improvements, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

ARTICLE II. **DEFINITIONS**

Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

- 2.01. Administrative Expenses shall include, without limitation, expenses incurred in the establishment, administration, and operation of the TIRZ including, but not limited to, the costs of (a) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (b) creating and organizing the TIRZ and (c) administering the TIRZ and complying with the requirements of the TIF Act.
- 2.02. Authorized Improvements means those public improvements, constructed and installed by Developer and dedicated to the City as set forth in **Exhibit "H"** attached hereto and as listed in the TIRZ Project and Finance Plan.
- 2.03. City Council means the city council of the City of Kaufman, Texas.
- 2.04. City Regulation(s) means any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement as they presently exist on the Effective Date, including without limitation, the City's Zoning Ordinance, Comprehensive Plan, Subdivision Regulations, Design Standards and adopted NCTCOG Specifications for Public Works Construction, Fee Schedules, adopted Codes of the City regulating electrical, plumbing and all other applicable federal, state and local laws applicable to the construction of public infrastructure and/or the construction of buildings within the City, subject to the provisions of this Agreement, including PD-18 attached as **Exhibit "C"** hereto.

- 2.05. COA means the Commercial Owner's Association to be created by the Developer.
- 2.06. Concept Plan means the concept plan included as part of **Exhibit "C"**, PD-18 of this Agreement, or such concept plan is subsequently amended pursuant to the Ordinances of the City of Kaufman.
- 2.07. Developer means Cedar Crest Development Company, LLC, a Texas limited liability company, which is anticipated to become the owner of the Property in accordance with the terms of this Agreement, including without limitation, **Section XIV**, its officers, agents, representatives, and assigns authorized by **Section 14.1** of this Agreement.
- 2.08. Force Majeure means any act that (i) materially and adversely affects the affected Party's ability to perform the relevant obligations under this Agreement or delays such affected Party's ability to do so, (ii) is beyond the reasonable control of the affected Party, (iii) is not due to the affected Party's fault or negligence and (iv) could not be avoided, by the Party who suffers it, by the exercise of commercially reasonable efforts. "Force Majeure" shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected Party; (e) fires; (f) epidemics or pandemics; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected Party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City Regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (u) changes in market condition; (v) any strike or labor dispute involving the employees of the Developer or any affiliate of the Developer, other than industry or nationwide strikes or labor disputes; or (w) the occurrence of any manpower, material or equipment shortages. The events listed in (u) through (w) that are beyond the reasonable control of the Developer shall be included as Force Majeure. If the Developer claims an economic hardship, the City will make a determination if such economic hardship is a Force Majeure event.
- 2.09. Franchise Utilities mean electric and gas utilities.
- 2.10. Fully Developed and Improved Lot means any lot, regardless of the proposed use, which is served by the Authorized Improvements and for which a final plat has been approved by the City and recorded in the real property records of Kaufman County.
- 2.11. HOA means the homeowner's association to be created by the Developer.

- 2.12. Impact Fees means as fees as defined in Chapter 395 of the Texas Local Government Code and applicable City Regulations.
- 2.13. Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).
- 2.14. Park Fees means the fees paid in lieu of a donation of Property to be used as a park, which fees are assessed, imposed, and/or collected by City in accordance with **Article VIX** of this Agreement.
- 2.15. Property means an approximately 52-acre tract of land real property described by metes and bounds in **Exhibit "D"** and depicted on **Exhibit "E"**
- 2.16. Residential Use means single-family, duplex, or Townhome uses.
- 2.17. TIRZ means a Tax Increment Reinvestment Zone encompassing the Property or a portion thereof as determined by the Parties.
- 2.18. TIF Act means Chapter 311 of the Texas Tax Code, as amended.
- 2.19. TIRZ Documents means the TIRZ Project and Finance Plan, the TIRZ Ordinance, this Agreement, the TIRZ Reimbursement Agreement, and the TIRZ Tax Participation Agreement, including without limitation any such agreement that includes Kaufman County.
- 2.20. TIRZ Fund means the fund set up by the City when the TIRZ is created in order to receive the TIRZ funds in accordance with this Agreement, the TIRZ Documents, and state law.
- 2.21. TIRZ Ordinance means the City ordinance creating the TIRZ.
- 2.22. TIRZ Projects means those Authorized Improvement projects to be funded through the TIRZ.
- 2.23. TIRZ Project and Finance Plan means the project and finance plan for the TIRZ.
- 2.24. TIRZ Reimbursement Agreement means an agreement between the Developer, the Board of Directors of the TIRZ, and City in which the City agrees to provide a grant to the Developer or its assigns in the form of a Chapter 380 grant.
- 2.25. Vertical Improvements means all privately owned improvements constructed by Developer or its contractors upon the Property as authorized by PD-18, City Regulations, and this Agreement.

- 2.26. Water and Wastewater Facilities means all Authorized Improvements constructed or utilized for the provision of water and wastewater service to the Property which has been accepted by the City as a part of the City of Kaufman water and wastewater systems, including without limitation the elevated Water Tower, the sanitary lift station, and other infrastructure necessary to provide service to the Property and as otherwise required or allowed by state law.
- 2.27. Water Tower means a 500,000-gallon single pedestal water tower with an appropriately sized pump station as necessary to facilitate proper operation located on an approximately 0.79-acre parcel upon the Property.

ARTICLE III

INCORPORATION OF RECITALS

The Recitals contained in **Article I** of this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the foregoing Recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the Recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the Recitals, would not have entered into this Agreement.

ARTICLE IV

AUTHORIZED IMPROVEMENTS

4.1 Authorized Improvements. Authorized Improvements are generally described in **Article IX** of this Agreement. Authorized Improvements shall be constructed in accordance with all state and federal laws, as well as City Regulations. The Developer shall provide payment, performance, and maintenance bonds for the Authorized Improvements in accordance with City Regulations.

4.2 Cost of Authorized Improvements. The costs of Authorized Improvements listed on **Exhibit "H"** are estimates that are subject to change, shall be updated by the Developer and City. Final plat(s) for the Property, each required to be approved by the City, shall meet the requirements of all City Regulations, shall reflect the locations, rights-of-way and easements for the Authorized Improvements to be located on the platted Property. The Developer may include an updated **Exhibit "H"** with each final plat submitted for the Property, which shall be submitted to the City Council for consideration and approval concurrently with the submission of each such final plat. Upon approval by City Council of an updated **Exhibit "H"**, this Agreement shall be deemed amended to

include such approved updated **Exhibit "H"**. Developer shall pay all fees required by City Regulations for the development of the Property and Authorized Improvements, except as otherwise expressly provided in this Agreement, and shall pay all costs of providing payment, performance, and maintenance bonds for the Authorized Improvements.

4.3 Construction, Ownership, and Transfer of Authorized Improvements.

(a) Construction Plans. The Developer shall prepare, or cause to be prepared, plans and specifications for each of the Authorized Improvements and have them submitted to the City for approval in accordance with this section. The City shall have thirty (30) business days from its receipt of the first submittal of construction and/or engineering plans to approve or deny the plans or to provide comments back to the submitter of the plans. If any approved construction and/or engineering plans are amended or supplemented, the City shall have fifteen (15) business days from its receipt of such amended or supplemented plans to approve or deny the plans or to provide comments back to the submitter of the plans. Any written City approval or denial must be based on compliance with applicable City Regulations.

(b) Contract Award. The contracts for the construction of Authorized Improvements shall be let in the name of the Developer. The Developer's engineers shall prepare, or cause the preparation of, and provide all contract specifications and necessary related documents. The Developer shall administer the contracts. The costs of construction, which are estimated to be **FIFTEEN MILLION, THREE HUNDRED TWENTY-NINE THOUSAND, NINE HUNDRED TWENTY-FIVE AND NO/100 DOLLARS (\$15,329.925.00)**, shall be paid by the Developer or caused to be paid by the Developer, or the Developer's Assignee, and reimbursed, in whole or in part, in accordance with the terms of this Agreement and the TIRZ Documents as applicable.

(c) Construction Standards and Inspection. The Authorized Improvements will be installed within the public right-of-way or in easements granted to the City. The Authorized Improvements shall be constructed and inspected in accordance with applicable state law, City Regulations, and all other applicable development requirements, including those imposed by any other governing body or entity with jurisdiction over the Authorized Improvements.

(d) Competitive Bidding. This Agreement and construction of the Authorized Improvements, including the TIRZ Projects, are anticipated to be exempt from competitive bidding pursuant to Sections 252.022(a)(9) and 252.022(a)(11) of the Texas Local Government Code based upon current cost estimates. However, in the event that the actual costs for the Authorized Improvements do not meet the parameters for exemption from the competitive bid requirement, then either competitive bid or alternative delivery methods may be used by the City as allowed by law. Additionally, City shall have the right to review all proposed costs of construction and reject such pricing or request that additional bids be provided.

(e) Ownership. All of the Authorized Improvements shall be owned by the City upon written acceptance of them by the City using procedures established by City Regulations. The Developer agrees to take any action reasonably required by the City where applicable to transfer fee simple title to real property and title to improvements or otherwise dedicate easements for the Authorized Improvements to the City and the public.

4.4. Operation and Maintenance.

(a) Upon inspection, approval, and acceptance of part or all of the water or wastewater Authorized Improvements, the City shall maintain and operate the accepted water and wastewater infrastructure and provide water and/or wastewater service to the Property served by the accepted water and/or wastewater infrastructure.

(b) Upon inspection, approval, and acceptance of part or all of the roadway or stormwater Authorized Improvements. The City shall maintain and operate the accepted roadways and stormwater infrastructure.

(c) The Developer will construct, and the COA and the HOA, respectively, shall maintain and operate the open spaces, common areas, right-of-way irrigation systems, right-of-way landscaping, screening walls, drainage areas, detention areas, and any other common improvements or appurtenances not maintained and operated by the City.

ARTICLE V **FORMATION OF HOA AND COA**

5.1 Mandatory Homeowners Association. The Developer shall create a mandatory residential homeowner association ("HOA"), which HOA shall be required to levy and collect from homeowners annual fees in an amount calculated to maintain amenities, open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping, detention areas, drainage areas and screening walls within the portions of the Property zoned and developed for residential use (the "Residential Property"), described as Subdistrict D in Exhibit C. Common areas, including but not limited to all landscaped entrances to the Residential Property and right-of-way landscaping, shall be maintained solely by the HOA. Maintenance of public rights-of-way by the HOA shall comply with City Regulations and shall be subject to oversight by the City. The Parties shall cooperate with each other to execute documents necessary to give the HOA permission to maintain and operate facilities on City-owned Property. The HOA shall enforce applicable deed restrictions adopted pursuant to **Article VI** of this Agreement. The HOA shall be formed and in place prior to the issuance of any building permits by the City for the Residential Property.

5.2 Mandatory Commercial Owners Association. The Developer shall create a mandatory Commercial Owners Association ("COA"), which COA shall be required to levy and collect from commercial property owners annual fees in an amount calculated to maintain amenities, open spaces, common areas, right-of-way irrigation systems, raised medians and other right-of-way landscaping, detention areas, drainage areas and screening walls within the portions of the Property zoned and developed for commercial use (the "Commercial Property"), described as Subdistricts A, B, and C in Exhibit C. Common areas, including but not limited to all landscaped entrances to the Commercial Property and right-of-way landscaping, shall be maintained solely by the COA. Maintenance of public rights-of-way by the COA shall comply with City Regulations and shall be subject to oversight by the City. The Parties shall cooperate with each other to execute documents necessary to give the COA permission to maintain and operate facilities on City-owned Property. The COA shall enforce applicable deed restrictions adopted pursuant to **Article VI** of this Agreement. The COA shall be formed and in place prior to the issuance of any building permits by the City for the Commercial Property.

ARTICLE VI

INSPECTION AND PERMITTING

The City shall inspect, as required by City Regulations, the construction of all structures, Authorized Improvements, and other infrastructure and/or improvements necessary to support the proposed development within the Property, including without limitation, water, wastewater, drainage, streets, park facilities, electrical, and street lights and signs. Neither the City's inspections, review or approval of plans or specifications shall release the Developer from its responsibility to design, construct, and/or ensure the construction of, adequate Authorized Improvements and other necessary infrastructure in accordance with approved engineering plans, construction plans, and other approved plans related to the development of the Property and in accordance with state and federal law and City Regulations. The City shall be named the beneficiary of the required two-year maintenance bond the Developer shall provide for all Authorized Improvements.

If the City finds that such improvements have been completed in accordance with the final plats, plans and specifications approved by the City (or any modifications thereof approved by the City), and in accordance with all other applicable laws and City Regulations, the City Staff shall accept the same whereupon ownership of such improvements shall be transferred to the City and be operated and maintained by the City at its sole expense. The requirement for acceptance does not apply to recreational facilities, water amenities, screening fences, and landscaping improvements that will be maintained by the HOA or by the COA. No building permits shall be issued for any Phase outside of the agreed-upon Phasing Plan as detailed in **Article IX** of this Agreement.

ARTICLE VII

DEED RESTRICTIONS

The Parties agree that the Deed Restrictions as set forth in **Exhibit "F"** to this Agreement shall be filed in the Kaufman County Land Records within Sixty (60) days of the Effective Date of this Agreement and shall remain on file and in effect unless otherwise

agreed upon in writing by the Parties. Neither Party shall take any action to remove or alter the Deed Restrictions unless agreed upon by both Parties, and appropriate legal actions are taken to properly amend and record such Deed Restrictions.

ARTICLE VIII

TIRZ

Tax Increment Reinvestment Zone. As soon as practicable, the City intends to create and commence the review of the creation, operation, and maintenance of a TIRZ over the Property to provide tax increment revenue for the costs of the fair market value of the acquisition of the Property and the construction or acquisition of specified capital improvements that are Authorized Improvements and qualify as TIRZ Projects under the TIF Act to serve the Property or to reimburse the Developer for any costs advanced or expended by the Developer related to the construction or acquisition of Authorized Improvements, including the Authorized Improvement Costs. It is the intent of the City to grant a certain percentage of the ad valorem tax increment generated by the Property for a period of up to ____ years, which percentage shall be determined as set forth in the TIRZ Project and Finance Plan. In accordance with the TIRZ Project and Finance Plan, the ad valorem tax increment obtained from the Property shall be placed into the TIRZ Fund, a separate fund which has been created by the City. It is anticipated that the monies in the TIRZ Fund, after the payment of Administrative Expenses, shall be paid to the Developer as set forth in the TIRZ Reimbursement Agreement to provide the following: (i) to pay or reimburse the Developer for the costs of the fair market value of the purchase of the Property, and (ii) to pay or reimburse the Developer for the costs of certain Authorized Improvement constructed for the benefit of the Property.

ARTICLE IX

TRANSFER OF PROPERTY AS INCENTIVE/DEVELOPMENT OF PROPERTY

9.1 Transfer of Property as Incentive.

Developer desires to acquire the Property from the City, and by entering into this Agreement, the City sets forth its intent to convey the Property to Developer for the purpose of allowing Developer to develop, install and construct the Authorized Improvements and certain private improvements, which shall include indoor multi-sports facility, office, retail, restaurants, multi-family, townhouse, and single-family units. The Parties have agreed that the Property will be purchased by the Developer in accordance with Chapter 272.001(b)(6) of the Texas Local Government Code, relating to property located in a reinvestment zone, for development as set forth herein. The purchase price of the Property shall be \$_____, which amount is the fair market value of the Property as determined by an independent appraiser paid for by the Developer. The conveyance of the Property shall occur as soon as practicable upon the occurrence of each of the following: (i) the creation and approval of the TIRZ, (ii) the Developer's closing of a construction loan or evidence of financing for the construction of the Authorized Improvements, and (iii) the filing of a preliminary plat for the master infrastructure to

include all Phases of the Authorized Improvements as set forth in Section 9.3 of this Agreement. The Property shall be conveyed subject to a reversionary provision in the deed or other conveyance instrument as required by Texas law and providing that ownership of the Property shall automatically, after two years without the start of construction of the Authorized Improvements Phase I, revert to the City and that Developer shall execute all necessary documents to effect that reversion should Developer fail to meet its obligations under the terms of that conveyance document(s) and/or this Agreement, including subsequent written amendments to those documents as agreed upon by the Parties.

In consideration for the Developer's construction of the Authorized Improvements at its expense in accordance with the terms of this Agreement the City intends to enter into the TIRZ Reimbursement Agreement with the Developer to provide for a grant to the Developer of the fair market purchase price (as determined by independent appraiser) of the Property, such amount determined by the City to be \$_____. The Property shall be developed in accordance with the Phased Development Plan set forth in this Article, and failure of Developer to comply with the Phased Development Plan shall be a breach of Developer's obligations under this Agreement. Upon the Developer's commencement of construction of the Authorized Improvements within Phase I in accordance with the Phased Development Plan, the City agrees to execute and record a release of the right of reversion and Developer shall own title to the Property without encumbrance.

9.2 Development of Property in Full Compliance with City Regulations and Applicable Law.

(a) Development of the Property shall be subject to the City's Regulations, except to the extent that PD-18, approved construction plans, and this Agreement may vary from those terms, then the PD No. 18, approved plats and construction plans and this Agreement shall control.

(b) Any revision to PD-18, including without limitation, all exhibits thereto, if approved by the City, shall be considered an amendment to **Exhibit "C"** to this Agreement, and shall replace the attached **Exhibit "C"** and become a part of this Agreement.

9.3 Plats. All plat and replat applications submitted by Developer shall be in general conformance with the approved concept plan for the Property adopted as part of PD-18, and approval of such applications shall be governed by the City Regulations and state law. Prior to the acquisition of the Property and until such time as Developer acquires title to the Property, all plat and entitlement applications for the Property shall be submitted by Developer as representative of Owner. At all times, all expenses relating to and arising from platting of the Property shall be borne by the Developer. The Developer shall file a preliminary plat for the master infrastructure to include all Phases of Authorized Improvements prior to the City's conveyance of the Property to the Developer and prior to filing a preliminary and/or final plat application for any Phase.

9.4 Phased Development.

(a) Phased Development Plan – Authorized Improvements.

All Authorized Improvements shall be constructed in accordance with the Phased Development Plan attached as **Exhibit “G”** hereto. Final completion by Developer and acceptance by City of the Authorized Improvements shall be a condition precedent to Developer's receipt of TIRZ or other incentive funds for reimbursement of any costs incurred by Developer for the construction or installation of Authorized Improvements, including costs of engineering and other professional services.

The Phased Development Plan shall be strictly adhered to by the Developer. The Developer may amend the Phased Development Plan if agreed upon by the Developer and the City, and such revisions shall be considered part of this Agreement and an amendment to **Exhibit “G”** attached hereto. At no time shall Developer commence or continue any construction within a phase in violation of the Phased Development Plan described in this section. Developer's failure to commence construction of the Authorized Improvements within Phase I in accordance with the Phased Development Plan shall be a default and result in reversion of the Property to the City,. Notwithstanding the foregoing, title to any Phase of the Phase Development Plan which has been timely completed and is accepted by the City shall not revert back to the City but such title shall become vested in the Developer and title to the remainder of the Property shall revert to the City in accordance with the terms of this Agreement.

ARTICLE X **DEVELOPMENT PROCESS AND CHARGES**

10.1 Development, Review, and Inspection Fees. Development of any and all portions of the Property shall be subject to payment to the City of the applicable fees according to the City's Regulations, including without limitation pass through and other adopted fees charged to the City by a third party or charged by the City which relates to platting, zoning requests, construction plans, engineering review, facilities and infrastructure inspection charges, three percent (3%) inspection fee, and any other charges and fees not expressly exempted or altered by the terms of this Agreement. The Developer shall pay all fees in accordance with this Agreement and City Regulations, and such payment shall be a condition precedent to the acceptance of any application or issuance of any permit or other authorization to proceed with the development of the Property.

10.2 Capital Recovery Fees. The Developer is responsible for the construction of all on-site and off-site Authorized Improvements, to the extent such improvements are necessitated by and attributable to the development of the Property. The Parties agree that such improvements will include all of the capital improvements and facility expansions necessitated by and attributable to the Property; therefore, pursuant to Section 395.001(4) of the Texas Local Government Code, **no Impact Fees levied by the City will apply to the Property.** Instead, the City and Developer agree to (a) set roadway

capital recovery fees at \$2,500.00 per single-family residential lot, and (b) set water and wastewater capital recovery fees at \$2,000.00 per single-family residential lot. All capital recovery fees applicable to individual lots will be due and payable at the time building permits are issued for each single-family residential lot.

10.3 Fiber Service.

(a) The Parties agree that as of the Effective Date of this Agreement, there is not a fiber service provider to serve the Property. Developer agrees to use its best efforts to get a fiber service provider to serve the Property. Once a fiber service provider has been made available to serve the Property, the Developer agrees to work with such fiber service provider to serve the Property. As there is currently not a fiber service provider to serve the Property, the Developer's inability to work with a fiber service provider shall not constitute a default under this Agreement.

10.4 Park Fees. Developer agrees to construct such parks and open spaces as shown on the Concept Plan attached to PD-18 and upon construction of same, the City waives, relinquishes, and releases any right it might have under a current or future City Regulation or state law to: (1) assess, levy, or collect fees for parks, recreation, and open space facilities and purposes in connection with the development of the Property; and (2) require one or more dedications of land for such purposes in lieu of assessing, levying, and collecting such fees for park recreation, and open space facilities.

10.5 INDEMNIFICATION AND HOLD HARMLESS. THE DEVELOPER AND ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD HARMLESS THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE PUBLIC IMPROVEMENTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION AND/OR CONSTRUCTION OF THE PUBLIC IMPROVEMENTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE PUBLIC IMPROVEMENTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES, AND/OR TRUSTEES, REGARDING OR RELATED TO THE PUBLIC IMPROVEMENTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE PUBLIC IMPROVEMENTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS").

NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OR SOLE NEGLIGENCE OF ANY INDEMNIFIED PARTY. DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON THEIR OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

10.6. DEVELOPER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/DEVELOPERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(a) THE DEVELOPER ACKNOWLEDGES AND AGREES THAT:

(i) THE PUBLIC IMPROVEMENTS TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

(A) TAKING UNDER THE TEXAS OR UNITED STATES CONSTITUTION;

(B) VIOLATION OF THE TEXAS LOCAL GOVERNMENT CODE, AS IT EXISTS OR MAY BE AMENDED; AND/OR

(C) NUISANCE.

(ii) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC IMPROVEMENTS IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(iii) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER HEREBY WAIVES ANY CLAIM THEREFORE THAT IT MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC IMPROVEMENTS.

(b) SECTION 10.6 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE XI
WATER AND WASTEWATER FACILITIES AND SERVICE

11.1 Retail Water and Wastewater Service to the Property.

(a) Retail water and wastewater service to serve the Property shall be provided by the City.

11.2 Water Tower. The Developer shall construct a Water Tower at its sole expense and shall dedicate the Water Tower and the land upon which the Water Tower is located to the City and shall generally be compliant with the location indicated in Exhibit C.

11.3 Administration of Construction of Authorized Improvements. The Parties agree that the Developer will be responsible for constructing the Authorized Improvements. The Authorized Improvements, and all other needed improvements will

be considered a City project, and the City will own all such Authorized Improvements and other needed improvements upon completion and acceptance in accordance with the terms of this Agreement and City Regulations.

11.4 Operation of the Water and Wastewater Facilities. Upon acceptance by City of the Water and Wastewater Facilities, the City shall operate the Water and Wastewater Facilities serving the Property and use the Water and Wastewater Facilities to provide service to the Property and as otherwise required or allowed by state law. If accepted by the City, the City shall at all times maintain the Water and Wastewater Facilities or cause the Water and Wastewater Facilities to be maintained, in good condition and working order in compliance with all applicable City Regulations and all applicable regulations, rules, policies, standards, and orders of any governmental entity with jurisdiction over same. Notwithstanding, following acceptance of the Water and Wastewater Facilities and at City's sole cost, nothing contained herein shall prevent the City from altering or changing the design and/or location of the Water and Wastewater Facilities as necessary to meet future needs or updated standards, as solely determined by the City.

11.5 Operation of the Roadway and Drainage Authorized Improvements. If the City accepts the roadway and drainage Authorized Improvements, the City shall operate the such roadway and drainage Authorized Improvements serving the Property and use the roadway and drainage Authorized Improvements to provide service to the Property and as otherwise required or allowed by state law. If accepted by the City, the City shall at all times maintain the roadway and drainage Authorized Improvements or cause the roadway and drainage Authorized Improvements to be maintained, in good condition and working order in compliance with all applicable City Regulations and all applicable regulations, rules, policies, standards, and orders of any governmental entity with jurisdiction over same. Notwithstanding, following acceptance of the roadway and drainage Authorized Improvements and at City's sole cost, nothing contained herein shall prevent the City from altering or changing the design and/or location of the roadway and drainage Authorized Improvements as necessary to meet future needs or updated standards, as solely determined by the City.

ARTICLE XII **TERM**

The term of this Agreement shall be for a period of five years after the Effective Date and shall automatically be extended for a five (5) year period, upon written agreement of the Parties.

ARTICLE XIII **EVENTS OF DEFAULT; REMEDIES**

13.1 Events of Default. No Party shall be in default under this Agreement until Notice of the alleged failure of such Party to perform has been given in writing (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such

Party has been given a reasonable time to cure the alleged failure (such reasonable time to be determined based on the nature of the alleged failure, but in no event, more than 30 days after written notice of the alleged failure has been given). Notwithstanding the foregoing, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure. **Notwithstanding the foregoing, however, a Party shall be in default of its obligation to make any payment required under this Agreement if such payment is not made within 30 days after it is due.**

13.2 Remedies. If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, or actions for specific performance, mandamus, or injunctive relief. **NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT.**

13.3 Cessation of Compliance/Future Action of City Council. As a matter of law, a city by contract cannot bind its current or future city councils in the exercise of the council's legislative discretion or the performance of its legislative functions, which include the zoning of Property, the establishment of TIRZs, and other special districts. If the current or a future City Council of the City does not establish or operate the TIRZ as described in this Agreement, then Developer shall have no further obligation to comply with any of the terms of this Agreement until such time as the City Council takes appropriate actions to have the City resume compliance with its obligations under this Agreement. If the City resumes its compliance with its obligations under this Agreement, the Developer shall have up to 90 days to resume its compliance with this Agreement.

ARTICLE XIV **ASSIGNMENT AND ENCUMBRANCE**

14.1 Assignment. (a) The Developer has the right (from time to time) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Developer under this Agreement to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property (a) without City consent, but with notice to the City, if the Assignee is an entity that is controlled by or under common control by the Developer; or (b) with the City's prior written consent (which consent shall not be unreasonably withheld if the Assignee demonstrates financial ability to perform), if to any other person or entity, provided that the Developer is not in breach of this Agreement at the time of such assignment. An Assignee is considered the "Developer" and a "Party," and under this Agreement for purposes of the obligations, rights, title, and interest assigned to the Assignee.

(b) Notice of each proposed assignment to an Assignee which is not an entity that is controlled by or under common control by the Developer shall be provided to the City at least fifteen (15) days prior to the effective date of the assignment, which notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address (if available) of a contact person representing the Assignee whom the City may contact for additional information regarding the experience, background and financial ability to perform of the Assignee.

(c) Each assignment shall be in writing executed by the Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned, and shall contain a representation by the Assignee acknowledged by a notary public that the Assignee has the financial ability to timely perform the assigned obligations. A copy of each fully executed assignment to an Assignee shall be provided to all Parties within fifteen (15) days after execution. From and after such assignment, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within fifteen (15) days after execution, the Developer shall not be released until the City receives such copy of the assignment.

(d) No assignment by the Developer shall release the Developer from any liability that resulted from an act or omission by the Developer that occurred prior to the effective date of the assignment unless the City approves the release in writing.

(e) The Developer shall maintain written records of all assignments made by the Developer to Assignees, including a copy of each executed assignment and the Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

(f) Any receivables due under this Agreement or any TIRZ agreement may be assigned by the Developer without the consent of, but upon written notice to the City. The Developer may collaterally assign the TIRZ receivables as collateral for any development loan, and the Developer may execute such documents and contracts as necessary to effectuate such loans or financings, without the consent, but with notice, to the City.

14.2 Assignment by the City. The City shall not assign this Agreement.

14.3 Encumbrance by Developer and Assignees. The Developer and Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with written notice to the City within ten (10) days of the execution of such document. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including notice information for the lender, then that lender shall have

the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in accordance with the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. **Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial unless otherwise agreed to in writing by the lender and the City. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.**

14.4 Transfer of Warranties. Any Authorized Improvements that are transferred to the City shall be accompanied by all applicable third-party bonds and warranties related to construction and maintenance of such Public Improvements, as required by the Subdivision Regulations and State law.

14.5 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without the Developer's prior written consent, which consent shall not be unreasonably withheld.

14.6 No Third-Party Beneficiaries. This Agreement only inures to the benefit of, and may only be enforced by, the Parties. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

ARTICLE XVI

RECORDATION AND ESTOPPEL CERTIFICATES

16.1 Binding Obligations. This Agreement and all amendments hereto (including amendments to the Concept Plan as allowed in this Agreement) and assignments hereof shall be recorded in the deed records of Kaufman County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End-Buyer of a Fully Developed and Improved Lot except for land use and development regulations that apply to such lots.

16.2 Estoppel Certificates. From time to time upon written request of the Developer, if needed to facilitate a sale of all or a portion of the Property or a loan secured by all or a portion of the Property, the City will execute, to its reasonable knowledge and belief, a written estoppel certificate in a form and substance satisfactory to the City identifying any obligations of the Developer under this Agreement that are in default. The Developer shall pay the City \$1,000 at the time of the Developer's requests for an estoppel certificate for each request in excess of one per calendar year.

ARTICLE XVII **ADDITIONAL PROVISIONS**

17.1 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the City Council of the City; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

17.2 Notices. Any Notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following the deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:

Attn: Mike Slye, City Manager
City of Kaufman
209 South Washington Street
Kaufman, TX 75142

With a copy to:

Attn: Patricia A. Adams, City Attorney
Messer, Rockefeller & Fort, PLLC
6371 Preston Road, Suite 200
Frisco, Texas 75034

To the Developer:

Attn: David Willis
Cedar Crest Development Company, LLC
1412 Main Street, Suite 1000
Dallas, Texas 75202

With a copy to:

Attn: Robert Miklos
Miklos Cinclair, PLLC
1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

17.3 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

17.4 Time. In this Agreement, **time is of the essence**, and compliance with the times for performance herein is required.

17.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action by the City Council of the City in accordance with all applicable public notice requirements (including but not limited to, Notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer and that the individual executing this Agreement on behalf of the Developer has been duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

17.6 Entire Agreement. This Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

17.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

17.8 Applicable Law; Venue. This Agreement is entered into pursuant to and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Kaufman County, Texas. Exclusive venue

for any action to enforce or construe this Agreement shall be in the Kaufman County District Court.

17.9 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

17.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

17.11 Further Documents. The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement. This provision shall not be construed as limiting or otherwise hindering the legislative discretion of the City Council seated at the time that this Agreement is executed or any future City Council.

17.12 Exhibits. The following exhibits are attached to this Agreement and are incorporated herein for all purposes:

- | | |
|-----------|---|
| Exhibit A | Metes and Bounds of the Land (54 Acres) |
| Exhibit B | Land Depiction (54 Acres) |
| Exhibit C | Planned Development District No. 18 ("PD-18") |
| Exhibit D | Metes and Bounds of the Property (52 Acres) |
| Exhibit E | Property Depiction (52 Acres) |
| Exhibit F | Deed Restrictions |
| Exhibit G | Phased Development Plan |
| Exhibit H | Cost of Authorized Improvements |

17.13 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights except as provided in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 et seq. of the Texas Local Government Code.

17.14 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is

unable, due to Force Majeure, to perform its obligations under this Agreement, then the obligations affected by the Force Majeure shall be temporarily suspended. Within fifteen (15) business days after the occurrence of a Force Majeure event, the Party claiming the right to temporarily suspend its performance shall give notice to all the Parties, including a detailed explanation of the Force Majeure and a description of the action that will be taken to remedy the Force Majeure and resume full performance at the earliest possible time.

17.15 Entire Agreement. This Agreement, including its exhibits and documents executed in accordance with this Agreement, constitutes the entire Agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement.

17.16 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Developer expressly amending the terms of this Agreement.

17.17 Consideration. This Agreement is executed by the Parties hereto without coercion or duress, and for substantial consideration, the sufficiency of which is hereby acknowledged.

[signatures on following pages]

EXECUTED by the City and Developer on the respective dates stated below.

Date: _____

CITY OF KAUFMAN

By: _____
Jeff Jordan, Mayor Pro

ATTEST:

Jessie Hanks, City Secretary

APPROVED AS TO FORM

Patricia A. Adams, City Attorney

STATE OF TEXAS

COUNTY OF KAUFMAN

§
§
§

This instrument was acknowledged before me on the ___ day of _____, 2020 by
Jeff Jordan, Mayor of the City of Kaufman, Texas on behalf of the City.

(SEAL)

Notary Public, State of Texas

Name printed or typed

Commission Expires:_____

Date: _____

DEVELOPER

Cedar Crest Development Company, LLC,
a Texas limited liability company

STATE OF TEXAS §
 §
COUNTY OF Dallas §

This instrument was acknowledged before me on the _____ day of _____, 2020 by _____, _____(title) of Cedar Crest Development Company, LLC, a Texas limited liability company, on behalf of such company.

Notary Public, State of Texas

EXHIBIT A
Land Legal Description (54 Acres)

DRAFT

EXHIBIT B
Land Depiction (54 Acres)

DRAFT

EXHIBIT C
Planned Development District 18 ("PD-18") Zoning Ordinance

DRAFT

EXHIBIT D
Land Legal Description (52 Acres)

DRAFT

EXHIBIT E
Land Depiction (52 Acres)

DRAFT

EXHIBIT F
Declaration Of Covenants, Conditions And Restrictions

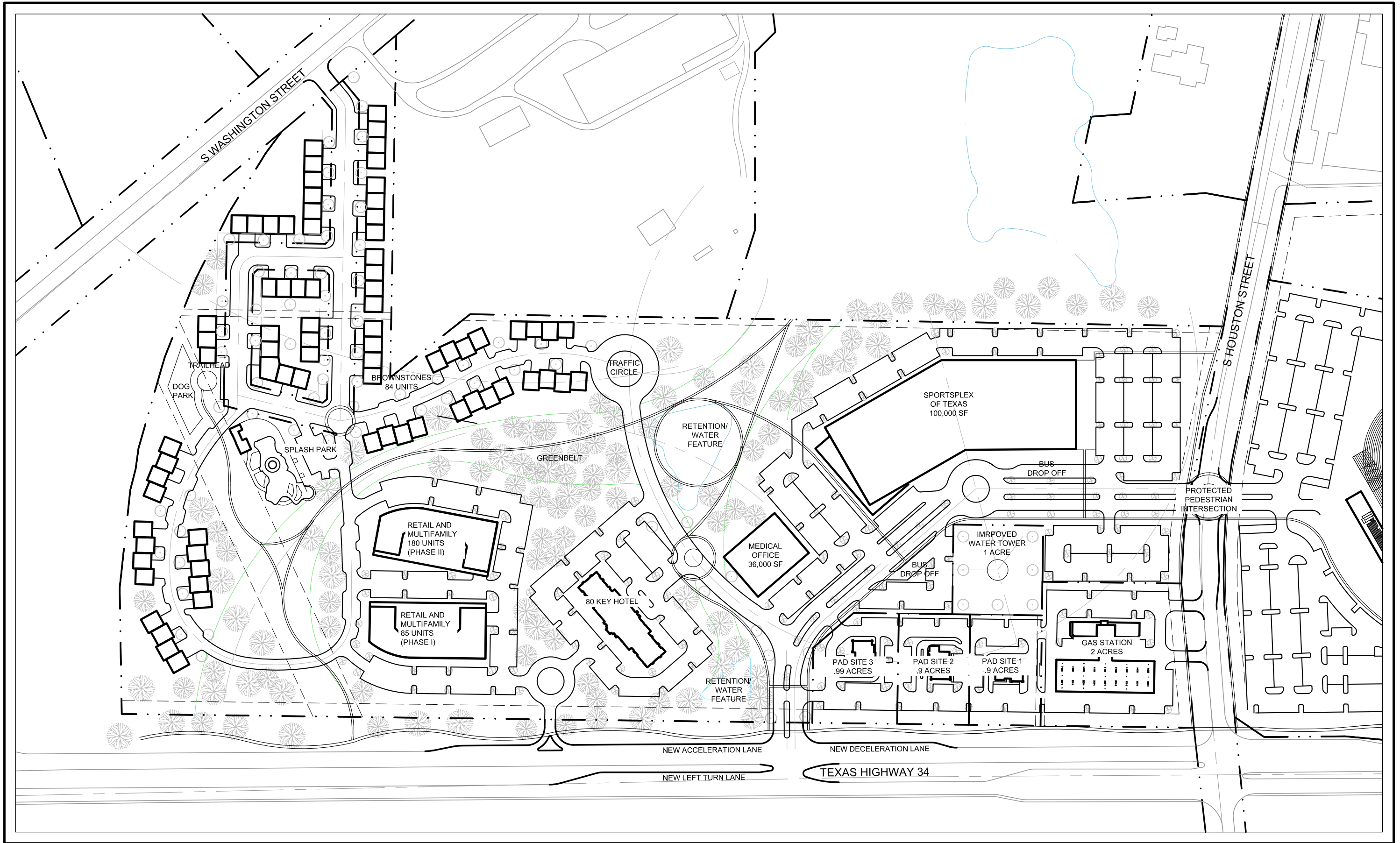
DRAFT

EXHIBIT G
Phased Development Plan

DRAFT

EXHIBIT H
Costs of Authorized Improvements

DRAFT



Copyright Greenlight Studio, LLC 2019. This representation has been developed for preliminary review under the authorization of Texas Registered architect Tyler Adams, #21898. This document is not to be used for construction pricing or municipal review and does not guarantee correctness.

South Pointe Park

CONCEPT PLAN | SCALE: 1:200

GREENLIGHT

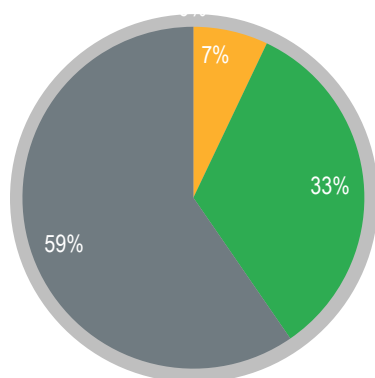
December 3, 2019

STUDIO, LLC

City of Kaufman Profile

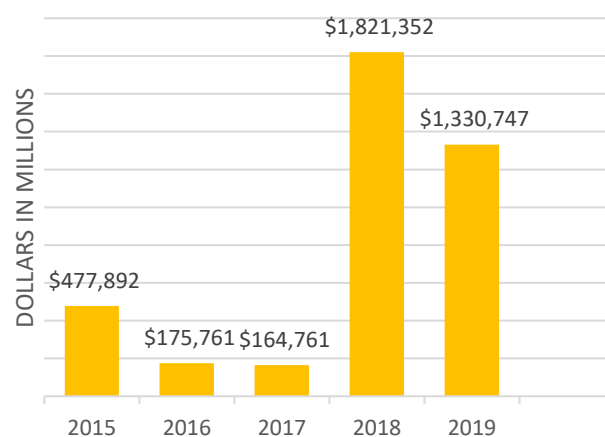
1,443	Customers
111	Employees
36	Miles of Pipe
\$1,330,747	Capital Expenditures in FY2019
\$3,970,513	Capital Expenditures since FY2015
312	Steel Service Lines Replaced Since 2011

System Makeup



■ Bare Steel ■ Coated Steel
■ Plastic Polyethylene ■ Cast Iron

CITY Expenditures FY2015- FY2019



Contact Information

Sheena Morgan	972.426.7018	Sheena.Morgan@atmosenergy.com	Manager of Public Affairs
Tim Gilbert	972.485.6021	Tim.Gilbert@atmosenergy.com	Director of Operations
Elizabeth Delgado	972.485.6256	Elizabeth.Delgado@atmosenergy.com	Operations Manager
Blake Parker	469.236.5092	Stephen.Parker@atmosenergy.com	Operations Supervisor
Michael Cox	469.261.2107	Michael.Cox@atmosenergy.com	Operations Supervisor
Kenneth Mathis	214.316.4658	Kenneth.Mathis@atmosenergy.com	Town Operator

Emergency

Smell gas? Act fast! If you smell gas, leave the area immediately and from a safe distance call 911 and Atmos Energy's 24/7 emergency line at **866.322.8667**

Customer Service

Our Customer Contact Center is available Monday through Friday, 7 AM – 6PM CST at **888.286.6700**.

For more information about Atmos Energy, visit atmosenergy.com

Texas Sales Tax Legislative and Policy Change Summary

South Dakota v. Wayfair (Supreme Court decision, June 2018)

Prior to the Supreme Court's decision in June 2018 in the *South Dakota v. Wayfair* case, a taxpayer had to have physical nexus in a state, meaning a physical presence in the state via property, employees, etc. in order to have a tax collection/reporting responsibility for that state. The State of South Dakota sued Wayfair (an online retailer with no physical presence in the state) in an effort to collect sales tax on Wayfair's online sales into the state. The Supreme Court ruled in favor of South Dakota thereby changing the nexus standard from a physical presence to an economic presence. The decision held that a state could impose sales and use tax collection obligations on vendors without a physical presence in the state (known as remote sellers) -- provided that the collection obligation would not impose an undue burden.

Texas Sales/Use Tax Legislation (2019 Session)

The Wayfair decision led to new Texas legislation during the 86th Legislature in 2019 that became effective on October 1, 2019. The impact of the new legislation will vary by local jurisdiction, but should result in an overall increase in sales taxes for most local jurisdictions.

The Comptroller began enforcing the sales tax collection obligation on sellers whose only activities in the state are the remote solicitation of sales. To ensure that the collection obligation does not impose an undue burden, the Comptroller provided a "safe harbor" for remote sellers and will not require remote sellers with total Texas revenue of less than \$500,000, in the preceding twelve calendar months, to obtain a permit or collect and remit sales and use tax. Additionally, House Bill 2153 (codified at Texas Tax Code Section 151.0595) was enacted to ease the burden on remote sellers which provides a single local tax rate for remote sellers. A remote seller may choose to collect this single local tax rate by notifying the Comptroller instead of calculating and remitting local sales tax based on the total local tax rate in effect at the destination. The Comptroller will compute the single local tax rate and publish it in the Texas Register prior to the beginning of each calendar year. The current single local tax rate is 1.75 percent. The sales taxes reported using the single local tax rate are remitted by the Comptroller to local jurisdictions based upon their existing proportion of the local sales tax base. This amount can now be seen as a separate line item on the monthly Allocation Payment Detail found on the Comptroller's website.

The 86th Legislature also enacted House Bill 1525 (codified at Texas Tax Code Section 151.0242) to address the tax collection responsibilities of marketplace providers. A marketplace is a physical or electronic store, internet website, software application, or catalog that third-party sellers use to make sales.

A marketplace provider is a person who owns or operates a marketplace and processes sales or payments for marketplace sellers (third parties). Examples include Amazon, eBay, Etsy, etc.

The law requires marketplace providers to collect and remit state and local sales and use tax on all third-party sales. Therefore, the marketplace provisions shift the tax burden from the marketplace seller to the marketplace provider (and results in a change in local tax sourcing, from origination to destination). So local jurisdictions will lose taxes from marketplace sellers in their jurisdiction, and gain taxes from marketplace sellers not located in their jurisdiction.

Texas Comptroller Amends Rule 3.334 (effective May 31, 2020)

The Comptroller outlines its policy as it relates to local sales and use tax law in Rule 3.334. As a result of the local sales and use tax legislation enacted in 2019, the Comptroller needed to update its policy/the rule in order to reflect the above changes to the tax law.

The Comptroller published its proposed changes to Rule 3.334 in the Texas Register on January 3; and initially allowed for a 30-day period for the public to make comments. The Comptroller's proposed revisions went beyond the necessary changes resulting from the legislation by adopting new language stating that "internet orders are not received at a place of business of the seller in Texas." Local sales/use taxes are primarily based on "place of business" (origination) versus based on customer service/ship to location (destination). The proposed change would have resulted in a significant amount of taxes being shifted from origination to destination. Such a change in the sourcing of local sales/use tax would typically require changes to actual tax law, not the Comptroller's policy (because it creates an issue where the policy does not adhere to the actual law).

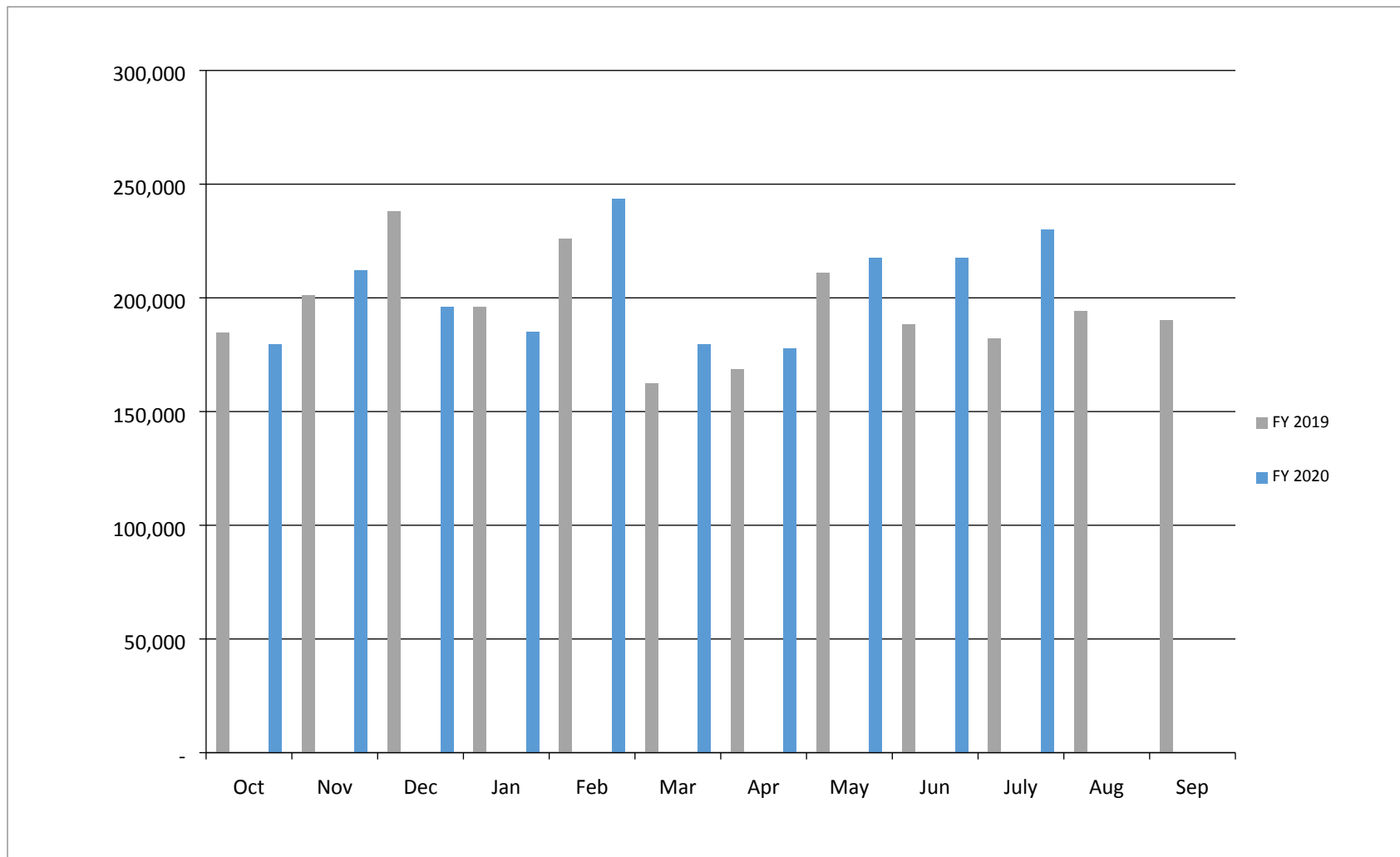
The Comptroller had publicly stated that its intent was to go after Chapter 380 sales tax rebate incentive agreements. The issue caused much confusion and controversy among businesses and local jurisdictions. After receiving requests from many interested parties, the Comptroller scheduled and held a public hearing on February 4 and extended the comment period to February 17. On February 5, the House Ways and Means Committee held a hearing to consider the proposed rules as well. Local jurisdictions testified both for and against the sourcing changes contained in the rule. Following the hearings, the comment period was again extended to April 3.

The Comptroller published the final/adopted version of Rule 3.334 in the Texas Register on May 22, 2020. In the final/adopted version, the Comptroller deleted the proposed definition of "Internet order" and the provisions for consummation of sales for Internet orders. However, the Comptroller added language that states that orders not received by sales personnel, including orders received by a shopping website or shopping software application, will be deemed to be received at locations that are not places of business. This essentially accomplishes the same result that the Comptroller wanted from the previous "internet order" verbiage – to switch the sourcing of local tax from origination to destination for orders not received in person and/or by a person. It should be noted that this specific change will not become effective until October 1, 2021; thereby giving any interested parties an opportunity to seek a legislative change during the 2021 legislative session before it goes into effect.

The final/adopted rule also includes language that will affect some Chapter 380 sales tax rebate incentive agreements, specifically those with purchasing offices that the Comptroller determines exist solely to rebate a portion of local sales/use taxes (i.e. businesses that have a location in a city solely to receive "internet orders" in order to direct sales taxes from those "internet orders" to the city pursuant a Chapter 380 sales tax rebate incentive agreement). It should be noted that the initial proposed rule had a provision to grandfather these types of agreements until December 31, 2022. The final/adopted rule did not contain this provision, as the issue of sourcing local tax from origination to destination for orders not received in person and/or by a person (as mentioned above) is not effective until October 1, 2021 and could be affected during the 2021 legislative session (as this will, most assuredly, be a contested issue).



SALES AND USE TAX DISTRIBUTION FY 19 & 20



CITY OF KAUFMAN, TEXAS
Special Assessment Revenue Bonds, Series 2020
(Kaufman Public Improvement District No. 1 Phases #1A-1B Project)

SCHEDULE OF EVENTS

August 2020						
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2020						
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October 2020						
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

	Description	Responsibility
2018-2019	City Council/Tax Increment Reinvestment Zone (TIRZ) Board Meetings ○ Hold Public Hearing on Proposed Levy and Assessment ○ Adoption of Levy and Assessment Ordinance, Approval of Reimbursement Agreements, Construction Funding & Acquisition Agreements, Landowner Agreements, Approval of TIRZ Project and Finance Plan	ALL, City
7/21/2020	Diligence Questionnaires Distributed First Draft Indenture Distributed	WIN B
Ongoing	Diligence Provided	ALL
July-August	Preliminary Limited Offering Memorandum (PLOM), Continuing Disclosure Agreements (CDAs) drafts distributed/Comments Received Bond Documents Distributed/Comments Received	WIN/ALL B/ALL
[8/17/2020]	Deadline to submit FINAL documents for 8/24/2020 meeting • Resolution Approving PLOM	
8/24/2020	City Council Meeting ○ Adopt Resolution Approving PLOM	ALL, City
9/11/2020	PLOM Posted and Bond marketing commences	UW
9/14/2020	Bond Purchase Agreement (BPA) distributed	WIN
[9/21/2020]	Deadline to submit FINAL documents for 9/28/2020 meeting • Bond Ordinance • Service and Assessment Plan (SAP) Update • BPA, CDA	ALL
9/28/2020	Pricing	UW
9/28/2020	City Council Meeting ○ Adopt Bond Ordinance, Approve BPA/final pricing and SAP Update	ALL, City
10/2/2020	Final documents filed with Attorney General	B
10/6/2020	Post Final Limited Offering Memorandum	
10/21/2020	Receive Attorney General Approval	AG
10/22/2020	Closing	All

Bond Counsel – Bracewell - **B**
Financial Advisor – Hilltop – **FA**
Underwriter – FMSBonds – **UW**

Underwriter's Counsel - Winstead PC – **WIN**
City of Kaufman – **City**
Attorney General of Texas – **AG**



Meeting
Date: 7/27/2020

Date: 7/16/2020

Item #: d.

Dept.: Administration

Discussion Item

SUBJECT:

NTMWD 427A Kaufman 20" Waterline Preconstruction Conference

BACKGROUND:

NTMWD are adding valves, replacing some pipeline and adding some other items on the 20 inch line that feeds us from Forney to our Ground Storage Tank receiving area. They are expected to begin on items not requiring a water shut down and planning to do the water shut down items during the colder, low usage weather. There will be multiple water shutdowns during this construction process. They are going to work with us constantly and we should be able to operate effectively during the shutdowns barring any major emergencies and keep our affected citizens and businesses apprised of the various shutdowns during the construction process.

Author:

Reviewed:

Mike Slye, City Manager

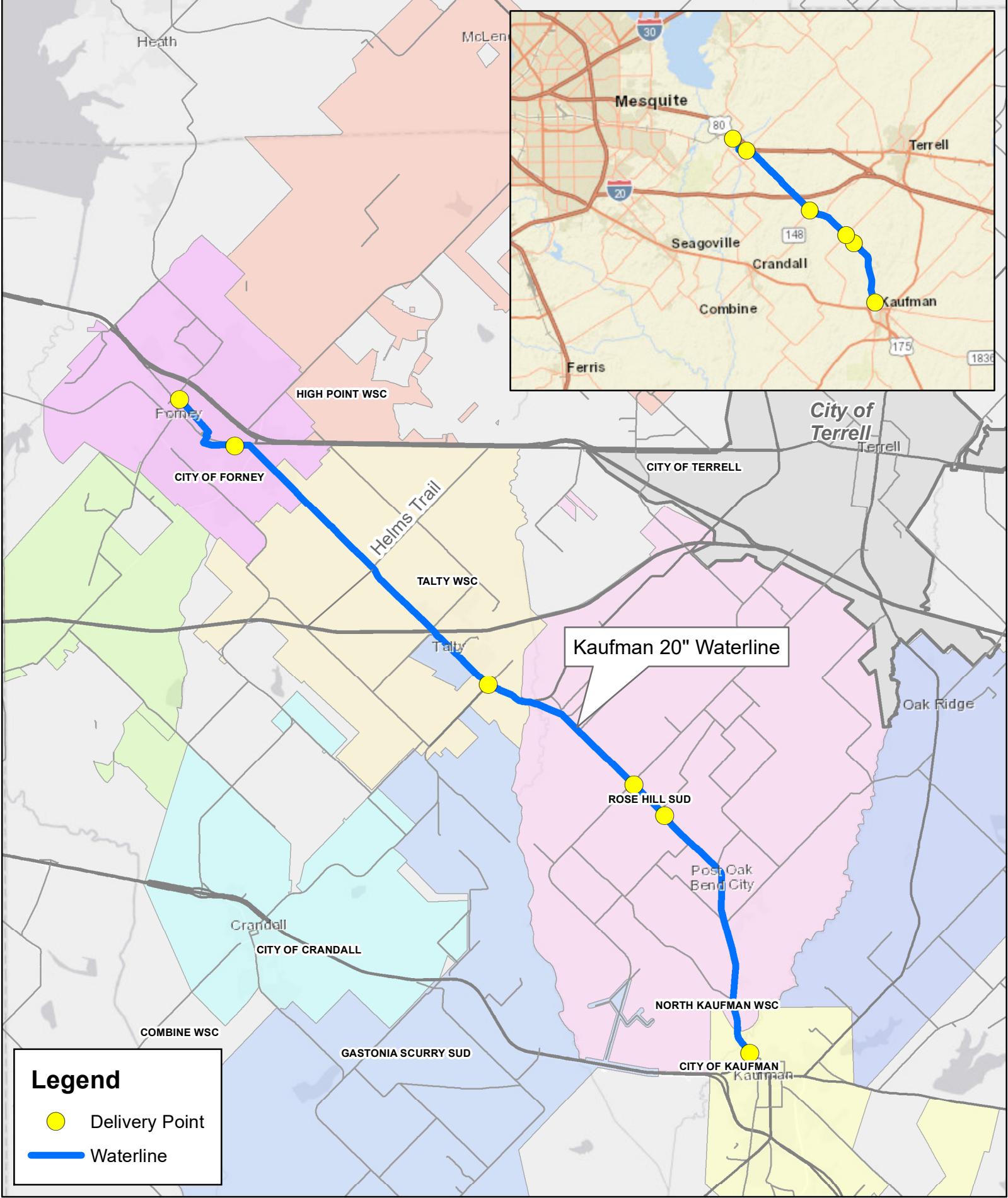
Cost:

Funds Available:

Source:

Recommendation: For Your Information only. NTMWD has already let the contract.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
☐	☐	☐	☐	☐



DISCUSSION ITEMS REPORT (DIR)

Project Title	Department	Agenda Date	Entered Date	Status/Notes	Strategy Map
Splash Pad	Parks &Rec	TBD	10/23/2018	TDPW Grant/Parks Master Plan/South Pointe Dev	2,3,4
Thoroughfare Plan Update	Development Serv	TBD	10/23/2018		2,5
Bldg Standards Commission Ordinance	Development Serv	9/1/2019	10/23/2018	BSC to review	4
Civic Center	Admin	7/22/2019		Construction underway	2,3
Marlow Development	Development Serv	4/22/2019	10/23/2018	Accept Utilities	2
54-Acre Development	Development Serv		10/23/2018	PD to Council 05/18/2020	2,3,4
Park Dedication Ordinance	Development Serv		10/23/2018	City Attorney Drafting Ordinance	4,5
Recodification of City Ordinances	Admin	11/13/2018	10/23/2018	Staff Review	5
Phase II - Street Bond	Public Works	10/28/2019	10/23/2018	Underway	5
Subdivision Ordinance Update	Development Serv	1/27/2020	10/23/2018	TNP Preparing proposal	5
TxDOT Turnback	Admin	12/17/2018	11/6/2018	In Process	2,3,5
Citizens Academy	Admin/Public Safety		11/27/2018	Planning Phase	1,3
Explorer Post	PD		11/27/2018	On hold/KISD not interesterd	1,3
Kaufman Lake	Admin/PW		1/8/2019	Appraisal/MLS listing	2,4,5
Downtown Parking	Admin		1/16/2019	Input from Downtown Advisory Committee	2
Street Maintenance Priorities	PW/Admin		2/27/2019	List Presented to Council	5
Kaufman Estates	PW/Admin	10/28/2019		Council Action to Amend CCN	5
Building Code Update	Development Serv	10/28/2019	6/4/2019	Approved O-28-19	5
Summer Youth Program	Admin/Parks	TBD	7/16/2019	COVID Postponement	1,3,4
City Lakes Emer Action Plan	Public Works	TBD	8/7/2019		5
Disc Golf Course	Admin/PW	TBD	8/23/2019	Planning Phase	2,3,4
Washington Street Utility Relocation	Admin/PW	TBD	10/1/2019	SUE forwarded to TxDOT	2,5
Kaufman Square Speakers	Admin/PW	TBD	10/22/2019	Downtown Development Board Approved	2,3
TPW Grant for City Lake Park	Parks &Rec	TBD	12/10/2019	1/5/1900	4,5
Traffic Signal 1388@34 Bypass	Admin		1/28/2020	TxDOT Project	1
PD/FD Safety Equipment Grant	Public Safety	TBD	3/3/2020	Application Submitted	1
CareFlight Facility	Admin	TBD	3/9/2020	Discussions regarding relocation	1,3
COVID - 19	Admin/Public Safety	TBD	3/11/2020	Action Plan in Place	4,5
Solid Waste RFP	Admin	TBD	5/18/2020	Published	4,5
PD Body Camera Grant	PD	4/27/2020	5/19/2020	Application Submitted	1,5
Greenlight City/EDC Marketing	Admin/EDC		06/16/200	Greenlight Retainer	1,2

DISCUSSION ITEMS REPORT (DIR)

Project Title	Project Lead	Agenda Date	Entered Date	Status/Notes
PID Creation Resolution	Dev Svc/Admin	11/13/2018	10/24/2018	Complete
TIRZ Creation Ordinance Amendment	Dev Svc/Admin	11/13/2018	10/24/2018	Complete
TIRZ Project Reprioritization Resolution	Dev Svc/Admin	11/13/2018	10/24/2018	Complete
Home Improvement Incentive Program	Development Serv	11/13/2018	10/23/2018	Complete
Budget Book Submission to GFOA	Finance		10/23/2018	Complete
Interlocal Agreement w/County for PID	Finance		10/30/2018	PID Assessment for Georgetown in 2020
WWTP Priority Project List	Public Works	11/13/2018	10/23/2018	Mark Hill - Consultant
2600 Commerce Way Permit Ready	Development Serv	NA	11/6/2018	Complete Permit Issued 11/26/2018
600 N Nash KC Street Barn Permit Issued	Development Serv	NA	11/6/2018	Complete Finaled 01/04/2019
Rev Ch 22 & 46 7500SF F Sprinkler Req	elopment Serv	01/28/2019 02/25/2019	1/21/2019	Complete 02/25/2019
Realtor PID Training	Admin	NA		Complete 4/23/2019
Fee Schedule Update	Development Serv		6/4/2019	Approved by Council
Bureau Veritas Contract Update	Development Serv		6/4/2019	Approved by Council
Park Master Plan Update	Parks &Rec	8/5/2019	10/23/2018	Aproved by Council
34/243 Signal Installation	Public Works		10/23/2018	Complete
HR Coordinator	Admin		12/17/2018	Admin/HR Assistant Full-Time Sept. 30
Agenda Software Installation/Training	Admin		10/23/2018	Complete
5 Year CIP	Admin	11/25/2019	11/25/2019	Work Session 12/16/19
Water & Street Impact Fee Update	Development Serv		6/10/2019	Council approved 12/16/19
Intern Program	HR	TBD	12/10/2019	Policy to Council 3/30/20
WWTP Finance Application	Finance	11/13/2018	10/23/2018	GTUA Approval

July 8, 2020

To: Kaufman County

From: Ashley Berryhill, Grant Director

Re: June 2020 Demand and Response Ridership Report

TRIP INFORMATION:

	S	O	N	D	J	F	M	A	M	J	J	A	TOTAL
Trips	6,795	7,722	6,519	6,890	7,920	7,619	5,528	1,866	1,413	1,535			54,135
No. Service Days	20	23	19	20	21	19	22	21	20	22			

	Trip Origin Total
COTTONWOOD	0
COMBINE	0
CRANDALL	16
FORNEY	209
GRAYS PRARIE	0
GUN BARRELL	0
HEARTLAND	13
KAUFMAN	315
KEMP	38
MABANK	59
OAK GROVE	3
OAK RIDGE	0
POST OAK	0
ROSSER	0
SCURRY	36
TERRELL	868
STARNow	554
<i>Subtotal</i>	<i>2,111</i>
Terrell Senior Terraces	32
Terrell State Hospital	0
KAUFMAN COUNTY TOTALS	
TOTAL TRIPS	2,111
NO SHOW & CANCELS	1,741



D/R-KAUFMAN COUNTY	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
CHARTER	0	0	0	0	0	0	0	0	0	0	0	0	0
(UPT) Unlinked Passenger Trips	3,018	3,221	2,646	2,989	3,127	3,246	2,450	1,536	1,413	1,535			25,181
EDU	12	8	0	0	7	2	0	0	6	0			35
GOV	0	5	2	8	9	11	12	3	5	4			59
MDE	162	164	89	92	129	104	143	96	99	133			1,211
MED	947	942	669	720	791	740	767	593	649	703			7,521
CONT	0	0	0	0	0	327	50	0	0	0			377
NUT	416	418	420	455	564	537	266	2	8	0			3,086
OTH	756	836	781	627	963	908	666	290	40	96			5,963
SHP	290	321	271	676	184	217	208	198	233	216			2,814
WORK	435	527	414	411	480	400	338	354	373	383			4,115
	3,018	3,221	2,646	2,989	3,127	3,246	2,450	1,536	1,413	1,535	0	0	25,181
0													
KAUF DR TOTAL (+TSH, Charter)	6,795	7,722	6,519	6,890	7,920	7,947	5,528	1,866	1,413	1,535	0	0	54,135

CONTRACTED SERVICES	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
Charter	0	0	0	0	0	0	0	0	0	0			0
Terrell State Hospital	3,777	4,501	3,873	3,901	4,793	4,701	3,078	330	0	0			28,954
Terrell Senior Terraces	38	54	42	44	40	50	37	40	38	32			415
Medicaid	162	164	89	92	129	104	143	96	99	133	0	0	1,211
AAA-Title III B - Kaufman	525	593	523	523	602	525	396	175	224	235			4,321
Nursing Home Contracts	26	36	22	12	14	10	10	40	0	0			170
	4,528	5,348	4,549	4,572	5,578	5,390	3,664	681	361	400	0	0	35,071

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
Adjusted Trip Total	2,267	2,374	1,970	2,318	2,342	2,557	1,864	1,185	1,052	1,135	0	0	19,064
*Trip Totals without Contracted Services													

ELDERLY AND DISABLED	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
> = 60	1,610	1,712	1,332	1,434	1,569	1,474	1,268	793	927	1,032			13,151
DIS <60	521	550	449	439	490	416	270	51	68	127			3,381
E & D	2,131	2,262	1,781	1,873	2,059	1,890	1,538	844	995	1,159	0	0	16,532
% of Trip Total	31%	29%	27%	27%	26%	24%	28%	45%	70%	76%	#DIV/0!	#DIV/0!	

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
GENERAL PUBLIC	4,528	5,348	4,549	4,572	5,578	5,390	3,664	681	361	400	0	0	35,071
% of Total	67%	69%	70%	66%	70%	68%	66%	36%	26%	26%	#DIV/0!	#DIV/0!	

Subscription Trips	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
County Subscription Trips	989	1,123	1,050	1,092	1,301	1,282	1,009	566	567	543			9,522
Percent Subs of Total Trips	33%	35%	40%	37%	42%	39%	41%	37%	40%	35%	#DIV/0!	#DIV/0!	
SUBS Can/NoShow	251	253	421	498	386	329	807	1,271	1,237	1,326			6,779

July 8, 2020

To: City of Kaufman

From: Ashley Berryhill, Grant Director

Re: June Demand and Response Ridership Report

TRIP INFORMATION:

	S	O	N	D	J	F	M	A	M	J	J	A	TOTAL
Trips	537	605	570	611	652	1,033	520	281	233	315			5,357
No. Service Days	20	23	19	20	21	19	22	21	20	22			207

NO. OF TRIPS	PURPOSE
0	Education
1	Government
67	Medicaid
125	Medical
0	Nutrition (Senior Center)
19	Other (adult-day care, beauty salon, friend's homes, etc.)
67	Shopping
36	Work
0	Contract Services

ELDERLY AND DISABLED RIDERSHIP	
66	Disabled Trips
193	Elderly (&/or Dis) Trips

259 E & D Total Rides

E & D Percent of Total Trips – 87%

JUNE UNDUPLICATED PASSENGERS
43
YEAR TO DATE UNDUPLICATED PASSENGERS
189

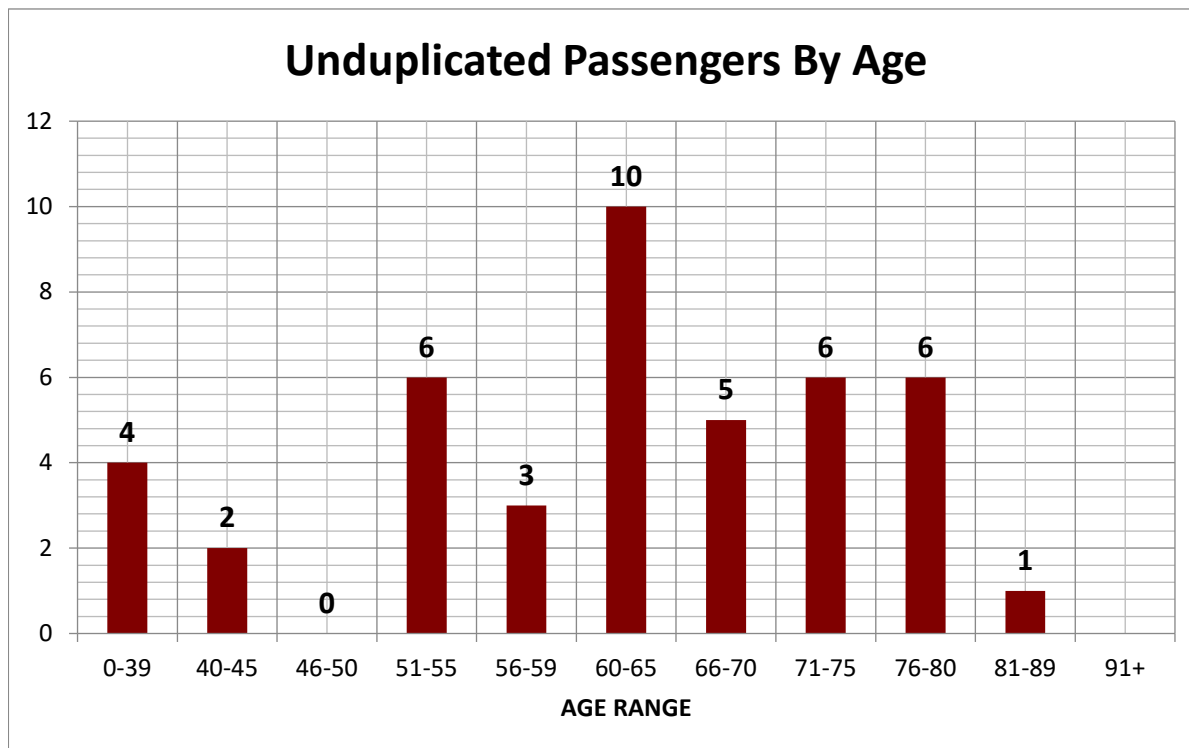


Trip Total	
KAUFMAN TO KAUFMAN	271
KAUFMAN TO OUTSIDE	24
OUTSIDE TO KAUFMAN	20

315

NOSHOW/CANCEL	260
DENIALS	12
Month to Month Unduplicated	43
YTD Unduplicated	189

June 2020 Total D & R Trips	315
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July 8, 2020

To: Kaufman County

From: Ashley Berryhill, Grant Director

Re: **June 2020 STARNow** - Terrell Ridership Report

FY20 TRIP INFORMATION:

STARNow- Kaufman Co	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	TOTALS
TRIPS			180	350	289	328	307	274	350	554			2,632
DAYS OF SERVICE			19	20	21	19	22	21	20	22			164

KPIs

Completed Boardings  Avg. Boardings Per Service Hr. Boarding Cancellations  Boarding Cancellations (No Show)  Cancellation Percentage

554 1.08 157 19 22.08 %

Cancellation Percentage (No Show) Completed Requests  Cancelled Requests  Cancelled Requests (No Show)  Avg. # of Trips per Rider

2.67 % 547 154 19 7.91

Avg. Travel Duration  Avg. Travel Distance  Avg. Wait Time  Median Wait Time  Bookings from Admin Portal  Bookings from Rider Application 

10.35 min 2.78 mi 27.17 min 15.26 min 62.27 % 37.18 %

Flag Down Bookings 

0.54 %



Response Summary:

	Responses	Transports	Exceptions	Compliance %	Transport %
Priority 1 <8:59	30	19	0	100%	63%
Priority 2 <11:59	96	49	1	99%	51%
Priority 3 <14:59	21	15	0	100%	71%
Emergency Transfers<0:29:59	82	82	35	57%	100%
Non-Emergency Transfers<0:15	49	46	10	80%	94%
Helicopter	5	5			
Totals	283	216		99.00%	61.93%

Transport Summary:

	Number	Percentage
Baylor Scott and White Dallas	10	5%
Baylor Scott and White Sunnyvale	7	3%
Baylor Scott and White Lakepointe Rowlett	0	0%
Baylor Scott and White Lakepointe Forney	1	0%
Childrens Medical Center	11	5%
Dallas Regional Medical Center	2	1%
Medical City Dallas	3	1%
Parkland	0	0%
Texas Health-Dallas	51	24%
Texas Health- Kaufman	60	28%
Texas Health -Plano	11	5%
Texas Health-Rockwall	3	1%
UT Health- Athens	2	1%
UT Health- Tyler	2	1%
UT Health- Cedar Creek	0	0%
VA Medical Center Dallas	0	0%
Other Hospitals	10	5%
Nursing home, residence, other	38	18%
	211	100%

	Number	% of Total
Patient Refusal/Treat No Transport	34	51%
Pt is DOS	1	1%
Cancellation- No Patient	32	48%
	67	100%

Average Response Time
City Wide--Emergency Calls

0:05:10

	Responses	Exceptions	
Last 100 Calls			
Priority 1	100	3	97%
Priority 2	100	1	99%
Priority 3	100	0	100%



COUNCIL MONTHLY UPDATE

JUNE 2020

- In JUNE the Kaufman Fire Department responded to 198 calls for service.
- In June 2019 we responded to 185 calls for service
- Covid 19 testing was conducted twice at the Fire station by Military
- We continue to screen employees and citizens that enter city hall
- Meeting with Engineers on new justice center and performed inspections on new Plumb tree apartment fire lines.
- 2 volunteer fire fighters completed their State Fire Commission training and became certified
- Training:
 - (Fire Ce's) (EMS Ce's)
 - Wildfire ops Bandage & splinting

DEPARTMENT

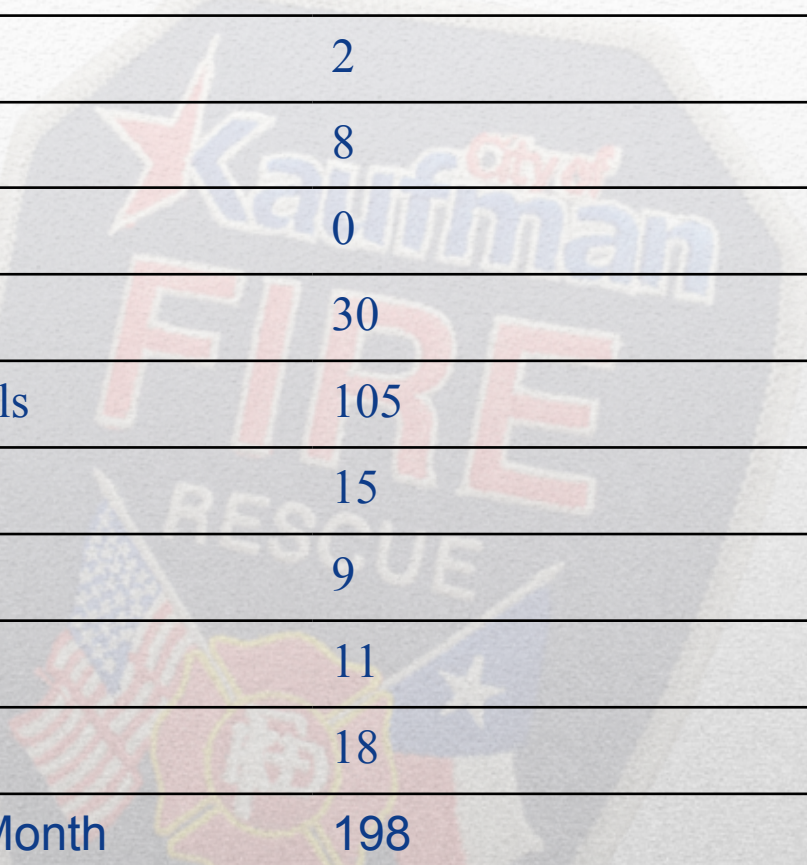
SNAPSHOT June

- **Incident Response Time
Monthly Average**

- **June 2020 Monthly
Average Response
Time 4 Minutes 57
Seconds (4.57)**
- **June 2019 Monthly
Average Response
Time 5 Minutes 05
Seconds (5.05)**

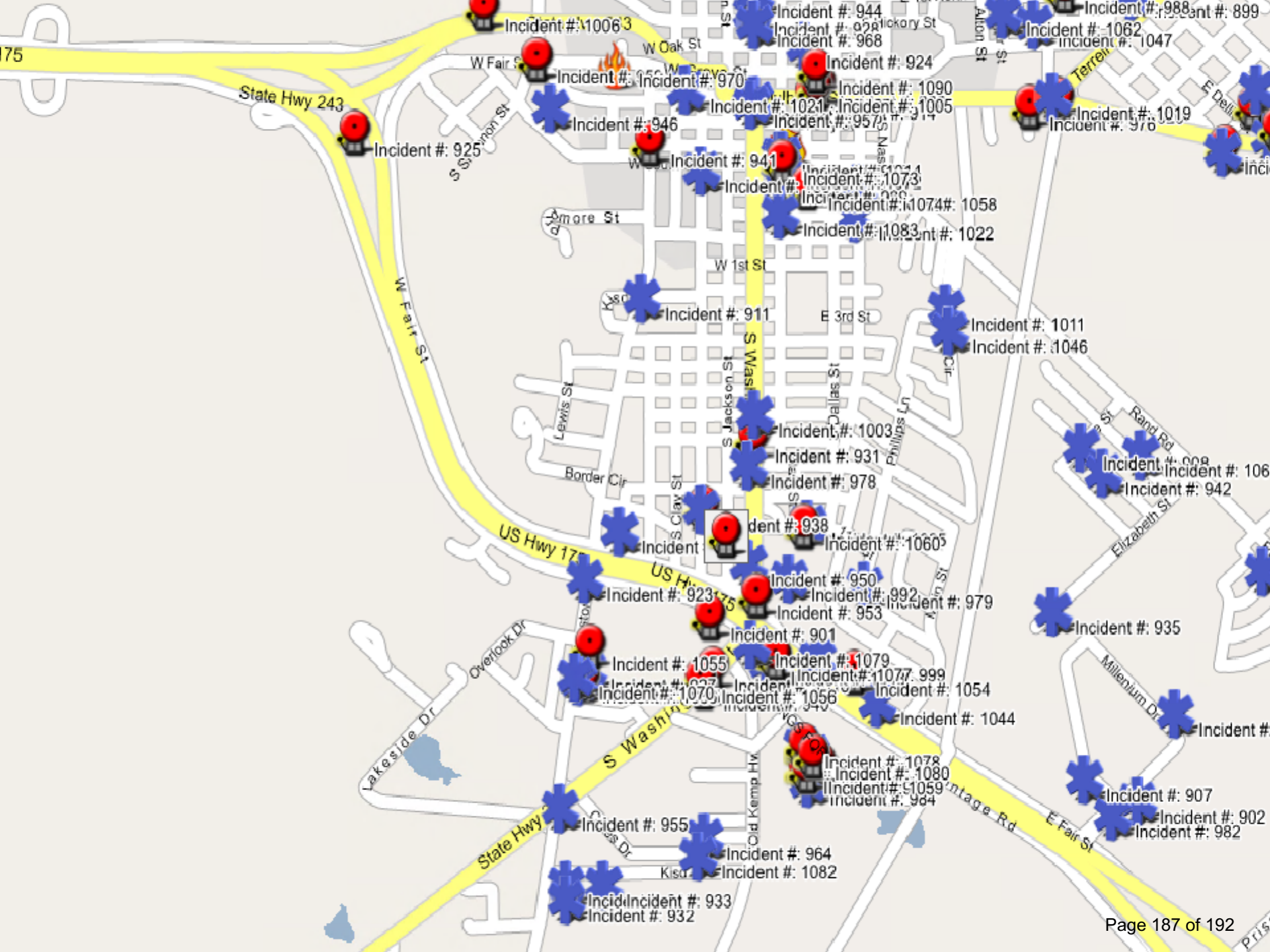


DEPARTMENT SNAPSHOT



Inspections	29
Structure Fires	2
Grass/Trash	8
Automobiles	0
Accidents	30
Emergency Medical Calls	105
Haz / Smoke Calls	15
False Alarms	9
Mutual Aid	11
Public Assist Unlocks	18
Total Responses for Month	198

June 2020 Responses



AUGUST 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 Council Budget Workshop @ 12 PM	4 Planning & Zoning Meeting	5	6	7	8
9	10	11	12	13 Parks & Rec Meeting	14	15
16	17	18	19	20	21	22
23	24 Regular City Council Meeting	25 Keep Kaufman Beautiful Board Meeting	26	27	28	29
30	31					

SEPTEMBER 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3 Council Budget Workshop @ 12 PM	4 Planning & Zoning Meeting	5	6	7	8
9	10	11	12	13 Parks & Rec Meeting	14	15
16	17	18	19	20	21	22
23	24 Regular City Council Meeting	25 Keep Kaufman Beautiful Board Meeting	26	27	28	29
30	31					

OCTOBER 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6 Planning & Zoning Meeting	7	8 Parks & Rec Meeting	9	10
11	12	13	14 <i>TML Conference</i>	15 <i>TML Conference</i>	16 <i>TML Conference</i>	17
18	19	20	21	22	23	24 Oktober Fest
25	26 Regular City Council Meeting	27 Keep Kaufman Beautiful Board Meeting	28	29	30	31

NOVEMBER 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 Planning & Zoning Meeting	4	5	6	7
8	9	10	11	12 Parks & Rec Meeting	13	14
15	16	17	18	19	20	21
22	23 Regular City Council Meeting	24	25	26 City Hall closed- Thanksgiving	27 City Hall closed- Thanksgiving	28
29	30					

DECEMBER 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 Planning & Zoning Meeting	2	3	4	5 Christmas on the Square
6	7	8	9	10 Parks & Rec Meeting	11	12
13	14	15	16	17	18	19
20	21	22	23	24 City Hall Closed- Christmas	25 City Hall Closed- Christmas	26
27	28 Regular City Council Meeting	29	30	31		