

KENNEDALE CITY COUNCIL AGENDA
REGULAR MEETING | FEBRUARY 19, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION at 5:30 PM | REGULAR SESSION at 7:00 PM

I. CALL TO ORDER

NOTE: Pursuant to §551.071, Texas Government Code, City Council reserves the right to adjourn into Executive Session at any time during the Work Session or the Regular Session to discuss posted Executive Session items or to seek legal advice from the City Attorney on any item posted on the agenda.

II. WORK SESSION

- A. Presentation of the Parks and Recreation Board's program, budget, and funding goals and objectives – *Requested by Joplin/Lee*
- B. Receive a report and hold a discussion regarding recommendations of the Utility & Infrastructure Board (UIB) regarding the Winding Creek Erosion Study and other similar issues within the City – *Requested by Gilley/Joplin*
- C. Continued discussion of top ten streets in need of repair and rebuild
- D. Discussion regarding landscaping and maintenance of right-of-way on Kennedale Parkway – *Requested by Joplin/Lee*
- E. Receive a report and hold a discussion regarding right-of-way acquisitions for New Hope Road – *Requested by Joplin/Lee*
- F. Discuss and provide staff direction regarding the creation of a Council Audit Committee and the establishment of a fraud hotline – *Requested by Joplin/Lee*
- G. Discussion regarding goals and objectives the City Council may recommend for the Economic Development Corporation Board's consideration and implementation – *Requested by Joplin/Lee*
- H. Discussion of items on the Regular Agenda

III. REGULAR SESSION

IV. ROLL CALL

V. INVOCATION

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State under God; One and Indivisible."

VII. VISITOR/CITIZENS FORUM

At this time, any person with business before the City Council may address the Council, provided that an official 'Speaker's Request Form' has been completed and submitted to the City Secretary prior to the start of the meeting. All comments must be directed towards the Mayor and Council as a whole, rather than individual Council members or staff. All speakers must limit their comments to the subject matter as listed on the 'Speaker's Request Form.' No formal action or discussion can be taken on these items.

VIII. REPORTS/ANNOUNCEMENTS

In addition to specific matters listed below, the City Council may receive reports about items of community interest, including but not limited to recognition of individual officials, citizens, or departments, information regarding holiday schedules, and upcoming or attended events.

- A. Updates from the City Council
- B. Updates from the City Manager
- C. Updates from the Mayor

IX. MONITORING INFORMATION

- A. Monthly Financials – January 2019
- B. Monthly EDC Financials and Activity Report
- C. Schedule of Investment Activity for quarter ending December 31, 2018

X. INCIDENTAL ITEMS

XI. REQUIRED APPROVAL ITEMS (CONSENT)

All matters listed under Required Approval Items (Consent) have been previously discussed, require little or no deliberation, or are considered to be routine by the City Council. If discussion is desired, an item can be removed from the Consent Agenda and considered separately.

- A. Consider approval of the minutes from the January 15, 2019 Regular Meeting
- B. Consider approval of the minutes from the February 11, 2019 Special Meeting
- C. Consider authorizing the City Manager to sign an Agreement for Mutual Aid in Fire Protection and Emergency Medical Services with Tarrant County
- D. Receive the 2018 Racial Profiling Report from the Police Department

XII. DECISION ITEMS

- A. Consider authorizing the Mayor to sign an Interlocal Agreement with the Fort Worth Transportation Authority ("Trinity Metro") for Administrative Cost Funding for Section 5310 Program
- B. Consider approval of a change order submitted by Circle C Construction at an additional cost of \$37,330.00 for additional repairs related to the replacement of a sanitary sewer line in the 300-400 blocks of Dick Price Road
- C. Discuss and consider Resolution 543, a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek, located at the northeast corner of East Kennedale Parkway and Kennedale Sublett Road
- D. Discuss and consider Resolution 547, a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by CSH Cardinal Court Seniors, Ltd. to partially finance the senior residential development of Cardinal Court Seniors, located at 439 Mansfield Cardinal Road

XIII. EXECUTIVE SESSION

The City Council may meet in Closed Session at any time during the Work Session or the Regular Session, pursuant to Section 551.071 of the Texas Government Code for consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda and legal issues regarding the Open Meetings Act.

- A. Discussion of pending legal matters regarding Ron Sturgeon vs. City of Kennedale
- B. Discussion with the City Attorney regarding proposed contracts to purchase potable water from the City of Arlington and to transfer the operation and maintenance of the Kennedale water and sewer systems to the City of Arlington
- C. Discussion with the City Attorney regarding Resolutions of Support for applications to the Texas Department of Housing and Community Affairs (TDHCA) Housing Credit Program

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

XV. ADJOURNMENT

In compliance with the Americans with Disabilities Act, the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting. Please contact the City Secretary at 817-985-2104 or (TTY) 1-800-735-2989.

CERTIFICATION

I DO HEREBY CERTIFY THAT A COPY OF THE FEBRUARY 19, 2019 KENNEDALE CITY COUNCIL AGENDA WAS POSTED ON THE BULLETIN BOARD NEXT TO THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE; KENNEDALE, TX 76060), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.



LESLIE GALLOWAY, CITY SECRETARY

Date: February 19, 2019

Agenda Item No: WORK SESSION - A.

I. Subject:

Presentation of the Parks and Recreation Board's program, budget, and funding goals and objectives – *Requested by Joplin/Lee*

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

As requested by Council, the Parks and Recreation Board reviewed more than 20 potential park improvements and repairs during their February 6 meeting. At this time, Chair David Deaver will give a brief presentation of those projects identified by the Board as recommended for funding consideration by the City Council.

The projects focus on the baseball fields and related facilities as staff and the Board desire to provide facilities that are in a condition that would allow the Kennedale Youth Association (KYA) to continue to provide a local recreation opportunity to our youth by practicing and playing there.

Due to ongoing theft and vandalism of the Kennedale Ballfields during recent years, KYA – a volunteer league that has offered programs including football, baseball, and cheerleading for more than 50 years – has suffered the loss of almost all of the equipment required to conduct games and maintain the fields. Because the organization does not currently have the funds necessary to replace those items, beginning this year, KYA baseball teams will be practicing at the ballfields at Sonora Park, but playing at the Arlington Southwest Baseball Fields at Martin Luther King Jr. Sports Center off of Eden Road.

The Parks Board proposes to update the fields, secure the facilities, and provide the staffing necessary to bring these fields up to a playable condition as soon as possible and to provide for the ongoing maintenance necessary for KYA to be able to continue to play baseball here in Kennedale.

The following items are those identified by the Parks Board as recommended for funding to remedy this situation, and are listed in order of priority:

- **Security Measures:** lighting, fencing, cameras, and gates
- Theft/Vandal-resistant **storage building** (for dual use by KYA and the City) to safely store the equipment necessary for regular field maintenance and game preparations
- One-time professional **field refurbishment**
- Additional **staff member** that is certified and/or trained in sports field turf maintenance or funding for a year-round contract for these services

Total costs are not available at this time as staff is in the process of obtaining estimates and identifying funding sources. One item not addressed above is the damage caused by KYA playing football on these baseball fields. Because there is not an established football facility locally, they currently practice in Sonora Park (on the New Hope Road side) and play either in the outfield of the baseball fields or at stadiums outside of Kennedale.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019.02.19_Park Projects_CouncilPresentation	2019.02.19_Park Projects_CouncilPresentation.pdf
----	--	--



Park Projects

Recommended for Funding

by the Parks and Recreation Board

Presented to the City Council
Tuesday, February 19, 2019

City of
.KENNEDALE.
Texas
EST. 1887

YOU'RE HERE  YOUR HOME

Prioritized Recommendations

- **SECURITY MEASURES**: lighting, fencing, WiFi security cameras, and gates
- Theft/Vandal-Resistant **STORAGE BUILDING** for dual use by KYA and the City) to safely store the equipment necessary for regular field maintenance and game preparations
- One-time professional **FIELD REFURBISHMENT**
- Additional **STAFF MEMBER** certified and/or trained in sports field turf maintenance or funding for a year-round contract for services

Ballfield Lighting

The background image shows a baseball field with a chain-link fence. In the background, there is a green concession stand and several tall lighting towers with multiple lamps. The sky is overcast.

\$16,887.70 (KEISER ELECTRIC)

Estimated cost to replace existing lights with 150 watt LEDs and to separate the electrical panels for the lights from the concession stand
KYA also requests lights for football practice on the pond side of Sonora

Safety Lighting for Parks & Trails

A photograph of a park scene. A light-colored concrete path winds through a green lawn. In the middle ground, a green metal park bench sits on the grass. The background is filled with lush green trees. A semi-transparent light green box is overlaid on the lower-left portion of the image, containing a bulleted list.

- Security, Trails, and Parking
- Electric or Solar?
- Uniformity throughout the City
- How much light? Density?

Storage Building

A photograph of a white storage building with a dark, gabled roof. The building has a double door with a dark frame and a small wooden ramp leading to it. A light fixture is mounted on the roof. The building is situated outdoors with trees in the background.

\$100,000 – 120,000
(NEW CONSTRUCTION)

LESS THAN \$5000
(STEEL CONTAINER)

Frequently damaged by
thieves; A more secure
building might allow
for rentals of fields

WiFi Enabled Security Cameras

PROPOSED UPDATES

- Spectrum WiFi installed at Concession Stand
- KYA Volunteer will connect the cameras to WiFi
- Additional cameras or lighting may be needed
- Additional Fencing to enclose the fields?
- Parking lot gate/restricted access?
- Timed access/staff managed?



Field Refurbishment

A photograph of a sports field, likely a baseball or softball field, with a scoreboard visible in the background. The field is mostly green grass, but there are significant areas of bare, light-colored soil, particularly on the right side, indicating a need for refurbishment. The background shows a line of trees and a clear sky.

ESTIMATE NOT YET OBTAINED

One-time professional field refurbishment; Additional staff member certified and/or trained in sports field turf maintenance or funding for a year-round contract for services



Date: February 19, 2019

Agenda Item No: WORK SESSION - B.

I. Subject:

Receive a report and hold a discussion regarding recommendations of the Utility & Infrastructure Board (UIB) regarding the Winding Creek Erosion Study and other similar issues within the City – *Requested by Gilley/Joplin*

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

This item was added to the agenda at the request of the Council.

At the Tuesday, December 11, 2018 Regular Meeting, Ben Pylant of Halff Associates presented the Winding Creek Erosion Study to Council. The final report was received by the City in December 2017, and can be viewed at: www.cityofkennedale.com/WCstudy. Following that presentation, the Council requested that the Utility and Infrastructure Board (UIB) formulate recommendations to address these and other emerging erosion issues throughout the City.

Mr. Pylant presented this same overview to the UIB at their meeting on Tuesday, February 5, and the Board determined there is a need to have additional discussions before submitting a recommendation to the City Council. Recommendations to be considered include funding options, construction projects, development policies, and the formulation of a process for prioritizing erosion projects.

Interim Public Works Director Larry Hoover will be available to answer any questions from Council.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: WORK SESSION - C.

I. Subject:

Continued discussion of top ten streets in need of repair and rebuild

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

As Council may recall, staff previously presented those streets in need of a complete rebuild and those in need of heavy maintenance during the Work Session of the Regular Meeting on Tuesday, January 15.

The attached PDF lists, again, those streets in need of heavy maintenance, but with associated cost estimates.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	Top Ten Streets Rated "Poor" (Requiring Heavy Maintenance)	20190219 Street Presentation.pdf
----	--	----------------------------------

TOP TEN STREETS RATED 'POOR'

REQUIRING HEAVY MAINTENANCE

STREET NAME	LENGTH (FT)	TYPE	REPAIR TYPE	PRELIMINARY REPAIR COST
BACHELOR RD.	475	GRAVEL	BASE STABILIZATION & PAVEMENT	\$21,877
CENTURY DR.	765	OTHER	BASE STABILIZATION & PAVEMENT	\$46,671
COLLETT SUBLETT RD.	1,300	OIL & CHIP	PATCHING & CRACK SEAL	\$79,310
NEW HOPE RD.	630	OIL & CHIP	PATCHING & CRACK SEAL	\$67,958
NORTH RD.	2,940	OIL & CHIP	PATCHING & CRACK SEAL	\$170,571
TOWER DR.	1,740	CONCRETE	PATCHING & CRACK SEAL	\$22,511
HIGH RIDGE RD.	970	OIL & CHIP	PATCHING & CRACK SEAL	\$59,177
KENNEDALE ST.	1,040	OIL & CHIP	PATCHING & CRACK SEAL	\$69,667
PINE MEADOWS DR.	1,340	CONCRETE	PATCHING & CRACK SEAL	\$5,779
SHORT ST.	180	OIL & CHIP	PATCHING & CRACK SEAL	\$9,905

- *The Top Ten list was requested but there are, in fact, currently 12 streets rated 'Poor'. The two additional streets in need of heavy maintenance are Spring Branch Lane (concrete) and Swiney Hiatt Road (asphalt).*
- *Engineering/Survey Estimated at 15%*



Date: February 19, 2019

Agenda Item No: WORK SESSION - D.

I. Subject:

Discussion regarding landscaping and maintenance of right-of-way on Kennedale Parkway – *Requested by Joplin/Lee*

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

This item was added to the agenda at the request of the City Council.

On Monday, January 28, Council received the attached Informal Staff Report from Interim Public Works Director Larry Hoover regarding the landscaping, irrigation, and general maintenance responsibility within the rights-of-way and “clear view” concerns at intersections along Business 287/Kennedale Parkway.

A formal presentation has not been prepared, but staff is available to answer Council's questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_01.28_ISR_Business 287 Maintenance and Sightlines	2019_01.28_ISR_Business 287 Maintenance and Sightlines.pdf
----	--	--

INFORMAL STAFF REPORT

to the Mayor and City Council

DATE: Monday, January 28, 2019

SUBJECT: Bus. 287/Kennedale Pkwy. Maintenance Agreement with TxDOT and Sight Issues

ORIGINATED BY: Larry Hoover, Interim Public Works Director

Mayor and Council,

From time to time there have been inquiries from residents, business owners, or Councilmembers about the Green Ribbon Project along Kennedale Parkway from IH-20 to Eden Road. Questions generally relate to landscaping, irrigation, and general maintenance responsibility within the rights-of-way or to “clear view” concerns at intersections.

Councilmembers have requested that a discussion of these issues be included on the Work Session agenda for the Regular Meeting on Tuesday, February 19. This report is intended to provide information as to requirements of both the City and of property owners, pursuant to City code and the Green Ribbon Project agreement between the City and TxDOT (attached).

LANDSCAPING, IRRIGATION, AND MAINTENANCE

As you will see on page 3 of the attached Landscape Maintenance Agreement, the City is responsible for maintaining all trees, shrubs, and irrigation related to the TxDOT Green Ribbon Project. Pursuant to City Code, property owners are responsible for keeping the area between the edge of the pavement and the property line clear of trash, debris, limbs, and high grass or weeds. This is a requirement throughout the City, not just Kennedale Parkway. Staff members of the Public Works and Code Compliance Departments met recently, specifically to ensure that all staff is providing a consistent message to property owners regarding their responsibilities as well as those of the City.

CLEAR VIEW

In this same area, staff has also been monitoring visibility complaints, inspecting current plantings, and trimming or removing shrubs as needed. The landscape design along Kennedale Parkway (including placement and types of trees and shrubs) was approved by TxDOT prior to installation. Attached to this report is a schematic of a typical sight triangle showing the clear zone needed for a motorist attempting to enter traffic.

Also attached are recent photos (taken from Cloverlane Drive next to Wells Fargo) in which a traffic cone has been placed at a distance of 285 feet. As can be seen in the first photo, if a driver remains at the stop bar on Cloverlane (intended to protect pedestrians in the crosswalk) they are not able to clearly see the cone; however, once ensuring that the crosswalk is unoccupied, it is intended and expected that drivers would safely move forward to a point where visibility of northbound traffic well beyond the 285 feet is possible (shown in the second photo).

Of note, the sidewalks in this area were added after the Green Ribbon Project plantings and, at that time, the State moved the stop bars even farther away from the traffic lanes of the Parkway than would be required to safely view oncoming, northbound traffic. Thus, moving forward after stopping at the stop bar still leaves drivers at a safe distance from the north bound traffic lane.

Staff takes all reports seriously and meets with those who voice concerns. The use of these photos to explain the intention for motorists to move forward from the stop bar has been met with mixed results as some drivers are uncomfortable with pulling closer to traffic to increase visibility, despite the fact that no portion of their vehicle needs to pass the curb line to achieve adequate visibility. Because staff recognizes the importance of monitoring clear view obstructions on the Parkway and throughout the City, trimming of this landscaping regularly to provide a safe environment for motorists and pedestrians will continue to take priority.

As mentioned, a discussion item regarding this issue will appear on the Work Session of the Council agenda for Tuesday, February 19. Council consideration and direction is appreciated.

SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS REPORT, PLEASE CONTACT INTERIM PUBLIC WORKS DIRECTOR LARRY HOOVER AT 817-985-2170 OR LHOOVER@CITYOFKENNEDALE.COM.

LANDSCAPE MAINTENANCE AGREEMENT

THE STATE OF TEXAS

THE COUNTY OF TRAVIS

This AGREEMENT made this 31st day of June 25, 20 12, by and between the State of Texas, hereinafter referred to as the "State", and the City of Kennedale, Texas County, Texas, acting by and through its duly authorized officers, hereinafter called the "City".

WITNESSETH

WHEREAS, Chapter 311 of the Transportation Code gives the City exclusive dominion, control, and jurisdiction over and under the public streets within its corporate limits and authorizes the City to enter into agreements with the State to fix responsibilities for maintenance, control, supervision, and regulation of State highways within and through its corporate limits; and

WHEREAS, Section 221.002 of the Transportation Code authorizes the State, at its discretion, to enter into agreements with cities to fix responsibilities for maintenance, control, supervision, and regulation of State highways within and through the corporate limits of such cities; and

WHEREAS, the State and the City have entered into a Municipal Maintenance Agreement dated September 4, 1969, **the provisions of which are incorporated herein by reference**, and wherein the City has agreed to retain all functions and responsibilities for maintenance and operations which are not specifically described as the responsibility of the department; and

WHEREAS, the State has existing and proposed landscape improvements, such as, but not limited to, the installation of tree, shrub, and turf plantings, irrigation systems, and other aesthetic elements for areas within the right of way of state highway routes within the City as shown on Attachment "A"; and

WHEREAS, the State will provide such landscape improvements, provided that the City agrees to be responsible for all required maintenance of the landscape improvements.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto to be by them respectively kept and performed, it is agreed as follows:

Contract Period

This Agreement becomes effective upon the date of final execution by the State, and shall remain in effect until terminated or modified as hereinafter provided.

Coverage

This agreement prescribes the responsibilities of the State and the City relating to the installation and maintenance of landscape elements on non-controlled access state highways, as defined in the Municipal Maintenance Agreement, and described and graphically shown as "State Maintained and Operated" in that agreement.

Amendment

The parties agree that this agreement may be amended. Such amendments, to be effective, must be in writing and signed by both parties.

State's Responsibilities

The State shall install landscape elements including but not limited to trees, shrubs, grasses, sidewalks, irrigation systems, and hardscape features through its employees or duly appointed agents.

City's Responsibilities

The City may install landscape elements including but not limited to trees, shrubs, grasses, sidewalks, irrigation systems, and hardscape features through its employees or duly appointed agents. Any installations shall be performed in accordance with Texas Department of Transportation specifications and standards, and must be approved by the State in writing prior to any work being performed.

ATTACHMENT "A"
To
Landscape Maintenance Agreement

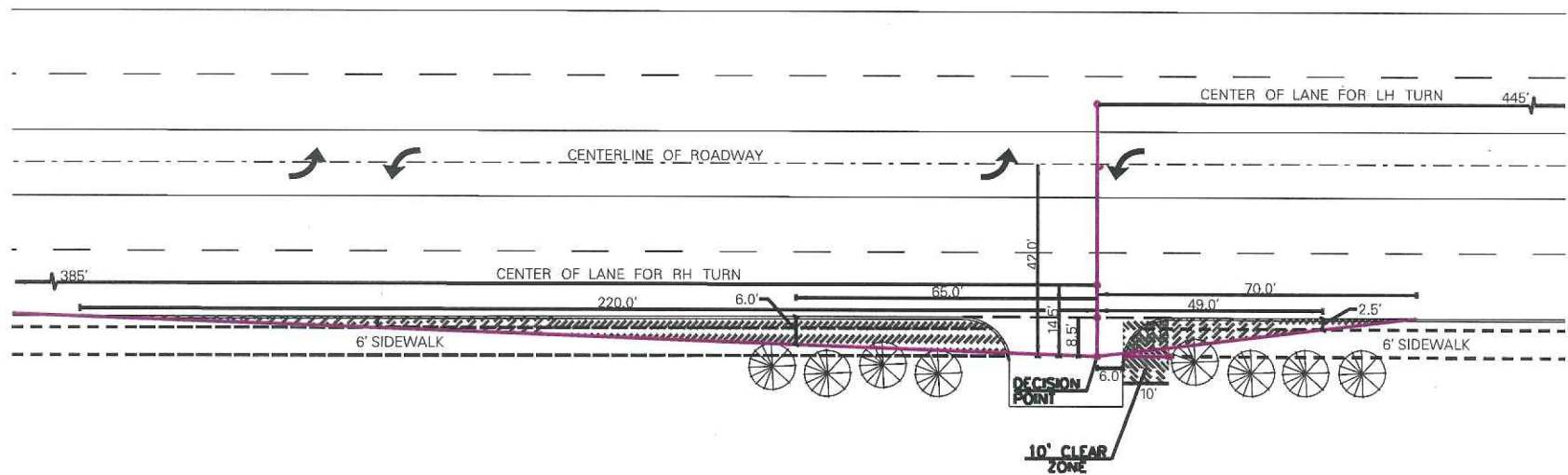
The City of Kennedale agrees to maintain BU 287P from IH 20 to Eden Road landscape improvements and aesthetic elements on the State's right-of-way to include the following:

- Trees, shrubs and irrigation

LEGEND



SIGHT TRIANGLE CLEAR ZONE



TYPICAL SECTION

SCHEMATIC OF A
TYPICAL SIGHT TRIANGLE







Date: February 19, 2019

Agenda Item No: WORK SESSION - E.

I. Subject:

Receive a report and hold a discussion regarding right-of-way acquisitions for New Hope Road – *Requested by Joplin/Lee*

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

This item was added to the agenda at the request of the Council.

The TxDOT New Hope Road Bridge Project was approved by Council in November 2017 via Resolution 515 (which was superseded by the adoption of Resolution 522, amending the overall project cost and thus the City's required match in April 2018).

This TxDOT Off-System Bridge Replacement Project requires the acquisition of easements on four properties in order to both install a specialized bridge culvert over the creek and to allow for the widening of the right-of-way. Two of the properties have granted these easements (Bransom at a cost of \$14,544.67; and Swiney at a cost of \$8,957.60), and the other two are in negotiations (Jones and Lowery-Hutchison).

The TxDOT bid letting date for the New Hope Road Bridge Project is scheduled for August of 2020. A formal presentation has not been prepared, but staff is available to answer any questions from Council.

RELATED:

The preliminary plans (available in the City Manager's Office) for the widening of New Hope Road from Kennedale Parkway to Hudson Village Creek Road will, likely, require additional rights-of-way. Staff is not actively seeking such easements or rights-of-way at this time. However, if a plat were to be submitted by an owner or developer for a property that would be affected by the proposed road widening, the required right-of-way dedication may be required as part of the plat approval process.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: WORK SESSION - F.

I. Subject:

Discuss and provide staff direction regarding the creation of a Council Audit Committee and the establishment of a fraud hotline – *Requested by Joplin/Lee*

II. Originated by:

Brady Olsen, Finance Director

III. Summary:

This item was added to the agenda at the request of the Council.

CITY COUNCIL AUDIT COMMITTEE

Audit committees, particularly in larger cities, are generally created by the City Council; are comprised of Councilmembers in a number less than a quorum; and serve in an advisory capacity to the full Council. The purpose of such a committee might be to provide closer scrutiny of the audit or other finance-related activities of the City than time might permit for the Council as a whole. For example, an audit committee comprised of Council members might:

- solicit proposals from auditing firms to perform the annual audit and eventually recommend the selection of a firm to the City Council for consideration
- receive and review the final annual audit with the auditor and make recommendations to the full council for receipt of the Comprehensive Annual Financial Report (CAFR)
- provide direction to the staff in the development of the scope of work to be performed by the auditing firm
- recommend special audits to the City Council
- provide advice and/or direction to the City Manager regarding programs for the annual budget
- etc.

Such a committee would likely meet on an as-needed basis particularly on matters related to the annual audit or as requested by the Mayor and Council or City Manager.

The need for such a committee in Kennedale might include consideration of the following:

- **The relatively small size of the City Council:** With only six (6) members, the need for a committee made up of the Mayor and two voting members, for instance, might not be needed since the members more effectively and efficiently serve as a "committee of the whole" on issues identified above
- **The relatively small staff:** In Kennedale, such a committee might well produce redundancy in workload for limited staff resources without a commensurate benefit to the full Council

Currently, the independent auditors performing the CAFR are hired by and work for the City Council.

FRAUD HOTLINE

A fraud hotline was previously recommended by staff and Council direction is appreciated. A fraud hotline would allow citizens and staff to anonymously report suspected fraud to a third party who would collect these tips and report them

to the City for further investigation. The approximate annual cost of a fraud hotline is \$500.00. With the benefit of anonymity, staff would feel more comfortable reporting questionable activity without fear of reprisal. A hotline would be compatible with the current Council approved Fraud Policy.

City Council discussion and direction is appreciated.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	201806 Fraud Policy	201806 Fraud Policy.pdf
----	---------------------	-------------------------

CITY OF KENNEDALE



FRAUD POLICY

ORIGINALLY ADOPTED BY CITY COUNCIL: JANUARY 13, 2005

PREFACE

The aim of the Fraud Policy is to safeguard the reputation and financial viability of the City of Kennedale through improved management of fraud risk.

The fraud policy is established to facilitate the development of controls that will aid in the prevention, deterrence and detection of fraud against City of Kennedale. It is the intent of City of Kennedale to promote consistent organizational behavior by providing guidelines and assigning responsibility of the development of controls and conduct of investigations.

SUBSEQUENT REVIEW & ADOPTION

DECEMBER 11, 2008
NOVEMBER 5, 2009
OCTOBER 14, 2010
OCTOBER 13, 2011
OCTOBER 3, 2012
OCTOBER 1, 2013
OCTOBER 13, 2014
OCTOBER 19, 2015
OCTOBER 17, 2016
JUNE 18, 2018

I. BACKGROUND

The City of Kennedale fraud policy is established to facilitate the development of controls that will aid in the detection, deterrence and prevention of fraud against City of Kennedale. It is the intent of City of Kennedale to promote consistent organizational behavior by providing guidelines and assigning responsibility of the development of controls and conduct of investigations.

II. SCOPE OF POLICY

This policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with City of Kennedale.

Any investigative activity required will be conducted with regard to the suspected wrongdoer's length of service, position/title, or relationship to the City of Kennedale.

III. POLICY

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her inquiry. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be confidentially reported immediately to the City Manager, who coordinates all investigations with the legal counsel and other affected areas both internal and external. If the City Manager is a subject of the irregularity, the investigation shall be reported to the City Attorney. In the event multiple parties are subject to the irregularity, it should be reported to the highest non-implicated person in the following order:

- A. City Manager
- B. City Attorney
- C. Mayor
- D. Chief of Police
- E. Director of Human Resources
- F. Director of Finance
- G. City Secretary
- H. District Attorney

IV. ACTIONS CONSTITUTING FRAUD

The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

- A. Any dishonest or fraudulent act;
- B. Misappropriation of funds, securities, supplies, or other assets;
- C. Impropriety in the handling or reporting of money or financial transactions;
- D. Profiteering as a result of insider knowledge of City activities;
- E. Disclosing confidential and proprietary information to outside parties;
- F. Disclosing to other persons activities engaged in contemplated by the City of Kennedale;
- G. Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the City of Kennedale. Exception: Gifts less than \$25 in value;
- H. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and /or
- I. Any similar or related irregularity.

V. OTHER IRREGULARITIES

Irregularities concerning an employee's moral, ethical, or behavioral conduct should be resolved by departmental management and Human Resources.

If there is any question as to whether an action constitutes fraud, contact the appropriate department head for guidance.

VI. INVESTIGATION RESPONSIBILITIES

City Manager has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. Should an investigation substantiates that fraudulent activities have occurred, the City Manager will issue reports to appropriate designated personnel, and if appropriate, to the City Council.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and senior management, as will final decisions on disposition of the case.

VII. CONFIDENTIALITY

All parties involved will treat all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the City Manager Office immediately, and **should not attempt to personally conduct investigations or interview/interrogations** related to any suspected fraudulent act (see REPORTING PROCEDURE section below).

Investigation results **will not be disclosed or discussed** with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the City of Kennedale from potential civil liability.

VIII. AUTHORIZATION FOR INVESTIGATING SUSPECTED FRAUD

All searches must be authorized in advance by the City Manager and conducted under the direction of the Department Head and/or City Manager. The City Manager or designee will have:

- A. Free and unrestricted access to all City of Kennedale records and premises at any time, whether owned or rented; and
- B. The authority to conduct unannounced searches or inspections of the worksite, including, but not limited to, City property used by employees such as lockers, file cabinets, desks, vehicles and offices, whether secured, unsecured or secured by a lock provided by the employee; and
- C. If reasonable suspicion exists, the authority to conduct unannounced searches or inspection of the employee's personal property located on City premises, included purses, lunch boxes, brief cases and private vehicles or vehicles used to conduct City business located on City property; and
- D. **Employees are not entitled to any expectation of privacy with respect to such or similar items. Employee refusal to cooperate with a search will likely be subject to disciplinary action, up to and including termination.**

IX. REPORTING PROCEDURES

Great care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will **contact his or her department head immediately**. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or

representative, or any other inquirer should be directed to the City Manager or his designee or the legal counsel. No information concerning the status of an investigation will be given out. The proper response to any inquiries is: **“I am not at liberty to discuss this matter.” Under no circumstances should any reference be made to “the allegation,” “the crime,” “the fraud,” “the forgery,” “the misappropriation” or any other specific reference.**

The reporting individual should be informed of the following:

- A. Do not contact the suspected individual in an effort to determine facts or demand restitution.
- B. Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the legal counsel or the investigating agency.

X. TERMINATION

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives from Human Resources and the legal counsel before any such action is taken. Should the employee believe the management decision inappropriate for the facts presented, the facts will be presented to executive level management for a decision through the appropriate appeals process in personnel policy.

XI. ADMINISTRATION

City Management is responsible for the administration, revision, interpretation, and application of this policy.



Date: February 19, 2019

Agenda Item No: WORK SESSION - G.

I. Subject:

Discussion regarding goals and objectives the City Council may recommend for the Economic Development Corporation Board's consideration and implementation – *Requested by Joplin/Lee*

II. Originated by:

George Campbell, City Manager

III. Summary:

This item was placed on the agenda at the request of Councilmember Joplin, pursuant to the joint work session of the EDC Board and the City Council on Monday, January 14, at 6:00 p.m.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: WORK SESSION - H.

I. Subject:

Discussion of items on the Regular Agenda

II. Originated by:

III. Summary:

At this time, the Council may choose to discuss any item on the agenda.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: REPORTS/ANNOUNCEMENTS - A.

I. Subject:

Updates from the City Council

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: REPORTS/ANNOUNCEMENTS - B.

I. Subject:

Updates from the City Manager

II. Originated by:

George Campbell, City Manager

III. Summary:

Updates and information from City Manager George Campbell, if any.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: REPORTS/ANNOUNCEMENTS - C.

I. Subject:

Updates from the Mayor

II. Originated by:

Leslie Galloway, City Secretary & Communications Coordinator

III. Summary:

Updates and information from Mayor Brian Johnson, if any.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: MONITORING INFORMATION - A.

I. Subject:

Monthly Financials – January 2019

II. Originated by:

Brady Olsen, Finance Director

III. Summary:

Monthly financials and sales tax update as produced by the Finance Department. Of note, these figures will change as we close out the year and work with our new auditors

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

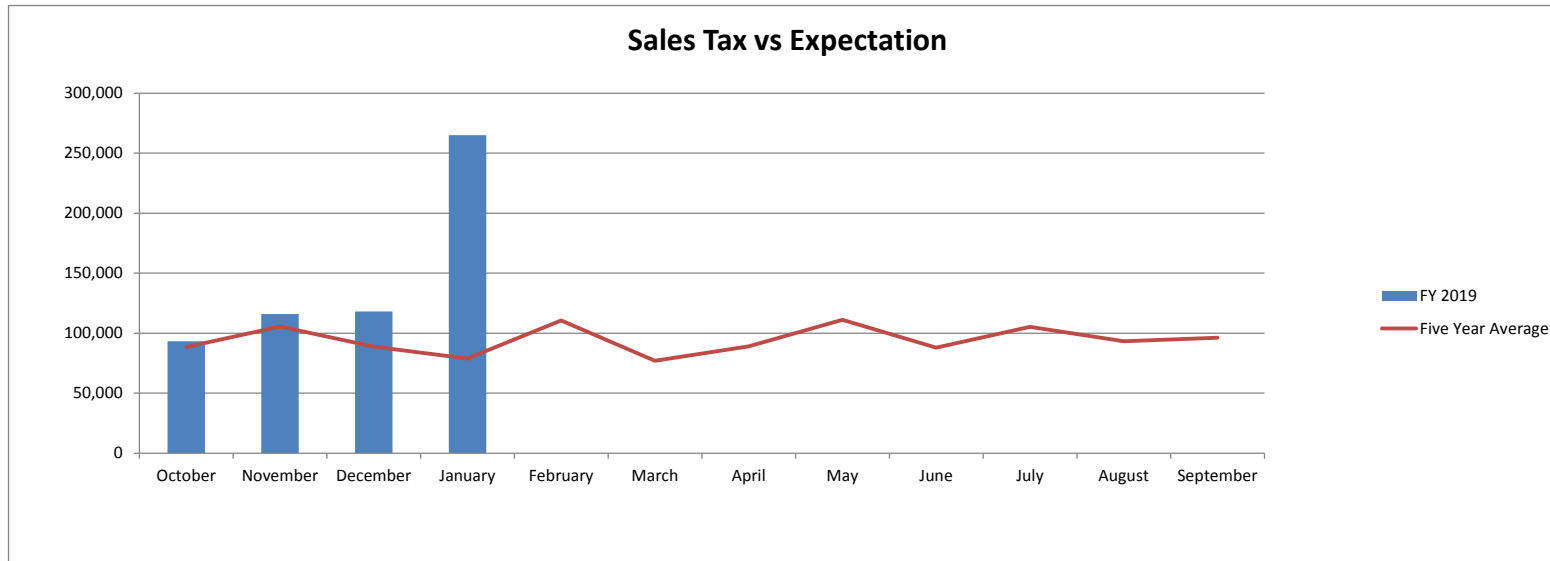
VII. Alternative Actions:

VIII. Attachments:

1.	Sales Tax Update-January	Sales Tax Update-January.pdf
2.	2019_01 Monthly Financials	2019_01 Monthly Financials.pdf

Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 93,144	\$ 116,039	\$ 118,085	\$ 265,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,348
FY2018	\$ 103,820	\$ 114,506	\$ 86,956	\$ 95,425	\$ 163,502	\$ 95,017	\$ 123,760	\$ 129,363	\$ 108,885	\$ 123,268	\$ 118,770	\$ 89,090	\$ 1,352,361
FY2017	\$ 88,748	\$ 116,156	\$ 81,855	\$ 88,956	\$ 105,794	\$ 78,644	\$ 87,130	\$ 100,121	\$ 80,241	\$ 100,943	\$ 49,590	\$ 86,549	\$ 1,064,725
FY2016	\$ 93,137	\$ 119,137	\$ 97,985	\$ 75,878	\$ 116,006	\$ 87,589	\$ 79,516	\$ 114,543	\$ 83,718	\$ 84,586	\$ 87,693	\$ 91,377	\$ 1,131,165
FY2015	\$ 71,955	\$ 94,438	\$ 82,545	\$ 73,782	\$ 107,571	\$ 72,312	\$ 81,193	\$ 119,350	\$ 128,463	\$ 165,756	\$ 146,297	\$ 177,697	\$ 1,321,359
FY2014	\$ 65,971	\$ 89,600	\$ 94,982	\$ 67,373	\$ 97,781	\$ 69,685	\$ 79,236	\$ 93,957	\$ 77,496	\$ 71,927	\$ 86,597	\$ 67,978	\$ 962,584
FY2013	\$ 100,850	\$ 93,890	\$ 70,338	\$ 60,406	\$ 90,009	\$ 62,374	\$ 60,955	\$ 96,061	\$ 63,409	\$ 67,304	\$ 83,919	\$ 78,075	\$ 927,591
*Net payment after correcting an audit error.													\$ -



Industry	Amount	% Change	Adjusted Chang	YTD	FYTD
Agricultural	\$163,250.11	57719.37%	0.00%	\$163,250.11	\$140,028.02
Retail	\$25,952.49	0.90%	9.08%	\$25,952.49	\$96,926.34
Manufacturing	\$23,701.28	273.84%	129.48%	\$23,701.28	\$89,912.15
Wholesale	\$18,409.82	-12.40%	94.65%	\$18,409.82	\$69,026.90
General Services	\$16,974.98	-13.59%	-0.72%	\$16,974.98	\$96,794.88
Professional Services	\$15,374.75	-0.28%	45.23%	\$15,374.75	\$70,329.42
Food	\$9,014.19	4.19%	-6.78%	\$9,014.19	\$35,427.16
Miscellaneous	\$152.51	7.46%	69.15%	\$152.51	\$3,734.60
Accommodation	\$0.00	0.00%	0.00%	\$0.00	\$0.00

REVENUE SUMMARY BY FUND

REVENUES	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EARNED	% OF CY BUDGET EARNED	BUDGET REMAINING
GENERAL FUND	\$ 3,870,895	\$ 6,364,833	\$ 6,406,759	\$ 1,187,667	\$ 4,002,449	60.8%	62.5%	\$ 2,404,310
OTHER GENERAL FUNDS	\$ 169,960	\$ 998,892	\$ 941,983	\$ 26,902	\$ 215,634	17.0%	22.9%	\$ 726,349
GENERAL FUND	\$ 4,040,855	\$ 7,363,725	\$ 7,348,742	\$ 1,214,569	\$ 4,218,083	54.9%	57.4%	\$ 3,130,659
								\$ -
GENERAL DEBT SERVICE FUND	\$ 1,168,203	\$ 1,561,277	\$ 1,518,995	\$ 307,435	\$ 1,173,625	74.8%	77.3%	\$ 345,370
								\$ -
WATER/SEWER FUND	\$ 1,410,651	\$ 5,007,743	\$ 4,010,901	\$ 298,011	\$ 1,263,253	28.2%	31.5%	\$ 2,747,648
STORMWATER UTILITY FUND	\$ 87,014	\$ 264,150	\$ 254,950	\$ 22,330	\$ 89,089	32.9%	34.9%	\$ 165,861
WATER IMPACT FUND	\$ 32,932	\$ 165,170	\$ 120,450	\$ (1,395)	\$ 16,055	19.9%	13.3%	\$ 104,395
SEWER IMPACT FUND	\$ 15,291	\$ 93,162	\$ 32,664	\$ (999)	\$ 9,191	16.4%	28.1%	\$ 23,473
WATER/SEWER FUND	\$ 1,545,888	\$ 5,530,225	\$ 4,418,965	\$ 317,947	\$ 1,377,588	28.0%	31.2%	\$ 3,041,377
EDC4B FUND	\$ 440,990	\$ 919,542	\$ 629,752	\$ 88,882	\$ 192,501	48.0%	30.6%	\$ 437,251
CAPITAL FUND	\$ 36,475	\$ 173,755	\$ 172,535	\$ (421)	\$ 752,160	21.0%	435.9%	\$ (579,625)
SPECIAL REVENUE FUND	\$ 0	\$ 51,332	\$ 127,497	\$ 11	\$ 11	0.0%	0.0%	\$ 127,486
TOTAL REVENUES	\$ 7,232,411	\$ 15,599,856	\$ 14,216,486	\$ 1,928,423	\$ 7,713,968	46.4%	54.3%	\$ 6,502,518

EXPENDITURE SUMMARY BY FUND

EXPENDITURES	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
GENERAL FUND	\$ 2,001,602	\$ 6,227,160	\$ 7,028,284	\$ 436,961	\$ 1,944,521	32.1%	27.7%	\$ 5,083,763
OTHER GENERAL FUND	\$ 273,051	\$ 956,249	\$ 1,197,369	\$ 68,540	\$ 251,460	28.6%	21.0%	\$ 945,909
GENERAL FUND	\$ 2,274,653	\$ 7,183,409	\$ 8,225,653	\$ 505,501	\$ 2,195,981	31.7%	26.7%	\$ 6,029,672
GENERAL DEBT SERVICE FUND	\$ 396,130	\$ 1,420,004	\$ 1,511,744	\$ 436,288	\$ 1,944,521	27.9%	128.6%	\$ (432,777)
WATER/SEWER FUND	\$ 1,261,720	\$ 4,112,494	\$ 4,659,521	\$ 146,198	\$ 722,774	30.7%	15.5%	\$ 3,936,747
STORMWATER UTILITY FUND	\$ 69,266	\$ 199,561	\$ 139,764	\$ 220	\$ 22,477	34.7%		
WATER IMPACT FUND	\$ -	\$ 153,573	\$ 152,525	\$ -	\$ -			
SEWER IMPACT FUND	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ -			
WATER/SEWER FUND	\$ 1,330,986	\$ 4,525,628	\$ 5,011,810	\$ 146,418	\$ 745,251	29.4%	14.9%	\$ 4,266,559
EDC4B FUND	\$ 216,647	\$ 852,344	\$ 539,912	\$ 11,534	\$ 81,749	25.4%	15.1%	\$ 458,163
CAPITAL FUND	\$ 7,203	\$ 186,536	\$ 130,170	\$ 4,489	\$ 4,489	3.9%	3.4%	\$ 125,681
SPECIAL REVENUE FUND	\$ -	\$ 26,919	\$ 11,767	\$ -	\$ -	0.0%	0.0%	\$ 11,767
TOTAL EXPENDITURES	\$ 4,225,619	\$ 14,194,840	\$ 15,431,056	\$ 1,104,230	\$ 4,971,991	29.8%	32.2%	\$ 10,459,065

EXPENDITURE SUMMARY BY DEPARTMENT

GENERAL FUND	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
CITY MANAGER	\$ 99,570	\$ 352,054	\$ 365,464	\$ 33,807	\$ 100,965	28.3%	27.6%	\$ 264,499
MAYOR/CITY COUNCIL	\$ 42,137	\$ 164,586	\$ 127,323	\$ 148	\$ 53,120	25.6%	41.7%	\$ 74,203
CITY SECRETARY	\$ 50,572	\$ 127,514	\$ 164,073	\$ 10,021	\$ 48,309	39.7%	29.4%	\$ 115,764
MUNICIPAL COURT	\$ 31,551	\$ 87,773	\$ 108,148	\$ 6,757	\$ 31,216	35.9%	28.9%	\$ 76,932
HUMAN RESOURCES	\$ 40,144	\$ 163,716	\$ 104,909	\$ 7,783	\$ 25,522	24.5%	24.3%	\$ 79,387
FINANCE	\$ 76,627	\$ 333,079	\$ 358,365	\$ 17,145	\$ 62,878	23.0%	17.5%	\$ 295,487
POLICE	\$ 768,993	\$ 2,205,638	\$ 2,686,196	\$ 156,625	\$ 725,733	34.9%	27.0%	\$ 1,960,463
FIRE	\$ 535,492	\$ 1,712,530	\$ 1,907,680	\$ 122,250	\$ 453,744	31.3%	23.8%	\$ 1,453,936
COMMUNITY DEVELOPMENT	\$ 71,049	\$ 328,430	\$ 372,090	\$ 30,138	\$ 106,320	21.6%	28.6%	\$ 265,770
SENIOR CITIZEN CENTER	\$ 14,695	\$ 49,752	\$ 54,028	\$ 3,673	\$ 13,258	29.5%	24.5%	\$ 40,770
LIBRARY	\$ 82,311	\$ 300,995	\$ 268,259	\$ 28,141	\$ 112,242	27.3%	41.8%	\$ 156,017
NONDEPARTMENTAL	\$ 188,460	\$ 400,969	\$ 511,749	\$ 19,799	\$ 211,213	47.0%	41.3%	\$ 300,536
TOTAL EXPENDITURES	\$ 2,001,601	\$ 6,227,036	\$ 7,028,284	\$ 436,287	\$ 1,944,520	32.1%	27.7%	\$ 5,083,764

WATER/SEWER FUND	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
UTILITY BILLING	\$ 280,934	\$ 1,411,379	\$ 1,293,973	\$ 85,652	\$ 266,790	19.9%	20.6%	\$ 1,027,183
WATER OPERATIONS	\$ 589,859	\$ 1,501,598	\$ 1,576,197	\$ 57,600	\$ 250,776	39.3%	15.9%	\$ 1,325,421
DEBT	\$ 152,813	\$ 541,586	\$ 509,680		\$ 152,813	28.2%		
W&S CAPITAL	\$ -	\$ 16,920	\$ 654,796	\$ -	\$ -		0.0%	\$ 654,796
NONDEPARTMENTAL	\$ 238,114	\$ 641,010	\$ 624,875	\$ 2,946	\$ 52,396	37.1%	8.4%	\$ 572,479
TOTAL EXPENDITURES	\$ 1,261,720	\$ 4,112,493	\$ 4,659,521	\$ 146,198	\$ 722,775	30.7%	15.5%	\$ 3,936,746

STREET IMPROVEMENT FUND	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
STREETS	\$ 182,383	\$ 622,272	\$ 740,910	\$ 41,322	\$ 161,568	29.3%	21.8%	\$ 579,342
PARKS MAINTENANCE	\$ 23,741	\$ 80,379	\$ 125,920	\$ 7,323	\$ 22,462	29.5%	17.8%	\$ 103,458
CAPITAL	\$ -	\$ 60,555	\$ 79,058	\$ -	\$ -			
TOTAL EXPENDITURES	\$ 206,124	\$ 763,206	\$ 945,888	\$ 48,645	\$ 184,030	27.0%	19.5%	\$ 761,858

EDC4B FUNDS	FY17-18 YTD	FY17-18 ACTUAL*EST	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
ADMINISTRATION	\$ 40,667	\$ 136,556	\$ 168,360	\$ 6,526	\$ 6,526	29.8%		
DEBT SERVICE	\$ 80,237	\$ 339,552	\$ 320,432	\$ 5,009	\$ 45,219	23.6%		
TOWN SHOPPING CENTER	\$ 95,744	\$ 168,331	\$ 51,120	\$ -	\$ 30,005	56.9%		
TOWNCENTER REDEVELOPMENT	\$ -	\$ 177,712	\$ -	\$ -	\$ -			
TOTAL EXPENDITURES	\$ 216,648	\$ 822,151	\$ 539,912	\$ 11,535	\$ 81,750	26.4%	15.1%	\$ 458,162



Date: February 19, 2019

Agenda Item No: MONITORING INFORMATION - B.

I. Subject:

Monthly EDC Financials and Activity Report

II. Originated by:

Brady Olsen, Finance Director

III. Summary:

Reports from the previous EDC meeting are attached for your reference.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2018_11 Monthly Financials - EDC	2018_11 Monthly Financials - EDC.pdf
2.	2018_12 Monthly Financials - EDC	2018_12 Monthly Financials - EDC.pdf
3.	Sales Tax Update-EDC December	Sales Tax Update-EDC December.pdf

ECONOMIC DEVELOPMENT CORPORATION FINANCIALS SUMMARY

Budget Amendment

Monthly Information

1. \$38,680 Sales Tax recovers from previous months
2. Still in year end closing process. Adjustments made in September that may not match this month's report.
3. Per Council direction, a separate bank account has been created. Working to finalize accounting before transferring funds.
4. Fund has recovered to a respectable cash position
5. EDC director engaged in long-term planning, including relationship with Chamber, hotel status, and Red's Roadhouse.
6. Of note, the sales tax received in October and November are for sales made in the previous fiscal year. Due to accounting standard, will not show up as revenue in this month

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Brady Olsen
Finance Director

ADDITIONAL INFORMATION

FUND 15- OPERATING FUND (ALL BILLS AND REVENUE RECEIVED IN THIS FUND)

FUND 19- CAPITAL BOND FUND (REMAINING CAPITAL MONEY)

FUND 95- RESERVE FUND FOR DEBT REQUIREMENTS

EDC CASH POSITION

CATEGORY	DESCRIPTION	FY18-19 YTD
FROM PREVIOUS MONTHS REPORT:		
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 123,835
BEGINNING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
BEGINNING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 122,171
BEGINNING CASH BALANCE - TOTAL		\$ 246,006
BEGINNING AVAILABLE CASH - TOTAL		123,835
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ (14,416) *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 135,472
ENDING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
ENDING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 122,355
ENDING CASH BALANCE - TOTAL		\$ 257,827
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 122,355
TOTAL UNAVAILABLE CASH		\$ 122,355
AVAILABLE CASH		\$ 135,472

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

COMBINED EDC4B FUNDS SUMMARY

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 313,866	\$ 313,866	\$ 134,784		\$ 303,248			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	164	447,132	384,598	180	359	0.0%	0.1%	384,239
INVESTMENT EARNINGS	291	5,399	65	763	1,481	5.4%	2278.4%	(1,416)
MISCELLANEOUS INCOME	6,450	65,891	24,120	2,536	3,279	9.8%	13.6%	20,841
SURPLUS SALES/RENTALS	12,504	487,579	185,969	18,814	36,650	2.6%	19.7%	149,319
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
TOTAL REVENUES	\$ 19,408	\$ 1,006,002	\$ 659,471	\$ 22,294	\$ 41,768	1.9%	6.3%	\$ 587,984
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	7,153	127,298	29,920	5,556	11,229	5.6%	37.5%	18,691
SUNDRY	35,438	177,589	187,460	870	12,880	20.0%	6.9%	174,580
DEBT	36,911	172,418	165,607	30,284	30,284	21.4%	18.3%	135,323
TRANSFERS	33,794	152,588	184,544	-	-	22.1%	0.0%	184,544
CAPITAL	-	177,712	-	-	-	0.0%	#DIV/0!	-
TOTAL EXPENDITURES	\$ 113,295	\$ 807,604	\$ 569,631	\$ 36,710	\$ 54,393	14.0%	9.5%	\$ 515,238
REVENUES OVER EXPENDITURES	\$ (93,887)	\$ 198,398	\$ 89,840	\$ (14,416)	\$ (12,625)			
ENDING FUND BALANCE	\$ 219,979	\$ 512,264	\$ 224,624		\$ 290,623			
FUND BALANCE AS % OF EXP	194.2%	63.4%	39.4%	0.0%	534.3%			
RESERVE (\$115,000) REQUIREMENT)	\$ -	\$ -	\$ 115,000	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 219,979	\$ 512,264	\$ 109,624	\$ -	\$ 290,623			

15: EDC4B FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 164,460	\$ 164,460	\$ (15,517)		\$ 152,017			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	164	447,132	384,598	180	359	0.0%	0.1%	384,239
INVESTMENT EARNINGS	103	3,574	65	525	1,016	2.9%	1562.9%	(951)
MISCELLANEOUS INCOME	6,450	65,891	24,120	2,536	3,279	9.8%	13.6%	20,841
SURPLUS SALES/RENTALS	12,504	487,579	185,969	18,814	36,650	2.6%	19.7%	149,319
TOTAL REVENUES	\$ 19,221	\$ 1,004,177	\$ 629,752	\$ 22,056	\$ 41,303	1.9%	6.6%	\$ 588,449
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	7,153	127,298	29,920	5,556	11,229	5.6%	37.5%	18,691
SUNDRY	35,438	177,589	187,460	870	12,880	20.0%	6.9%	174,580
DEBT	36,911	172,418	165,607	30,284	30,284	21.4%	18.3%	135,323
TRANSFERS	33,794	152,588	154,825	-	-	22.1%	0.0%	154,825
CAPITAL	-	177,712	-	-	-	0.0%	#DIV/0!	-
TOTAL EXPENDITURES	\$ 113,295	\$ 807,604	\$ 539,912	\$ 36,710	\$ 54,393	14.0%	10.1%	\$ 485,519
REVENUES OVER EXPENDITURES	\$ (94,074)	\$ 196,573	\$ 89,840	\$ (14,655)	\$ (13,090)			
ENDING FUND BALANCE	\$ 70,386	\$ 152,017	\$ 74,323		\$ 138,927			
FUND BALANCE AS % OF EXP	62.1%	18.8%	13.8%	0.0%	255.4%			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 70,386	\$ 152,017	\$ 74,323	\$ -	\$ 138,927			

15: EDC4B FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4002-00-00	MMD TAX-CURRENT YEAR	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
	AD VALOREM TAXES	\$ -	\$ -	\$ 35,000	\$ -	\$ -	#DIV/0!	0.0%	\$ 35,000
4081-00-00	SALES TAX	164	447,132	384,598	180	359	0.0%	0.1%	384,239
	SALES/BEVERAGE TAXES	\$ 164	\$ 447,132	\$ 384,598	\$ 180	\$ 359	0.0%	0.1%	\$ 384,239
4401-00-00	INVESTMENT INCOME	103	3,574	65	525	1,016	2.9%	1562.9%	(951)
	INVESTMENT EARNINGS	\$ 103	\$ 3,574	\$ 65	\$ 525	\$ 1,016	2.9%	1562.9%	\$ (951)
4409-00-00	MISCELLANEOUS INCOME	6,450	36,095	24,120	2,536	3,279	17.9%	13.6%	20,841
4415-00-00	INSURANCE REIMBURSEMENTS	-	14,898	-	-	-	0.0%	0.0%	-
	MISCELLANEOUS INCOME	\$ 6,450	\$ 65,891	\$ 24,120	\$ 2,536	\$ 3,279	9.8%	13.6%	\$ 20,841
4805-00-00	RENTAL FEES-SHOPPING CENTER	12,504	105,856	185,223	18,814	36,650	11.8%	19.8%	148,573
4806-00-00	RENTAL INSURANCE	-	2,350	746	-	-	0.0%	0.0%	746
4902-00-00	PROCEEDS-DEBT/LOAN/LEASE	-	30,194	-	-	-	0.0%	#DIV/0!	-
4884-00-01	SALE OF ASSETS	-	349,179	-	-	-	0.0%	#DIV/0!	-
	SURPLUS SALES/RENTALS	\$ 12,504	\$ 487,579	\$ 185,969	\$ 18,814	\$ 36,650	11.8%	#DIV/0!	\$ 149,319
	TOTAL REVENUES	\$ 19,221	\$ 1,004,177	\$ 629,752	\$ 22,056	\$ 41,303	1.9%	6.6%	\$ 588,449
TOTAL REVENUES (EXCLUDING INTEREST/TRANSFERS)		\$ 19,118	\$ 1,000,603	\$ 629,687	\$ 21,531	\$ 40,287			

15: EDC4B FUND
01: ADMINISTRATION

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5240-01-00	PRINTED SUPPLIES	-	-	2,000	-	-		0.0%	2,000
5260-01-00	GENERAL OFFICE SUPPLIES	-	-	50	-	-	0.0%	0.0%	50
5261-01-00	POSTAGE	-	-	50	-	-	0.0%	0.0%	50
	SUPPLIES	\$ -	\$ -	\$ 2,100	\$ -	\$ -		0.0%	\$ 2,100
5501-01-00	ADVERTISING	-	35	1,200	-	-	0.0%	0.0%	1,200
5510-01-00	ASSOC DUES/PUBLICATIONS	-	4,890	5,320	-	-	0.0%	0.0%	5,320
5525-01-00	TRAINING/SEMINARS	-	-	250	-	-	#DIV/0!	0.0%	250
5565-01-00	LEGAL SERVICES	3,900	14,830	13,000	-	-	26.3%	0.0%	13,000
5567-01-00	AUDIT SERVICES	-	2,000	4,250	-	-	0.0%	0.0%	4,250
5570-01-00	SPECIAL SERVICES	5,700	13,774	250	-	-	41.4%	0.0%	250
5578-01-00	TRAVEL	-	-	100	-	-	0.0%	0.0%	100
5595-01-00	ADMIN CHARGE-GENERAL FUND	13,608	81,647	117,890	-	-	16.7%	0.0%	117,890
5615-01-00	FUNCTIONAL GRANT	1,812	19,380	24,000	-	-	9.3%	0.0%	24,000
	SUNDRY	\$ 25,020	\$ 136,556	\$ 166,260	\$ -	\$ -	18.3%	0.0%	\$ 166,260
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%		\$ -
	TOTAL EXPENDITURES	\$ 25,020	\$ 136,556	\$ 168,360	\$ -	\$ -	18.3%	0.0%	\$ 168,360

15: EDC4B FUND
01: ADMINISTRATION
03: DEBT SERVICE

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
5643-01-03	2007 \$1.2M TAX BOND-INTEREST	27,378	54,831	50,735	25,321	25,321	49.9%	49.9%	25,414
5644-01-03	2007 \$1.2M TAX BOND-PRINCIPAL	-	60,000	60,000	-	-	0.0%	0.0%	60,000
5645-01-03	2011 \$1.7M TX LEVERAGE-INT	3,014	17,926	12,834	1,685	1,685	16.8%	13.1%	11,149
5646-01-03	2011 \$1.7M TX LEVERAGE-PRI	6,519	39,661	42,038	3,278	3,278	16.4%	7.8%	38,760
	DEBT	\$ 36,911	\$ 172,418	\$ 165,607	\$ 30,284	\$ 30,284	21.4%	18.3%	\$ 135,323
5702-01-03	TRANSFER OUT-DEBT SERVICE FUND	33,794	152,588	154,825	-	-	22.1%	0.0%	154,825
	TRANSFER	\$ 33,794	\$ 152,588	\$ 154,825	\$ -	\$ -	22.1%	0.0%	\$ 154,825
	TOTAL EXPENDITURES	\$ 70,705	\$ 325,006	\$ 320,432	\$ 30,284	\$ 30,284	21.8%	9.5%	\$ 290,148

15: EDC4B FUND
02: TOWN SHOPPING CENTER

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5403-02-00	BUILDING MAINTENANCE	7,153	127,298	29,920	5,556	11,229	5.6%	37.5%	18,691
	MAINTENANCE	\$ 7,153	\$ 127,298	\$ 29,920	\$ 5,556	\$ 11,229	5.6%	37.5%	\$ 18,691
5530-02-00	ELECTRIC SERVICES	737	8,002	6,700	370	741	9.2%	11.1%	5,959
5545-02-00	INSURANCE-PROPERTY	8,341	8,341	8,500	-	11,139	100.0%	131.0%	(2,639)
5570-02-00	SPECIAL SERVICES	1,341	24,691	6,000	500	1,000	5.4%	16.7%	5,000
	SUNDRY	\$ 10,418	\$ 41,033	\$ 21,200	\$ 870	\$ 12,880	25.4%	60.8%	\$ 8,320
	TOTAL EXPENDITURES	\$ 17,571	\$ 168,331	\$ 51,120	\$ 6,426	\$ 24,109	10.4%	47.2%	\$ 27,011

15: EDC4B FUND
03: TOWN CENTER REDEVELOPMENT

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5847-03-00	CONSTRUCTION	-	177,712	-	-	-	0.0%		-
	CAPITAL	\$ -	\$ 177,712	\$ -	\$ -	\$ -	0.0%		\$ -
	TOTAL EXPENDITURES	\$ -	\$ 177,712	\$ -	\$ -	\$ -	0.0%		\$ -

15: EDC4B FUND
04: TEXAS LEVERAGE PROGRAM

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5800-04-00	LAND	-	-	-	-	-		0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -

19: EDC4B CAPITAL BOND FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 29,444	\$ 29,444	\$ 29,719		\$ 29,904			
INVESTMENT EARNINGS	52	460	-	55	110	11.3%		(110)
TOTAL REVENUES	\$ 52	\$ 460	\$ -	\$ 55	\$ 110	11.3%		\$ (110)
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
CAPITAL	-	-	-	-	-	0.0%	0.0%	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ 29,719	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 52	\$ 460	\$ (29,719)	\$ 55	\$ 110			
ENDING FUND BALANCE	\$ 29,496	\$ 29,904	\$ 0		\$ 30,014			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 29,496	\$ 29,904	\$ 0	\$ -	\$ 30,014			

19: EDC4B CAPITAL BOND FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	52	460	-	55	110	11.3%		(110)
	INVESTMENT EARNINGS	\$ 52	\$ 460	\$ -	\$ 55	\$ 110	11.3%		\$ (110)
	TOTAL REVENUES	\$ 52	\$ 460	\$ -	\$ 55	\$ 110	11.3%		\$ (110)

19: EDC4B CAPITAL BOND FUND
01: TOWN CENTER REDEVELOPMENT

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5580-01-00	TRANSFER OUT	-	-	-	-	-	0.0%	0.0%	-
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
5800-01-00	LAND	-	-	-	-	-	0.0%	0.0%	-
5847-01-00	CONSTRUCTION	-	-	-	-	-	0.0%	0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

95: EDC4B RESERVE FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 119,962	\$ 119,962	\$ 120,582		\$ 121,327			
INVESTMENT EARNINGS	136	1,365	-	184	355	9.9%		(355)
TOTAL REVENUES	\$ 136	\$ 1,365	\$ -	\$ 184	\$ 355	9.9%		\$ (355)
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 136	\$ 1,365	\$ -	\$ 184	\$ 355			
ENDING FUND BALANCE	\$ 120,098	\$ 121,327	\$ 120,582		\$ 121,682			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (\$112,606 REQUIREMENT)	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606			
RESERVE SURPLUS/(SHORTFALL)	\$ 7,492	\$ 8,721	\$ 7,976	\$ (112,606)	\$ 9,076			

95: EDC4B RESERVE FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	136	1,365	-	184	355	9.9%		(355)
	INVESTMENT EARNINGS	\$ 136	\$ 1,365	\$ -	\$ 184	\$ 355	9.9%		\$ (355)
	TOTAL REVENUES	\$ 136	\$ 1,365	\$ -	\$ 184	\$ 355	9.9%		\$ (355)

95: EDC4B RESERVE FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

ECONOMIC DEVELOPMENT CORPORATION FINANCIALS SUMMARY

Budget Amendment

Monthly Information

1. \$39,362 Sales Tax continues strong growth
2. Still in year end closing process. Adjustments made in September that may not match this month's report.
3. Per Council direction, a separate bank account has been created. Working to finalize accounting before transferring funds.
4. Fund has recovered to a respectable cash position
5. EDC director engaged in long-term planning, including relationship with Chamber, hotel status, and Red's Roadhouse.

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Brady Olsen
Finance Director

ADDITIONAL INFORMATION

FUND 15- OPERATING FUND (ALL BILLS AND REVENUE RECEIVED IN THIS FUND)

FUND 19- CAPITAL BOND FUND (REMAINING CAPITAL MONEY)

FUND 95- RESERVE FUND FOR DEBT REQUIREMENTS

EDC CASH POSITION

CATEGORY	DESCRIPTION	FY18-19 YTD
FROM PREVIOUS MONTHS REPORT:		
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 135,472
BEGINNING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
BEGINNING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 122,355
BEGINNING CASH BALANCE - TOTAL		\$ 257,827
BEGINNING AVAILABLE CASH - TOTAL		135,472
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 45,554 *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 168,108
ENDING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
ENDING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 122,355
ENDING CASH BALANCE - TOTAL		\$ 290,463
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 122,355
TOTAL UNAVAILABLE CASH		\$ 122,355
AVAILABLE CASH		\$ 168,108

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

COMBINED EDC4B FUNDS SUMMARY

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 313,866	\$ 313,866	\$ 134,784		\$ 303,248			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	26,655	447,132	384,598	39,362	39,720	6.0%	10.3%	344,878
INVESTMENT EARNINGS	537	5,399	65	-	1,481	10.0%	2278.4%	(1,416)
MISCELLANEOUS INCOME	8,944	65,891	24,120	3,200	6,479	13.6%	26.9%	17,641
SURPLUS SALES/RENTALS	361,683	487,579	185,969	18,814	55,464	74.2%	29.8%	130,505
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
TOTAL REVENUES	\$ 397,819	\$ 1,006,002	\$ 659,471	\$ 61,376	\$ 103,144	39.5%	15.6%	\$ 526,608
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	24,058	127,298	29,920	5,498	16,727	18.9%	55.9%	13,193
SUNDRY	42,392	177,589	187,460	398	13,278	23.9%	7.1%	174,182
DEBT	41,677	172,418	165,607	9,926	40,210	24.2%	24.3%	125,397
TRANSFERS	33,794	152,588	184,544	-	-	22.1%	0.0%	184,544
CAPITAL	-	177,712	-	-	-	0.0%	#DIV/0!	-
TOTAL EXPENDITURES	\$ 141,920	\$ 807,604	\$ 569,631	\$ 15,822	\$ 70,215	17.6%	12.3%	\$ 499,416
REVENUES OVER EXPENDITURES	\$ 255,899	\$ 198,398	\$ 89,840	\$ 45,554	\$ 32,929			
ENDING FUND BALANCE	\$ 569,765	\$ 512,264	\$ 224,624		\$ 336,177			
FUND BALANCE AS % OF EXP	401.5%	63.4%	39.4%	0.0%	478.8%			
RESERVE (\$115,000) REQUIREMENT)	\$ -	\$ -	\$ 115,000	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 569,765	\$ 512,264	\$ 109,624	\$ -	\$ 336,177			

15: EDC4B FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 164,460	\$ 164,460	\$ (15,517)		\$ 152,017			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	26,655	447,132	384,598	39,362	39,720	6.0%	10.3%	344,878
INVESTMENT EARNINGS	253	3,574	65	-	1,016	7.1%	1562.9%	(951)
MISCELLANEOUS INCOME	8,944	65,891	24,120	3,200	6,479	13.6%	26.9%	17,641
SURPLUS SALES/RENTALS	361,683	487,579	185,969	18,814	55,464	74.2%	29.8%	130,505
TOTAL REVENUES	\$ 397,534	\$ 1,004,177	\$ 629,752	\$ 61,376	\$ 102,679	39.6%	16.3%	\$ 527,073
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	24,058	127,298	29,920	5,498	16,727	18.9%	55.9%	13,193
SUNDRY	42,392	177,589	187,460	398	13,278	23.9%	7.1%	174,182
DEBT	41,677	172,418	165,607	9,926	40,210	24.2%	24.3%	125,397
TRANSFERS	33,794	152,588	154,825	-	-	22.1%	0.0%	154,825
CAPITAL	-	177,712	-	-	-	0.0%	#DIV/0!	-
TOTAL EXPENDITURES	\$ 141,920	\$ 807,604	\$ 539,912	\$ 15,822	\$ 70,215	17.6%	13.0%	\$ 469,697
REVENUES OVER EXPENDITURES	\$ 255,614	\$ 196,573	\$ 89,840	\$ 45,554	\$ 32,464			
ENDING FUND BALANCE	\$ 420,074	\$ 152,017	\$ 74,323		\$ 184,481			
FUND BALANCE AS % OF EXP	296.0%	18.8%	13.8%	0.0%	262.7%			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 420,074	\$ 152,017	\$ 74,323	\$ -	\$ 184,481			

15: EDC4B FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4002-00-00	MMD TAX-CURRENT YEAR	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
	AD VALOREM TAXES	\$ -	\$ -	\$ 35,000	\$ -	\$ -	#DIV/0!	0.0%	\$ 35,000
4081-00-00	SALES TAX	26,655	447,132	384,598	39,362	39,720	6.0%	10.3%	344,878
	SALES/BEVERAGE TAXES	\$ 26,655	\$ 447,132	\$ 384,598	\$ 39,362	\$ 39,720	6.0%	10.3%	\$ 344,878
4401-00-00	INVESTMENT INCOME	253	3,574	65	-	1,016	7.1%	1562.9%	(951)
	INVESTMENT EARNINGS	\$ 253	\$ 3,574	\$ 65	\$ -	\$ 1,016	7.1%	1562.9%	\$ (951)
4409-00-00	MISCELLANEOUS INCOME	8,944	36,095	24,120	3,200	6,479	24.8%	26.9%	17,641
4415-00-00	INSURANCE REIMBURSEMENTS	-	14,898	-	-	-	0.0%	0.0%	-
	MISCELLANEOUS INCOME	\$ 8,944	\$ 65,891	\$ 24,120	\$ 3,200	\$ 6,479	13.6%	26.9%	\$ 17,641
4805-00-00	RENTAL FEES-SHOPPING CENTER	12,504	105,856	185,223	18,814	55,464	11.8%	29.9%	129,759
4806-00-00	RENTAL INSURANCE	-	2,350	746	-	-	0.0%	0.0%	746
4902-00-00	PROCEEDS-DEBT/LOAN/LEASE	-	30,194	-	-	-	0.0%	#DIV/0!	-
4884-00-01	SALE OF ASSETS	349,179	349,179	-	-	-	100.0%	#DIV/0!	-
	SURPLUS SALES/RENTALS	\$ 361,683	\$ 487,579	\$ 185,969	\$ 18,814	\$ 55,464	111.8%	#DIV/0!	\$ 130,505
	TOTAL REVENUES	\$ 397,534	\$ 1,004,177	\$ 629,752	\$ 61,376	\$ 102,679	39.6%	16.3%	\$ 527,073
TOTAL REVENUES (EXCLUDING INTEREST/TRANSFERS)		\$ 397,282	\$ 1,000,603	\$ 629,687	\$ 61,376	\$ 101,663			

15: EDC4B FUND
01: ADMINISTRATION

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5240-01-00	PRINTED SUPPLIES	-	-	2,000	-	-		0.0%	2,000
5260-01-00	GENERAL OFFICE SUPPLIES	-	-	50	-	-	0.0%	0.0%	50
5261-01-00	POSTAGE	-	-	50	-	-	0.0%	0.0%	50
	SUPPLIES	\$ -	\$ -	\$ 2,100	\$ -	\$ -		0.0%	\$ 2,100
5501-01-00	ADVERTISING	-	35	1,200	-	-	0.0%	0.0%	1,200
5510-01-00	ASSOC DUES/PUBLICATIONS	-	4,890	5,320	-	-	0.0%	0.0%	5,320
5525-01-00	TRAINING/SEMINARS	-	-	250	-	-	#DIV/0!	0.0%	250
5565-01-00	LEGAL SERVICES	3,900	14,830	13,000	-	-	26.3%	0.0%	13,000
5567-01-00	AUDIT SERVICES	-	2,000	4,250	-	-	0.0%	0.0%	4,250
5570-01-00	SPECIAL SERVICES	5,700	13,774	250	-	-	41.4%	0.0%	250
5578-01-00	TRAVEL	-	-	100	-	-	0.0%	0.0%	100
5595-01-00	ADMIN CHARGE-GENERAL FUND	20,412	81,647	117,890	-	-	25.0%	0.0%	117,890
5615-01-00	FUNCTIONAL GRANT	1,812	19,380	24,000	-	-	9.3%	0.0%	24,000
	SUNDRY	\$ 31,824	\$ 136,556	\$ 166,260	\$ -	\$ -	23.3%	0.0%	\$ 166,260
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%		\$ -
	TOTAL EXPENDITURES	\$ 31,824	\$ 136,556	\$ 168,360	\$ -	\$ -	23.3%	0.0%	\$ 168,360

15: EDC4B FUND
01: ADMINISTRATION
03: DEBT SERVICE

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
5643-01-03	2007 \$1.2M TAX BOND-INTEREST	27,378	54,831	50,735	-	25,321	49.9%	49.9%	25,414
5644-01-03	2007 \$1.2M TAX BOND-PRINCIPAL	-	60,000	60,000	-	-	0.0%	0.0%	60,000
5645-01-03	2011 \$1.7M TX LEVERAGE-INT	4,504	17,926	12,834	3,370	5,054	25.1%	39.4%	7,780
5646-01-03	2011 \$1.7M TX LEVERAGE-PRI	9,795	39,661	42,038	6,556	9,834	24.7%	23.4%	32,204
	DEBT	\$ 41,677	\$ 172,418	\$ 165,607	\$ 9,926	\$ 40,210	24.2%	24.3%	\$ 125,397
5702-01-03	TRANSFER OUT-DEBT SERVICE FUND	33,794	152,588	154,825	-	-	22.1%	0.0%	154,825
	TRANSFER	\$ 33,794	\$ 152,588	\$ 154,825	\$ -	\$ -	22.1%	0.0%	\$ 154,825
	TOTAL EXPENDITURES	\$ 75,471	\$ 325,006	\$ 320,432	\$ 9,926	\$ 40,210	23.2%	12.5%	\$ 280,222

15: EDC4B FUND
02: TOWN SHOPPING CENTER

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5403-02-00	BUILDING MAINTENANCE	24,058	127,298	29,920	5,498	16,727	18.9%	55.9%	13,193
	MAINTENANCE	\$ 24,058	\$ 127,298	\$ 29,920	\$ 5,498	\$ 16,727	18.9%	55.9%	\$ 13,193
5530-02-00	ELECTRIC SERVICES	737	8,002	6,700	398	1,139	9.2%	17.0%	5,561
5545-02-00	INSURANCE-PROPERTY	8,341	8,341	8,500	-	11,139	100.0%	131.0%	(2,639)
5570-02-00	SPECIAL SERVICES	1,491	24,691	6,000	-	1,000	6.0%	16.7%	5,000
	SUNDRY	\$ 10,568	\$ 41,033	\$ 21,200	\$ 398	\$ 13,278	25.8%	62.6%	\$ 7,922
	TOTAL EXPENDITURES	\$ 34,626	\$ 168,331	\$ 51,120	\$ 5,896	\$ 30,005	20.6%	58.7%	\$ 21,115

15: EDC4B FUND
03: TOWN CENTER REDEVELOPMENT

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5847-03-00	CONSTRUCTION	-	177,712	-	-	-	0.0%		-
	CAPITAL	\$ -	\$ 177,712	\$ -	\$ -	\$ -	0.0%		\$ -
	TOTAL EXPENDITURES	\$ -	\$ 177,712	\$ -	\$ -	\$ -	0.0%		\$ -

15: EDC4B FUND
04: TEXAS LEVERAGE PROGRAM

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5800-04-00	LAND	-	-	-	-	-		0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -

19: EDC4B CAPITAL BOND FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 29,444	\$ 29,444	\$ 29,719		\$ 29,904			
INVESTMENT EARNINGS	82	460	-	-	110	17.7%		(110)
TOTAL REVENUES	\$ 82	\$ 460	\$ -	\$ -	\$ 110	17.7%		\$ (110)
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
CAPITAL	-	-	-	-	-	0.0%	0.0%	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ 29,719	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 82	\$ 460	\$ (29,719)	\$ -	\$ 110			
ENDING FUND BALANCE	\$ 29,526	\$ 29,904	\$ 0		\$ 30,014			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 29,526	\$ 29,904	\$ 0	\$ -	\$ 30,014			

19: EDC4B CAPITAL BOND FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	82	460	-	-	110	17.7%		(110)
	INVESTMENT EARNINGS	\$ 82	\$ 460	\$ -	\$ -	\$ 110	17.7%		\$ (110)
	TOTAL REVENUES	\$ 82	\$ 460	\$ -	\$ -	\$ 110	17.7%		\$ (110)

19: EDC4B CAPITAL BOND FUND
01: TOWN CENTER REDEVELOPMENT

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5580-01-00	TRANSFER OUT	-	-	-	-	-	0.0%	0.0%	-
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
5800-01-00	LAND	-	-	-	-	-	0.0%	0.0%	-
5847-01-00	CONSTRUCTION	-	-	-	-	-	0.0%	0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

95: EDC4B RESERVE FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 119,962	\$ 119,962	\$ 120,582		\$ 121,327			
INVESTMENT EARNINGS	203	1,365	-	-	355	14.9%		(355)
TOTAL REVENUES	\$ 203	\$ 1,365	\$ -	\$ -	\$ 355	14.9%		\$ (355)
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 203	\$ 1,365	\$ -	\$ -	\$ 355			
ENDING FUND BALANCE	\$ 120,165	\$ 121,327	\$ 120,582		\$ 121,682			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (\$112,606 REQUIREMENT)	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606			
RESERVE SURPLUS/(SHORTFALL)	\$ 7,559	\$ 8,721	\$ 7,976	\$ (112,606)	\$ 9,076			

95: EDC4B RESERVE FUND

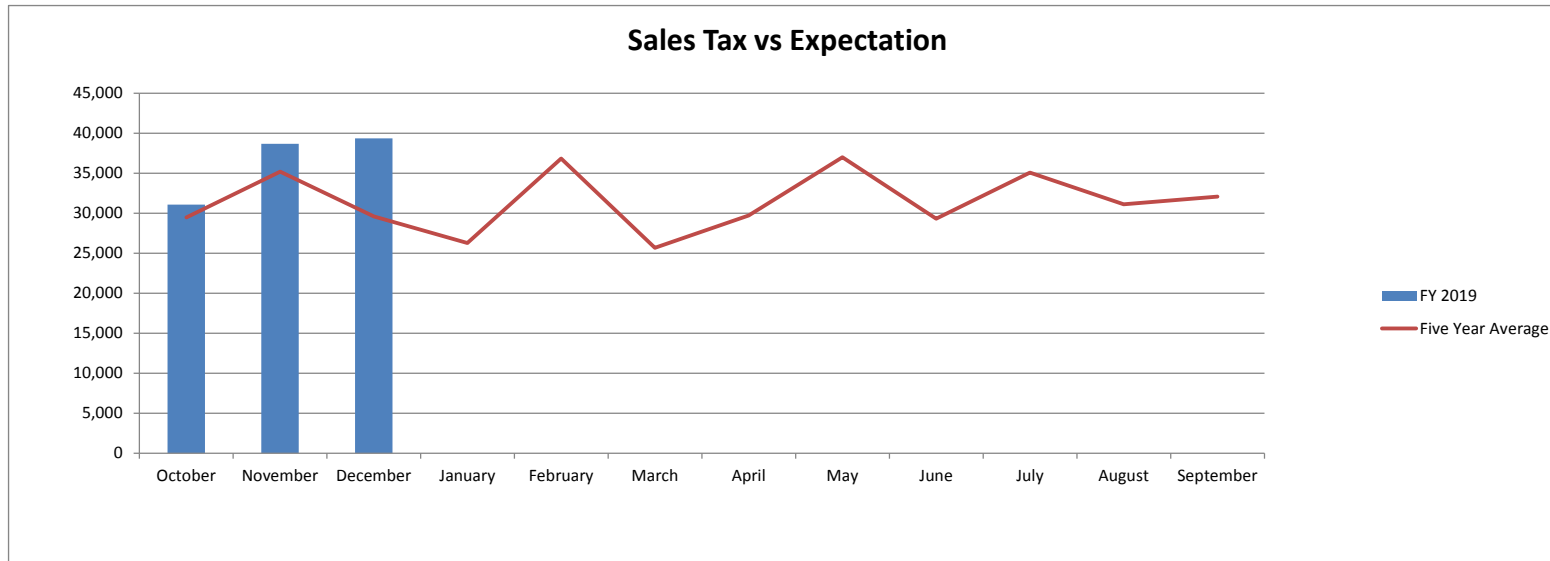
ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	203	1,365	-	-	355	14.9%		(355)
	INVESTMENT EARNINGS	\$ 203	\$ 1,365	\$ -	\$ -	\$ 355	14.9%		\$ (355)
	TOTAL REVENUES	\$ 203	\$ 1,365	\$ -	\$ -	\$ 355	14.9%		\$ (355)

95: EDC4B RESERVE FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 31,048	\$ 38,680	\$ 39,362	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,363
FY2018	\$ 34,607	\$ 38,169	\$ 28,985	\$ 31,808	\$ 54,501	\$ 31,672	\$ 41,253	\$ 43,121	\$ 36,295	\$ 41,089	\$ 39,590	\$ 29,697	\$ 150,262
FY2017	\$ 29,583	\$ 38,719	\$ 27,285	\$ 29,652	\$ 35,265	\$ 26,215	\$ 29,043	\$ 33,374	\$ 26,747	\$ 33,648	\$ 16,530	\$ 28,850	\$ 118,303
FY2016	\$ 31,046	\$ 39,712	\$ 32,662	\$ 25,293	\$ 38,669	\$ 29,196	\$ 26,505	\$ 38,181	\$ 27,906	\$ 28,195	\$ 29,231	\$ 30,459	\$ 125,685
FY2015	\$ 23,985	\$ 31,479	\$ 27,515	\$ 24,594	\$ 35,857	\$ 24,104	\$ 27,064	\$ 39,783	\$ 42,821	\$ 55,252	\$ 48,766	\$ 59,232	\$ 146,818
FY2014	\$ 21,990	\$ 29,867	\$ 31,661	\$ 22,458	\$ 32,594	\$ 23,228	\$ 26,412	\$ 31,319	\$ 25,832	\$ 23,976	\$ 28,866	\$ 22,659	\$ 106,954
FY2013	\$ 33,617	\$ 31,297	\$ 23,446	\$ 20,135	\$ 30,003	\$ 20,791	\$ 20,318	\$ 32,020	\$ 21,136	\$ 22,435	\$ 27,973	\$ 26,025	\$ 103,066
*Net payment after correcting an audit error.													\$ -



Industry	Amount	% Change	Adjusted Change YTD		FYTD
Manufacturing	\$8,355.73	628.01%	-31.03%	\$84,521.88	\$22,068.57
Retail	\$7,791.15	-1.04%	6.75%	\$94,839.19	\$23,513.35
General Services	\$6,975.75	18.88%	13.22%	\$102,512.26	\$26,595.97
Professional Services	\$6,327.57	15.18%	12.40%	\$65,872.93	\$18,309.22
Wholesale	\$6,293.00	7.37%	138.27%	\$73,225.96	\$16,838.47
Food	\$3,084.86	23.85%	-2.56%	\$34,345.51	\$8,309.59
Agricultural	\$643.43	344.40%	0.00%	\$2,032.22	(\$7,740.70)
Miscellaneous	\$357.62	-72.51%	-2.00%	\$3,625.04	\$1,888.64
Accommodation	\$0.00	0.00%	0.00%	\$0.00	\$0.00



Date: February 19, 2019

Agenda Item No: MONITORING INFORMATION - C.

I. Subject:

Schedule of Investment Activity for quarter ending December 31, 2018

II. Originated by:

Brady Olsen, Finance Director

III. Summary:

This investment report for the first quarter of FY2018-19 is attached for the City Council's review, in accordance with the Public Funds Investment Act (PFIA).

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:

1.	December 31 2018 Qtrly Investment Report	December 31 2018 Qtrly Investment Report.pdf
----	--	--

City of Kennedale, Texas

SCHEDULE OF INVESTMENT ACTIVITY

For The Quarter Ending December 31, 2018

CITY OF KENNEDALE, TEXAS
INVESTMENT REPORT
FOR QUARTER ENDING December 31, 2018

The Quarterly Investment Report provides the City's investment portfolio position as of the report period indicated above. Fund of the City are invested in accordance with the City of Kennedale Investment Policy as originally adopted on September 13, 2001 and subsequently reviewed in June of 2018

SUMMARY OF INVESTMENTS FOR THE QUARTER

100% of the City of Kennedale's investments are owned by the Pooled Cash Fund. As of the reporting quarter, 92.87% of the City's investments are in investment pools, and 7.13% are invested in money market savings accounts.

INVESTMENT STRATEGIES

The City's main objectives in managing the portfolio are as follows: suitability, preservation & safety of principal, liquidity, marketability, diversification, and yield.

INVESTMENT PORTFOLIO ALLOWABLE BREAKDOWN

Certificates of Deposit (50%), Investment Pools (100%)* , Money Market Mutual Funds (100%)*, Repurchase Agreements (50%)*, Government Obligations (25%), US Treasury & US Agency Callables (25%), US Government Agencies & Instrumentalities (100%), and US Treasury Notes/Bills (100%)
 *(no more than 50% in any individual pool, fund, or repurchase agreement)

MONTHLY BALANCES- INVESTMENTS

Investment Pool	Account Name	Interest Rate	October 2018	November 2018	December 2018	Interest Earned
Texas Daily	Consolidated Cash	0.56%	\$ 32,280.42	\$ 32,339.15	\$ 32,402.75	\$ 181.26
TexStar	Consolidated Cash	0.56%	336,074.13	336,686.69	337,346.29	1,887.98
TexPool	\$2.0M CO Bond	0.36%	30,249.36	30,304.17	-	109.76
TexPool	Central Deposit	0.54%	4,780,729.45	5,549,768.16	7,246,407.92	31,838.23
TOTAL INVESTMENT POOLS			\$ 5,179,333.36	\$ 5,949,098.17	\$ 7,616,156.96	\$ 34,017.23

MONTHLY BALANCES- WELLSFARGO

Bank	Account Name	Interest Rate	October 2018	November 2018	December 2018	Interest Earned
Wellsfargo	Consolidated Cash	N/A	\$ 448,222.78	\$ 584,437.14	\$ 584,632.97	
Wellsfargo	Payroll Clearing	0.04%-0.05%	2.08	3.82	6.14	6.14
Wellsfargo	Section 125 Flex	0.04%-0.05%	345.08	-	-	
Wellsfargo	Dick Price Rd	0.005%	-	-	-	
Wellsfargo	Health Reimbursement	0.00%	-	-	-	
Wellsfargo	Employee Health Benefit Trust	0.00%	1.62	1,755.93	3.80	2.31
Wellsfargo	Economic Development Corp	0.00%	-	-	30,324.60	-
TOTAL WELLSFARGO			\$ 448,571.56	\$ 586,196.89	\$ 614,967.51	\$ 8.45

TOTAL MONTHLY BALANCES- ALL	\$ 5,627,904.92	\$ 6,535,295.06	\$ 8,231,124.47	\$ 34,025.68
------------------------------------	------------------------	------------------------	------------------------	---------------------

TRANSACTION ACTIVITY- INVESTMENTS

Investment Pool	Account Name	Balance 9/30/2018	Deposits	Withdrawals	Interest	Balance 12/31/2018
Texas Daily	Consolidated Cash	\$ 32,221.49	\$ -	\$ -	\$ 181.26	\$ 32,402.75
TexStar	Consolidated Cash	335,458.31	-	-	1,887.98	337,346.29
TexPool	\$2.0M CO Bond	30,194.41	-	(30,304.17)	109.76	(0.00)
TexPool	Central Deposit	5,466,703.63	3,880,072.74	(2,132,206.68)	31,838.23	7,246,407.92
TOTAL INVESTMENT POOLS		\$ 5,864,577.84	\$ 3,880,072.74	\$ (2,162,510.85)	\$ 34,017.23	\$ 7,616,156.96

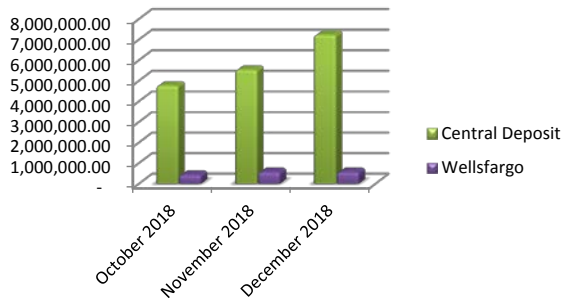
TRANSACTION ACTIVITY- WELLSFARGO

Bank	Account Name	Balance 9/30/2018	Deposits	Withdrawals	Interest	Balance 12/31/2018
Wellsfargo	Consolidated Cash	\$ 266,094.78	\$ 3,849,555.50	\$ (3,531,017.31)	\$ -	\$ 584,632.97
Wellsfargo	Payroll Clearing	38,710.32	963,593.84	(1,002,298.02)	6.14	6.14
Wellsfargo	Section 125 Flex	1,590.39		(1,590.39)	-	0.00
Wellsfargo	Health Reimbursement	1,133.00	1,133.00	(1,133.00)	-	1,133.00
Wellsfargo	Employee Health Benefit Trust	1.49	78,752.06	(78,749.75)	2.31	3.80
Wellsfargo	Economic Development Corp	-	30,469.87	(145.27)	-	30,324.60
TOTAL WELLSFARGO		\$ 307,529.98	\$ 4,923,504.27	\$ (4,614,933.74)	\$ 8.45	\$ 616,100.51

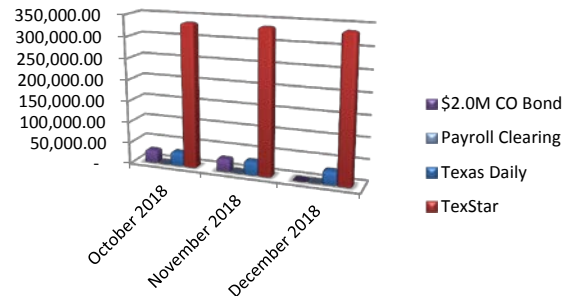
CASH BREAKDOWN BY FUND

	October 2018	November 2018	December 2018
01- General Fund	\$1,198,168.44	\$1,227,106.48	\$2,954,393.22
02- Debt Service Fund	\$127,352.37	\$237,485.62	\$951,187.53
04- Capital Project Fund	-\$1,229.98	-\$1,145.73	-\$1,044.52
05- Capital Replacement Fund	\$382,684.21	\$349,277.40	\$351,443.98
07- Storm Drainage Utility Fund	\$148,419.50	\$123,242.55	\$17,755.45
10- Water/Sewer Fund	\$2,204,237.15	\$2,284,443.58	\$2,236,189.19
12- Court Security Fund	\$17,891.60	\$18,199.08	\$18,475.26
13-CIP Tax Note	\$0.00	\$736,450.00	\$736,450.00
14- Park Dedication Fund	\$158,427.03	\$158,785.71	\$159,216.56
15- Economic Development Fund	\$108,106.68	\$145,064.78	\$183,604.53
16- Court Technology Fund	\$7,459.64	\$7,845.29	\$8,184.41
17- Streets Improvement Fund	\$423,105.37	\$402,360.78	\$458,306.67
18- Juvenile Case Manager Fund	\$13,961.12	\$13,765.44	\$13,332.23
21- TIF #1 New Hope Fund	\$13,962.97	\$13,962.97	\$13,962.97
32- Library Building Fund	\$143.79	-\$770.00	-\$576.42
34- LEOSE Fund	\$1,746.79	\$1,747.02	\$1,747.30
41- Park Rec/Other Donation Fund	\$18,324.88	\$17,601.08	\$15,202.60
45- Roadway Impact Fee Fund	\$266,645.91	\$270,893.93	\$271,181.06
61- Water Impact Fee Fund	\$140,752.66	\$146,378.31	\$146,643.86
62- Sewer Impact Fee Fund	\$126,947.43	\$129,795.68	\$129,978.93
83- Tree Reforestation Fund	\$69,046.28	\$69,150.04	\$69,274.69
85- Unclaimed Property Fund	\$1,990.24	\$1,990.24	\$1,990.24
95- EDC Reserve Fund	\$122,171.06	\$122,354.67	\$122,575.22
TOTAL ALL FUNDS	\$ 5,550,315.14	\$ 6,475,984.92	\$ 8,859,474.96

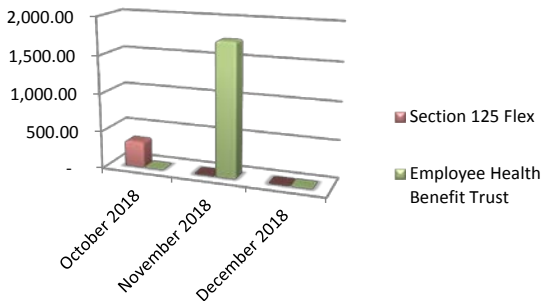
Main Accounts



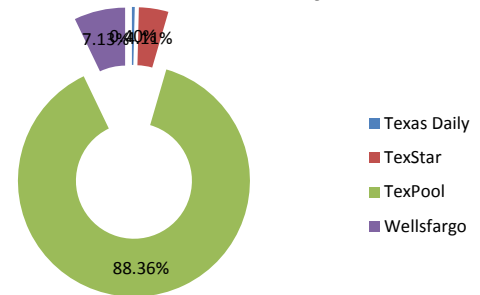
Other Accounts



Holding Accounts



Distribution of Money





Date: February 19, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - A.

I. Subject:

Consider approval of the minutes from the January 15, 2019 Regular Meeting

II. Originated by:

Leslie Galloway, City Secretary & Communications Coordinator

III. Summary:

Please see the attached minutes for your approval.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_01.15_Minutes_City Council Regular Meeting_DRAFT_WM	2019_01.15_Minutes_City Council Regular Meeting_DRAFT_WM.pdf
----	--	--

KENNEDALE CITY COUNCIL MINUTES
REGULAR MEETING | JANUARY 15, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION - 5:30 PM | REGULAR SESSION - 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:34 p.m.

II. WORK SESSION

- A. Interviews of candidates to potentially serve as alternate members on the Utility and Infrastructure Board

At this time, the Council interviewed Amy Cates.

- B. Discussion of top ten streets in need of repair – *Requested by Joplin/Gilley*

Interim Public Works Director Larry Hoover presented a prioritized list of identified capital improvement projects (sourced from a presentation made at the October 9, 2018 City Council meeting by Craig Barnes, President of Shield Engineering Group) and was available to answer Council's questions.

- C. Continued discussion of potential amendments to the FY 2018-19 Budget – *Requested by Joplin/Gilley*

Councilmember Joplin presented recommended changes to the 2018-19 Budget. Finance Director Brady Olsen answered questions relative to the feasibility and legality of those.

Following this item, Mayor Johnson offered a brief recess before calling the Regular Session to order at 7:51 p.m. at which time roll call, the invocation, the pledges, and the Visitor's Forum were conducted as well as recognition of outgoing board members (listed under Updates from the Mayor). Following these items, Mayor Johnson reconvened the Work Session beginning with discussion of item D.

- D. Discuss and consider providing staff direction regarding the FY 2019-20 Budget – *Requested by Joplin/Gilley*

Councilmember Rhodes made recommendations regarding procedures for development of the FY2019-20 Budget, including a budget workshop at which time department heads would present their budgets to the Council. There was some discussion among Council, including Councilmember Gilley stating his desire to see the ad valorem tax rate remain unchanged for FY2019-20 and Mayor Pro Tem Lee stated her desire to see varied housing types.

E. Discussion of potential amendments to the Comprehensive Plan – *Requested by Joplin/Gilley*

Councilmember Joplin requested a Work Session to discuss Comprehensive Plan updates. Councilmember Gilley expressed concerns regarding the methodology of a recent resident survey conducted by staff as part of these potential updates. Director of Planning and Economic Development Melissa Dailey was available to answer questions from Council.

F. Discussion of Global Water Fathom utility billing

City Manager George Campbell noted that a memo had been sent to the Council regarding this subject, and Finance Director Brady Olsen updated the Council regarding how Global Water Fathom was planning to address ongoing utility billing errors and noted the desire to move towards a more understandable billing format. Councilmember Gilley noted that the Council had authorized staff to enter into negotiations to terminate the contract.

G. Discussion regarding the status of the Charter Study Committee – *Requested by Joplin/Rhodes*

Mayor Johnson briefed the Council on the progress of the Committee and announced that they hoped to have final recommendations following their meeting on Wednesday, January 16. City Manager George Campbell noted that the deadline to call any election is February 15, and that the Ordinance would need to include the official ballot language. Mayor Johnson noted that a special meeting might be needed.

H. Discussion of items on the Regular Agenda

There was no discussion at this time.

III. REGULAR SESSION

After a short break, Mayor Johnson convened the Regular Session at 7:26 p.m., announcing that those who signed up to speak for the Visitor's Forum regarding specific agenda items would be called upon to speak when the Council was considering that item.

IV. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Rockie Gilley, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Jan Joplin, Place 5; **Absent:** NONE

Staff: City Manager George Campbell, Deputy City Secretary Kathryn Roberson, Finance Director Brady Olsen, Police Chief Tommy Williams, Director of Planning and Economic Development Melissa Dailey; Fire Chief James Brown; Library Director Amanda King; Human Resources Director Danielle Clarke; Interim Public Works Director Larry Hoover

V. INVOCATION

Reverend James Adeyeye of Revival Worship Center (116 E Broadway) offered the invocation.

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

VII. VISITOR/CITIZENS FORUM

- **Jeff Nevarez**, 338 Spring Branch Lane, announced the upcoming Concert in the Park and requested volunteers for the event.
- **Adrienne Kay**, 918 Shady Creek Drive, announced current events at Fielder Church South Oaks Campus.

AT THIS TIME, MAYOR JOHNSON RECOGNIZED OUTGOING BOARD MEMBERS (LISTED UNDER ITEM VII.C. UPDATES FROM THE MAYOR), AND THEN RECONVENED THE WORK SESSION, BEGINNING WITH ITEM D.

VIII. REPORTS/ANNOUNCEMENTS

A. Updates from the City Council

- **ROCKIE GILLEY, PLACE 1**, did not have any updates at this time.
- **CHRIS PUGH, PLACE 2**, did not have any updates at this time.
- **MAYOR PRO TEM SANDRA LEE, PLACE 3**, did not have any updates at this time.
- **LINDA RHODES, PLACE 4**, did not have any updates at this time.
- **JAN JOPLIN, PLACE 5**, announced her attendance at the joint meeting with the EDC on January 14 and the upcoming senior citizen outreach group meeting on January 17.

B. Updates from the City Manager

City Manager George Campbell had no updates at this time.

C. Updates from the Mayor

Mayor Johnson announced the 'Growing Up in Kennedale' lecture and Theatre in the Park auditions; and noted his attendance at the Mayors' Council Legislative Committee meeting, which he Chairs.

- Recognition of outgoing board members

THIS ITEM WAS TAKEN OUT OF ORDER. AWARD PRESENTATIONS WERE MADE AFTER ITEM II.D.

At this time, Mayor Johnson recognized several residents for their service to the City of Kennedale via boards and commissions.

IX. MONITORING INFORMATION

A. Monthly Financials – December 2018

There was no discussion at this time.

B. Schedule of Investment Activity for quarter ending September 30, 2018

There was no discussion at this time.

X. INCIDENTAL ITEMS

XI. REQUIRED APPROVAL ITEMS (CONSENT)

- A. Consider approval of the minutes from the December 6, 2018 Special Meeting
- B. Consider approval of the minutes from the December 11, 2018 Regular Meeting
- C. Consider Resolution 544 approving the low bid of \$281,269.00 to Atkins Brothers Equipment Company, and the City's participation amount of \$98,249.30, for the 44th year CDBG project for Danny Drive water line improvements
- D. Consider approval of Resolution 545 calling the General Election for May 4, 2019
- E. Consider authorizing the Mayor to sign a one-year extension of an Interlocal Agreement with City of Fort Worth for rabies control services and the utilization of animal impoundment and quarantine facilities
- F. Consider approval of the low bid of \$369,249.00 to PM Construction & Rehab, LLC, for Crestdale sewer line improvements
- G. Consider Resolution 546, approving of the sale of 229 S. New Hope to Maria Crespo for the amount of \$4,000
- H. Discuss and consider approving payment of property taxes on real property owned by the Kennedale Arts and Culture Foundation and authorizing City staff to execute all documents necessary to reinstate the Foundation's right to transact business and pay filing costs related thereto

Councilmember Joplin requested that items C, F, G, and H be removed from Consent.

Motion To Approve Consent Agenda Items A, B, D, and E. **Action** Approve, **Moved By** Rhodes, **Seconded By** Gilley. **Motion passes Unanimously.**

Regarding Consent Agenda Item C, City Manager George Campbell noted that this bid was about \$100,000 below the budgeted amount. Interim Public Works Director Larry Hoover presented details of the project and was available to answer questions from Council.

Motion To Approve Consent Agenda Item C., Resolution 544 approving the low bid of \$281,269.00 to Atkins Brothers Equipment Company, and the City's participation amount of \$98,249.30, for the 44th year CDBG project for Danny Drive water line improvements. **Action** Approve, **Moved By** Mayor Pro Tem Lee, **Seconded By** Gilley. **Motion passes Unanimously.**

Regarding Consent Agenda Item F, Interim Public Works Director Larry Hoover presented details of the project and was available to answer questions from Council.

Motion To Approve Consent Agenda Item F., to consider approval of the low bid of \$369,249.00 to PM Construction & Rehab, LLC, for Crestdale sewer line improvements.

Action Approve, **Moved By** Pugh, **Seconded By** Rhodes. **Motion passes Unanimously.**

Regarding Consent Agenda Item G, City Manager George Campbell presented details and was available to answer questions from Council and recommended approval.

Motion To Approve Consent Agenda Item G., Resolution 546 approving of the sale of 229 S. New Hope to Maria Crespo for the amount of \$4,000. **Action** Approve, **Moved By** Mayor Pro Tem Lee, **Seconded By** Pugh. **Motion passes Unanimously.**

Regarding Consent Agenda Item H, City Manager George Campbell presented details and noted that new information indicated that the final amount owed could be less than was stated in the packet. He requested Council approval of payment property tax up to the amount in the staff report – \$14,640.98. City Attorney Drew Larkin was available to offer an opinion on Council's questions regarding future taxes and perceived discrepancies in the Tarrant Appraisal District (TAD) records, noting that TAD would be the controlling agency.

Motion To Approve Consent Agenda Item H., approving payment of property taxes on real property owned by the Kennedale Arts and Culture Foundation not to exceed \$14,640.98 and authorizing City staff to execute all documents necessary to reinstate the Foundation's right to transact business and pay filing costs related thereto. **Action** Approve, **Moved By** Mayor Pro Tem Lee, **Seconded By** Pugh. **Motion passes Unanimously.**

XII. DECISION ITEMS

- A. Consider appointment of two Utility and Infrastructure Board alternate members pursuant to Ordinance 656

Motion To Approve appointment of Amy Cates as an alternate member of the Utility and Infrastructure Board, pursuant to Ordinance 656. **Action** Approve, **Moved By** Pugh, **Seconded By** Mayor Pro Tem Lee. **Motion passes Unanimously.**

Following a brief recess, Mayor Johnson reconvened the Regular Session at 9:30 p.m.

THE FOLLOWING WAS TAKEN OUT OF ORDER; IT IS A CONTINUATION OF ITEM VII. VISITOR/CITIZENS FORUM.

Chris Fuller, 616 Hillside Drive, discussed erosion problems on his and other properties along Winding Creek.

Councilmember Gilley requested that Mr. Fuller's concern be placed on the next City Council agenda for discussion.

John Hivale, 418 Coker Valley Drive, commented on items XI.C., XI.D., and XI.G.

- B. Discuss and consider a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek, located at the northeast corner of East Kennedale Parkway and Kennedale Sublett Road

Mayor Johnson noted that Mayor Pro Tem Lee and Councilmember Pugh had requested that this item receive further consideration following its appearance on the December 11, 2018 agenda, which resulted in a motion to approve that died for a lack of a second.

Director of Planning and Economic Development Melissa Dailey reviewed the presentation previously made to the Council regarding this proposed development and noted that the developers were available to answer questions. She stated that this development could serve as a catalyst project for the desired redevelopment of Kennedale Parkway. She noted that during the January 14 joint meeting held by the Council and the EDC, there was discussion of a need for retailers within Kennedale, and that 70% of this project was not apartments but much-needed townhomes, retail, and office space. She also reminded the Council of the estimated \$10.7 million in revenue to the City over the next 20 years.

Jeff Brand of Brand Partners, and Jason Lain and Deepak Sulakhe of OM Housing then offered details of the proposed project and, along with Director of Planning and Economic Development Melissa Dailey, were available to answer questions from Council.

Eric Elam, 349 Kennedale Sublett Road; **Chad Wandel**, 614 Reeves Lane; **Jeff Nevarez**, 338 Spring Branch Lane; **Mary Sherrin**, 8125 Addy Trail, Benbrook; **Martha Dibella**, 509 Pennsylvania Avenue; and **Larry Walther**, 6632 Trinity Heights, Fort Worth spoke in support of the Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek. **Greg Adams**, 704 Crestview Drive, registered in support. **Clare Ehrismann**, **Martha Dibella**, and **Stephen Higginbotham** registered in support via email.

Cheryl Pond, 606 Hilltop Court; **Cathy Brown**, 808 Shady Bend Drive; and **Sarah Turner**, 1000 Oak Hill Park spoke in opposition of the Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek. **Sara Cotton**, **Wanda Deaver**, **Bonita Sandberg**, **Samantha Morrow**, **Brent Jones**, **Sue Sanders**, **Tom Newsom**, **Amy Flores**, **Anthony Bichel**, **Priscilla Harrison**, **Lisa Cooper**, **Doug Elliott**, and **Dan Hippman** registered in opposition via email.

XIII. EXECUTIVE SESSION

Council did not convene in Executive Session at this time.

- A. Discuss proposed contract to purchase potable water from the City of Arlington and contract to transfer the operation and maintenance of the Kennedale water and sewer systems to the City of Arlington
- B. Discuss pending legal matters regarding Ron Sturgeon vs. City of Kennedale
- C. Discussion of City Manager's Annual Evaluation

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

There was no discussion or action at this time.

XV. ADJOURNMENT

Motion To Adjourn. Action Adjourn, Moved By Rhodes, Seconded By Mayor Pro Tem Lee. Motion passed unanimously.

Mayor Johnson adjourned the meeting at 12:09 a.m. on Wednesday, January 16.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE GALLOWAY, CITY SECRETARY

DRAFT
UNTIL APPROVED
BY COUNCIL



Date: February 19, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - B.

I. Subject:

Consider approval of the minutes from the February 11, 2019 Special Meeting

II. Originated by:

Leslie Galloway, City Secretary & Communications Coordinator

III. Summary:

Please see the attached minutes for your approval.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_02.11_Minutes_City Council Special Meeting_DRAFT_WM	2019_02.11_Minutes_City Council Special Meeting_DRAFT_WM.pdf
----	--	--

KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | FEBRUARY 11, 2019 at 5:30 PM
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:35 p.m., noting that all Councilmembers were present and that Pursuant to §551.071, Texas Government Code, City Council reserves the right to adjourn into Executive Session at any time during the Work Session or the Regular Session to discuss posted Executive Session items or to seek legal advice from the City Attorney on any item posted on the agenda.

II. WORK SESSION

- A. Presentation by Andrew Friedman of SAMCO Capital Markets, the City's financial advisor, regarding the authority of a City to issue various bonds and the considerations related to different types of indebtedness

Mr. Friedman noted that he had given this same presentation to the Charter Study Committee at their meeting on Thursday, January 3. He then presented an overview of the considerations related to different types of debt available to municipalities – General Obligation Bonds (GOs), Revenue Bonds, Certificates of Obligation (COs), and Tax Notes – and was available to answer the Council's questions.

Council discussion included notification of the voting public of potential debt issuance, how certain circumstances (e.g., adoption of deficit budgets or allowing fund balances to drop below 25% of annual operating costs) might affect the City's bond rating, the comparatively low levels of debt carried by the City, ideologies surrounding which types of debt should be used for different projects, and how bills currently being drafted or considered by the Texas Legislature might affect cities.

- B. Receive a report and hold a discussion regarding the Citizen Charter Study Committee recommendations for possible charter amendments

Mayor Brian Johnson, who Chaired this Committee, noted that several members were in the audience, including Vice Chair Bob Gruenhagen, Kenneth Michels, Gail Uranga, and Cheryl Pond. He then gave an overview of the Committee's process, noting that City Attorney Betsy Elam consulted throughout and drafted Ordinance 658 (Decision Item A on this agenda), which includes the recommendations of the Committee. There was a brief discussion regarding some of the items considered by the Committee.

- C. Discussion regarding proposed contracts to purchase potable water from the City of Arlington and to transfer the operation and maintenance of the Kennedale water and sewer systems to the City of Arlington

There was no discussion at this time.

Mayor Johnson recessed into Executive Session at 6:39 p.m.

III. EXECUTIVE SESSION

- A. Discussion with the City Attorney regarding proposed contracts to purchase potable water from the City of Arlington and to transfer the operation and maintenance of the Kennedale water and sewer systems to the City of Arlington
- B. Discussion with the City Attorney regarding Resolutions of Support for applications to the Texas Department of Housing and Community Affairs (TDHCA) Housing Credit Program
- C. Discussion with the City Attorney regarding erosion along Winding Creek
- D. Discuss pending legal matters regarding Ron Sturgeon vs. City of Kennedale
- E. Discussion with the City Attorney regarding City funding for EDC property known as Block 1 Lot 1A2, Harris Corporation Addition

IV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

Mayor Johnson reconvened into Open Session at 8:00 p.m.

V. REGULAR SESSION

VI. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Rockie Gilley, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Jan Joplin, Place 5; **Absent:** NONE

Staff: City Manager George Campbell, City Secretary Leslie Galloway, Finance Director Brady Olsen, Police Chief Tommy Williams, Director of Planning and Economic Development Melissa Dailey; Interim Public Works Director Larry Hoover; Permits Clerk Melinda Middleton

VII. DECISION ITEMS

- A. Consider approval of Ordinance 658 calling a Charter Amendment Special Election for May 4, 2019

There was a brief discussion of the possibility of an adopted policy to develop a procedure for determining whether Councilmembers' absences are considered excused or unexcused (which was discussed by the Committee, but not recommended for control via the Charter).

Motion To Approve Ordinance 658 calling a Charter Amendment Special Election for May 4, 2019. **Action** Approve, **Moved By** Gilley, **Seconded By** Mayor Pro Tem Lee. **Motion passes Unanimously.**

- B. Discuss and consider Resolution 543, a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek, located at the northeast corner of East Kennedale Parkway and Kennedale Sublett Road

Mayor Johnson announced that he would entertain a motion to postpone this item until the Tuesday, February 19, Regular Meeting and that the speaker forms that had been submitted would be retained until that time. Those who submitted speaker forms included: Bob Gruenhagen, Sarah Johnson Cotton, Mike Johnson, Martha Dibella, Eric Elam, Ngan Nguyen, Josh Altom, Jason Lain (OM Housing), Adlai Pennington, Deepak Sulakhe (OM Housing), Jeff Nevarez, Luke Mullen, Mr. and Mrs. Toby Davis, Austin Degenhart, Anonymous, Cheryl Pond, and Cathy Brown.

Motion To Postpone Item VII.B. Resolution 543 until the Tuesday, February 19, 2019 Regular Council Meeting. **Action** Postpone, **Moved By** Joplin, **Seconded By** Mayor Pro Tem Lee. **Motion passes 4-1**, with Councilmember Gilley voting against.

VIII. ADJOURNMENT

Motion To Adjourn. **Action** Adjourn, **Moved By** Joplin, **Seconded By** Rhodes. **Motion passed unanimously.**

Mayor Johnson adjourned the meeting at 8:04 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE GALLOWAY, CITY SECRETARY



Date: February 19, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - C.

I. Subject:

Consider authorizing the City Manager to sign an Agreement for Mutual Aid in Fire Protection and Emergency Medical Services with Tarrant County

II. Originated by:

Fire Chief James Brown

III. Summary:

The attached agreement for Mutual Aid in Fire Protection and Emergency Medical Services with Tarrant County includes largely the same verbiage as the original, which was signed in June 2005.

Changes from the Previous Agreement:

There is still no associated cost for the first 12 hours of any incident. Beyond that, however, this version allows responding agencies to seek reimbursement from the requesting local entity. This was added to address disaster responses and, more specifically, to allow for State and/or National reimbursement through the Texas Division of Emergency Management and FEMA.

Secondly, the previous agreement did not include documentation of the participating entities, seen now in Exhibit A. Under this updated agreement, as additional cities sign the agreement, Exhibit A will be updated and distributed to each agency.

Related:

Separately, the City of Kennedale has mutual aid agreements with the Cities of Arlington, Everman, Forest Hill, and Fort Worth.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

Staff recommends approval.

VIII. Attachments:

1.	Agreement for Mutual Aid in Fire Protection and Emergency Services 2019	Agreement for Mutual Aid in Fire Protection and Emergency Services 2019.pdf
----	---	---

The State Of Texas

County of Tarrant

**Agreement for Mutual Aid in Fire Protection
And
Emergency Medical Services**

This Agreement is entered into by and between the agencies signatory to this agreement, hereinafter referred to as "Member Local Entity," "Parties," or "Party."

W I T N E S S E T H

WHEREAS, the governing body of the Member Local Entities, organized under the general laws of the State of Texas, desire to secure for each Member Local Entity the benefits of mutual aid in the protection of life and property from fire and in firefighting and emergency medical services; and

WHEREAS, this Agreement is entered into pursuant to Chapter 791 of the Texas Government Code;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1.

The following terms shall have the following meanings when used in this Agreement:

- (A) For purposes of this contract, "Member Local Entity" means a:
 - (1) county, municipality, special district, or other political subdivision of this state or a state that borders this state; or
 - (2) volunteer fire department constituted under state law.
- (B) For purposes of this contract, "mutual aid" refers to reciprocal assistance by emergency services under a prearranged plan.

2.

That upon request by the Fire Chief or his/her designee or by the fire alarm operator of one Member Local Entity to the fire department of the other Member Local entity, available fire department equipment and personnel will be dispatched in aid of the requesting Member Local Entity to any point within a reasonable distance of the

jurisdictional limits of the responding Local Entity, subject to the conditions hereinafter stated.

The Fire Chief of each Member Local Entity shall designate what constitutes a reasonable travel distance outside the jurisdictional limits of the Local Entity.

It is hereby declared and agreed that an emergency condition shall exist within the corporate limits of a requesting Member Local Entity when one or more emergencies are in progress. When such an emergency exists, upon request of the Fire Chief, or his/her designee, or by the fire alarm operator of a Member Local Entity in which the emergency condition exists (the "requesting Local Entity") to the fire department of another Member Local Entity (the "responding Local Entity"), the Fire Chief or designee of the responding Local Entity will dispatch such fire department equipment and personnel to the aid of the requesting Local Entity as he/she deems advisable subject to the conditions hereinafter set out.

3.

Any dispatch of fire department equipment and personnel pursuant to this Agreement is subject to the following conditions:

- A. It is expressly understood and agreed that before responding in accordance with this Agreement that each Member Local Entity will have an ordinance, resolution, rule, or order adopted before the effective date of this Agreement which sets out the standard of care for emergency action which substantially states the following: "Every officer, agent or employee of the Member Local Entity and every officer, agent or employee of an authorized provider of emergency services, including, but not limited to every unit of government or subdivision thereof, while responding to emergency calls or reacting to emergency situations, regardless of whether any declaration of emergency has been declared or proclaimed by a unit of government or subdivision thereof, is hereby authorized to act or not to act in such a manner to effectively deal with the emergency. An action or inaction is 'effective' if it in any way contributes or can reasonably be thought by the provider of such emergency service to contribute to preserving any lives or property. This Section shall prevail over every other ordinance, resolution, rule, or order of the Member Local Entity and, to the extent to which the Member Local Entity has the authority to so authorize, over any other law establishing a standard of care in conflict with this section. Neither the Member Local Entity nor the employee, agent or officer thereof, or other unit of government or subdivision thereof or its employees, agents or officers shall be liable for failure to use ordinary care in such emergency. It is the intent of the Member Local Entity, by passing this ordinance, resolution, rule, or order to assure effective action in emergency situations by those entrusted with the responsibility of saving lives and property by protecting such government units from liability, and their employees, agents and offices from nonintentional tort liability to the fullest extent permitted by statutory and constitutional law, this ordinance, resolution,

rule or order shall be liberally construed to carry out the intent of the Member Local Entity.”

- B. Any request for assistance under this Agreement shall specify the amount and type(s) of fire department equipment needed, the MAPSCO location, and the street address to which the equipment and personnel are to be dispatched.

Upon a request for mutual aid assistance by a Member Local Entity, under the terms of this agreement, the typical response set for personnel and equipment would be as follows: one unit of firefighting apparatus, pumper (engine) or aerial (ladder), with a minimum of three personnel, or a brush truck or water supply vehicle with a minimum of two personnel, or an ambulance with a minimum of two personnel. However, variances to the typical response set for personnel may be agreed upon at the time of the mutual aid request. The Fire Chief of the responding Local Entity or his/her designee may dispatch additional equipment and personnel.

Responding personnel must meet the minimum firefighting standards as established by their jurisdiction or by the Texas Commission on Fire Protection whichever is applicable.

Texas Department of Health certified personnel (Emergency Care Attendant, Emergency Medical Technician, and Paramedic) may provide emergency medical services to the degree allowed by their certification and Medical Control.

Supervisory personnel, support equipment and personnel, or additional fire department equipment and personnel may also be dispatched to the Member Local Entity by direction of the Fire Chief of the responding Local Entity or his/her designee.

- C. The requesting Local Entity must have a command system in place and an incident commander in charge of the incident.
- D. The senior fire representative from the responding Local Entity shall report to and be under the direction of the requesting Local Entity Incident Commander, and will direct the utilization of his/her resources to assist in mitigating the emergency in accordance with accepted procedures.

However, if a member of a responding Local Entity is requested to perform a task that is in conflict with the responding Local Entity's internal policies, the responding Local Entity retains the right to advise the officer in charge that the task cannot be completed. If agreement cannot be reached on the issue, the responding Local Entity has the option of leaving the scene. Each Party to this Agreement shall at all times be and remain legally responsible for the conduct of their respective fire department employees regardless of whether such employees were performing duties under this Agreement at the request of the requesting

Local Entity and regardless of whether such employees were acting under the authority, direction, suggestion or orders of an officer of the requesting Local Entity. This assignment of civil liability is specifically permitted by section 791.006(a-1) of the Texas Government Code ("Code") and is intended to be different than the liability otherwise assigned under section 791.1006 (a) of the Code. Each Party hereby waives all claims against the other Party for compensation for any loss, damage, personal injury or death occurring as a consequence of the performance of the Agreement.

- E. Fire department equipment and personnel from the responding Local Entity shall be released by the Incident Commander as soon as they are no longer needed or when their services are needed within their normal fire protection area.
- F. In areas where common Member Local Entity jurisdictional lines exist, accurate determination of jurisdiction may not be possible upon receipt of an alarm. In these cases, the Local Entity receiving the alarm will dispatch its fire department equipment and personnel and notify the other affected Local Entity of the alarm. If the emergency is not within the jurisdictional limits of the responding Local Entity, it is agreed that the services provided will be considered to have been provided pursuant to this Agreement.

4.

Each Local Entity waives all claims against the other Local Entity for compensation for any loss, property damage, personal injury or death occurring as a consequence of the performance of this Agreement.

Neither Member Local Entity shall be reimbursed by the other for costs incurred pursuant to this Agreement, with the exception of supplies and consumable items.

5.

All equipment used by the responding fire department in carrying out this agreement will, at the time of action hereunder, be owned by it; and personnel who perform duties pursuant to this agreement shall receive the same payment, salary, pension, injury or death benefits, workers' compensation benefits, payment of expenses, and all other compensation and rights for the performance of those duties, as they would have received for their regular duties in the service of the Member Local Entity which they serve. Each Member Local Entity shall be solely responsible for the payment of its costs associated with providing fire department equipment and personnel under this Agreement for up to twelve (12) consecutive hours of a Mutual Aid.

Thereafter, upon receipt of an invoice, all costs associated with the provision of Mutual Aid lasting more than twelve consecutive hours shall be paid by the responding Local Entity and reimbursed by the requesting Local Entity, to the extent permitted by

law. Such costs include, but are not limited to: compensation for personnel; operation and maintenance of equipment; damage to equipment; and food, lodging and transportation expenses. Formulary to assist cost determination will be based on the most current FEMA reimbursement schedules set by the Stafford Act and chapter 418 of the Texas Government Code.

- (1) Requests for reimbursement must be submitted as soon as practicable but no later than sixty days after the return of all personnel deployed under this Agreement. Failure to submit a request for reimbursement within the specified time frame will result in the responding Local Entity not being reimbursed for the Mutual Aid provided unless the requesting Local Entity extends the deadline for filing requests for reimbursement or the Federal or State Government extends the deadline for filing request for reimbursement. Such requests shall specifically identify all personnel, equipment, and resources provided; dates of issuance or duration of deployment, and the unit cost and total costs associated with each.
- (2) The responding Local Entity shall be responsible for creating and maintaining a record of all costs incurred, both reimbursed and unreimbursed costs, in providing Mutual Aid under this Agreement. The record shall be kept for a period of three years from the date the incident is closed.
- (3) In the event federal or state funds are available for costs associated with the provision of Mutual Aid, the Parties agree that the requesting Local Entity shall make the claim for the eligible costs of the responding Local Entity on its subgrant application and will disburse the federal or state share of funds to the responding Local Entity.
- (4) Reimbursement under this Section will be made by the requesting Local Entity no later than: (1) one-hundred eighty days after receipt of the request for reimbursement; or (2) ninety days after the requesting Local Entity receives reimbursement from the federal or state government, whichever is sooner.

6.

It is expressly understood that when an employee or volunteer of the responding Local Entity is performing duties under the terms of this agreement, that person is considered to be acting in the line of duty for the purposes of 34 U.S.C.A 10281; is considered to be in performance of duties within the provisions of Chapter 142, Texas Local Government Code; and shall be entitled to any other benefits which accrue under law as a result of injury, death, or loss which occurs while in the line of duty.

7.

It is further understood and agreed that, in the execution of this Agreement and contract, neither Member Local Entity waives, nor shall be deemed hereby to waive, any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.

8.

This Agreement shall be interpreted under the laws of the State of Texas. The venue for any lawsuit arising out of this Agreement will be the Fort Worth Division of the Northern District of Texas if the lawsuit arises in Federal Court or Tarrant County, Texas if the matter arises in State Court.

9.

The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the Parties hereunder, shall be governed by the laws of the State of Texas.

10.

Each Member Local Entity may terminate this Agreement upon thirty (30) days' written notice to the other Member Local Entity.

11.

In case one or more of the provisions contained in this Agreement shall be for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision had never been contained in the Agreement.

12.

This Agreement contains all commitments and agreements of the Member Local Entities regarding mutual fire protection and emergency medical service assistance, and no other prior oral or written commitments shall have any force or effect.

13.

This Agreement shall become effective between the Parties hereto on the day after it is fully executed and shall continue in effect for twelve (12) months from the effective date. This Agreement shall renew automatically for a period of one year upon the completion of the initial term and each subsequent term thereafter unless and until such time as the governing body of a Party terminates its participation prior to the date of automatic renewal or as prescribed in Section 10 of this Agreement.

14.

This Agreement may be amended or modified by the mutual agreement of the Parties hereto, in writing, to be attached to and incorporated into this Agreement.

15.

The undersigned Member Local Entities agree and certify they have complied with one of the following provisions of this section based on if they are a Governmental Entity or Volunteer Fire Department:

1. The Parties claiming to be exempt from the Form 1295 requirement acknowledge that they are governmental entities and not business entities as those terms are defined in Tex. Gov't Code 2252.908, and therefore, no disclosure of interested parties pursuant to Tex. Gov't Code Section 2252.908 are required.
2. The Volunteer Fire Department acknowledges and agrees that it has fully, accurately, and completely disclosed all interested parties in the attached Form 1295, and has acknowledged the completeness of this disclosure by filing the Form 1295, attached as Exhibit A, with the Texas Ethics Commission as required by law.

16.

This Agreement shall be executed by the duly authorized official(s) of the Party as expressed in the approving ordinance, resolution, rule or order of the governing body of such Party, a copy of which is attached hereto.

Executed this _____ day of _____, 20__.

Name of Local Entity

Name of Local Entity

Name

Name

Title

Title

Approved as to form:

Approved as to form:

Title

Title

Attest:

Attest:

Exhibit A

Tarrant County Fire Chief's Association's Mutual Aid Agreement

Agency	Date
1. City of Richland Hills	04-09-18
2. City of Keller	04-25-18
3. Lockheed Martin	05-03-18
4. City Lake Worth	05-08-18
5. City of Watauga	06-06-18
6. City of Samson Park	06-07-18
7. Town of Westlake	06-18-18
8. City of Blue Mound	06-18-18
9. City of Grapevine	06-20-18
10. Town of Edgecliff Village	07-12-18
11. City of Haslet	07-16-18
12. City of Euless	08-14-18
13. City of Bedford	07-30-18
14. City of Saginaw	08-07-18
15. City of Haltom City	08-13-18
16. City of Roanoke	08-14-18
17. City of White Settlement	08-14-18
18. City of Benbrook	08-16-18
19. City of Southlake	08-21-18
20. Town of Trophy Club	08-24-18
21. Tarrant County Fire Marshal	08-28-18
22. City of Burleson	09-17-18
23. City of Azle	10-16-18
24. City of Colleyville	10-16-18
25. City of Mansfield	10-22-18
26. City of Crowley	11-01-18



Date: February 19, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - D.

I. Subject:

Receive the 2018 Racial Profiling Report from the Police Department

II. Originated by:

Tommy Williams, Police Chief

III. Summary:

As required by State Senate Bill 1074 (77th Texas Legislative Session), attached is the 2018 Racial Profiling Report for the Police Department. This report is required to be presented to Council no later than March 1 of each year and then uploaded to the TCOLE web site for public access.

This year's report is the first to be filed under the new Sandra Bland Act requirements (which explicitly outlaws the practice of pretext stops, as well as outlawing consent searches, and raising the burden of proof needed to both stop and search vehicles in Texas).

Our report was completed by Dr. Alex del Carmen of Del Carmen and Associates. Dr. del Carmen is a leading expert on the subject matter of police racial profiling and reporting requirements.

No specific action is required by the City Council other than to accept the report.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

None

Alternative Actions (see below)

VII. Alternative Actions:

Staff recommends acceptance of the report.

VIII. Attachments:

1.	KennedalePDRReport2018	KennedalePDRReport2018.docx
----	------------------------	-----------------------------

2018

Kennedale
Police Department
ANNUAL REPORT



January 19, 2019

www.texasracialprofiling.com
Kennedale City Council
405 Municipal Drive
Copyright © 2019 Del Carmen Consulting, LLC
Kennedale, Texas 76060

Dear Distinguished Members of the City Council,

The Texas Legislature, with the intent of addressing the issue of racial profiling in policing, enacted in 2001, the Texas Racial Profiling Law. During the past year, the Kennedale Police Department, in accordance with the law, has collected and reported traffic and motor vehicle-related contact data for the purpose of identifying and addressing (if necessary) areas of concern regarding racial profiling practices. In the 2009 Texas legislative session, the Racial Profiling Law was modified and additional requirements were implemented. Moreover, in 2017, the Sandra Bland Act was passed and signed into law (along with HB 3051 which introduced new racial and ethnic designations). The Sandra Bland Law requires that law enforcement agencies in the state collect additional data and provide a more detailed analysis. All of these requirements have been met by the Kennedale Police Department and are included in this report.

This particular report contains three sections with information on motor vehicle- related contact data. In addition, when appropriate, documentation is also a component of this report, aiming at demonstrating the manner in which the Kennedale Police Department has complied with the Texas Racial Profiling Law. In section 1, you will find the table of contents in addition to the Texas Senate Bill (SB1074); which later became the Texas Racial Profiling Law. Further, you will find the Texas HB 3389, which, in 2009, introduced new requirements relevant to racial profiling as well as the Sandra Bland Act. Also, in this section, a list of requirements relevant to the Racial Profiling Law as established by TCOLE (Texas Commission on Law Enforcement) is included. In addition, you will find, in sections 2 and 3 documentation which demonstrates compliance by the Kennedale Police Department relevant to the requirements as established in the Texas Racial Profiling Law. That is, you will find documents relevant to the implementation of an institutional policy banning racial profiling, the incorporation of a racial profiling complaint process and the training administered to all law enforcement personnel.

The last section of this report includes statistical data relevant to contacts, made during the course of motor vehicle stops and in accordance with the law, between 1/1/18 and 12/31/18. In addition, this section contains the TCOLE Tier 2 form, which is required to be submitted to this particular organization by March 1st of each year. The data in this report has been analyzed and compared to data derived from the U.S. Census Bureau's Fair Roads Standard. The final analysis and recommendations are also included in this report. The findings in this report serve as evidence of the Kennedale Police Department's commitment to comply with the Texas Racial Profiling Law.

Sincerely,

Alex del Carmen, Ph.D.

Table of Contents

(I) Introduction

- a) Letter to Council Members
- b) Table of Contents
- c) TCOLE Guidelines
- d) The Texas Law on Racial Profiling (S.B. 1074)
- e) Modifications to the Original Law (H.B. 3389)
- f) Designations for Racial and Ethnic Categories (H.B. 3051)
- g) The Sandra Bland Act (S.B. 1849)

(II) Responding to the Texas Racial Profiling Law

- a) Institutional Policy on Racial Profiling
- b) Public Education on Filing Compliments and Complaints—
Addressing Allegations of Racial Profiling Practices
- c) Racial Profiling Training of Law Enforcement Personnel
- d) Report on Compliments and Racial Profiling Complaints Filed on Officers
(includes outcome of investigation)
- e) Tier 2 Tables, Known Ethnicity and Race and TCOLE Form
- f) Comprehensive Analysis and Interpretation of Data

(III) Summary

- a) Checklist
- b) Contact Information

TCOLE GUIDELINES

Guidelines for Compiling and Reporting Data under Senate Bill 1074

Background

Senate Bill 1074 of the 77th Legislature established requirements in the Texas Code of Criminal Procedure (TCCP) for law enforcement agencies. The Commission developed this document to assist agencies in complying with the statutory requirements.

The guidelines are written in the form of standards using a style developed from accreditation organizations including the Commission on Accreditation for Law Enforcement Agencies (CALEA). The standards provide a description of *what* must be accomplished by an agency but allows wide latitude in determining *how* the agency will achieve compliance with each applicable standard.

Each standard is composed of two parts: the standard statement and the commentary. The *standard statement* is a declarative sentence that places a clear-cut requirement, or multiple requirements, on an agency. The commentary supports the standard statement but is not binding. The commentary can serve as a prompt, as guidance to clarify the intent of the standard, or as an example of one possible way to comply with the standard.

Standard 1

Each law enforcement agency has a detailed written directive that:

- clearly defines acts that constitute racial profiling;
- strictly prohibits peace officers employed by the agency from engaging in racial profiling;
- implements a process by which an individual may file a complaint with the agency if the individual believes a peace officer employed by the agency has engaged in racial profiling with respect to the individual filing the complaint;
- provides for public education relating to the complaint process;
- requires appropriate corrective action to be taken against a peace officer employed by the agency who, after investigation, is shown to have engaged in racial profiling in violation of the agency's written racial profiling policy; and
- requires the collection of certain types of data for subsequent reporting.

Commentary

Article 2.131 of the TCCP prohibits officers from engaging in racial profiling, and article 2.132 of the TCCP now requires a written policy that contains the elements listed in this standard. The article also specifically defines a law enforcement agency as it applies to this statute as an “agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers’ official duties.”

The article further defines race or ethnicity as being of “a particular descent, including Caucasian, African, Hispanic, Asian, or Native American.” The statute does not limit the required policies to just these ethnic groups.

This written policy is to be adopted and implemented no later than January 1, 2002.

Standard 2

Each peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic, or who stops a pedestrian for any suspected offense reports to the employing law enforcement agency information relating to the stop, to include:

- a physical description of each person detained, including gender and the person's race or ethnicity, as stated by the person, or, if the person does not state a race or ethnicity, as determined by the officer's best judgment;
- the traffic law or ordinance alleged to have been violated or the suspected offense;
- whether the officer conducted a search as a result of the stop and, if so, whether the person stopped consented to the search;
- whether any contraband was discovered in the course of the search, and the type of contraband discovered;
- whether probable cause to search existed, and the facts supporting the existence of that probable cause;
- whether the officer made an arrest as a result of the stop or the search, including a statement of the offense charged;
- the street address or approximate location of the stop; and
- whether the officer issued a warning or citation as a result of the stop, including a description of the warning or a statement of the violation charged.

Commentary

The information required by 2.133 TCCP is used to complete the agency reporting requirements found in Article 2.134. A peace officer and an agency may be exempted from this requirement under Article 2.135 TCCP Exemption for Agencies Using Video and Audio Equipment. An agency may be exempt from this reporting requirement by applying for the funds from the Department of Public Safety for video and audio equipment and the State does not supply those funds. Section 2.135 (a)(2) states, "the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a) (1) (A) and the agency does not receive from the state funds for video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose."

Standard 3

The agency compiles the information collected under 2.132 and 2.133 and analyzes the information identified in 2.133.

Commentary

Senate Bill 1074 from the 77th Session of the Texas Legislature created requirements for law enforcement agencies to gather specific information and to report it to each county or municipality served. New sections of law were added to the Code of Criminal Procedure regarding the reporting of traffic and pedestrian stops. Detained is defined as when a person stopped is not free to leave.

Article 2.134 TCCP requires the agency to compile and provide and analysis of the information collected by peace officer employed by the agency. The report is provided to the governing body of the municipality or county no later than March 1 of each year and covers the previous calendar year.

There is data collection and reporting required based on Article 2.132 CCP (tier one) and Article 2.133 CCP (tier two).

The minimum requirements for “tier one” data for traffic stops in which a citation results are:

- 1) the race or ethnicity of individual detained (race and ethnicity as defined by the bill means of “a particular descent, including Caucasian, African, Hispanic, Asian, or Native American”);
- 2) whether a search was conducted, and if there was a search, whether it was a consent search or a probable cause search; and
- 3) whether there was a custody arrest.

The minimum requirements for reporting on “tier two” reports include traffic and pedestrian stops. Tier two data include:

- 1) the detained person’s gender and race or ethnicity;
- 2) the type of law violation suspected, e.g., hazardous traffic, non-hazardous traffic, or other criminal investigation (the Texas Department of Public Safety publishes a categorization of traffic offenses into hazardous or non-hazardous);
- 3) whether a search was conducted, and if so whether it was based on consent or probable cause;
- 4) facts supporting probable cause;
- 5) the type, if any, of contraband that was collected;
- 6) disposition of the stop, e.g., arrest, ticket, warning, or release;
- 7) location of stop; and
- 8) statement of the charge, e.g., felony, misdemeanor, or traffic.

Tier one reports are made to the governing body of each county or municipality served by the agency an annual report of information if the agency is an agency of a county, municipality, or other political subdivision of the state. Tier one and two reports are reported to the county or municipality not later than March 1 for the previous calendar year beginning March 1, 2003. Tier two reports include a comparative analysis between the race and ethnicity of persons detained to see if a differential pattern of treatment can be discerned based on the disposition of stops including searches resulting from the stops. The reports also include information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling. An agency may be exempt from the tier two reporting requirement by applying for the funds from the Department of Public Safety for video and audio equipment and the State does not supply those funds [See 2.135 (a)(2) TCCP].

Reports should include both raw numbers and percentages for each group. Caution should be exercised in interpreting the data involving percentages because of statistical distortions caused by very small numbers in any particular category, for example, if only one American Indian is stopped and searched, that stop would not provide an accurate comparison with 200 stops among Caucasians with 100 searches. In the first case, a 100% search rate would be skewed data when compared to a 50% rate for Caucasians.

Standard 4

If a law enforcement agency has video and audio capabilities in motor vehicles regularly used for traffic stops, or audio capabilities on motorcycles regularly used to make traffic stops, the agency:

- adopts standards for reviewing and retaining audio and video documentation; and
- promptly provides a copy of the recording to a peace officer who is the subject of a complaint on written request by the officer.

Commentary

The agency should have a specific review and retention policy. Article 2.132 TCCP specifically requires that the peace officer be promptly provided with a copy of the audio or video recordings if the officer is the subject of a complaint and the officer makes a written request.

Standard 5

Agencies that do not currently have video or audio equipment must examine the feasibility of installing such equipment.

Commentary

None

Standard 6

Agencies that have video and audio recording capabilities are exempt from the reporting requirements of Article 2.134 TCCP and officers are exempt from the reporting requirements of Article 2.133 TCCP provided that:

- the equipment was in place and used during the proceeding calendar year; and
- video and audio documentation is retained for at least 90 days.

Commentary

The audio and video equipment and policy must have been in place during the previous calendar year. Audio and video documentation must be kept for at least 90 days or longer if a complaint has been filed. The documentation must be retained until the complaint is resolved. Peace officers are not exempt from the requirements under Article 2.132 TCCP.

Standard 7

Agencies have citation forms or other electronic media that comply with Section 543.202 of the Transportation Code.

Commentary

Senate Bill 1074 changed Section 543.202 of the Transportation Code requiring citations to include:

- race or ethnicity, and
- whether a search of the vehicle was conducted and whether consent for the search was obtained.

The Texas Law on Racial Profiling

S.B. No. 1074

AN ACT

relating to the prevention of racial profiling by certain peace officers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 2, Code of Criminal Procedure, is amended by adding Articles 2.131 through 2.138 to read as follows:

Art. 2.131. RACIAL PROFILING PROHIBITED. A peace officer may not engage in racial profiling.

Art. 2.132. LAW ENFORCEMENT POLICY ON RACIAL PROFILING. (a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make traffic stops in the routine performance of the officers' official duties.

(2) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's complaint process;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;

(6) require collection of information relating to traffic stops in which a citation is issued and to arrests resulting from those traffic stops, including information relating to:

(A) the race or ethnicity of the individual detained;

and

(B) whether a search was conducted and, if so, whether the person detained consented to the search; and

(7) require the agency to submit to the governing body of each county or municipality served by the agency an annual report of the information collected under Subdivision (6) if the agency is an agency of a county, municipality, or other political subdivision of the state.

(c) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make traffic stops

and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make traffic stops. If a law enforcement agency installs video or audio equipment as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a traffic stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(f) On the commencement of an investigation by a law enforcement agency of a complaint described by Subsection (b)(3) in which a video or audio recording of the occurrence on which the complaint is based was made, the agency shall promptly provide a copy of the recording to the peace officer who is the subject of the complaint on written request by the officer.

Art. 2.133. REPORTS REQUIRED FOR TRAFFIC AND PEDESTRIAN STOPS. (a) In this article:

(1) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance regulating traffic or who stops a pedestrian for any suspected offense shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of each person detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the traffic law or ordinance alleged to have been violated or the suspected offense;

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband was discovered in the course of the search and the type of contraband discovered;

(5) whether probable cause to search existed and the facts supporting the existence of that probable cause;

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of the offense charged;

(7) the street address or approximate location of the stop;
and

(8) whether the officer issued a warning or a citation as a result of the stop, including a description of the warning or a statement of the violation charged.

Art. 2.134. COMPILATION AND ANALYSIS OF INFORMATION COLLECTED. (a) In this article, "pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each local law enforcement agency shall submit a report containing the information compiled during the previous calendar year to the governing body of each county or municipality served by the agency in a manner approved by the agency.

(c) A report required under Subsection (b) must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) determine the prevalence of racial profiling by peace officers employed by the agency; and

(B) examine the disposition of traffic and pedestrian stops made by officers employed by the agency, including searches resulting from the stops; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a traffic or pedestrian stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b)(1).

(e) The Commission on Law Enforcement Officer Standards and Education shall develop guidelines for compiling and reporting information as required by this article.

(f) The data collected as a result of the reporting requirements of this article shall not constitute prima facie evidence of racial profiling.

Art. 2.135. EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT. (a) A peace officer is exempt from the reporting requirement under Article 2.133 and a law enforcement agency is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make traffic and pedestrian stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle

regularly used to make traffic and pedestrian stops is equipped with transmitter-activated equipment; and

(B) each traffic and pedestrian stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a)(1)(A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio documentation of each traffic and pedestrian stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a traffic or pedestrian stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

Art. 2.136. LIABILITY. A peace officer is not liable for damages arising from an act relating to the collection or reporting of information as required by Article 2.133 or under a policy adopted under Article 2.132.

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT. (a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment as

described by Article 2.135(a)(1)(A), including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A). The collaboration may include the use of a survey to assist in developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment as described by Article 2.135(a)(1)(A), the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has installed video and audio equipment as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1).

Art. 2.138. RULES. The Department of Public Safety may adopt rules to implement Articles 2.131-2.137.

SECTION 2. Chapter 3, Code of Criminal Procedure, is amended by adding Article 3.05 to read as follows:

Art. 3.05. RACIAL PROFILING. In this code, "racial profiling" means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.

SECTION 3. Section 96.641, Education Code, is amended by adding Subsection (j) to read as follows:

(j) As part of the initial training and continuing education for police chiefs required under this section, the institute shall establish a program on racial profiling. The program must include an examination of the best practices for:

(1) monitoring peace officers' compliance with laws and internal agency policies relating to racial profiling;

(2) implementing laws and internal agency policies relating to preventing racial profiling; and

(3) analyzing and reporting collected information.

SECTION 4. Section 1701.253, Occupations Code, is amended by adding Subsection (e) to read as follows:

(e) As part of the minimum curriculum requirements, the commission shall establish a statewide comprehensive education and training program on racial profiling for officers licensed under this chapter. An officer shall complete a program established under this subsection not later than the second anniversary of the date the officer is licensed under this chapter or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier.

SECTION 5. Section 1701.402, Occupations Code, is amended by adding Subsection (d) to read as follows:

(d) As a requirement for an intermediate proficiency certificate, an officer must complete an education and training program on racial profiling established by the commission under Section 1701.253(e).

SECTION 6. Section 543.202, Transportation Code, is amended to read as follows:

Sec. 543.202. FORM OF RECORD. (a) In this section, "race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, or Native American descent.

(b) The record must be made on a form or by a data processing method acceptable to the department and must include:

(1) the name, address, physical description, including race or ethnicity, date of birth, and driver's license number of the person charged;

(2) the registration number of the vehicle involved;

(3) whether the vehicle was a commercial motor vehicle as defined by Chapter 522 or was involved in transporting hazardous materials;

(4) the person's social security number, if the person was operating a commercial motor vehicle or was the holder of a commercial driver's license or commercial driver learner's permit;

(5) the date and nature of the offense, including whether the offense was a serious traffic violation as defined by Chapter 522;

(6) whether a search of the vehicle was conducted and whether consent for the search was obtained;

(7) the plea, the judgment, and whether bail was forfeited;

(8) ~~(7)~~ the date of conviction; and

(9) ~~(8)~~ the amount of the fine or forfeiture.

SECTION 7. Not later than January 1, 2002, a law enforcement agency shall adopt and implement a policy and begin collecting information under the policy as

required by Article 2.132, Code of Criminal Procedure, as added by this Act. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.132, Code of Criminal Procedure, as added by this Act, on March 1, 2003. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2002, and ending December 31, 2002.

SECTION 8. A local law enforcement agency shall first submit information to the governing body of each county or municipality served by the agency as required by Article 2.134, Code of Criminal Procedure, as added by this Act, on March 1, 2004. The first submission of information shall consist of information compiled by the agency during the period beginning January 1, 2003, and ending December 31, 2003.

SECTION 9. Not later than January 1, 2002:

(1) the Commission on Law Enforcement Officer Standards and Education shall establish an education and training program on racial profiling as required by Subsection (e), Section 1701.253, Occupations Code, as added by this Act; and

(2) the Bill Blackwood Law Enforcement Management Institute of Texas shall establish a program on racial profiling as required by Subsection (j), Section 96.641, Education Code, as added by this Act.

SECTION 10. A person who on the effective date of this Act holds an intermediate proficiency certificate issued by the Commission on Law Enforcement Officer Standards and Education or has held a peace officer license issued by the Commission on Law Enforcement Officer Standards and Education for at least two years shall complete an education and training program on racial profiling established under Subsection (e), Section 1701.253, Occupations Code, as added by this Act, not later than September 1, 2003.

SECTION 11. An individual appointed or elected as a police chief before the effective date of this Act shall complete a program on racial profiling established

under Subsection (j), Section 96.641, Education Code, as added by this Act, not later than September 1, 2003.

SECTION 12. This Act takes effect September 1, 200

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1074 passed the Senate on April 4, 2001, by the following vote: Yeas 28, Nays 2; May 21, 2001, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 22, 2001, House granted request of the Senate; May 24, 2001, Senate adopted Conference Committee Report by a viva-voce vote.

Secretary of the Senate

I hereby certify that S.B. No. 1074 passed the House, with amendments, on May 15, 2001, by a non-record vote; May 22, 2001, House granted request of the Senate for appointment of Conference Committee; May 24, 2001, House adopted Conference Committee Report by a non-record vote.

Chief Clerk of the House

Approved:

Date

Governor

Modifications to the Original Law (H.B. 3389)

Amend CSHB 3389 (Senate committee report) as follows:

(1) Strike the following SECTIONS of the bill:

(A) SECTION 8, adding Section 1701.164, Occupations Code (page 4, lines 61-66);

(B) SECTION 24, amending Article 2.132(b), Code of Criminal Procedure (page 8, lines 19-53);

(C) SECTION 25, amending Article 2.134(b), Code of Criminal Procedure (page 8, lines 54-64);

(D) SECTION 28, providing transition language for the amendments to Articles 2.132(b) and 2.134(b), Code of Criminal Procedure (page 9, lines 40-47).

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Article 2.132, Code of Criminal Procedure, is amended by amending Subsections (a), (b), (d), and (e) and adding Subsection (g) to read as follows:

(a) In this article:

(1) "Law enforcement agency" means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make motor vehicle [~~traffic~~] stops in the routine performance of the officers' official duties.

(2) "Motor vehicle stop" means an occasion in which a peace officer stops a motor vehicle for an alleged violation of a law or ordinance.

(3) "Race or ethnicity" means of a particular descent, including Caucasian, African, Hispanic, Asian, [~~or~~] Native American, or Middle Eastern descent.

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's complaint process;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;

(6) require collection of information relating to motor vehicle [~~traffic~~] stops in which a citation is issued and to arrests made as a result of [~~resulting from~~] those [~~traffic~~] stops, including information relating to:

(A) the race or ethnicity of the individual detained; and

(B) whether a search was conducted and, if so, whether the individual [~~person~~] detained consented to the search; and

(C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and

(7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit [to the governing body of each county or municipality served by the agency] an annual report of the information collected under Subdivision (6) to:

(A) the Commission on Law Enforcement Officer Standards and Education; and

(B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make motor vehicle [~~traffic~~] stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make motor vehicle [~~traffic~~] stops. If a law enforcement agency installs video or audio equipment as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(e) A report required under Subsection (b)(7) may not include identifying information about a peace officer who makes a motor vehicle [~~traffic~~] stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the collection of information as required by a policy under Subsection (b)(6).

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b)(7), the commission shall begin disciplinary procedures against the chief administrator.

SECTION _____. Article 2.133, Code of Criminal Procedure, is amended to read as follows:

Art. 2.133. REPORTS REQUIRED FOR MOTOR VEHICLE [~~TRAFFIC AND PEDESTRIAN~~] STOPS. (a) In this article, "~~race~~["

~~(1) "Race]~~ or ethnicity" has the meaning assigned by Article 2.132(a).

~~[(2) "Pedestrian stop" means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest.]~~

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance [~~regulating traffic or who stops a pedestrian for any suspected offense~~] shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of any [~~each~~] person operating the motor vehicle who is detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the initial reason for the stop [~~traffic law or ordinance alleged to have been violated or the suspected offense~~];

(3) whether the officer conducted a search as a result

of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband or other evidence was discovered in the course of the search and a description [~~the type~~] of the contraband or evidence [~~discovered~~];

(5) the reason for the search, including whether:
(A) any contraband or other evidence was in plain view;

(B) any probable cause or reasonable suspicion existed to perform the search; or

(C) the search was performed as a result of the towing of the motor vehicle or the arrest of any person in the motor vehicle [~~existed and the facts supporting the existence of that probable cause~~];

(6) whether the officer made an arrest as a result of the stop or the search, including a statement of whether the arrest was based on a violation of the Penal Code, a violation of a traffic law or ordinance, or an outstanding warrant and a statement of the offense charged;

(7) the street address or approximate location of the stop; and

(8) whether the officer issued a written warning or a citation as a result of the stop[, ~~including a description of the warning or a statement of the violation charged~~].

SECTION _____. Article 2.134, Code of Criminal Procedure, is amended by amending Subsections (a) through (e) and adding Subsection (g) to read as follows:

(a) In this article:

(1) "Motor vehicle[, "pedestrian] stop" has the meaning assigned by Article 2.132(a) [~~means an interaction between a peace officer and an individual who is being detained for the purpose of a criminal investigation in which the individual is not under arrest~~].

(2) "Race or ethnicity" has the meaning assigned by Article 2.132(a).

(b) A law enforcement agency shall compile and analyze the information contained in each report received by the agency under Article 2.133. Not later than March 1 of each year, each [~~local~~] law enforcement agency shall submit a report containing the incident-based data [~~information~~] compiled during the previous calendar year to the Commission on Law Enforcement Officer Standards and Education and, if the law enforcement agency is a local law enforcement agency, to the governing body of each county or municipality served by the agency [~~in a manner approved by the agency~~].

(c) A report required under Subsection (b) must be submitted by the chief administrator of the law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, and must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities [~~determine the prevalence of racial profiling by peace officers employed by the agency~~]; and

(B) examine the disposition of motor vehicle [~~traffic and pedestrian~~] stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from [the] stops within the applicable jurisdiction; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

(d) A report required under Subsection (b) may not include identifying information about a peace officer who makes a motor vehicle [~~traffic or pedestrian~~] stop or about an individual who is stopped or arrested by a peace officer. This subsection does not affect the reporting of information required under Article 2.133(b) (1).

(e) The Commission on Law Enforcement Officer Standards and Education, in accordance with Section 1701.162, Occupations Code, shall develop guidelines for compiling and reporting information as required by this article.

(g) On a finding by the Commission on Law Enforcement Officer Standards and Education that the chief administrator of a law enforcement agency intentionally failed to submit a report required under Subsection (b), the commission shall begin disciplinary procedures against the chief administrator.

SECTION _____. Article 2.135, Code of Criminal Procedure, is amended to read as follows:

Art. 2.135. PARTIAL EXEMPTION FOR AGENCIES USING VIDEO AND AUDIO EQUIPMENT. (a) A peace officer is exempt from the reporting requirement under Article 2.133 and the chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is exempt from the compilation, analysis, and reporting requirements under Article 2.134 if:

(1) during the calendar year preceding the date that a report under Article 2.134 is required to be submitted:

(A) each law enforcement motor vehicle regularly used by an officer employed by the agency to make motor vehicle [~~traffic and pedestrian~~] stops is equipped with video camera and transmitter-activated equipment and each law enforcement motorcycle regularly used to make motor vehicle [~~traffic and pedestrian~~] stops is equipped with transmitter-activated equipment; and

(B) each motor vehicle [~~traffic and pedestrian~~] stop made by an officer employed by the agency that is capable of being recorded by video and audio or audio equipment, as appropriate, is recorded by using the equipment; or

(2) the governing body of the county or municipality served by the law enforcement agency, in conjunction with the law enforcement agency, certifies to the Department of Public Safety, not later than the date specified by rule by the department, that the law enforcement agency needs funds or video and audio equipment for the purpose of installing video and audio equipment as described by Subsection (a) (1) (A) and the agency does not receive from the state funds or video and audio equipment sufficient, as determined by the department, for the agency to accomplish that purpose.

(b) Except as otherwise provided by this subsection, a law enforcement agency that is exempt from the requirements under Article 2.134 shall retain the video and audio or audio

documentation of each motor vehicle [~~traffic and pedestrian~~] stop for at least 90 days after the date of the stop. If a complaint is filed with the law enforcement agency alleging that a peace officer employed by the agency has engaged in racial profiling with respect to a motor vehicle [~~traffic or pedestrian~~] stop, the agency shall retain the video and audio or audio record of the stop until final disposition of the complaint.

(c) This article does not affect the collection or reporting requirements under Article 2.132.

(d) In this article, "motor vehicle stop" has the meaning assigned by Article 2.132(a).

SECTION _____. Chapter 2, Code of Criminal Procedure, is amended by adding Article 2.1385 to read as follows:

Art. 2.1385. CIVIL PENALTY. (a) If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to the state for a civil penalty in the amount of \$1,000 for each violation. The attorney general may sue to collect a civil penalty under this subsection.

(b) From money appropriated to the agency for the administration of the agency, the executive director of a state law enforcement agency that intentionally fails to submit the incident-based data as required by Article 2.134 shall remit to the comptroller the amount of \$1,000 for each violation.

(c) Money collected under this article shall be deposited in the state treasury to the credit of the general revenue fund.

SECTION _____. Subchapter A, Chapter 102, Code of Criminal Procedure, is amended by adding Article 102.022 to read as follows:

Art. 102.022. COSTS ON CONVICTION TO FUND STATEWIDE REPOSITORY FOR DATA RELATED TO CIVIL JUSTICE. (a) In this article, "moving violation" means an offense that:

(1) involves the operation of a motor vehicle; and

(2) is classified as a moving violation by the Department of Public Safety under Section 708.052, Transportation Code.

(b) A defendant convicted of a moving violation in a justice court, county court, county court at law, or municipal court shall pay a fee of 10 cents as a cost of court.

(c) In this article, a person is considered convicted if:

(1) a sentence is imposed on the person;

(2) the person receives community supervision, including deferred adjudication; or

(3) the court defers final disposition of the person's case.

(d) The clerks of the respective courts shall collect the costs described by this article. The clerk shall keep separate records of the funds collected as costs under this article and shall deposit the funds in the county or municipal treasury, as appropriate.

(e) The custodian of a county or municipal treasury shall:

(1) keep records of the amount of funds on deposit collected under this article; and

(2) send to the comptroller before the last day of the first month following each calendar quarter the funds collected under this article during the preceding quarter.

(f) A county or municipality may retain 10 percent of the funds collected under this article by an officer of the county or

municipality as a collection fee if the custodian of the county or municipal treasury complies with Subsection (e).

(g) If no funds due as costs under this article are deposited in a county or municipal treasury in a calendar quarter, the custodian of the treasury shall file the report required for the quarter in the regular manner and must state that no funds were collected.

(h) The comptroller shall deposit the funds received under this article to the credit of the Civil Justice Data Repository fund in the general revenue fund, to be used only by the Commission on Law Enforcement Officer Standards and Education to implement duties under Section 1701.162, Occupations Code.

(i) Funds collected under this article are subject to audit by the comptroller.

SECTION _____. (a) Section 102.061, Government Code, as reenacted and amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, is amended to conform to the amendments made to Section 102.061, Government Code, by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, and is further amended to read as follows:

Sec. 102.061. ADDITIONAL COURT COSTS ON CONVICTION IN STATUTORY COUNTY COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a statutory county court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$20;

(2) a fee for services of the clerk of the court (Art. 102.005, Code of Criminal Procedure) . . . \$40;

(3) a records management and preservation services fee (Art. 102.005, Code of Criminal Procedure) . . . \$25;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;

(5) a juvenile delinquency prevention and graffiti eradication fee (Art. 102.0171, Code of Criminal Procedure) . . . \$50 [~~\$5~~]; [~~and~~]

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and

(7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

(b) Section 102.061, Government Code, as amended by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, is repealed. Section 102.061, Government Code, as reenacted and amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, to reorganize and renumber that section, continues in effect as further amended by this section.

SECTION _____. (a) Section 102.081, Government Code, as amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, is amended to conform to the amendments made to Section 102.081, Government Code, by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, and is further amended to read as follows:

Sec. 102.081. ADDITIONAL COURT COSTS ON CONVICTION IN COUNTY COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a county court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal

Procedure) . . . \$20;

(2) a fee for clerk of the court services (Art. 102.005, Code of Criminal Procedure) . . . \$40;

(3) a records management and preservation services fee (Art. 102.005, Code of Criminal Procedure) . . . \$25;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;

(5) a juvenile delinquency prevention and graffiti eradication fee (Art. 102.0171, Code of Criminal Procedure) . . . \$50 [~~\$5~~]; [~~and~~]

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and

(7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

(b) Section 102.081, Government Code, as amended by Chapter 1053 (H.B. 2151), Acts of the 80th Legislature, Regular Session, 2007, is repealed. Section 102.081, Government Code, as amended by Chapter 921 (H.B. 3167), Acts of the 80th Legislature, Regular Session, 2007, to reorganize and renumber that section, continues in effect as further amended by this section.

SECTION _____. Section 102.101, Government Code, is amended to read as follows:

Sec. 102.101. ADDITIONAL COURT COSTS ON CONVICTION IN JUSTICE COURT: CODE OF CRIMINAL PROCEDURE. A clerk of a justice court shall collect fees and costs under the Code of Criminal Procedure on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(2) a fee for withdrawing request for jury less than 24 hours before time of trial (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(3) a jury fee for two or more defendants tried jointly (Art. 102.004, Code of Criminal Procedure) . . . one jury fee of \$3;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$4;

(5) a fee for technology fund on a misdemeanor offense (Art. 102.0173, Code of Criminal Procedure) . . . \$4;

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5;

(7) a fee on conviction of certain offenses involving issuing or passing a subsequently dishonored check (Art. 102.0071, Code of Criminal Procedure) . . . not to exceed \$30; [~~and~~]

(8) a court cost on conviction of a Class C misdemeanor in a county with a population of 3.3 million or more, if authorized by the county commissioners court (Art. 102.009, Code of Criminal Procedure) . . . not to exceed \$7; and

(9) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

SECTION _____. Section 102.121, Government Code, is amended to read as follows:

Sec. 102.121. ADDITIONAL COURT COSTS ON CONVICTION IN MUNICIPAL COURT: CODE OF CRIMINAL PROCEDURE. The clerk of a municipal court shall collect fees and costs on conviction of a defendant as follows:

(1) a jury fee (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(2) a fee for withdrawing request for jury less than 24

hours before time of trial (Art. 102.004, Code of Criminal Procedure) . . . \$3;

(3) a jury fee for two or more defendants tried jointly (Art. 102.004, Code of Criminal Procedure) . . . one jury fee of \$3;

(4) a security fee on a misdemeanor offense (Art. 102.017, Code of Criminal Procedure) . . . \$3;

(5) a fee for technology fund on a misdemeanor offense (Art. 102.0172, Code of Criminal Procedure) . . . not to exceed \$4; [and]

(6) a juvenile case manager fee (Art. 102.0174, Code of Criminal Procedure) . . . not to exceed \$5; and

(7) a civil justice fee (Art. 102.022, Code of Criminal Procedure) . . . \$0.10.

SECTION _____. Subchapter D, Chapter 1701, Occupations Code, is amended by adding Section 1701.164 to read as follows:

Sec. 1701.164. COLLECTION OF CERTAIN INCIDENT-BASED DATA SUBMITTED BY LAW ENFORCEMENT AGENCIES. The commission shall collect and maintain incident-based data submitted to the commission under Article 2.134, Code of Criminal Procedure, including incident-based data compiled by a law enforcement agency from reports received by the law enforcement agency under Article 2.133 of that code. The commission in consultation with the Department of Public Safety, the Bill Blackwood Law Enforcement Management Institute of Texas, the W. W. Caruth, Jr., Police Institute at Dallas, and the Texas Police Chiefs Association shall develop guidelines for submitting in a standard format the report containing incident-based data as required by Article 2.134, Code of Criminal Procedure.

SECTION _____. Subsection (a), Section 1701.501, Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (d), the commission shall revoke or suspend a license, place on probation a person whose license has been suspended, or reprimand a license holder for a violation of:

(1) this chapter;

(2) the reporting requirements provided by Articles 2.132 and 2.134, Code of Criminal Procedure; or

(3) a commission rule.

SECTION _____. (a) The requirements of Articles 2.132, 2.133, and 2.134, Code of Criminal Procedure, as amended by this Act, relating to the compilation, analysis, and submission of incident-based data apply only to information based on a motor vehicle stop occurring on or after January 1, 2010.

(b) The imposition of a cost of court under Article 102.022, Code of Criminal Procedure, as added by this Act, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

Racial and Ethnic Designations (H.B. 3051)

AN ACT

relating to the categories used to record the race or ethnicity of persons stopped for or convicted of traffic offenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article 2.132(a)(3), Code of Criminal Procedure, is amended to read as follows:

(3) "Race or ethnicity" means the following categories:

(A) Alaska native or American Indian;

(B) [~~of a particular descent, including Caucasian, African, Hispanic,~~
Asian or Pacific Islander;

(C) black;

(D) white; and

(E) Hispanic or Latino [~~, Native American, or Middle Eastern descent~~].

SECTION 2. Section 543.202(a), Transportation Code, is amended to read as follows:

(a) In this section, "race or ethnicity" means the following categories:

(1) Alaska native or American Indian;

(2) [~~of a particular descent, including Caucasian, African, Hispanic,~~ Asian or
Pacific Islander;

(3) black;

(4) white; and

(5) Hispanic or Latino [~~or Native American descent~~].

SECTION 3. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 3051 was passed by the House on May 4, 2017, by the following
vote: Yeas 143, Nays 2, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3051 was passed by the Senate on May 19, 2017, by the following
vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

The Sandra Bland Act (S.B. 1849)

S.B. No. 1849

AN ACT

relating to interactions between law enforcement and individuals detained or arrested on suspicion of the commission of criminal offenses, to the confinement, conviction, or release of those individuals, and to grants supporting populations that are more likely to interact frequently with law enforcement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. SHORT TITLE

SECTION 1.01. SHORT TITLE. This Act shall be known as the Sandra Bland Act, in memory of Sandra Bland.

ARTICLE 2. IDENTIFICATION AND DIVERSION OF AND SERVICES FOR PERSONS SUSPECTED OF HAVING A MENTAL ILLNESS, AN INTELLECTUAL DISABILITY, OR A SUBSTANCE ABUSE ISSUE

SECTION 2.01. Article 16.22, Code of Criminal Procedure, is amended to read as follows:

Art. 16.22. EARLY IDENTIFICATION OF DEFENDANT SUSPECTED OF HAVING MENTAL ILLNESS OR INTELLECTUAL DISABILITY [MENTAL

RETARDATION]. (a)(1) Not later than 12 [72] hours after receiving credible information that may establish reasonable cause to believe

that a defendant committed to the sheriff's custody has a mental

illness or is a person with an intellectual disability [mental

retardation], including observation of the defendant's behavior

immediately before, during, and after the defendant's arrest and

the results of any previous assessment of the defendant, the

sheriff shall provide written or electronic notice of the

information to the magistrate. On a determination that there is

reasonable cause to believe that the defendant has a mental illness

or is a person with an intellectual disability [mental

retardation], the magistrate, except as provided by Subdivision

(2), shall order the local mental health or intellectual and

developmental disability [mental retardation] authority or another qualified mental health or intellectual disability [mental retardation] expert to:

(A) collect information regarding whether the defendant has a mental illness as defined by Section 571.003, Health and Safety Code, or is a person with an intellectual disability [mental retardation] as defined by Section 591.003, Health and Safety Code, including information obtained from any previous assessment of the defendant; and

(B) provide to the magistrate a written assessment of the information collected under Paragraph (A).

(2) The magistrate is not required to order the collection of information under Subdivision (1) if the defendant in the year preceding the defendant's applicable date of arrest has been determined to have a mental illness or to be a person with an intellectual disability [mental retardation] by the local mental health or intellectual and developmental disability [mental retardation] authority or another mental health or intellectual disability [mental retardation] expert described by Subdivision

(1). A court that elects to use the results of that previous determination may proceed under Subsection (c).

(3) If the defendant fails or refuses to submit to the collection of information regarding the defendant as required under Subdivision (1), the magistrate may order the defendant to submit to an examination in a mental health facility determined to be appropriate by the local mental health or intellectual and developmental disability [mental retardation] authority for a reasonable period not to exceed 21 days. The magistrate may order a defendant to a facility operated by the Department of State Health Services or the Health and Human Services Commission [Department of Aging and Disability Services] for examination only on request of the local mental health or intellectual and developmental

disability [mental retardation] authority and with the consent of the head of the facility. If a defendant who has been ordered to a facility operated by the Department of State Health Services or the Health and Human Services Commission [Department of Aging and Disability Services] for examination remains in the facility for a period exceeding 21 days, the head of that facility shall cause the defendant to be immediately transported to the committing court and placed in the custody of the sheriff of the county in which the committing court is located. That county shall reimburse the facility for the mileage and per diem expenses of the personnel required to transport the defendant calculated in accordance with the state travel regulations in effect at the time.

(b) A written assessment of the information collected under Subsection (a)(1)(A) shall be provided to the magistrate not later than the 30th day after the date of any order issued under Subsection (a) in a felony case and not later than the 10th day after the date of any order issued under that subsection in a misdemeanor case, and the magistrate shall provide copies of the written assessment to the defense counsel, the prosecuting attorney, and the trial court. The written assessment must include a description of the procedures used in the collection of information under Subsection (a)(1)(A) and the applicable expert's observations and findings pertaining to:

(1) whether the defendant is a person who has a mental illness or is a person with an intellectual disability [mental retardation];

(2) whether there is clinical evidence to support a belief that the defendant may be incompetent to stand trial and should undergo a complete competency examination under Subchapter B, Chapter 46B; and

(3) recommended treatment.

(c) After the trial court receives the applicable expert's

written assessment relating to the defendant under Subsection (b) or elects to use the results of a previous determination as described by Subsection (a)(2), the trial court may, as applicable:

(1) resume criminal proceedings against the defendant, including any appropriate proceedings related to the defendant's release on personal bond under Article 17.032;

(2) resume or initiate competency proceedings, if required, as provided by Chapter 46B or other proceedings affecting the defendant's receipt of appropriate court-ordered mental health or intellectual disability [mental retardation] services, including proceedings related to the defendant's receipt of outpatient mental health services under Section 574.034, Health and Safety Code; or

(3) consider the written assessment during the punishment phase after a conviction of the offense for which the defendant was arrested, as part of a presentence investigation report, or in connection with the impositions of conditions following placement on community supervision, including deferred adjudication community supervision.

(d) This article does not prevent the applicable court from, before, during, or after the collection of information regarding the defendant as described by this article:

(1) releasing a defendant who has a mental illness [mentally ill] or is a person with an intellectual disability [mentally retarded defendant] from custody on personal or surety bond; or

(2) ordering an examination regarding the defendant's competency to stand trial.

SECTION 2.02. Chapter 16, Code of Criminal Procedure, is amended by adding Article 16.23 to read as follows:

Art. 16.23. DIVERSION OF PERSONS SUFFERING MENTAL HEALTH

CRISIS OR SUBSTANCE ABUSE ISSUE. (a) Each law enforcement agency shall make a good faith effort to divert a person suffering a mental health crisis or suffering from the effects of substance abuse to a proper treatment center in the agency's jurisdiction if:

(1) there is an available and appropriate treatment center in the agency's jurisdiction to which the agency may divert the person;

(2) it is reasonable to divert the person;

(3) the offense that the person is accused of is a misdemeanor, other than a misdemeanor involving violence; and

(4) the mental health crisis or substance abuse issue is suspected to be the reason the person committed the alleged offense.

(b) Subsection (a) does not apply to a person who is accused of an offense under Section 49.04, 49.045, 49.05, 49.06, 49.065, 49.07, or 49.08, Penal Code.

SECTION 2.03. Section 539.002, Government Code, is amended to read as follows:

Sec. 539.002. GRANTS FOR ESTABLISHMENT AND EXPANSION OF COMMUNITY COLLABORATIVES. (a) To the extent funds are appropriated to the department for that purpose, the department shall make grants to entities, including local governmental entities, nonprofit community organizations, and faith-based community organizations, to establish or expand community collaboratives that bring the public and private sectors together to provide services to persons experiencing homelessness, substance abuse issues, or [and] mental illness. [The department may make a maximum of five grants, which must be made in the most populous municipalities in this state that are located in counties with a population of more than one million.] In awarding grants, the department shall give special consideration to entities:

(1) establishing [a] new collaboratives; or

(2) establishing or expanding collaboratives that serve two or more counties, each with a population of less than 100,000 [collaborative].

(b) The department shall require each entity awarded a grant under this section to:

(1) leverage additional funding from private sources in an amount that is at least equal to the amount of the grant awarded under this section; [and]

(2) provide evidence of significant coordination and collaboration between the entity, local mental health authorities, municipalities, local law enforcement agencies, and other community stakeholders in establishing or expanding a community collaborative funded by a grant awarded under this section; and

(3) provide evidence of a local law enforcement policy to divert appropriate persons from jails or other detention facilities to an entity affiliated with a community collaborative for the purpose of providing services to those persons.

SECTION 2.04. Chapter 539, Government Code, is amended by adding Section 539.0051 to read as follows:

Sec. 539.0051. PLAN REQUIRED FOR CERTAIN COMMUNITY COLLABORATIVES. (a) The governing body of a county shall develop and make public a plan detailing:

(1) how local mental health authorities, municipalities, local law enforcement agencies, and other community stakeholders in the county could coordinate to establish or expand a community collaborative to accomplish the goals of Section 539.002;

(2) how entities in the county may leverage funding from private sources to accomplish the goals of Section 539.002 through the formation or expansion of a community collaborative; and

(3) how the formation or expansion of a community

collaborative could establish or support resources or services to help local law enforcement agencies to divert persons who have been arrested to appropriate mental health care or substance abuse treatment.

(b) The governing body of a county in which an entity that received a grant under Section 539.002 before September 1, 2017, is located is not required to develop a plan under Subsection (a).

(c) Two or more counties, each with a population of less than 100,000, may form a joint plan under Subsection (a).

ARTICLE 3. BAIL, PRETRIAL RELEASE, AND COUNTY JAIL STANDARDS

SECTION 3.01. The heading to Article 17.032, Code of Criminal Procedure, is amended to read as follows:

Art. 17.032. RELEASE ON PERSONAL BOND OF CERTAIN [MENTALLY ILL] DEFENDANTS WITH MENTAL ILLNESS OR INTELLECTUAL DISABILITY.

SECTION 3.02. Articles 17.032(b) and (c), Code of Criminal Procedure, are amended to read as follows:

(b) A magistrate shall release a defendant on personal bond unless good cause is shown otherwise if the:

(1) defendant is not charged with and has not been previously convicted of a violent offense;

(2) defendant is examined by the local mental health or intellectual and developmental disability [mental retardation] authority or another mental health expert under Article 16.22 [of this code];

(3) applicable expert, in a written assessment submitted to the magistrate under Article 16.22:

(A) concludes that the defendant has a mental illness or is a person with an intellectual disability [mental retardation] and is nonetheless competent to stand trial; and

(B) recommends mental health treatment or intellectual disability treatment for the defendant, as applicable; and

(4) magistrate determines, in consultation with the local mental health or intellectual and developmental disability [mental retardation] authority, that appropriate community-based mental health or intellectual disability [mental retardation] services for the defendant are available through the [Texas] Department of State [Mental] Health Services [and Mental Retardation] under Section 534.053, Health and Safety Code, or through another mental health or intellectual disability [mental retardation] services provider.

(c) The magistrate, unless good cause is shown for not requiring treatment, shall require as a condition of release on personal bond under this article that the defendant submit to outpatient or inpatient mental health or intellectual disability [mental retardation] treatment as recommended by the local mental health or intellectual and developmental disability [mental retardation] authority if the defendant's:

(1) mental illness or intellectual disability [mental retardation] is chronic in nature; or

(2) ability to function independently will continue to deteriorate if the defendant is not treated.

SECTION 3.03. Article 25.03, Code of Criminal Procedure, is amended to read as follows:

Art. 25.03. IF ON BAIL IN FELONY. When the accused, in case of felony, is on bail at the time the indictment is presented, [it is not necessary to serve him with a copy, but] the clerk shall [on request] deliver a copy of the indictment [same] to the accused or the accused's [his] counsel[,] at the earliest possible time.

SECTION 3.04. Article 25.04, Code of Criminal Procedure, is amended to read as follows:

Art. 25.04. IN MISDEMEANOR. In misdemeanors, the clerk shall deliver a copy of the indictment or information to the accused or the accused's counsel at the earliest possible time before trial

[it shall not be necessary before trial to furnish the accused with a copy of the indictment or information; but he or his counsel may demand a copy, which shall be given as early as possible

SECTION 3.05. Section 511.009(a), Government Code, as amended by Chapters 281 (H.B. 875), 648 (H.B. 549), and 688 (H.B. 634), Acts of the 84th Legislature, Regular Session, 2015, is reenacted and amended to read as follows:

(a) The commission shall:

(1) adopt reasonable rules and procedures establishing minimum standards for the construction, equipment, maintenance, and operation of county jails;

(2) adopt reasonable rules and procedures establishing minimum standards for the custody, care, and treatment of prisoners;

(3) adopt reasonable rules establishing minimum standards for the number of jail supervisory personnel and for programs and services to meet the needs of prisoners;

(4) adopt reasonable rules and procedures establishing minimum requirements for programs of rehabilitation, education, and recreation in county jails;

(5) revise, amend, or change rules and procedures if necessary;

(6) provide to local government officials consultation on and technical assistance for county jails;

(7) review and comment on plans for the construction and major modification or renovation of county jails;

(8) require that the sheriff and commissioners of each county submit to the commission, on a form prescribed by the commission, an annual report on the conditions in each county jail within their jurisdiction, including all information necessary to determine compliance with state law, commission orders, and the

rules adopted under this chapter;

(9) review the reports submitted under Subdivision (8) and require commission employees to inspect county jails regularly to ensure compliance with state law, commission orders, and rules and procedures adopted under this chapter;

(10) adopt a classification system to assist sheriffs and judges in determining which defendants are low-risk and consequently suitable participants in a county jail work release program under Article 42.034, Code of Criminal Procedure;

(11) adopt rules relating to requirements for segregation of classes of inmates and to capacities for county jails;

(12) require that the chief jailer of each municipal lockup submit to the commission, on a form prescribed by the commission, an annual report of persons under 17 years of age securely detained in the lockup, including all information necessary to determine compliance with state law concerning secure confinement of children in municipal lockups;

(13) at least annually determine whether each county jail is in compliance with the rules and procedures adopted under this chapter;

(14) require that the sheriff and commissioners court of each county submit to the commission, on a form prescribed by the commission, an annual report of persons under 17 years of age securely detained in the county jail, including all information necessary to determine compliance with state law concerning secure confinement of children in county jails;

(15) schedule announced and unannounced inspections of jails under the commission's jurisdiction using the risk assessment plan established under Section 511.0085 to guide the inspections process;

(16) adopt a policy for gathering and distributing to

jails under the commission's jurisdiction information regarding:

(A) common issues concerning jail

administration;

(B) examples of successful strategies for

maintaining compliance with state law and the rules, standards, and

procedures of the commission; and

(C) solutions to operational challenges for

jails;

(17) report to the Texas Correctional Office on

Offenders with Medical or Mental Impairments on a jail's compliance

with Article 16.22, Code of Criminal Procedure;

(18) adopt reasonable rules and procedures

establishing minimum requirements for jails to:

(A) determine if a prisoner is pregnant; and

(B) ensure that the jail's health services plan

addresses medical and mental health care, including nutritional

requirements, and any special housing or work assignment needs for

persons who are confined in the jail and are known or determined to

be pregnant;

(19) provide guidelines to sheriffs regarding

contracts between a sheriff and another entity for the provision of

food services to or the operation of a commissary in a jail under

the commission's jurisdiction, including specific provisions

regarding conflicts of interest and avoiding the appearance of

impropriety; [and]

(20) adopt reasonable rules and procedures

establishing minimum standards for prisoner visitation that

provide each prisoner at a county jail with a minimum of two

in-person, noncontact visitation periods per week of at least 20

minutes duration each;

(21) [(20)] require the sheriff of each county to:

(A) investigate and verify the veteran status of each prisoner by using data made available from the Veterans Reentry Search Service (VRSS) operated by the United States Department of Veterans Affairs or a similar service; and

(B) use the data described by Paragraph (A) to assist prisoners who are veterans in applying for federal benefits or compensation for which the prisoners may be eligible under a program administered by the United States Department of Veterans Affairs;

(22) [(20)] adopt reasonable rules and procedures regarding visitation of a prisoner at a county jail by a guardian, as defined by Section 1002.012, Estates Code, that:

(A) allow visitation by a guardian to the same extent as the prisoner's next of kin, including placing the guardian on the prisoner's approved visitors list on the guardian's request and providing the guardian access to the prisoner during a facility's standard visitation hours if the prisoner is otherwise eligible to receive visitors; and

(B) require the guardian to provide the sheriff with letters of guardianship issued as provided by Section 1106.001, Estates Code, before being allowed to visit the prisoner; and

(23) adopt reasonable rules and procedures to ensure the safety of prisoners, including rules and procedures that require a county jail to:

(A) give prisoners the ability to access a mental health professional at the jail through a telemental health service 24 hours a day;

(B) give prisoners the ability to access a health professional at the jail or through a telehealth service 24 hours a day or, if a health professional is unavailable at the jail or through a telehealth service, provide for a prisoner to be

transported to access a health professional; and

(C) if funding is available under Section 511.019, install automated electronic sensors or cameras to ensure accurate and timely in-person checks of cells or groups of cells confining at-risk individuals.

SECTION 3.06. Section 511.009, Government Code, is amended by adding Subsection (d) to read as follows:

(d) The commission shall adopt reasonable rules and procedures establishing minimum standards regarding the continuity of prescription medications for the care and treatment of prisoners. The rules and procedures shall require that a qualified medical professional shall review as soon as possible any prescription medication a prisoner is taking when the prisoner is taken into custody.

SECTION 3.07. Chapter 511, Government Code, is amended by adding Sections 511.019, 511.020, and 511.021 to read as follows:

Sec. 511.019. PRISONER SAFETY FUND. (a) The prisoner safety fund is a dedicated account in the general revenue fund.

(b) The prisoner safety fund consists of:

(1) appropriations of money to the fund by the legislature; and

(2) gifts, grants, including grants from the federal government, and other donations received for the fund.

(c) Money in the fund may be appropriated only to the commission to pay for capital improvements that are required under Section 511.009(a)(23).

(d) The commission by rule may establish a grant program to provide grants to counties to fund capital improvements described by Subsection (c). The commission may only provide a grant to a county for capital improvements to a county jail with a capacity of not more than 96 prisoners.

Sec. 511.020. SERIOUS INCIDENTS REPORT. (a) On or before

the fifth day of each month, the sheriff of each county shall report to the commission regarding the occurrence during the preceding month of any of the following incidents involving a prisoner in the county jail:

- (1) a suicide;
- (2) an attempted suicide;
- (3) a death;
- (4) a serious bodily injury, as that term is defined by

Section 1.07, Penal Code;

- (5) an assault;
- (6) an escape;
- (7) a sexual assault; and
- (8) any use of force resulting in bodily injury, as

that term is defined by Section 1.07, Penal Code.

(b) The commission shall prescribe a form for the report required by Subsection (a).

(c) The information required to be reported under Subsection (a)(8) may not include the name or other identifying information of a county jailer or jail employee.

(d) The information reported under Subsection (a) is public information subject to an open records request under Chapter 552.

Sec. 511.021. INDEPENDENT INVESTIGATION OF DEATH OCCURRING IN COUNTY JAIL. (a) On the death of a prisoner in a county jail, the commission shall appoint a law enforcement agency, other than the local law enforcement agency that operates the county jail, to investigate the death as soon as possible.

(b) The commission shall adopt any rules necessary relating to the appointment of a law enforcement agency under Subsection (a), including rules relating to cooperation between law enforcement agencies and to procedures for handling evidence.

SECTION 3.08. The changes in law made by this article to Article 17.032, Code of Criminal Procedure, apply only to a

personal bond that is executed on or after the effective date of this Act. A personal bond executed before the effective date of executed, and the former law is continued in effect for that purpose.

SECTION 3.09. Not later than January 1, 2018, the Commission on Jail Standards shall:

(1) adopt the rules and procedures required by Section 511.009(d), Government Code, as added by this article, and the rules required by Section 511.021(b), Government Code, as added by this article; and

(2) prescribe the form required by Section 511.020(b), Government Code, as added by this article.

SECTION 3.10. Not later than September 1, 2018, the Commission on Jail Standards shall adopt the rules and procedures required by Section 511.009(a)(23), Government Code, as added by this article. On and after September 1, 2020, a county jail shall comply with any rule or procedure adopted by the Commission on Jail Standards under that subdivision.

SECTION 3.11. To the extent of any conflict, this Act prevails over another Act of the 85th Legislature, Regular Session, 2017, relating to nonsubstantive additions to and corrections in enacted codes.

ARTICLE 4. PEACE OFFICER AND COUNTY JAILER TRAINING

SECTION 4.01. Chapter 511, Government Code, is amended by adding Section 511.00905 to read as follows:

Sec. 511.00905. JAIL ADMINISTRATOR POSITION; EXAMINATION REQUIRED. (a) The Texas Commission on Law Enforcement shall develop and the commission shall approve an examination for a person assigned to the jail administrator position overseeing a county jail.

(b) The commission shall adopt rules requiring a person, other than a sheriff, assigned to the jail administrator position

overseeing a county jail to pass the examination not later than the 180th day after the date the person is assigned to that position. The rules must provide that a person who fails the examination may be immediately removed from the position and may not be reinstated until the person passes the examination.

(c) The sheriff of a county shall perform the duties of the jail administrator position at any time there is not a person available who satisfies the examination requirements of this section.

(d) A person other than a sheriff may not serve in the jail administrator position of a county jail unless the person satisfies the examination requirement of this section.

SECTION 4.02. Section 1701.253, Occupations Code, is amended by amending Subsection (j) and adding Subsection (n) to read as follows:

commission shall require an officer to complete a 40-hour statewide education and training program on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments. An officer shall complete the program not later than the second anniversary of the date the officer is licensed under this chapter or the date the officer applies for an intermediate proficiency certificate, whichever date is earlier. An officer may not satisfy the requirements of this subsection [section] or Section 1701.402(g) by taking an online course on de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments.

(n) As part of the minimum curriculum requirements, the commission shall require an officer to complete a statewide education and training program on de-escalation techniques to facilitate interaction with members of the public, including techniques for limiting the use of force resulting in bodily injury.

SECTION 4.03. Section 1701.310(a), Occupations Code, is amended to read as follows:

(a) Except as provided by Subsection (e), a person may not be appointed as a county jailer, except on a temporary basis, unless the person has satisfactorily completed a preparatory training program, as required by the commission, in the operation of a county jail at a school operated or licensed by the commission. The training program must consist of at least eight hours of mental health training approved by the commission and the Commission on Jail Standards.

SECTION 4.04. Section 1701.352(b), Occupations Code, is amended to read as follows:

(b) The commission shall require a state, county, special district, or municipal agency that appoints or employs peace officers to provide each peace officer with a training program at least once every 48 months that is approved by the commission and consists of:

(1) topics selected by the agency; and

(2) for an officer holding only a basic proficiency certificate, not more than 20 hours of education and training that contain curricula incorporating the learning objectives developed by the commission regarding:

(A) civil rights, racial sensitivity, and cultural diversity;

(B) de-escalation and crisis intervention techniques to facilitate interaction with persons with mental impairments; [and]

(C) de-escalation techniques to facilitate interaction with members of the public, including techniques for limiting the use of force resulting in bodily injury; and

(D) unless determined by the agency head to be inconsistent with the officer's assigned duties:

(i) the recognition and documentation of cases that involve child abuse or neglect, family violence, and sexual assault; and

(ii) issues concerning sex offender characteristics.

SECTION 4.05. Section 1701.402, Occupations Code, is amended by adding Subsection (n) to read as follows:

(n) As a requirement for an intermediate proficiency certificate or an advanced proficiency certificate, an officer must complete the education and training program regarding de-escalation techniques to facilitate interaction with members of the public established by the commission under Section 1701.253(n).

SECTION 4.06. Not later than March 1, 2018, the Texas Commission on Law Enforcement shall develop and the Commission on Jail Standards shall approve the examination required by Section 511.00905, Government Code, as added by this article.

SECTION 4.07. (a) Not later than March 1, 2018, the Texas Commission on Law Enforcement shall establish or modify training programs as necessary to comply with Section 1701.253, Occupations Code, as amended by this article.

(b) The minimum curriculum requirements under Section 1701.253(j), Occupations Code, as amended by this article, apply only to a peace officer who first begins to satisfy those requirements on or after April 1, 2018.

SECTION 4.08. (a) Section 1701.310, Occupations Code, as amended by this article, takes effect January 1, 2018.

(b) A person in the position of county jailer on September 1, 2017, must comply with Section 1701.310(a), Occupations Code, as amended by this article, not later than August 31, 2021.

ARTICLE 5. MOTOR VEHICLE STOPS, RACIAL PROFILING, AND ISSUANCE OF CITATIONS

SECTION 5.01. Article 2.132, Code of Criminal Procedure, is

amended by amending Subsections (b) and (d) and adding Subsection

(h) to read as follows:

(b) Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

(1) clearly define acts constituting racial profiling;

(2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;

(3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;

(4) provide public education relating to the agency's compliment and complaint process, including providing the telephone number, mailing address, and e-mail address to make a compliment or complaint with respect to each ticket, citation, or warning issued by a peace officer;

(5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;

(6) require collection of information relating to motor vehicle stops in which a ticket, citation, or warning is issued and to arrests made as a result of those stops, including information relating to:

(A) the race or ethnicity of the individual detained;

(B) whether a search was conducted and, if so, whether the individual detained consented to the search; [and]

(C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that

individual;

(D) whether the peace officer used physical force that resulted in bodily injury, as that term is defined by Section 1.07, Penal Code, during the stop;

(E) the location of the stop; and

(F) the reason for the stop; and

(7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:

(A) the Texas Commission on Law Enforcement; and

(B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

(d) On adoption of a policy under Subsection (b), a law enforcement agency shall examine the feasibility of installing video camera and transmitter-activated equipment in each agency law enforcement motor vehicle regularly used to make motor vehicle stops and transmitter-activated equipment in each agency law enforcement motorcycle regularly used to make motor vehicle stops.

The agency also shall examine the feasibility of equipping each peace officer who regularly detains or stops motor vehicles with a body worn camera, as that term is defined by Section 1701.651, Occupations Code. If a law enforcement agency installs video or audio equipment or equips peace officers with body worn cameras as provided by this subsection, the policy adopted by the agency under Subsection (b) must include standards for reviewing video and audio documentation.

(h) A law enforcement agency shall review the data collected under Subsection (b)(6) to identify any improvements the agency could make in its practices and policies regarding motor vehicle

stops.

SECTION 5.02. Article 2.133, Code of Criminal Procedure, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) A peace officer who stops a motor vehicle for an alleged violation of a law or ordinance shall report to the law enforcement agency that employs the officer information relating to the stop, including:

(1) a physical description of any person operating the motor vehicle who is detained as a result of the stop, including:

(A) the person's gender; and

(B) the person's race or ethnicity, as stated by the person or, if the person does not state the person's race or ethnicity, as determined by the officer to the best of the officer's ability;

(2) the initial reason for the stop;

(3) whether the officer conducted a search as a result of the stop and, if so, whether the person detained consented to the search;

(4) whether any contraband or other evidence was discovered in the course of the search and a description of the contraband or evidence;

(5) the reason for the search, including whether:

(A) any contraband or other evidence was in plain view;

(B) any probable cause or reasonable suspicion existed to perform the search; or

(C) the search was performed as a result of the towing of the motor vehicle or the arrest of any person in the motor vehicle;

(6) whether the officer made an arrest as a result of

the stop or the search, including a statement of whether the arrest was based on a violation of the Penal Code, a violation of a traffic law or ordinance, or an outstanding warrant and a statement of the offense charged;

(7) the street address or approximate location of the stop; [and]

(8) whether the officer issued a verbal or written warning or a ticket or citation as a result of the stop; and

(9) whether the officer used physical force that resulted in bodily injury, as that term is defined by Section 1.07, Penal Code, during the stop.

(c) The chief administrator of a law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, is responsible for auditing reports under Subsection (b) to ensure that the race or ethnicity of the person operating the motor vehicle is being reported.

SECTION 5.03. Article 2.134(c), Code of Criminal Procedure, is amended to read as follows:

(c) A report required under Subsection (b) must be submitted by the chief administrator of the law enforcement agency, regardless of whether the administrator is elected, employed, or appointed, and must include:

(1) a comparative analysis of the information compiled under Article 2.133 to:

(A) evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities; [and]

(B) examine the disposition of motor vehicle stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as

appropriate, including any searches resulting from stops within the applicable jurisdiction; and

(C) evaluate and compare the number of searches resulting from motor vehicle stops within the applicable jurisdiction and whether contraband or other evidence was discovered in the course of those searches; and

(2) information relating to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.

SECTION 5.04. Article 2.137, Code of Criminal Procedure, is amended to read as follows:

Art. 2.137. PROVISION OF FUNDING OR EQUIPMENT. (a) The Department of Public Safety shall adopt rules for providing funds or video and audio equipment to law enforcement agencies for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], including specifying criteria to prioritize funding or equipment provided to law enforcement agencies. The criteria may include consideration of tax effort, financial hardship, available revenue, and budget surpluses. The criteria must give priority to:

(1) law enforcement agencies that employ peace officers whose primary duty is traffic enforcement;

(2) smaller jurisdictions; and

(3) municipal and county law enforcement agencies.

(b) The Department of Public Safety shall collaborate with an institution of higher education to identify law enforcement agencies that need funds or video and audio equipment for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)]. The collaboration may include the use of a survey to assist in

developing criteria to prioritize funding or equipment provided to law enforcement agencies.

(c) To receive funds or video and audio equipment from the state for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency needs funds or video and audio equipment for that purpose.

(d) On receipt of funds or video and audio equipment from the state for the purpose of installing video and audio equipment in law enforcement motor vehicles and motorcycles or equipping peace officers with body worn cameras [as described by Article 2.135(a)(1)(A)], the governing body of a county or municipality, in conjunction with the law enforcement agency serving the county or municipality, shall certify to the Department of Public Safety that the law enforcement agency has taken the necessary actions to use and is using [installed] video and audio equipment and body worn cameras for those purposes [as described by Article 2.135(a)(1)(A) and is using the equipment as required by Article 2.135(a)(1)].

SECTION 5.05. Article 2.1385(a), Code of Criminal Procedure, is amended to read as follows:

(a) If the chief administrator of a local law enforcement agency intentionally fails to submit the incident-based data as required by Article 2.134, the agency is liable to the state for a civil penalty in an [the] amount not to exceed \$5,000 [of \$1,000] for each violation. The attorney general may sue to collect a civil penalty under this subsection.

SECTION 5.06. Article 2.135, Code of Criminal Procedure, is repealed.

SECTION 5.07. Articles 2.132 and 2.134, Code of Criminal Procedure, as amended by this article, apply only to a report covering a calendar year beginning on or after January 1, 2018.

SECTION 5.08. Not later than September 1, 2018, the Texas Commission on Law Enforcement shall:

(1) evaluate and change the guidelines for compiling and reporting information required under Article 2.134, Code of Criminal Procedure, as amended by this article, to enable the guidelines to better withstand academic scrutiny; and

(2) make accessible online:

(A) a downloadable format of any information submitted under Article 2.134(b), Code of Criminal Procedure, that is not exempt from public disclosure under Chapter 552, Government Code; and

(B) a glossary of terms relating to the information to make the information readily understandable to the public.

this Act takes effect September 1, 2017.

President of the Senate Speaker of the House

I hereby certify that S.B. No. 1849 passed the Senate on May 11, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1849 passed the House on May 20, 2017, by the following vote: Yeas 137, Nays 0, one present not voting.

ARTICLE 6. EFFECTIVE DATE

SECTION 6.01. Except as otherwise provided by this Act,

Approved:

Date

Governor

Chief Clerk of the House

(II) Responding to the Law

Institutional Policy on Racial Profiling

Kennedale Police Department

Reference: Chapter 2

**Subject: Professional Standards & Conduct-
Bias Based Profiling**

Policy #1

Date: 08/01/2011

Revised: 12/04/2017

Purpose: To reaffirm the Kennedale Police Department's professional commitment to unbiased policing in all its encounters between our police officers and any person; to reinforce procedures that serve to ensure public confidence and mutual trust through the provision of services in a fair and equitable fashion; and to protect our officers from unwarranted accusations of misconduct when they act within the dictates of agency policy, state, and federal laws.

Authority:

1. United States Constitution, 4th Amendment & 14th Amendment
2. Texas Code of Criminal Procedure, Articles 2.131 – 2.138 and 3.05
3. SB 1074 (2001) The Texas Racial Profiling Law
4. HB 3389 (2009) Update on Original Law
5. HB 3051 (2017) Racial and Ethnic Designations
6. SB 1849 (2017) The Sandra Bland Act
(Non-Data Requirements (established by SB 1074, HB 3389 and SB 1849))

Definitions:

1. Acts Constituting Racial Profiling: are acts initiating law enforcement action, such as a motor vehicle contact, a detention, a search, issuance of a citation, or an arrest based solely upon an individual's race, ethnicity, or national origin, or on the basis of racial or ethnic stereotypes, rather than upon the individual's behavior, information identifying the individual as having possibly engaged in criminal activity, or other lawful reasons for the law enforcement action.
2. Bias Based Profiling: the selection of an individual based solely on a trait common to a group for enforcement action. This includes, but is not limited to: race, ethnic background, gender, sexual orientation, religion, economic status, age, cultural group, or any other identifiable group.
3. Law Enforcement Agency: means an agency of the state, or of a county, municipality, or other political subdivision of the state, that employs peace officers who make motor vehicle contacts in the routine performance of the officer's official duties.
4. MVR: an acronym for mobile video / audio recording equipment.
5. Probable Cause: also known as reasonable suspicion. Probable Cause is more than a mere hunch, but is based on a set of articulable facts and circumstances that would warrant a person of reasonable caution in believing that a crime has been committed, is about to be committed, or is in the process of being committed. Probable Cause can be based on the observations of a police officer, combined with his/her training and law enforcement experience, and/or reliable information received from credible sources.
6. Race or Ethnicity: means of a particular descent, including Caucasian, African, Hispanic, Asian, Native American or Middle Eastern descent. Determining a person's race or ethnicity shall be determined by the officer in accordance with applicable state and federal standards.

7. Racial Profiling: means a law enforcement-initiated action based on an individual's race, ethnicity, or national origin rather than on the individual's behavior or on information identifying the individual as having engaged in criminal activity.
8. Texas Commission on Law Enforcement: TCOLE is a state agency created in 1965 by an act of the 59th Texas Legislature, empowered to establish minimum licensing and training standards for Texas peace officers to improve the proficiency of law enforcement services.
9. Motor vehicle contact: means the stopping of a motor vehicle by a police officer for an alleged violation of law or ordinance regulating traffic.
10. Verbal Warnings : If an officer elects to complete a motor vehicle contact with a verbal warning, a response must still be entered into all of the required racial profiling fields in CAD.

Discussion:

The Kennedale Police Department is charged with enforcing the law, as well as, protecting citizen's constitutional rights, regardless of race, color, ethnicity, national origin, age, gender, sexual orientation, religion, disability, or economic status. Because of the nature of our law enforcement profession, police officers are required to be observant, to identify unusual occurrences, suspicious behavior, and law violations, taking appropriate and reasonable law enforcement action. It is this proactive enforcement that prevents crime, keeps our citizens free from crime, our city streets safe, and that detects and apprehends criminals. This agency policy is intended to accomplish our police mission, while enforcing the law and arresting criminals within constitutional restrictions.

While criminal behavior profiling can be a useful investigative tool to assist law enforcement officers in carrying out their duties, peace officers are prohibited from engaging in racial profiling. Instead, police officers should focus on a person's behavior, conduct, or other factual information. They should not let their personal bias or prejudices interfere with their professional performance as a peace officer. Officers must have reasonable suspicion supported by specific articulated facts that the person is committing, has committed, or is about to commit a crime, or is presenting a threat to the safety of themselves or others. Employees shall treat all citizens with fairness, respect, and dignity. Police Officers should always conduct themselves in a dignified, respectful and professional manner at all times when interacting with the public.

Policy:

It is the policy of the Kennedale Police Department to police in a proactive manner, to aggressively investigate suspicious persons, vehicles, and circumstances, while actively enforcing the motor vehicle traffic laws. Officers shall actively enforce state and federal laws in a responsible and professional manner, without regard to a person's race, ethnicity or national origin. However, agency policy strictly prohibits our police officers from engaging in racial profiling as defined by state law. This policy shall be applicable to all persons, whether drivers, passengers or pedestrians.

Procedure:

- A. Bias Based Profiling Prohibited: Kennedale's police officers are strictly prohibited from engaging in bias based profiling including racial profiling in traffic contacts, field contacts, and in asset seizure and forfeiture efforts. Officers profiling individuals based on ethnic background, color, gender, sexual orientation, religion, economic status, age, cultural group, physical impairment or any other identifiable group in the performance of their official law enforcement duties are legally, morally, and ethically wrong.

Racial profiling is prohibited by both state / federal laws. Racial profiling serves no legitimate law enforcement purpose. It leads to allegations of violations of the constitutional rights of the citizens we serve, while undermining legitimate law enforcement objectives. Additionally, racial profiling alienates citizens, destroys public trust of law enforcement, and invites media scrutiny, legislative action, and judicial intervention

The prohibition against profiling does not preclude the use of race, ethnicity, or national origin as factors in a detention decision. Race, ethnicity, or national origin may be legitimate factors in such a detention when used in part as a description of a criminal suspect or witnesses for whom a police officer is searching.

1. Police practices, known as racial profiling, are unlawful. Officers practicing racial profiling are guilty of discrimination by race, which is a violation of state / federal laws.
2. Acts constituting racial profiling may include: a police officer engaging in pre-textual motor vehicle contacts of minorities, with the intent of searching the driver and occupants for contraband, such as drugs; or detaining the driver of a vehicle based on the determination that a person of that race, ethnicity, or national origin is unlikely to own or possess that specific make or model of vehicle; or stopping a young black male who is observed in a predominantly white neighborhood.
3. Officers should focus their enforcement or investigative efforts upon criminal behavior or conduct, not one's race, ethnicity, or gender. However, it is not illegal to use race as descriptive information, such as a robbery suspect description- young black male, 6'5", 185 lbs., wearing a red jacket, and silver Dallas Cowboy's baseball cap. (TBP 2.01)

B. Complaint Process:

1. Any individual may file a complaint with the Chief of Police, if the individual believes that a Kennedale Police Officer has engaged in racial profiling with respect to the individual. No person shall be discouraged, intimidated, or coerced from filing such a complaint or discriminated against because they filed such a complaint.
2. To make a compliment or complaint with respect to each ticket, citation, or warning issued by a police officer, send to the following:

Chief of Police
401 Municipal Dr.
Kennedale, Texas 76060
817-985-2160
E-mail – twilliams@cityofkennedale.com

3. The Kennedale Police Department shall accept and investigate citizen complaints alleging racial profiling by its police officers in the same consistent manner as other complaints of police misconduct. Such complaints must be in writing, including the identity or description of the officer, date, time, place and details of the alleged incident of racial profiling.
4. Any police officer, city employee, or city official who receives a citizen complaint alleging racial profiling shall direct the complaint to the Chief of Police, who retains the right to assign the complaint to an investigator, within or outside the police department, including the Tarrant County Sheriff's Department, Tarrant County District Attorney, Texas Rangers, Texas Attorney General, or FBI.
5. The accused officer will be given the opportunity to respond, in writing, to the citizen's allegations. Depending upon the circumstances and facts, the investigation may be either administrative, criminal, or both.
6. The investigator shall seek to determine if the accused officer has engaged in a pattern of racial profiling that includes multiple acts constituting racial profiling for which there is no reasonable, credible explanation based on established police and law enforcement procedures.
7. The investigator shall record findings supporting sustained, unfounded, or exonerated. Any recommendations for disciplinary action or changes in policy, training, or patrol tactics should be included.
8. If a complaint involves an audio / video recording, the Chief of Police shall, upon commencement of the investigation and written request of the officer, provide a copy of the recording to the accused police officer.
9. The Chief of Police will acknowledge in writing receipt of the complaint. Upon conclusion of the investigation, the Chief of Police shall notify the complainant of the final results. If a racial profiling complaint is sustained against an officer, it will result in appropriate corrective and/or disciplinary action, as directed by the Chief of Police. The Chief of Police will make the final determination about the disposition of any complaint.

C. Public Education:

1. The Chief of Police is responsible to provide public education relating to the agency's compliant process.
2. This public awareness effort may include, but is not limited: to news media, radio, civic club presentations, citizen police academies, the internet, printed pamphlets, as well as, city council meetings.

D. Corrective Action:

1. The Kennedale Police Department does not condone the practice of racial profiling. Any peace officer who is found to have engaged in racial profiling shall be subject to corrective action as deemed appropriate by the Chief of Police.
2. Depending upon the facts and circumstances, corrective action may include cultural diversity and racial sensitivity training, employee counseling, disciplinary action, and/or dismissal.

E. Motor Vehicle Contact Data Collection & Reporting:

1. The Kennedale Police Department collects racial profiling data.
2. Patrol officers are required to record the following information relating to motor vehicle contacts, resulting in a citation or arrest: the violator's race or ethnicity, whether a search was conducted, and if so, was the search consensual.
3. Whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual.
4. Whether the peace officer used physical force that resulted in bodily injury, as that term is defined by Section 1.07, Penal Code ("means physical pain, illness, or any impairment of physical condition), during the contact;
 - a. The location of the contact, and
 - b. The reason for the contact
 - c. Complete the Use of Force Report as required.
5. While this information may be gathered in various ways, including mobile data terminals, hand-held devices, reports, patrol officers shall record this information on (CAD) OSSI.
6. Race or Ethnicity: The following categories must be used:
 - White (W)
 - Black (B)
 - Hispanic or Latino (H)
 - Asian or Pacific Islander (A)
 - Alaska Native or American Indian (AI)
 - Middle Eastern (ME)
 - There is no "other" category.You must identify someone's race or ethnicity to the best of your ability using one of these categories
7. Data Fields: Information that must be collected.

Initial Reason for Contact?

Free text field that defaults to same reason as offense

Race – W, B, H, A, AI, ME
Officer Knew Race Prior to Contact?
Yes or No
Search Type?
No Search (default)
Consent
Plain View
Probable Cause (includes a search warrant or K9 hit)
Incident to Arrest
Inventory
Contraband?

None found
Drugs
Weapons
Other Contraband
Arrest?
Yes
No (default)
Arrest based on:
Penal Code Violation
Traffic Law Violation
City Ordinance Violation
Outstanding Warrant
Offense Charged:
Free text field
Use of Force Resulting in Bodily Injury?
Yes
No (default)

If an officer elects to complete a motor vehicle contact with a verbal warning, a response must still be entered into all of the required racial profiling fields in CAD.
It is not necessary to enter the vehicle information unless it is specifically relevant to the warning being issued.

F. Annual Administrative Review / Report: Annually, this administration shall review agency practices related to motor vehicle contacts. One purpose of this administrative review is to identify any violations related to this written directive, state, or federal laws, including training deficiencies.

1. As part of the Annual Police Report, the Chief of Police shall report to the Kennedale City Council a statistical summary of motor vehicle contacts, resulting in a citation,

arrest, and/or search.

2. The information collected shall be compiled in an annual report covering the period January 1 through December 31 of each year, and shall be submitted to the Kennedale City Council no later than March 1 of the following year.
3. The agency shall review the data collected under Subsection (b) (6) to identify any improvements the agency could make in its practices and policies regarding motor vehicle contacts.
4. The report will contain required information, including:
 - Number of citations by race or ethnicity;
 - Number of citations resulting in a search;
 - Number of consensual searches; and
 - Number of citations resulting in custodial arrest.
5. The annual report shall not include identifying information about any individual stopped or arrested, and shall not include identifying information about any police officer involved in a motor vehicle contact or arrest.
6. This data collected as a result of reporting requirements (State Law) shall not constitute prima facie evidence of racial profiling!

G. Audio and Video Equipment:

1. As part of the new “racial profiling” law, law enforcement agencies were encouraged to install video / audio cameras in every patrol vehicle to ensure officer accountability. If patrol vehicles are equipped with mobile video / audio recording equipment, the agency is exempt from compiling information contained in Articles 2.133 and 2.134.
The feasibility of equipping each officer who regularly detains or stops motor vehicles with a body worn camera, as the term is defined by Section 1701.651, Occupation Code will be examined.
2. This administration has gone to great expense installing MVR systems in all patrol vehicles to accomplish the many patrol objectives, including officer accountability, documentation, evidence, and training.
3. All motor vehicle contacts shall be recorded. During motor vehicle contacts, MVR equipment shall automatically activate and remain on until the motor vehicle contact is terminated.
4. If a complaint is filed with this department, the agency shall retain that videotape until final disposition of the complaint.
5. First-Line Supervisors will ensure that patrol officers are recording their motor vehicle contacts, in compliance with agency policy, as well as, state law. First-Line Supervisors are responsible to periodically review the videos, monitoring the performance of patrol

officers, and taking corrective measures, as warranted, to prevent any police misconduct, including racial profiling. First-Line Supervisors are required to review at least three random videos each quarter (3 months) per officer. When conducting random, quarterly, supervisory reviews of officer's video, review the footage in a manner intended to gain an understanding of that officer's performance and adherence to policy and law. All audio/video recordings of a racial profile use of force will be investigated and saved.

6. Any evidence of racial profiling or police mis-conduct, the First-Line Supervisor will forward the videotape to the Chief of Police for corrective measures, including sanctions.

H. Racial Profiling Training: All officers, including the Chief of Police, are responsible to adhere to the Texas Commission on Law Enforcement (TCOLE) and the Law Enforcement Management Institute of Texas (LEMIT) training and education requirements, as mandated by state law.

1. All officers shall complete a TCOLE training and education program on racial profiling, in accordance with state law.
2. The Chief of Police will be required to attend the LEMIT program on racial profiling.

Chief of Police

BP 2.01

Public Education on Filing Compliments and Complaints

Informing the Public on the Process of Filing a Compliment or Complaint with the Kennedale Police Department

The Texas Racial Profiling Law requires that police agencies provide information to the public regarding the manner in which to file a compliment or racial profiling complaint. In an effort to comply with this particular component, the Kennedale Police Department launched an educational campaign aimed at informing the public on issues relevant to the racial profiling complaint process.

The police department made available, in the lobby area and on its web site, information relevant to filing a compliment and complaint on a racial profiling violation by a Kennedale Police officer. In addition, each time an officer issues a citation, ticket or warning, information on how to file a compliment or complaint is given to the individual cited. This information is in the form of a web address (including in the document issued to the citizen), which has instructions and details specifics related to the compliment or complaint processes.

It is believed that through these efforts, the community has been properly informed of the new policies and the complaint processes relevant to racial profiling.

Racial Profiling Training

Racial Profiling Training

All Kennedale Police officers have been instructed, as specified in the Texas Racial Profiling Law, to adhere to all Texas Commission on Law Enforcement (TCOLE) training and the Law Enforcement Management Institute of Texas (LEMIT) requirements. To date, all sworn officers of the Kennedale Police Department have completed the TCOLE basic training on racial profiling. The main outline used to train the officers of Kennedale has been included in this report.

It is important to recognize that the Chief of the Kennedale Police Department has also met the training requirements, as specified by the Texas Racial Profiling Law, in the completion of the LEMIT program on racial profiling. The satisfactory completion of the racial profiling training by the sworn personnel of the Kennedale Police Department fulfills the training requirement as specified in the Education Code (96.641) of the Texas Racial Profiling Law.

Racial Profiling Course Number 3256 Texas Commission on Law Enforcement September 2001

Racial Profiling 3256

Instructor's Note:

You may wish to teach this course in conjunction with Asset Forfeiture 3255 because of the related subject matter and applicability of the courses. If this course is taught in conjunction with Asset Forfeiture, you may report it under Combined Profiling and Forfeiture 3257 to reduce data entry.

Abstract

This instructor guide is designed to meet the educational requirement for racial profiling established by legislative mandate: 77R-SB1074.

Target Population: Licensed law enforcement personnel in Texas

Prerequisites: Experience as a law enforcement officer

Length of Course: A suggested instructional time of 4 hours

Material Requirements: Overhead projector, chalkboard and/or flip charts, video tape player, handouts, practical exercises, and demonstrations

Instructor Qualifications: Instructors should be very knowledgeable about traffic stop procedures and law enforcement issues

Evaluation Process and Procedures

An examination should be given. The instructor may decide upon the nature and content of the examination. It must, however, sufficiently demonstrate the mastery of the subject content by the student.

Reference Materials

Reference materials are located at the end of the course. An electronic copy of this instructor guide may be downloaded from our web site at <http://www.tcleose.state.tx.us>.

Racial Profiling 3256

1.0 RACIAL PROFILING AND THE LAW

1.1 UNIT GOAL: The student will be able to identify the legal aspects of racial profiling.

1.1.1 LEARNING OBJECTIVE: The student will be able to identify the legislative requirements placed upon peace officers and law enforcement agencies regarding racial profiling.

Racial Profiling Requirements:

Racial profiling CCP 3.05

Racial profiling prohibited CCP 2.131

Law enforcement policy on racial profiling CCP 2.132

Reports required for traffic and pedestrian stops CCP 2.133

Liability CCP 2.136

Racial profiling education for police chiefs Education Code 96.641

Training program Occupations Code 1701.253

Training required for intermediate certificate Occupations Code 1701.402

Definition of "race or ethnicity" for form Transportation Code 543.202

A. Written departmental policies

1. Definition of what constitutes racial profiling
2. Prohibition of racial profiling
3. Complaint process
4. Public education
5. Corrective action
6. Collection of traffic-stop statistics
7. Annual reports

B. Not prima facie evidence

C. Feasibility of use of video equipment

D. Data does not identify officer

E. Copy of complaint-related video evidence to officer in question

F. Vehicle stop report

1. Physical description of detainees: gender, race or ethnicity
2. Alleged violation
3. Consent to search
4. Contraband
5. Facts supporting probable cause
6. Arrest
7. Warning or citation issued

G. Compilation and analysis of data

H. Exemption from reporting – audio/video equipment

I. Officer non-liability

J. Funding

K. Required training in racial profiling

1. Police chiefs
2. All holders of intermediate certificates and/or two-year-old licenses as of 09/01/2001 (training to be completed no later than 09/01/2003) – see legislation 77R-SB1074

1.1.2 LEARNING OBJECTIVE: The student will become familiar with Supreme Court decisions and other court decisions involving appropriate actions in traffic stops.

A. Whren v. United States, 517 U.S. 806, 116 S.Ct. 1769 (1996)

1. Motor vehicle search exemption
2. Traffic violation acceptable as pretext for further investigation
3. Selective enforcement can be challenged

B. Terry v. Ohio, 392 U.S. 1, 88 S.Ct. 1868 (1968)

1. Stop & Frisk doctrine
2. Stopping and briefly detaining a person
3. Frisk and pat down

C. Other cases

1. Pennsylvania v. Mimms, 434 U.S. 106, 98 S.Ct. 330 (1977)
2. Maryland v. Wilson, 117 S.Ct. 882 (1997)
3. Graham v. State, 119 MdApp 444, 705 A.2d 82 (1998)

4. *Pryor v. State*, 122 Md.App. 671 (1997) cert. denied 352 Md. 312, 721 A.2d 990 (1998)
5. *Ferris v. State*, 355 Md. 356, 735 A.2d 491 (1999)
6. *New York v. Belton*, 453 U.S. 454 (1981)

2.0 RACIAL PROFILING AND THE COMMUNITY

2.1 UNIT GOAL: The student will be able to identify logical and social arguments against racial profiling.

2.1.1 LEARNING OBJECTIVE: The student will be able to identify logical and social arguments against racial profiling.

A. There are appropriate reasons for unusual traffic stops (suspicious behavior, the officer's intuition, MOs, etc.), but police work must stop short of cultural stereotyping and racism

B. Racial profiling would result in criminal arrests, but only because it would target all members of a race randomly – the minor benefits would be far outweighed by the distrust and anger towards law enforcement by minorities and the public as a whole

C. Racial profiling is self-fulfilling bad logic: if you believed that minorities committed more crimes, then you might look for more minority criminals, and find them in disproportionate numbers

D. Inappropriate traffic stops generate suspicion and antagonism towards officers and make future stops more volatile – a racially-based stop today can throw suspicion on tomorrow's legitimate stop

E. By focusing on race, you would not only be harassing innocent citizens, but overlooking criminals of all races and backgrounds – it is a waste of law enforcement resources

3.0 RACIAL PROFILING VERSUS REASONABLE SUSPICION

3.1 UNIT GOAL: The student will be able to identify the elements of both inappropriate and appropriate traffic stops.

3.1.1 LEARNING OBJECTIVE: The student will be able to identify elements of a racially motivated traffic stop.

A. Most race-based complaints come from vehicle stops, often since race is used as an inappropriate substitute for drug courier profile elements

B. "DWB" – "Driving While Black" – a nickname for the public perception that a Black person may be stopped solely because of their race (especially with the suspicion that they are a drug courier), often extended to other minority groups or activities as well ("Driving While Brown," "Flying While Black," etc.)

C. A typical traffic stop resulting from racial profiling

1. The vehicle is stopped on the basis of a minor or contrived traffic violation which is used as a pretext for closer inspection of the vehicle, driver, and passengers
2. The driver and passengers are questioned about things that do not relate to the traffic violation
3. The driver and passengers are ordered out of the vehicle
4. The officers visually check all observable parts of the vehicle
5. The officers proceed on the assumption that drug courier work is involved by detaining the driver and passengers by the roadside
6. The driver is asked to consent to a vehicle search – if the driver refuses, the officers use other procedures (waiting on a canine unit, criminal record checks, license-plate checks, etc.), and intimidate the driver (with the threat of detaining him/her, obtaining a warrant, etc.)

3.1.2 LEARNING OBJECTIVE: The student will be able to identify elements of a traffic stop which would constitute reasonable suspicion of drug courier activity.

A. Drug courier profile (adapted from a profile developed by the DEA)

1. Driver is nervous or anxious beyond the ordinary anxiety and cultural communication styles
2. Signs of long-term driving (driver is unshaven, has empty food containers, etc.)
3. Vehicle is rented
4. Driver is a young male, 20-35
5. No visible luggage, even though driver is traveling
6. Driver was over-reckless or over-cautious in driving and responding to signals
7. Use of air fresheners

B. Drug courier activity indicators by themselves are usually not sufficient to justify a stop

3.1.3 LEARNING OBJECTIVE: The student will be able to identify elements of a traffic stop which could constitute reasonable suspicion of criminal activity.

A. Thinking about the totality of circumstances in a vehicle stop

B. Vehicle exterior

1. Non-standard repainting (esp. on a new vehicle)
2. Signs of hidden cargo (heavy weight in trunk, windows do not roll down, etc.)
3. Unusual license plate suggesting a switch (dirty plate, bugs on back plate, etc.)
4. Unusual circumstances (pulling a camper at night, kids' bikes with no kids, etc.)

C. Pre-stop indicators

1. Not consistent with traffic flow
2. Driver is overly cautious, or driver/passengers repeatedly look at police car
3. Driver begins using a car- or cell-phone when signaled to stop
4. Unusual pull-over behavior (ignores signals, hesitates, pulls onto new street, moves objects in car, etc.)

D. Vehicle interior

1. Rear seat or interior panels have been opened, there are tools or spare tire, etc.
2. Inconsistent items (anti-theft club with a rental, unexpected luggage, etc.)

Resources

Proactive Field Stops Training Unit – Instructor's Guide, Maryland Police and Correctional Training Commissions, 2001. (See Appendix A.)

Web address for legislation 77R-SB1074:

<http://tlo2.tlc.state.tx.us/tlo/77r/billtext/SB01074F.htm>

Report on Compliments and Racial Profiling Complaints

Report on Complaints

The following table contains data regarding officers that have been the subject of a complaint, during the time period of 1/1/18---12/31/18, based on allegations outlining possible violations related to the Texas Racial Profiling Law. The final disposition of the case is also included.

X

A check above indicates that the Kennedale Police Department has not received any complaints, on any members of its police force, for having violated the Texas Racial Profiling Law during the time period of 1/1/18 ---- 12/31/18.

Complaints Filed for Possible Violations of The Texas Racial Profiling Law

Complaint No.	Alleged Violation			Disposition of the Case

Additional Comments:

Tables Illustrating Motor Vehicle- Related Contacts

Tier 2 Data

Total stops: 3,290

1. Gender

1.1 Female: 1,102

1.2 Male: 2,188

2. Race or ethnicity

2.1 Black: 754

2.2 Asian/Pacific Islander: 83

2.3 White: 1,959

2.4 Hispanic/Latino: 489

2.5 Alaska Native/American Indian: 5

3. Was race or ethnicity known prior to stop?

3.1 Yes: 331

3.2 No: 2,959

4. Reason for stop?

4.1 Violation of law: 211

4.2 Pre-existing knowledge: 51

4.3 Moving traffic violation: 2,147

4.4 Vehicle traffic violation: 881

5. Street address or approximate location of the stop

5.1 City street: 1,938

5.2 US highway: 1,109

5.3 County road: 14

5.4 State Highway: 0

5.5 Private property or other: 4

6. Was a search conducted?

6.1 Yes: 249

6.2 No: 3,041

7. Reason for Search?

7.1 Consent: 105

7.2 Contraband in plain view: 8

7.3 Probable cause: 94

7.4 Inventory: 8

7.5 Incident to arrest: 34

8. Was Contraband discovered?

8.1 Yes: 114

8.2 No: 135

9. Description of contraband

9.1 Drugs: 59

9.2 Currency: 0

9.3 Weapons: 10

9.4 Alcohol: 16

9.5 Stolen property: 6

9.6 Other: 47

10. Result of the stop

10.1 Verbal warning: 2,144

10.2 Written warning: 75

10.3 Citation: 945

10.4 Arrest: 126

11. Arrest based on

11.1 Violation of Penal Code: 67

11.2 Violation of Traffic Law: 10

11.3 Violation of City Ordinance: 0

11.4 Outstanding Warrant: 49

12. Was physical force resulting in bodily injury used during stop?

12.1 Yes: 0

12.2 No: 3,290



**Table 1. (Motor Vehicle Contacts Including Tickets, Citations and Warnings)
(1/1/18-12/31/18)**

Race/Ethnicity	All Motor Vehicle Contacts*		Tickets or Citations		Verbal Warnings		Written Warnings	
	N	%	N	%	N	%	N	%
White	1,959	55	550	58	1,284	60	48	64
Black	754	21	205	22	505	24	14	19
Hispanic or Latino	789	22	169	18	292	14	10	13
Asian or Pacific Islander	83	2	19	2	61	3	2	3
Alaska Native or American	5	.1	2	.2	2	.09	1	1
Middle Eastern**	0	0	0	0	0	0	0	0
Other**	0	0	0	0	0	0	0	0
Total	3,590	100	945	100	2,144	100	75	100

*Includes stops for alleged violation of a law or ordinance, tickets/citations, and verbal and written warnings

"N" represents "number" of all motor vehicle-related contacts

**Race/Ethnicity is defined by HB 3051.

**Not Required Racial/Ethnic Components

Tier 2 Data (Motor Vehicle Contacts in Percentages)

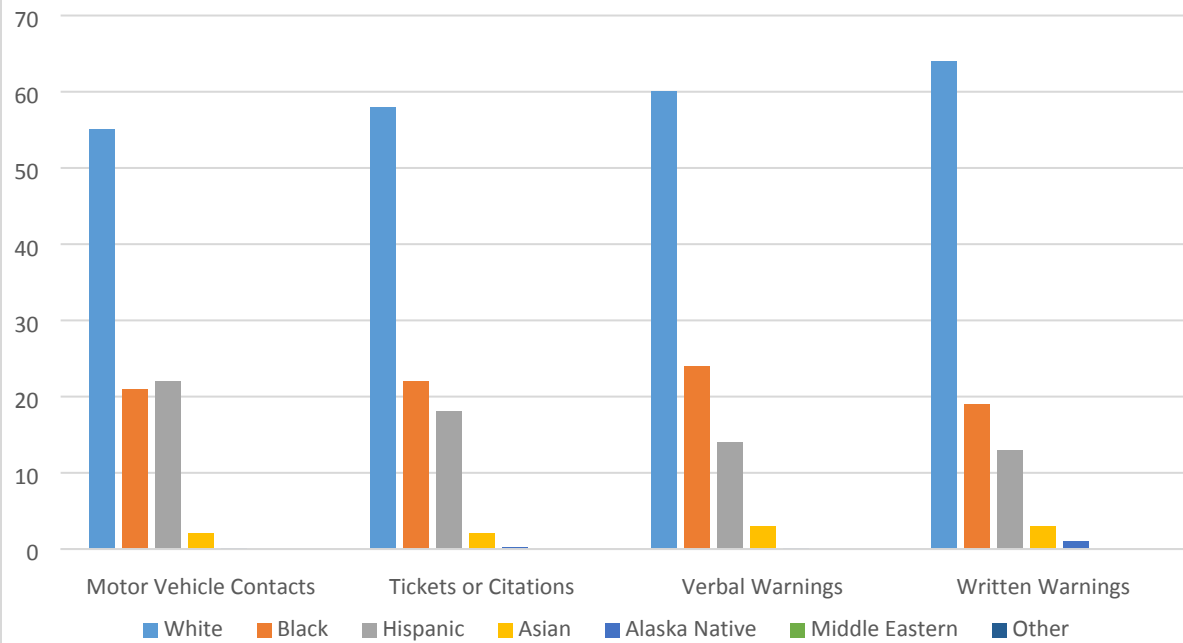


Table 2. Motor Vehicle-Contacts and Fair Roads Standard Comparison

Comparison of motor vehicle-related contacts with households in DFW that have vehicle access (in percentages). (1/1/18—12/31/18)

Race/Ethnicity*	Contacts (in percentages)	Households with vehicle access (in percentages)
White	55	60
Black	21	14
Hispanic or Latino	22	19
Asian or Pacific Islander	2	5
Alaska Native or American Indian	.1	N/A
Middle Eastern**	0	N/A
Other**	0	N/A
Total	100	98**

“N” represents “number” of all motor vehicle-related contacts

**Race/Ethnicity is defined by HB 3051.

**Not Required Racial/Ethnic Components

Motor Vehicle Contacts and Households
(Percentages) 2018

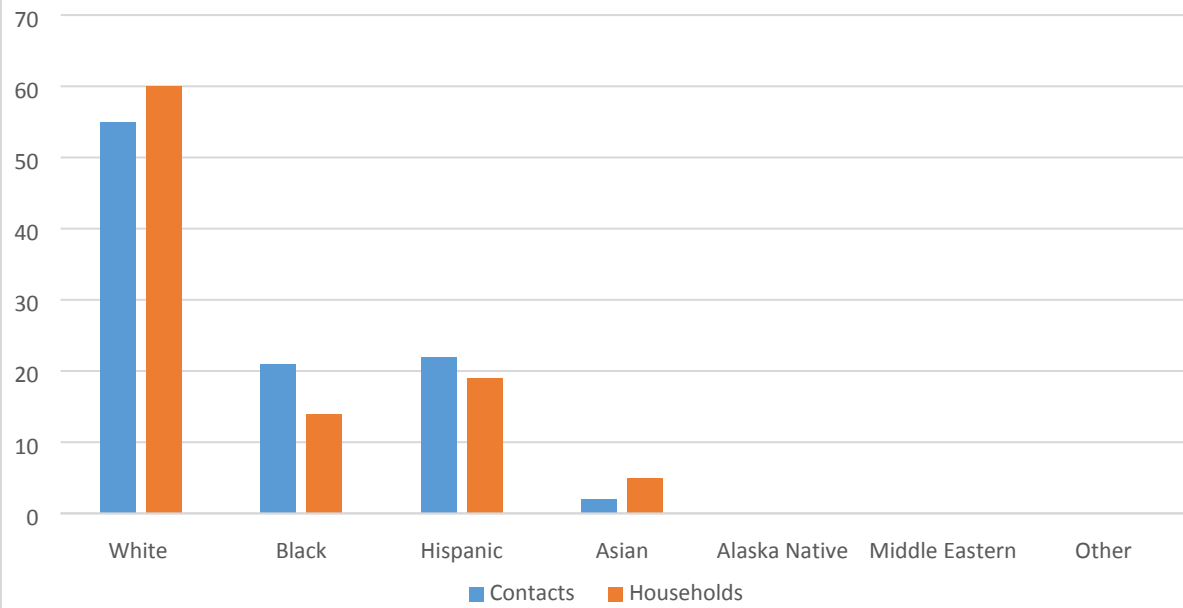


Table 3. (Motor Vehicle Searches and Arrests)
(1/1/18-12/31/18)

Race/Ethnicity*	Searches		Consensual Searches		Custody Arrests	
	N	%	N	%	N	%
White	42	45	63	60	21	62
Black	40	43	28	27	5	15
Hispanic or Latino	11	12	12	11	8	23
Asian or Pacific Islander	1	1	2	2	0	0
Alaska Native or American Indian	0	0	0	0	0	0
Middle Eastern**	0	0	0	0	0	0
Other**	0	0	0	0	0	0
Total	94	100	105	100	34	100

“N” represents “number” of all motor vehicle-related contacts

**Race/Ethnicity is defined by HB 3051.

**Not Required Racial/Ethnic Components

Tier 2 Data (Frequency of Searches and Arrests)

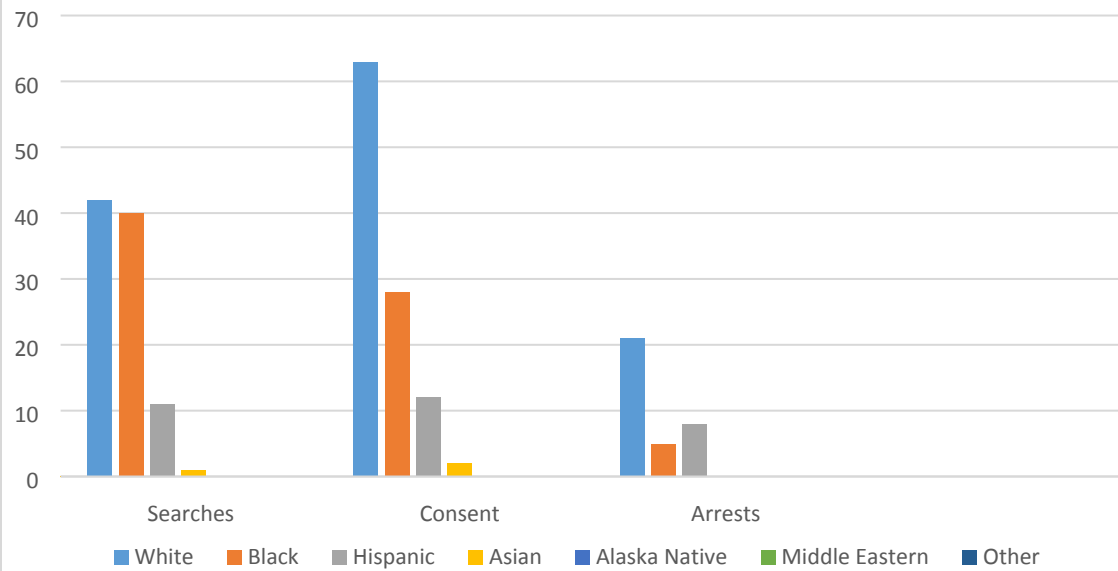


Table 4. Total Number of Instances where Officers Knew/did not Know Race/Ethnicity of Individuals Before Being Detained (1/1/18-12/31/18)

Total Number of Instances where Officers <u>Knew</u> Race and Ethnicity of Individuals Before Being Detained	Total Number of Instances where Officers <u>Did Not Know</u> the Race and Ethnicity of Individuals Before Being Detained
331	2,959

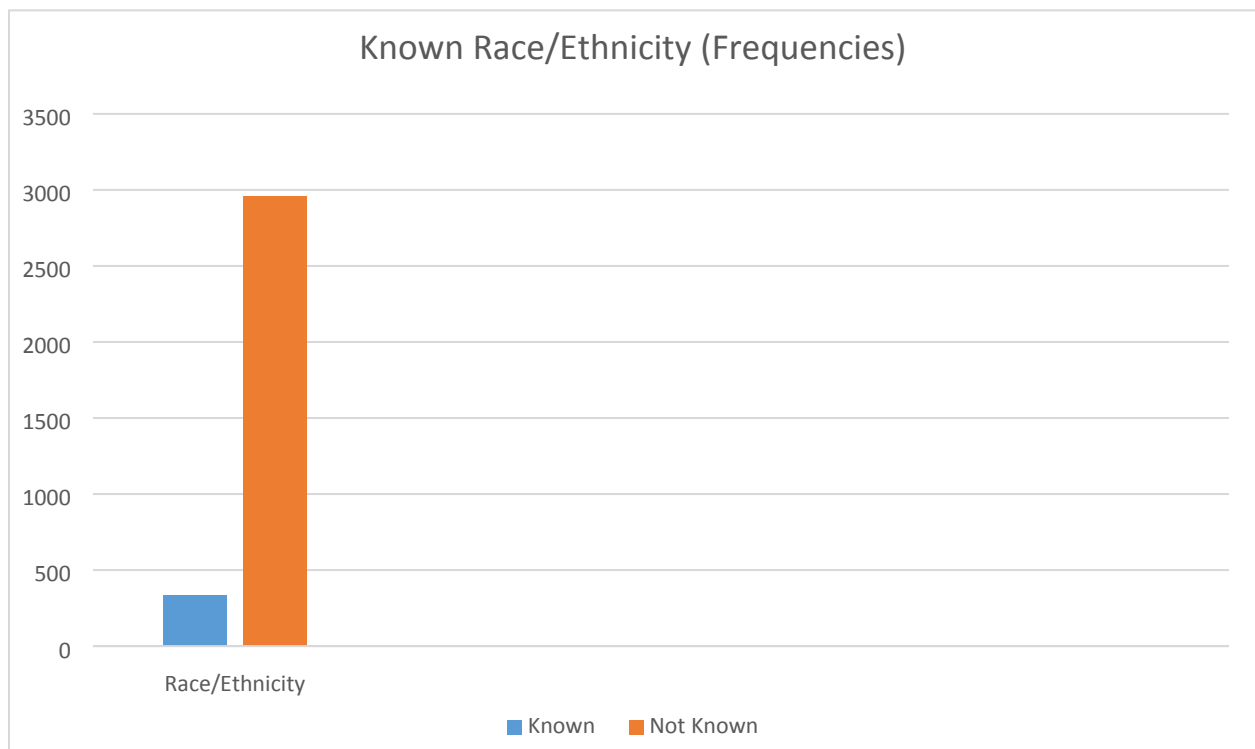


Table 5. Instances Where Peace Officers Used Physical Force that Resulted in Bodily Injury

[illegible]

**Table 6. Search Data
(1/1/18-12/31/18)**

Race/Ethnicity*	Searches		Contraband/ Evidence Found		Contraband/Evidence Not Found		Arrests	
	N	%	N	%	N	%	N	%
White	139	56	76	55	63	57	73	61
Black	75	30	49	36	26	23	30	25
Hispanic or Latino	32	13	13	9	19	17	17	14
Asian or Pacific Islander	3	1	0	0	3	3	0	0
Alaska Native or American Indian	0	0	0	0	0	0	0	0
Middle Eastern*	0	0	0	0	0	0	0	0
Other**	0	0	0		0	0	0	0
Total	249	100	138	100	111	100	120	100

*"N" represents "number" of all motor vehicle-related contacts

**Race/Ethnicity is defined by HB 3051.

**Not Required Racial/Ethnic Components

Table 7. Report on Audits

The following table contains data regarding the number and outcome of required data audits completed during the period 1/1/18---12/31/18.

Data Audits on Racial Profiling Data (1/1/18—12/31/18)

Number of Data Audits Completed	Date of Completion	Outcome of Audit
3	2018	Data reviewed is valid and reliable

Additional Comments:

Analysis and Interpretation of Data

Analysis

In order to understand the analysis provided in this report, it is imperative that the evolution of the Texas Racial Profiling Law and its requirements, is discussed. That is, in 2001, the Texas legislature passed Senate Bill 1074 which became the Texas Racial Profiling Law. Thus, the law came into effect on January 1, 2002 and required all police departments in Texas, to collect traffic-related data and report this information to their local governing authority by March 1st of each year. In 2009, the racial profiling law was modified to include the collection and reporting of all motor vehicle related contacts where a citation was issued or arrest made. In addition, the modification to the law further requires that all police officers indicate whether or not they knew the race or ethnicity of the individual before detaining them. Further, it was required that agencies report motor vehicle related data to their local governing authority and to the Texas Commission on Law Enforcement (TCOLE) by March 1st of each year. The purpose in collecting and presenting this information is to determine if police officers in a particular municipality are engaging in the practice of racially profiling minority motorists.

The Texas Racial Profiling Law also requires police departments to interpret motor vehicle-related data. Even though most researchers would probably agree with the fact that it is within the confines of good practice for police departments to be accountable to the citizenry while carrying a transparent image before the community, it is very difficult to determine if individual police officers are engaging in racial profiling, from a review and analysis of aggregate/institutional data. In other words, it is challenging for a reputable researcher to identify specific “individual” racist behavior from aggregate-level “institutional” data on traffic or motor vehicle-related contacts.

As stated previously, in 2009, the Texas Legislature passed House Bill 3389, which modified the Racial Profiling Law by adding new requirements; this took effect on January 1st, 2010. These changes included, but are were not limited to, the re-definition of a contact to include motor vehicles where a citation was issued or an arrest made. In addition, it required police officers to indicate if they knew the race or ethnicity of the individual before detaining them. Also, the 2009 law required adding "middle eastern" to the racial and ethnic category and submitting the annual data report to TCOLE before March 1st of each year.

In 2017, the Texas Legislators passed H.B. 3051 which removed the Middle Eastern data requirement but standardized the racial and ethnic categories relevant to the individuals that came in contact with the police. In addition, the Sandra Bland Act (S.B. 1849) was passed and became law. Thus, the most significant legislative act in Texas history regarding data requirements on law enforcement contacts, became law and took effect on January 1, 2018. The Sandra Bland Act not only requires the extensive collection of data relevant to police motor vehicle contacts, but it also mandates for the data to be analyzed while addressing the following:

1. *A comparative analysis of the information compiled (under Article 2.133):*
 - a. *Evaluate and compare the number of motor vehicle stops, within the applicable jurisdiction, of persons who are recognized as racial or ethnic minorities and persons who are not recognized as racial or ethnic minorities;*
 - b. *Examine the disposition of motor vehicle stops made by officers employed by the agency, categorized according to the race or ethnicity of the affected persons, as appropriate, including any searches resulting from stops within the applicable jurisdiction;*
 - c. *Evaluate and compare the number of searches resulting from motor vehicle stops within the applicable jurisdiction and whether contraband or other evidence was discovered in the course of those searches.*
2. *Information related to each complaint filed with the agency alleging that a peace officer employed by the agency has engaged in racial profiling.*

In an effort to comply with The Texas Racial Profiling/Sandra Bland Law, the Kennedale Police Department commissioned the analysis of its 2018 contact data. Thus, two different types of data analyses were performed. The first of these involved a careful evaluation of the 2018 motor vehicle-related data. This particular analysis measured, as required by the law, the number and percentage of Whites, Blacks, Hispanics or Latinos, Asians and Pacific Islanders, Alaska Natives and American Indians (Middle Easterners and individuals belonging to the “other” category, as optional categories), that came in contact with the police in the course of a motor vehicle related contact, and were either issued a ticket, citation, warning were issued or an arrest was made. Also, included in this data were instances where a motor vehicle contact took place for an alleged violation of the law or ordinance. The Tier 2 data analysis included, but was not limited to, information relevant to the number and percentage of contacts by race/ethnicity, gender, reason for the stop, location of stop, searches while indicating the type of search performed, result of stop, basis of an arrest and use of physical force resulting in bodily injury,

The additional data analysis performed was based on a comparison of the 2018 motor vehicle contact data with a specific baseline. When reviewing this particular analysis, it should be noted that there is disagreement, in the literature, regarding the appropriate baseline to be used when analyzing motor vehicle-related contact information. Of the baseline measures available, the Kennedale Police Department opted to adopt, as a baseline measure, the Fair Roads Standard. This particular baseline is based on data obtained through the U.S. Census Bureau (2010) relevant to the number of households that have access to vehicles while controlling for the race and ethnicity of the heads of households.

It is clear that census data presents challenges to any effort made at establishing a fair and accurate racial profiling analysis. That is, census data contains information on all residents of a particular community, regardless of the fact they may or may not be among the driving population. Further, census data, when used as a baseline of comparison, presents the challenge that it captures information related to city residents only. Thus, excluding individuals who may have come in contact with the Kennedale Police Department in 2018 but live outside city limits.

In some cases, the percentage of the population that comes in contact with the police but lives outside city limits represents a substantial volume of all motor vehicle-related contacts made in a given year.

Since 2002, several civil rights groups in Texas expressed their desire and made recommendations to the effect that all police departments should rely, in their data analysis, on the Fair Roads Standard. This source contains census data specific to the number of “households” that have access to vehicles. Thus, proposing to compare “households” (which may have multiple residents and only a few vehicles) with “contacts” (an individual-based count). This, in essence, constitutes a comparison that may result in ecological fallacy. Despite this, the Kennedale Police Department accepted the recommendation to utilize this form of comparison (i.e., census data relevant to households with vehicles) in an attempt to demonstrate its “good will” and “transparency” before the community. Thus, the Fair Roads Standard data obtained and used in this study is specifically relevant to the Dallas Fort-Worth (DFW) Metroplex).

Tier 2 (2018) Motor Vehicle-Related Contact Analysis

When analyzing the enhanced Tier 2 data collected in 2018, it was evident that most motor vehicle-related contacts were made with males and most of the contacts were made with White drivers. This was followed by Black and Hispanic drivers. In most instances, police officers report not knowing the race or ethnicity prior to the stop. Further, they cite as the primary reason for the stop to have been a “moving traffic violation”. This was followed by “vehicle traffic violation”.

In 2018, most of the contacts made took place in city streets. The Kennedale Police Department cites that most contacts did not result in a search. Of those searches made, most were based on probable cause. The second most significant reason for a search was “consent”. In addition, contraband was not found as a result of most searches. Of the contraband found, in most instances, drugs were cited as the most frequent contraband found.

The data also shows that the majority of stops resulted in a verbal warning. This was followed by “citations”. When an arrest was made, the most frequent reason provided was a violation of the penal code. Also, none of the contacts resulted in the use of physical force which caused bodily injury.

Comparative Analysis

The data analysis of motor vehicle contacts to the census data relevant to the number of “households” in DFW who indicated, in the 2010 census, that they had access to vehicles, produced interesting findings. Specifically, the percentage of Blacks and Hispanics that came in contact with the police was higher than the percentage of Black and Hispanic households in DFW that claimed, in the 2010 census, to have access to vehicles. It should be noted that in the case of Hispanics, the percentage difference was within the margin of error and is considered to be statistically insignificant. With respect to Whites and Asians, a lower percentage of contacts

were detected. That is, the percentage of White and Asian drivers that came in contact with the police in 2018 was the lower than the percentage of White and Asian households in DFW with access to vehicles.

The analysis of the searches performed shows that most searches did not produce contraband. This is consistent with national law enforcement trends. However, of those searches that produced contraband, the majority of them involved White contacts. This was followed by Blacks.

Summary of Findings

The most recent Texas Racial Profiling Law requires that police department perform data audits in order to validate the data being reported. Consistent with this requirement, the Kennedale Police Department has engaged del Carmen Consulting, LLC in order to perform these audits in a manner consistent with normative statistical practices. As shown in table 7, the audits performed have shown that the data is valid and reliable. Further, as required by law, this report also includes an analysis on the searches performed. This analysis includes information on whether contraband was found as a result of the search while controlling for race/ethnicity. The search analysis demonstrates that the police department is engaging in search practices consistent with national trends in law enforcement.

While considering the findings made in this analysis, it is recommended that the Kennedale Police Department should continue to collect and evaluate additional information on motor vehicle contact data (i.e., reason for probable cause searches, contraband detected) which may prove to be useful when determining the nature of the contacts police officers are making with all individuals.

As part of this effort, the Kennedale Police Department should continue to:

- 1) Perform an independent analysis on contact and search data in future years.
- 2) Commission data audits in 2019 in order to assess data integrity; that is, to ensure that the data collected is consistent with the data being reported.

The comprehensive analysis of the data included in this report demonstrates that the Kennedale Police Department has complied with the Texas Racial Profiling Law and all of its requirements. Further, the report demonstrates that the police department has incorporated a comprehensive racial profiling policy, currently offers information to the public on how to file a compliment or complaint, commissions quarterly data audits in order to ensure validity and reliability, collects and commissions the analysis of tier 2 data, and ensures that the practice of racial profiling is not tolerated.

(III) Summary

Checklist



Checklist

The following requirements were met by the Kennedale Police Department in accordance with The Texas Racial Profiling Law:

- ☒ Implement a Racial Profiling Policy citing act or actions that constitute racial profiling.
- ☒ Include in the racial profiling policy, a statement indicating prohibition of any peace officer employed by the Kennedale Police Department from engaging in racial profiling.
- ☒ Implement a process by which an individual may file a complaint regarding racial profiling violations.
- ☒ Provide public education related to the compliment and complaint process.
- ☒ Implement disciplinary guidelines for officers found in violation of the Texas Racial Profiling Law.
- ☒ Collect, report and analyze motor vehicle data (Tier 2).
- ☒ Commission Data Audits and a Search Analysis.
- ☒ Indicate total number of officers who knew and did not know, the race/ethnicity of individuals before being detained.
- ☒ Produce an annual report on police contacts (Tier 2) and present this to the local governing body and TCOLE by March 1, 2019.
- ☒ Adopt a policy, if video/audio equipment is installed, on standards for reviewing video and audio documentation.

Contact Information

Contact Information

For additional questions regarding the information presented in this report, please contact:

Del Carmen Consulting, LLC
817.681.7840
www.texasracialprofiling.com
www.delcarmenconsulting.com

Disclaimer: The author of this report, Alejandro del Carmen/del Carmen Consulting, LLC, is not liable for any omissions or errors committed in the acquisition, analysis, or creation of this report. Further, Dr. del Carmen/del Carmen Consulting is not responsible for the inappropriate use and distribution of information contained in this report. Further, no liability shall be incurred as a result of any harm that may be caused to individuals and/or organizations as a result of the information contained in this report.

Copyright: This report may not be altered or reproduced outside the agreed terms, in any manner whatsoever without the written permission of the author.



Date: February 19, 2019

Agenda Item No: DECISION ITEMS - A.

I. Subject:

Consider authorizing the Mayor to sign an Interlocal Agreement with the Fort Worth Transportation Authority ("Trinity Metro") for Administrative Cost Funding for Section 5310 Program

II. Originated by:

Leslie Galloway, City Secretary & Communications Coordinator

III. Summary:

This is an annual agreement, between the City of Kennedale and the Fort Worth Transportation Authority (FWTA / "Trinity Metro"), that allows for Tarrant County Transportation Services (TCTS) paratransit services to provide transportation of older adults (65+) and other qualified persons to and from a variety of venues for purposes including shopping, medical, and recreational for a fare of \$2.50 per trip (one-way).

This is pursuant to a Federal grant to FWTA to serve persons in cities without transportation services and which are not members of a transportation authority. This is designated as a Section 5310 program, under Title 49, Section 5310, US Code.

There are two contracts attached, at a total annual cost of \$1,288.00. If approved, the contracted services will be provided through December 31, 2019, and are provided for under the "Special Services" line item in the Mayor/Council budget. The first is for the original program (for which the City pays a grant administration fee of \$1,288.00 to participate); and a supplemental contract (at no additional cost) for an extra day of service that began in October 2018. There is also a 2018 ridership report included, showing a total value of services provided through the program of \$10,974.36 for the 291 trips taken by Kennedale residents last year.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:

1.	FWTA 5310 ILA Original Program Administrative Fee 2019	ILA 5310.pdf
2.	FWTA 5310 ILA Enhancement Program (no additional cost) 2019	ILA 5310_Extra Day.pdf
3.	ILA 5310 TCTS Kennedale Ridership 2018	ILA 5310 TCTS Kennedale Ridership 2018.pdf

FWTA Interlocal Agreement No. _____
City Contract No. _____

**INTERLOCAL AGREEMENT
FOR ADMINISTRATIVE COSTS FUNDING FOR
SECTION 5310 PROGRAM
BETWEEN
THE FORT WORTH TRANSPORTATION AUTHORITY
AND
THE CITY OF KENNEDALE, TEXAS**

The Fort Worth Transportation Authority ("Trinity Metro") and the City of Kennedale, Texas ("City") are both local governmental entities as that term is used in Chapter 791, Interlocal Cooperation Contracts, V.T.C.A., Government Code. They shall sometimes be referred to collectively as the "Parties".

WHEREAS, the City of Kennedale desires to provide door-to-door paratransit services for elderly and persons with disabilities within Tarrant County and does not have a transportation service nor is it a member of a transportation authority; and

WHEREAS, Trinity Metro is a federal grantee of the Federal Transit Administration and the Federal Transit Administration provides funding to States under Section 5310 of Title 49 of the United States Code, and the goal of the Section 5310 program is to provide transportation for elderly and disabled persons residing in cities that do not have public transportation available to them; and

WHEREAS, the Texas Department of Transportation (TxDOT) asked Trinity Metro to develop and implement a Section 5310 Tarrant County Transportation Services (TCTS) program for otherwise underserved communities in Tarrant county; and

WHEREAS, Trinity Metro has been awarded the grant for this area and the City of Kennedale is contributing a total of \$1,288.00 towards the administrative costs of the Section 5310 service (TCTS) for the period from January 1, 2019 through December 31, 2019; and

WHEREAS, the monies will support a portion of administrative costs for the transportation services to the described peoples during a 12-month period;

Now, therefore, the parties pursuant to City of Kennedale action and Trinity Metro action, agree as follows:

1. This program is called Tarrant County Transportation Services (TCTS). This transportation is provided for a variety of purposes such as medical appointments, shopping, recreation, school or work. The City of Kennedale will be allocated one day (Tuesday), each week as their primary designated day for transportation. On that day, all available vehicles will be provided for service to qualified Kennedale residents. On the remaining days of the week, rides are available subject to the priority requests from other cities on a first-come basis.
2. Each party represents to the other that the delegated costs of the project under the Agreement, as well as any payments made by it pursuant to this Agreement, will be made from current revenues and/or specified grant funds. Further, each Party warrants and represents to the other party that each Party has been authorized by its respective governing body to do so. Each party further represents and warrants to the other Party that any renewal of, deletion, or change to this Agreement will be in writing and authorized by its respective governing body.
3. Trinity Metro will administer transportation services to the citizens of the City of Kennedale under the program known as Tarrant County Transportation Services from January 1, 2019 through December 31, 2019.
4. Trinity Metro will administer demand responsive transportation services for the seniors and persons with disabilities of Kennedale according to the federal requirements of the Section 5310 grant and according to the relevant State of Texas statutes.
5. The City of Kennedale will pay the authorized amounts to Trinity Metro within 30 days of receipt of invoice. The payment will be for the period from January 1, 2019 through December 31, 2019.
6. Trinity Metro will provide access upon request to the Section 5310 records to the City of Kennedale.
7. Parties will comply with all applicable State of Texas and federal statutes and regulations as required by their status as a federal grantee and transit authority of the State of Texas, and federal grantee and municipality of the State of Texas, respectively.
8. The term of this agreement will begin January 1, 2019 and end December 31, 2019.
9. The City of Kennedale will be considered a participating community and the qualifying residents of Kennedale will be entitled to ride TCTS for a one-way trip fare of \$2.50.

CITY OF KENNEDALE, TEXAS FORT WORTH TRANSPORTATION AUTHORITY:

By: _____
Mayor

By: _____
Paul J Ballard
President & CEO

ATTEST:

APPROVED AS TO FORM:

City Attorney
City of Kennedale, Texas

**INTERLOCAL AGREEMENT
FOR
SECTION 5310 ENHANCEMENT PROGRAM
BETWEEN
THE FORT WORTH TRANSPORTATION AUTHORITY
AND
THE CITY OF KENNEDALE, TEXAS**

The Fort Worth Transportation Authority ("Trinity Metro") and the City of Kennedale, Texas ("City") are both local governmental entities as that term is used in Chapter 791, Interlocal Cooperation Contracts, V.T.C.A., Government Code. They shall sometimes be referred to collectively as the "Parties".

WHEREAS, the City of Kennedale currently has an agreement with Trinity Metro for the provision of Tarrant County Transportation Service (TCTS), a door-to-door paratransit services for elderly and persons with disabilities within Tarrant County; and

WHEREAS, Trinity Metro is a federal grantee of the Federal Transit Administration and the Federal Transit Administration provides funding under Section 5310 of Title 49 of the United States Code, and the goal of the Section 5310 program is to provide transportation for elderly and disabled persons residing in cities that do not have public transportation available to them; and

WHEREAS, Trinity Metro has been awarded an additional grant for the enhancement of TCTS and the City of Kennedale is interested in an additional guaranteed day of service for the period from January 1, 2019 through December 31, 2019

Now, therefore, the parties pursuant to City of Kennedale action and Trinity Metro action, agree as follows:

1. This program is called Tarrant County Transportation Services (TCTS). This transportation is provided for a variety of purposes such as medical appointments, shopping, recreation, school or work. The City of Kennedale is currently allocated one day, Tuesday, each week as their primary designated day for transportation. The additional guaranteed day of service through this ILA will be Friday.
2. Each party represents to the other that the delegated costs of the project under the Agreement, as well as any payments made by it pursuant to this Agreement, will be made from current revenues and/or specified grant funds. Further, each Party warrants and

represents to the other party that each Party has been authorized by its respective governing body to do so. Each party further represents and warrants to the other Party that any renewal of, deletion, or change to this Agreement will be in writing and authorized by its respective governing body.

3. Trinity Metro will administer the additional day of transportation services to the citizens of the City of Kennedale under the program known as Tarrant County Transportation Services Enhancement Program from January 1, 2019 through December 31, 2019.
4. Trinity Metro will administer demand responsive transportation services for the seniors and persons with disabilities of Kennedale according to the federal requirements of the Section 5310 grant and according to the relevant State of Texas statutes.
5. Trinity Metro will provide access upon request to the Section 5310 records to the City of Kennedale.
6. Parties will comply with all applicable State of Texas and federal statutes and regulations as required by their status as a federal grantee and transit authority of the State of Texas, and federal grantee and municipality of the State of Texas, respectively.
7. The term of this agreement will begin January 1, 2019 and end December 31, 2019, contingent on available funding.
8. The City of Kennedale will be considered a participating community and the qualifying residents of Kennedale will be entitled to ride TCTS for a one-way trip fare of \$2.50.

CITY OF KENNEDALE, TEXAS

FORT WORTH TRANSPORTATION AUTHORITY:

By: _____
Mayor

By: _____
Paul J Ballard
President & CEO

ATTEST:

APPROVED AS TO FORM:

City Attorney
City of Kennedale, Texas

Tarrant County Transportation Service

City of Kennedale

January 2018 - December 2018

<u>Month</u>	<u>Original One-Way Trips</u>	<u>Enhancement One-Way Trips</u>	<u>Cost</u>
Jan 2018	36		\$1,343.52
Feb	25		\$933.00
Mar	21		\$783.72
Apr	22		\$821.04
May	29		\$1,082.28
June	11		\$410.52
July	28		\$1,044.96
Aug	23		\$858.36
Sept	23		\$885.73
Oct	14	2	\$616.16
Nov	23	3	\$1,001.26
Dec	<u>16</u>	<u>15</u>	\$1,193.81
Total	271	20	\$10,974.36

Date: February 19, 2019

Agenda Item No: DECISION ITEMS - B.

I. Subject:

Consider approval of a change order submitted by Circle C Construction at an additional cost of \$37,330.00 for additional repairs related to the replacement of a sanitary sewer line in the 300-400 blocks of Dick Price Road

II. Originated by:

Larry Hoover, Public Works Superintendent

III. Summary:

The Dick Price Road Sanitary Sewer Line Project was approved by Council in June 2017 and awarded to BSK-USA. BSK abandoned the project in April 2018, at which time staff coordinated with Circle C (the second lowest bidder) to complete the work and make repairs to the portion of the line that had been inferiorly installed by the original contractor. The cost estimate provided by Circle C at that time was \$39,500.00 for the installation and repairs. Additionally, the City sought reimbursement from the company that bonded BSK for this project. The bonding company made a final settlement in the amount of \$31,526.30, and the City authorized Circle C to commence work to complete the project.

In December 2018, Circle C began work, at which time additional pipe issues were discovered (at an additional cost of \$18,110.00) as well as the need to repair damage caused by BSK to the parking lot of Martin Enterprises, a business adjacent to this project (at an additional cost of \$7,650.00). Because of these newly-discovered line issues, staff felt it necessary to inspect the entire line via camera (at a cost of \$10,320.00) to ensure that there were no further unknown issues before closing ground on the project. These items coupled with \$1,250.00 for additional necessary hydromulch (a slurry of grass seed, mulch, and fertilizer) result in a total of \$37,330.00 being added to the project cost.

As the customers who utilize these lines had already been inconvenienced by delays caused not only by the original contractor abandoning the project but also by several months of persistent rain, staff instructed the contractor to proceed with the project, including these newly identified repairs. As outlined in the chart below, after accounting for the settlement from the bonding company related to BSK's failure to complete the work, staff currently estimates that this project will exceed the original budgeted amount by \$21,410.00. Unfortunately, since a settlement had already been agreed upon before these additional issues became apparent, it is unlikely that attempts at recovering additional funds from either the bonding company or the original contractor would be fruitful. Staff would recommend that payment for this unbudgeted amount be made from the Water and Sewer Maintenance Fund.

Below is an overview of the transactions associated with this project thus far:

	Amount	Remaining Funds Available
Original Awarded Amount	\$95,657.00	\$95,657.00
Payment to BSK	\$71,763.30	\$23,893.70
Bonding Company Settlement	\$31,526.30	\$55,420.00
Circle C Original Cost Estimate	\$39,500.00	\$15,920.00
Additional Repairs Identified	\$37,330.00	\$21,410.00

BACKGROUND: From June 19, 2017 Staff Report:

The City of Kennedale received sealed bids on Monday, May 15, 2017 for the replacement of a sanitary sewer line in the 300-400 blocks of Dick Price Road.

The existing sewer line consists of approximately 1300 LF of 6" clay tile main and 3 brick manholes. The line is approximately 50+ years old and has reached the end of its useful life. City staff has made numerous point repairs to the line in recent years. The line is currently failing, and staff is unable to get the water jet machine through various sections. Staff obtained the assistance of a contractor in 2015 to TV sections of the line. The contractor was unable to TV most of the line due to a partial line collapse. Approximately half of this line was replaced in April 2017 through CDBG funding of \$138,000; however, the remainder did not meet criteria for CDBG funding.

The city received sealed bids from 6 companies for this project, with BSK-USA LLC submitting the lowest base bid of \$95,657.

Staff recommends awarding the contract to BSK-USA LLC for the proposed amount of \$95,657.

IV. Fiscal Impact Summary:**V. Legal Impact:****VI. Recommendation:****VII. Alternative Actions:****VIII. Attachments:**

1.	Dick Price Road Circle C Additional Costs for Repairs and Completion of Project (January 2019)	Dick Price Road Circle C Additional Costs for Repairs and Completion of Project II.pdf
2.	Dick Price Road Circle C Original Costs for Repairs and Completion of Project (August 2018)	Dick Price Road Circle C Original Costs for Repairs and Completion of Project.pdf
3.	2017_Dick Price Rd Bid Tab (May 2017)	2017_Dick Price Rd Bid Tab (From May 2017).pdf

Circle C Construction Company

INVOICE

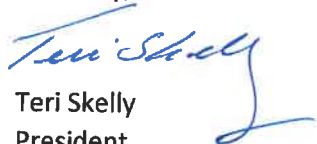
31-Jan-19

City of Kennedale
405 Municipal Drive
Kennedale, TX

RE: Sanitary Sewer Improvements for 300-400 Block of Dick Price Road
Additional Work

Clean & TV Existing Pipe	1032 LF	\$	10.00	\$	10,320.00
Hydromulch	250 SY	\$	5.00	\$	1,250.00
Point Repair 6'-8' Deep	138 LF	\$	95.00	\$	13,110.00
Locate Existing Drain, Clean Out Catch Basin, Clean Line and Build Check Dam	1 LS	\$	3,500.00	\$	3,500.00
Sewer Service Reconnect w/ 15 LF of 4" PVC & CO	1 LS	\$	1,500.00	\$	1,500.00
Curb & Gutter	45 LF	\$	35.00	\$	1,575.00
Apphalt Repair	135 SY	\$	45.00	\$	6,075.00
Total				\$	37,330.00

Sincerely,



Teri Skelly
President

Circle C Construction

CIRCLE C CONSTRUCTION

PO BOX 40328

FORT WORTH, TEXAS

27-Aug-18

Mr Larry Ledbetter
City of Kennedale
405 Municipal Drive
Kennedale, TX

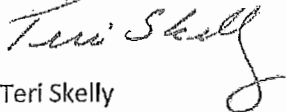
RE: Sanitary Sewer Improvements for 300-400 Block of Dick Price Road

Below is the price for the sanitary sewer repairs on the above referenced project.

Mobilization	1 EA	\$	2,000.00	\$	2,000.00
Clean & TV Existing Pipe	300 LF	\$	10.00	\$	3,000.00
Excavate and Repair Hole In Pipe at approx STA 23+54	1 LS	\$	4,000.00	\$	4,000.00
Excavate and Install 16" Casing Pipe w/spacers					
24+85 and Backfill with flowable fill	40 LF	\$	450.00	\$	18,000.00
Bypass pumping	1 LS	\$	4,500.00	\$	4,500.00
Flowable Fill Backfill	50 CY	\$	150.00	\$	7,500.00
Hydromulch	100 SY	\$	5.00	\$	500.00
Total				\$	39,500.00

Exclusions: Testing Lab, Fence Repair other than where we are working

Sincerely,



Teri Skelly
President
Circle C Construction



**BID TABULATION REPORT
SANITARY SEWER IMPROVEMENTS FOR
THE 300-400 BLOCK OF DICK PRICE ROAD
IN THE CITY OF KENNEDALE, TEXAS**



BID OPENING: Monday, May 15th 2017, 2:00pm				William J Schultz Inc dba Circle C Construction		Tejas Commercial Construction		BSK USA LLC		Excel 4 Construction LLC		IPR South Central LLC		Whitewater Construction		Engineers Estimate	
Bid Item Information																	
Bidlist Item No.	Description	Bid Quantity	Unit of Measure	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value
BASE BID I - OPEN CUT																	
1	8" Sewer Main (SDR-35) by Open Cut	1301	LF	\$ 52.00	\$ 67,652.00	\$ 65.00	\$ 84,565.00	\$ 60.00	\$ 78,060.00	\$ 82.00	\$ 106,682.00	\$ 93.00	\$ 120,993.00	\$ 125.00	\$ 162,625.00	\$ 58.00	\$ 75,458.00
2	Remove and Dispose of SSMH	3	EA	\$ 800.00	\$ 2,400.00	\$ 800.00	\$ 2,400.00	\$ 1,200.00	\$ 3,600.00	\$ 200.00	\$ 600.00	\$ 1,700.00	\$ 5,100.00	\$ 500.00	\$ 1,500.00	\$ 750.00	\$ 2,250.00
3	4" Standard SSMH	3	EA	\$ 4,500.00	\$ 13,500.00	\$ 4,000.00	\$ 12,000.00	\$ 3,500.00	\$ 10,500.00	\$ 4,000.00	\$ 12,000.00	\$ 7,200.00	\$ 21,600.00	\$ 5,000.00	\$ 15,000.00	\$ 4,700.00	\$ 14,100.00
4	Vacuum Testing	3	EA	\$ 200.00	\$ 600.00	\$ 250.00	\$ 750.00	\$ 200.00	\$ 600.00	\$ 200.00	\$ 600.00	\$ 575.00	\$ 1,725.00	\$ 250.00	\$ 750.00	\$ 210.00	\$ 630.00
5	Connect to Existing 4' SSMH	2	EA	\$ 1,500.00	\$ 3,000.00	\$ 2,500.00	\$ 5,000.00	\$ 500.00	\$ 1,000.00	\$ 300.00	\$ 600.00	\$ 4,500.00	\$ 9,000.00	\$ 4,000.00	\$ 8,000.00	\$ 2,400.00	\$ 4,800.00
6	Reconnect 4" Services w/ 2 Way Cleanout	6	EA	\$ 800.00	\$ 4,800.00	\$ 1,000.00	\$ 6,000.00	\$ 350.00	\$ 2,100.00	\$ 680.00	\$ 4,080.00	\$ 1,000.00	\$ 6,000.00	\$ 2,000.00	\$ 12,000.00	\$ 1,100.00	\$ 6,600.00
7	4" Sewer Service (SDR-35)	120	LF	\$ 30.00	\$ 3,600.00	\$ 30.00	\$ 3,600.00	\$ 40.00	\$ 4,800.00	\$ 40.00	\$ 4,800.00	\$ 55.00	\$ 6,600.00	\$ 100.00	\$ 12,000.00	\$ 40.00	\$ 4,800.00
8	Trench Safety	1301	LF	\$ 1.00	\$ 1,301.00	\$ 2.00	\$ 2,602.00	\$ 6.00	\$ 7,806.00	\$ 1.00	\$ 1,301.00	\$ 1.15	\$ 1,496.15	\$ 1.00	\$ 1,301.00	\$ 3.00	\$ 3,903.00
9	Post-CCTV Inspection	1301	LF	\$ 5.00	\$ 6,505.00	\$ 2.00	\$ 2,602.00	\$ 6.00	\$ 7,806.00	\$ 1.00	\$ 1,301.00	\$ 2.25	\$ 2,927.25	\$ 5.00	\$ 6,505.00	\$ 3.00	\$ 3,903.00
10	Asphalt Repair	605	SF	\$ 10.00	\$ 6,050.00	\$ 10.00	\$ 6,050.00	\$ 30.00	\$ 18,150.00	\$ 10.00	\$ 6,050.00	\$ 9.50	\$ 5,747.50	\$ 25.00	\$ 15,125.00	\$ 12.00	\$ 7,260.00
11	4" Concrete Sidewalk Repair	140	SF	\$ 15.00	\$ 2,100.00	\$ 8.00	\$ 1,120.00	\$ 43.00	\$ 6,020.00	\$ 6.00	\$ 840.00	\$ 9.50	\$ 1,330.00	\$ 15.00	\$ 2,100.00	\$ 13.00	\$ 1,820.00
12	Remove and Replace Fence (Welded Wire)	100	LF	\$ 30.00	\$ 3,000.00	\$ 25.00	\$ 2,500.00	\$ 10.00	\$ 1,000.00	\$ 40.00	\$ 4,000.00	\$ 23.00	\$ 2,300.00	\$ 25.00	\$ 2,500.00	\$ 23.00	\$ 2,300.00
13	Remove and Replace Fence (Wood)	20	LF	\$ 20.00	\$ 400.00	\$ 45.00	\$ 900.00	\$ 35.00	\$ 700.00	\$ 30.00	\$ 600.00	\$ 23.00	\$ 460.00	\$ 100.00	\$ 2,000.00	\$ 33.00	\$ 660.00
14	Remove and Replace Fence (Pipe)	175	LF	\$ 30.00	\$ 5,250.00	\$ 40.00	\$ 7,000.00	\$ 40.00	\$ 7,000.00	\$ 56.00	\$ 9,800.00	\$ 34.20	\$ 5,985.00	\$ 100.00	\$ 17,500.00	\$ 20.00	\$ 3,500.00
15	SWPPP (Erosion Control)	1	LS	\$ 2,000.00	\$ 2,000.00	\$ 7,000.00	\$ 7,000.00	\$ 1,000.00	\$ 1,000.00	\$ 8,000.00	\$ 8,000.00	\$ 2,850.00	\$ 2,850.00	\$ 5,000.00	\$ 5,000.00	\$ 2,000.00	\$ 2,000.00
Total - Base Bid I				\$ 122,158.00		\$ 144,089.00		\$ 150,142.00		\$ 161,254.00		\$ 194,113.90		\$ 263,906.00		\$ 133,984.00	
				Apparent Low Bidder													
BID OPENING: Monday, May 15th 2017, 2:00pm				BSK USA LLC		William J Schultz Inc dba Circle C Construction		Excel 4 Construction LLC		IPR South Central LLC		Tejas Commercial Construction		Whitewater Construction		Engineers Estimate	
Bid Item Information																	
Bidlist Item No.	Description	Bid Quantity	Unit of Measure	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value	Unit Price	Bid Value
BASE BID II - PIPE BURST																	
1	8" Sewer Main (SDR-35) by Pipe Burst	1301	LF	\$ 39.00	\$ 50,739.00	\$ 46.00	\$ 59,846.00	\$ 54.00	\$ 70,254.00	\$ 57.00	\$ 74,157.00	\$ 80.00	\$ 104,080.00	-	\$ -	\$ 72.00	\$ 93,672.00
2	Remove and Dispose of SSMH	3	EA	\$ 1,200.00	\$ 3,600.00	\$ 800.00	\$ 2,400.00	\$ 250.00	\$ 750.00	\$ 2,600.00	\$ 7,800.00	\$ 800.00	\$ 2,400.00	-	\$ -	\$ 750.00	\$ 2,250.00
3	4" Standard SSMH	3	EA	\$ 5,289.00	\$ 15,867.00	\$ 4,500.00	\$ 13,500.00	\$ 5,500.00	\$ 16,500.00	\$ 3,100.00	\$ 9,300.00	\$ 4,000.00	\$ 12,000.00	-	\$ -	\$ 4,700.00	\$ 14,100.00
4	Vacuum Testing	3	EA	\$ 200.00	\$ 600.00	\$ 200.00	\$ 600.00	\$ 200.00	\$ 600.00	\$ 625.00	\$ 1,875.00	\$ 250.00	\$ 750.00	-	\$ -	\$ 210.00	\$ 630.00
5	Connect to Existing 4' SSMH	2	EA	\$ 500.00	\$ 1,000.00	\$ 2,500.00	\$ 5,000.00	\$ 350.00	\$ 700.00	\$ 500.00	\$ 1,000.00	\$ 2,500.00	\$ 5,000.00	-	\$ -	\$ 2,400.00	\$ 4,800.00
6	Reconnect 4" Services w/ 2 Way Cleanout	6	EA	\$ 425.00	\$ 2,550.00	\$ 800.00	\$ 4,800.00	\$ 700.00	\$ 4,200.00	\$ 900.00	\$ 5,400.00	\$ 1,400.00	\$ 8,400.00	-	\$ -	\$ 1,100.00	\$ 6,600.00
7	4" Sewer Service (SDR-35)	120	LF	\$ 40.00	\$ 4,800.00	\$ 30.00	\$ 3,600.00	\$ 40.00	\$ 4,800.00	\$ 47.00	\$ 5,640.00	\$ 30.00	\$ 3,600.00	-	\$ -	\$ 40.00	\$ 4,800.00
8	Trench Safety	1301	LF	\$ 6.00	\$ 7,806.00	\$ 1.00	\$ 1,301.00	\$ 1.00	\$ 1,301.00	\$ 0.01	\$ 13.01	\$ 2.00	\$ 2,602.00	-	\$ -	\$ 3.00	\$ 3,903.00
9	Post-CCTV Inspection	1301	LF	\$ 5.00	\$ 6,505.00	\$ 5.00	\$ 6,505.00	\$ 1.00	\$ 1,301.00	\$ 2.25	\$ 2,927.25	\$ 3.00	\$ 3,903.00	-	\$ -	\$ 3.00	\$ 3,903.00
10	Asphalt Repair	50	SF	\$ 25.00	\$ 1,250.00	\$ 10.00	\$ 500.00	\$ 11.00	\$ 550.00	\$ 7.00	\$ 350.00	\$ 10.00	\$ 500.00	-	\$ -	\$ 12.00	\$ 600.00
11	Remove and Replace Fence (Welded Wire)	100	LF	\$ 5.00	\$ 500.00	\$ 30.00	\$ 3,000.00	\$ 45.00	\$ 4,500.00	\$ 36.00	\$ 3,600.00	\$ 25.00	\$ 2,500.00	-	\$ -	\$ 23.00	\$ 2,300.00
12	Remove and Replace Fence (Wood)	20	LF	\$ 22.00	\$ 440.00	\$ 20.00	\$ 400.00	\$ 33.00	\$ 660.00	\$ 25.00	\$ 500.00	\$ 45.00	\$ 900.00	-	\$ -	\$ 33.00	\$ 660.00
Total - Base Bid II				\$ 95,657.00		\$ 101,452.00		\$ 106,116.00		\$ 112,562.26		\$ 146,635.00		No Bid		\$ 138,218.00	
				Apparent Low Bidder													

Date: February 19, 2019

Agenda Item No: DECISION ITEMS - C.

I. Subject:

Discuss and consider Resolution 543, a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by OM Housing, LLC to partially finance the mixed-use development of The Village at Hammack Creek, located at the northeast corner of East Kennedale Parkway and Kennedale Sublett Road

II. Originated by:

Melissa Dailey, Director of Planning and Economic Development

III. Summary:

The City Council postponed consideration of this item during their Monday, February 11, 2019 meeting. Speaker forms from that meeting have been retained for tonight's meeting. In addition to the Resolution of Support, staff has included for Council's reference a handout provided by OM Housing during the February 11 meeting, letters of support for the project from local business owners, and a brief staff presentation.

OM Housing is proposing a \$50 million redevelopment of approximately 16 acres at the northeast corner of Kennedale Parkway and Kennedale Sublett Road (133 E Kennedale Parkway). As a catalyst project in the center of the community, this development inherently carries more risk than subsequent ventures might. As such, cities commonly offer incentives in an effort to spur investments like this one. OM Housing is, instead, proposing to utilize Federal incentives to mitigate these risks in the form of Housing Tax Credits that would provide 9% of the financing.

If awarded, these credits would be provided directly to the developer and would require a maximum rental fee for the 112 multi-family homes included in the proposed development, which would also include 16 market-rate townhomes, 31,000 square feet of retail, and 7,500 square feet of office space.

This development would offer high-quality workforce housing in a vibrant neighborhood setting that aligns with the wages of many of those employed locally. For example, a one-bedroom apartment would have a maximum rent of \$846.00 for someone earning up to 60% of AMFI (Area Median Family Income).

OM Housing plans to utilize Urban Village zoning, which has stringent requirements aimed at ensuring that the project is tailored to meet the unique needs and desires of the community by providing public realm amenities that make it a destination, but also promote walkability. A mixed-use development of this scope is likely to encourage additional investments in this historically underutilized area, providing the synergy necessary to attract shoppers and retail tenants to TownCenter.

It would also serve as significant progress on several key goals of the Comprehensive Plan:

- To create vibrant centers by promoting social integration and economic activity through the development of different-scale centers throughout the community,
- To promote access to housing options for people of varying financial means and residential preferences, and
- To promote access to jobs by creating employment opportunities within Kennedale that help to stabilize the local tax base and allow residents to work close to home.

IV. Fiscal Impact Summary:**V. Legal Impact:****VI. Recommendation:**

Approve

VII. Alternative Actions:

Staff recommends approval of OM Housing, LLC's request for support of their application for Housing Tax Credits.

VIII. Attachments:

1.	2019.02.11_OM Housing Handout	2019.02.11_OM Housing Handout.pdf
2.	2019_02.07_Memo_SupportLetters	2019_02.07Memo_SupportLetters.pdf
3.	Village at Hammack Creek Slides from Previous Meeting	2019_02.11_Village at Hammack Creek.pdf
4.	R543_Resolution of Support for Village at Hammack Creek	R543 Support of OM Housing Tax Credit Application for Village at Hammack Creek (TDHCA).pdf

VILLAGE AT HAMMACK CREEK

Proposed Mixed Use Facility

- \$1.24 million direct annual positive impact for Kennedale (estimates per City Staff)
 - 36.5 million over 20 years
 - \$363,000 city property tax revenue per year - \$10.7million over 20 years
 - \$726,000 KISD property tax revenue per year - \$21.4million over 20 years
 - \$150,000 estimated sales tax annual revenue - \$4.4million over 20 years
- Economic incentive tool from State (see Exhibit 1) allows for approximately \$40 Million investment in City that will significantly contribute and enhance local economic activity and generate significant revenues to City in terms for fees and taxes.
- Financing for Multifamily Homes, which is about a third of site, will serve as a catalyst to trigger development for the remaining two thirds of the site, not including larger economic impact.
- Creates over 150 local construction jobs and over 50 permanent jobs that will continue to feed the economy. Immediate boost to existing retailers such as Burger Box and Dickey's. Chamber of Commerce and over 15 businesses have supported this development.
- Challenging site requiring significant private investment by the Developer including enhancements to existing streets and infrastructure. Places instant taxable value on several currently vacant, difficult to develop, underutilized parcels of land.
- Development has been designed in close coordination with City for last four years to best suit City needs. Conforms to the Survey Results: Comprehensive Plan Neighborhood / Public Meetings.
- Development has staff approval from all departments (including Fire and Police), obtained Will Serve Capacity letters for all utilities, and has obtained favorable responses on Traffic patterns from City Engineer and will seek approval from TxDot.
- Village at Hammack Creek will support the vision and objectives for 'Urban Village' as outlined in the City's Comprehensive Plan:
 - Diversity in housing choices.
 - Appeal to a variety of age groups including individuals, families, empty nesters and seniors with various income levels.
- Addresses City's intended "Mix of uses in a compact, walkable urban form, transitioning down in intensity toward adjacent residential". (see Exhibit – 2 proposed Site Plan and Elevations)
 - Fills retail void with 4.75 acres of retail/commercial (30%)
 - Provides a variety of asset types with 3.12 acres of row / zero-lot houses (15%)
 - Provides diversity in housing choices with 6.28 acres of multifamily (38%)
 - Increases green space with 2.942 acres of open space (17%)
- Extending infrastructure allows shovel ready retail sites at discounted land costs along with over 130 new households that will attract prominent retail stores to provide the much-needed synergy to stimulate economic activity.
- Catalyst for upgrades, improvements, and beautification of Kennedale's main artery. Project will improve traffic patterns along Kennedale Parkway by consolidating curb cuts and streamlining traffic flow. Developer to contribute any associated impact fees.

- "Signature" high quality, eco-friendly, affordable housing development with high visual appeal to mimic Main Street Lofts in Mansfield.
- Eco-friendly, LEED / National Green Built Standards certified project could provide an abundance of marketing opportunities for City as a leader in sustainable development.
- Project will be a high-quality development. Flight to quality will encourage older properties to upgrade or rebuild. This process will eventually enhance curb appeal in sub-market.
- Highly Regulated Project: Regular inspections made by lender and investor. City further oversees quality of development through its PD and Building Permit process.
- Expertly Managed:
 - Owner actively involved in Management
 - Annual operations set aside adequate budget for long-term maintenance and up keep
 - Stringent Resident Qualification Criteria allows only 1 in 7 applicants to qualify
 - Several crime prevention measures will be implemented. Developer's project featured in local news for pioneering such crime prevention measures.
- Target population includes: **35% of full time City staff qualify to rent. 42.5% of area households and 52.5% (or 1,456) Kennedale renter households qualify to live in the facility** (see Exhibit 3 - Market Study). Project will be actively marketed to seniors and veterans.
- Affordable Housing (see Exhibit 4 - Myths):
 - Is not public housing,
 - Does not increase crime,
 - Does not lower home prices,
 - Are of very high quality,
 - Are very well maintained,
 - Does not hurt quality of schools, and
 - Are not burden to tax payers and municipalities.
- Strong Owner/Developer headquartered in Texas with a proven track record of providing high quality sustainable developments that fits the unique needs of a community.
 - Local, award winning team, with plans for a Long-Term Hold - no 'absentee ownership'.
 - Financing terms require Developer to be a long-term owner and not a 'Merchant Builder'.
- This approval is only the first step that allows Developer to seek financing. Another Public Hearing regarding the development's conformance with City ordinances and codes is required for zoning.
- **REQUEST** - Resolution of Support from City Council:
 - contingent upon Project conforming with all City zoning and site development regulations / standards, prior to issuance of any building permits.
 - contingent upon Project being consistent with the Kennedale Comprehensive Plan.
 - Developer has provided City with Hold Harmless letter, indemnifying City in case Project does not obtain appropriate Zoning for its intended use.

TABULATIONS

LOT A - LIVE/WORK:

LEASABLE AREA: 11,000 SQ. FT.
7,000 SQ. FT. RETAIL
4,000 SQ. FT. CAFE
OR 4,000 SQ. FT. LIVE/WORK

UNIT TABULATION: 4 UNITS
EFFICIENCY UNITS: 4

PARKING - DESIGN GOAL:
80 PARKING SPACES DESIRED
1 SPACE / 100 SQ. FT. CAFE &
1.2 SPACE / 100 SQ. FT. RETAIL &
1.2 SPACE / BED

PARKING - PROVIDED:
80 PARKING SPACES PROVIDED
5 PARALLEL SPACES
75 SURFACE PARKING SPACES

LOT B - LIVE/WORK:

LEASABLE AREA: 20,000 SQ. FT.
16,000 SQ. FT. RETAIL
4,000 SQ. FT. CAFE
OR 4,000 SQ. FT. LIVE/WORK

UNIT TABULATION: 8 UNITS
EFFICIENCY UNITS: 8

PARKING - DESIGN GOAL:
130 PARKING SPACES DESIRED
1 SPACE / 100 SQ. FT. CAFE &
1 SPACE / 200 SQ. FT. RETAIL &
1.2 SPACE / BED

PARKING - PROVIDED:
132 PARKING SPACES PROVIDED
9 PARALLEL SPACES
123 SURFACE PARKING SPACES

LOT C - OFFICE:

LEASABLE AREA: 7,500 SQ. FT.
7,500 SQ. FT. OFFICE

PARKING - DESIGN GOAL:
28 PARKING SPACES DESIRED
1 SPACE / 300 SQ. FT. OFFICE

PARKING - PROVIDED:
31 PARKING SPACES PROVIDED
6 PARALLEL SPACES
25 ANGLED ON-STREET SPACES
20 SURFACE PARKING SPACES

LOT D - MULTI-FAMILY:

UNIT TABULATION: 20 UNITS
1 BEDROOM: 6 UNITS (30.00%)
2 BEDROOM: 7 UNITS (35.00%)
3 BEDROOM: 7 UNITS (35.00%)

PARKING - DESIGN GOAL:
45 PARKING SPACES DESIRED
1.75 SPACE / UNIT & 10 FOR LEASING

PARKING TABULATION:
45 PARKING SPACES PROVIDED
22 ANGLED ON-STREET SPACES
23 SURFACE PARKING SPACES
@ 2.25 PARKING/UNIT
@ 1.10 PARKING/BED

LOT E - MULTI-FAMILY:

UNIT TABULATION: 20 UNITS
1 BEDROOM: 6 UNITS (30.00%)
2 BEDROOM: 7 UNITS (35.00%)
3 BEDROOM: 7 UNITS (35.00%)

PARKING - DESIGN GOAL:
45 PARKING SPACES DESIRED
1.75 SPACE / UNIT & 10 FOR LEASING

PARKING TABULATION:
45 PARKING SPACES PROVIDED
22 ANGLED ON-STREET SPACES
23 SURFACE PARKING SPACES
@ 2.25 PARKING/UNIT
@ 1.10 PARKING/BED

LOT F - MULTI-FAMILY:

UNIT TABULATION: 30 UNITS
1 BEDROOM: 8 UNITS (26.67%)
2 BEDROOM: 12 UNITS (40.00%)
3 BEDROOM: 10 UNITS (33.33%)

PARKING - DESIGN GOAL:
53 PARKING SPACES DESIRED
1.75 SPACE / UNIT

PARKING TABULATION:
53 PARKING SPACES PROVIDED
18 PARALLEL SPACES
35 SURFACE PARKING SPACES
@ 1.76 PARKING/UNIT
@ 0.80 PARKING/BED

LOT G - SINGLE FAMILY:

UNIT TABULATION: 16 UNITS
SINGLE FAMILY: 16 UNITS

PARKING - DESIGN GOAL:
40 PARKING SPACES DESIRED
2.5 SPACE / UNIT

PARKING TABULATION:
44 PARKING SPACES PROVIDED
32 ASSIGNING PARKING SPACES
12 SURFACE PARKING SPACES
@ 2.75 PARKING/UNIT

LOT H - FUTURE DEVELOPMENT SINGLE FAMILY / TOWNHOMES

+/- 10 ACRES

TABULATIONS

LOT E - MULTI-FAMILY:

UNIT TABULATION: 20 UNITS
1 BEDROOM: 12 UNITS (60.00%)
2 BEDROOM: 8 UNITS (40.00%)

PARKING - DESIGN GOAL:
105 PARKING SPACES DESIRED
1.75 SPACE / UNIT

PARKING TABULATION:
109 PARKING SPACES PROVIDED
90 SURFACE PARKING SPACES
19 ANGLED ON-STREET SPACES
@ 1.82 PARKING/UNIT
@ 0.83 PARKING/BED

LOT F - MULTI-FAMILY:

UNIT TABULATION: 30 UNITS
1 BEDROOM: 8 UNITS (26.67%)
2 BEDROOM: 12 UNITS (40.00%)
3 BEDROOM: 10 UNITS (33.33%)

PARKING - DESIGN GOAL:
53 PARKING SPACES DESIRED
1.75 SPACE / UNIT

PARKING TABULATION:
53 PARKING SPACES PROVIDED
18 PARALLEL SPACES
35 SURFACE PARKING SPACES
@ 1.76 PARKING/UNIT
@ 0.80 PARKING/BED

LOT G - SINGLE FAMILY:

UNIT TABULATION: 16 UNITS
SINGLE FAMILY: 16 UNITS

PARKING - DESIGN GOAL:
40 PARKING SPACES DESIRED
2.5 SPACE / UNIT

PARKING TABULATION:
44 PARKING SPACES PROVIDED
32 ASSIGNING PARKING SPACES
12 SURFACE PARKING SPACES
@ 2.75 PARKING/UNIT

LOT D - MULTI-FAMILY:

UNIT TABULATION: 20 UNITS
1 BEDROOM: 6 UNITS (30.00%)
2 BEDROOM: 7 UNITS (35.00%)
3 BEDROOM: 7 UNITS (35.00%)

PARKING - DESIGN GOAL:
45 PARKING SPACES DESIRED
1.75 SPACE / UNIT & 10 FOR LEASING

PARKING TABULATION:
45 PARKING SPACES PROVIDED
22 ANGLED ON-STREET SPACES
23 SURFACE PARKING SPACES
@ 2.25 PARKING/UNIT
@ 1.10 PARKING/BED

LOT C - OFFICE:

LEASABLE AREA: 7,500 SQ. FT.
7,500 SQ. FT. OFFICE

PARKING - DESIGN GOAL:
28 PARKING SPACES DESIRED
1 SPACE / 300 SQ. FT. OFFICE

PARKING - PROVIDED:
31 PARKING SPACES PROVIDED
6 PARALLEL SPACES
25 ANGLED ON-STREET SPACES
20 SURFACE PARKING SPACES

LOT A - RETAIL & LOFTS:

UNIT TABULATION: 24 UNITS (21.82%)
1 BEDROOM: 24 UNITS (100.00%)
3 BEDROOM: 43 UNITS (179.17%)
GRAND TOTAL: 110 UNITS (57.00%)

PARKING - DESIGN GOAL:
203 PARKING SPACES DESIRED
1.75 SPACE / UNIT & 10 FOR LEASING

PARKING TABULATION:
207 PARKING SPACES PROVIDED
22 ANGLED ON-STREET SPACES
148 SURFACE PARKING SPACES
@ 1.88 PARKING/UNIT
@ 0.87 PARKING/BED

LOT B - RETAIL & LOFTS:

UNIT TABULATION: 24 UNITS (21.82%)
1 BEDROOM: 24 UNITS (100.00%)
3 BEDROOM: 43 UNITS (179.17%)
GRAND TOTAL: 110 UNITS (57.00%)

PARKING - DESIGN GOAL:
203 PARKING SPACES DESIRED
1.75 SPACE / UNIT & 10 FOR LEASING

PARKING TABULATION:
207 PARKING SPACES PROVIDED
22 ANGLED ON-STREET SPACES
148 SURFACE PARKING SPACES
@ 1.88 PARKING/UNIT
@ 0.87 PARKING/BED

LOT D - MULTI-FAMILY:

UNIT TABULATION: 20 UNITS
1 BEDROOM: 6 UNITS (30.00%)
2 BEDROOM: 7 UNITS (35.00%)
3 BEDROOM: 7 UNITS (35.00%)

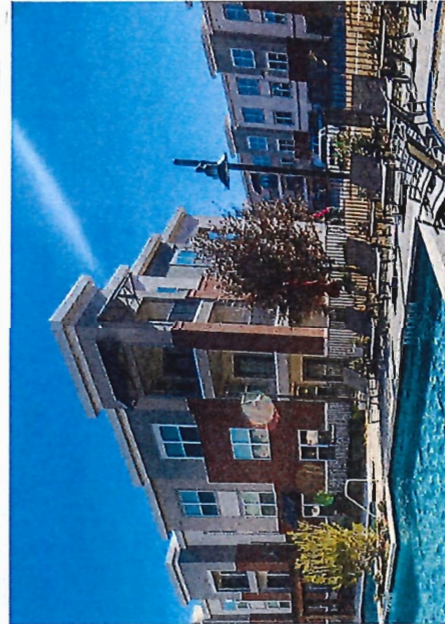
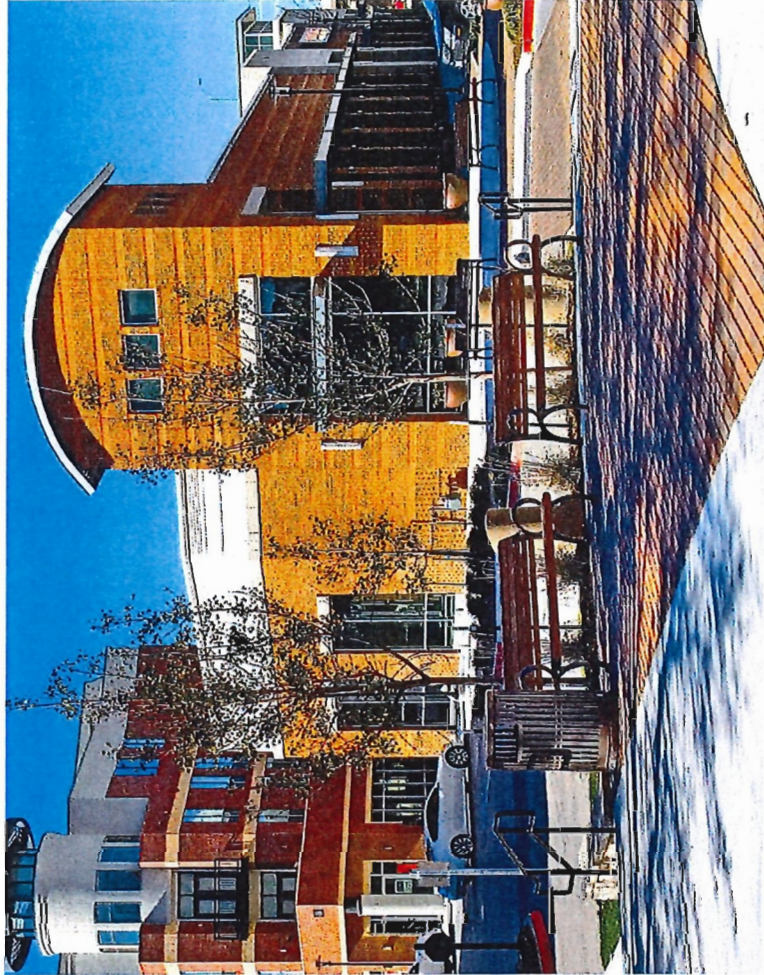


HAMMACK CREEK LOFTS: SCHEMATIC MASTER PLAN

KENNEDALE, TEXAS

BGO ARCHITECTS

4/19/18
01/25/2018
ON HOUSING



URBAN VILLAGE STYLE CHARACTER IMAGES

OM HOUSING



OPTION D

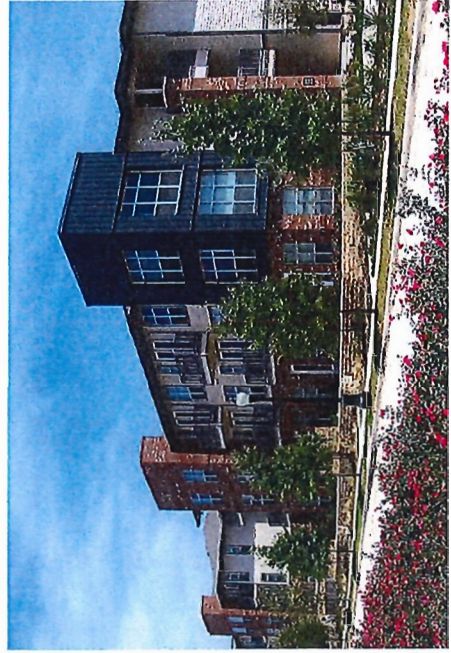
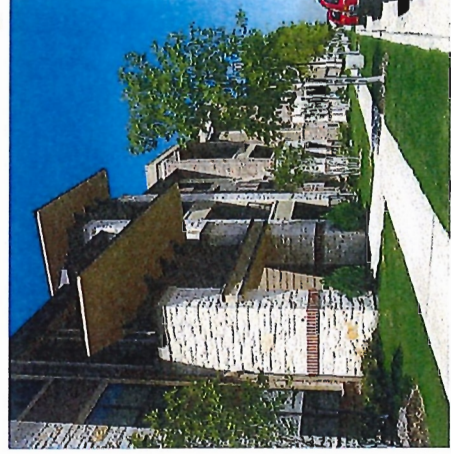
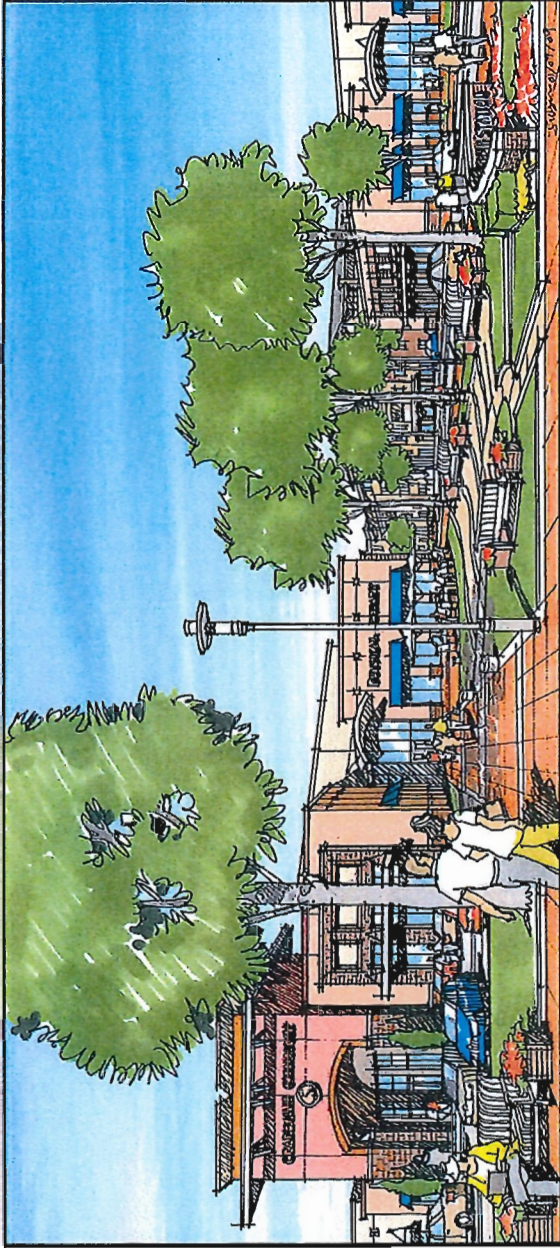
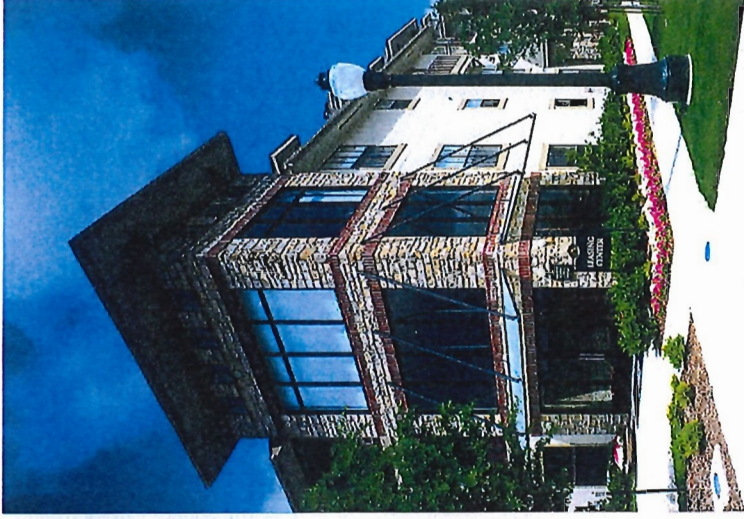
VILLAGE AT HAMMACK CREEK: ELEVATION CONCEPT IMAGES

KENNEDALE, TEXAS

15226
09.04.2016
OM HOUSING

Copyright © 2016 BGO Architects, Inc. All Rights Reserved

BGO ARCHITECTS



MULTI FAMILY CHARACTER IMAGES

OM HOUSING

BGO ARCHITECTS

© 2014 BGO ARCHITECTS. ALL RIGHTS RESERVED.



OPTION C

VILLAGE AT HAMMACK CREEK: ELEVATION CONCEPT IMAGES
KENNEDALE, TEXAS

BGO ARCHITECTS

WHAT ARE HOUSING CREDITS (HCs)?

- A federal program enacted by Congress in 1986 under President Ronald Reagan. The Housing Credit program is an avenue for private financing governed by the IRS code and administered through the state. In Texas, the Texas Department of Housing and Community Affairs (TDHCA) is in charge of administering the program. The state legislature annually establishes the Qualified Allocation Plan (QAP), which outlines the specific rules, policies and procedures that the TDHCA and participants are required to follow. An essential part of the QAP anticipates active dialogue between the public and private sectors for the betterment of the local community.
- In essence, this program is designed to form a win-win public/private framework to facilitate the public sector to utilize this program to provide high quality affordable housing to its citizens and spur economic development, while making it financially feasible for the private sector to develop aesthetically pleasing mixed use, mixed income, high quality and eco-friendly developments on sites that would not otherwise support this type of development.
- Housing Credits are not a direct rental subsidy in the form of any direct funding from the Federal Government. It is a form of financing that allows owners to charge lower rents for high quality housing.
- The Housing Credit program is **NOT** 'Public Housing' or 'Section 8 Housing'. It is developed, owned and operated by private sector companies who have long term ownership and compliance obligations to the property.
- Housing credits are awarded to applicants through a competitive application process which occurs once a year. Awards are based solely on a scoring system that is set forth by the annual QAP. Only 1 in 5 applications are successful at obtaining Housing credits.
- Every year, applications are due to the TDHCA by March 1st, and the Housing credits are assigned by July 31st.
- The Housing credits awarded to developers are sold to large corporations for approximately 90 cents on the dollar. Corporations buy Housing credits to offset their federal tax liability.
- The financial proceeds from the sale of Housing credits to corporations are used as equity and used to partially finance the development.
- This equity, which would otherwise be unavailable in the private marketplace, reduce the debt a developer is required to obtain for the property. This lower debt level is what allows developers to charge lower rents, that are affordable to residents, for a product that is comparable to conventional, market rate, high quality housing.
- A public private partnership, the extra proceeds of which allows for a mixed use, mixed income, Quality, Eco-Friendly, Affordable Housing. Due to the competitive nature and long term ownership requirements of the program, Housing credit developments often exceed City architectural, landscape and building standards.

- Additionally, because it is a highly regulated program with annual inspections to oversee residency and quality of development, these developments are built for longevity and are better maintained.
- There are no aesthetic differences between Housing credit and conventional multi-family residential communities.
- Properties pay all City fees and full property taxes.
- In conclusion, this program is available for both the private and public sector, but provides the highest net benefit to the community when the public and private sector align their interests to utilize this program to facilitate high quality development on sites that may not otherwise be attractive for development. This often has a positive ripple effect on the surrounding community.

2/11/2019

CREEK

Proposed Mixed Use Center: Kennedale, TX



PROJECT MERITS



OM HOUSING

PHONE: (214) 432-7610

FAX: (214) 594-9753

WWW.OMHOUSING.COM

MYTHS

"Affordable housing" doesn't mean the projects. It actually just refers to the fact that a household is spending less than 30 percent of post-tax income on housing. Some common myths of affordable housing:

Myth 1: **Affordable Housing is Public / Government Housing**

Reality: These projects do not subsidize rents; they allow for lower rents due to its financing.

Myth 2: **Affordable housing drives down property values. (see graph)**

Reality: Often repeated research shows conclusively that affordable housing has no negative impact on home prices, or on the speed or frequency of sale of neighboring homes. In fact, recent studies of affordable housing units show exactly the opposite – the presence of affordable housing in a neighborhood actually had a positive impact on property values, even when they are located in affluent areas.

Myth 3: **Affordable housing brings increased crime. (see graph)**

Reality: There are no studies that show affordable housing brings crime to neighborhoods. In fact, families who own their own homes add stability to a neighborhood and lower the crime rate. Homeownership increases neighborhood cohesion and encourages cooperation in ridding communities of criminal activity. Families who live in affordable housing seek the same thing every family does – a safe place to raise children and the opportunity to enhance the value of what they own.

Myth 4: **Affordable housing looks "cheap and undesirable."**

Reality: Builders of affordable housing must comply with all the same restrictions on design and construction standards as market-rate projects. Ask a builder and they'll tell you it makes sense to use the same quality materials and techniques for every housing unit in a development. Often, because affordable housing projects frequently rely on some public money, they have to comply with additional restrictions and higher standards than market rate housing. The reality is that affordable housing is affordable because public and private funds go into making it less costly to live in, and not because it's lower quality construction.

- Myth 5:** **Schools get overcrowded (see graph)**
Reality: *Studies have shown that 59% of students move from one zip code away and an additional 30% move from same MSA.*
- Myth 6:** **Affordable housing hurts the quality of local schools and lowers standardized test scores.**
Reality: *The opposite is actually true. Without affordable housing many families become trapped in a cycle of rising rents and have to move frequently to find living space they can afford. That means their children are not able to stay in the same school for long, resulting in lower test scores on standardized tests. When a child has a stable home, and can remain in a single school systems, their test scores rise. It also means children are able to build the long-term relationships with peers, teachers, and mentors, that are key to increasing performance in elementary and secondary schools. It also increases the likelihood that children will be able to attend college. When housing disruptions are minimized, everybody wins.*
- Myth 7:** **Affordable housing is a burden on taxpayers and municipalities.**
Reality: *The reality is that affordable housing enhances local tax revenues. By improving blighted housing stock, or replacing substandard housing stock, affordable housing becomes a net plus on the tax roles. Instead of low or no payment of taxes by distressed properties, affordable housing owners actively contribute to the local economy in the taxes they pay, the money they spend in local businesses, and in how they increase property values, and revenue, in a neighborhood.*
- Myth 8:** **Affordable housing is just another government hand-out.**
Reality: *It isn't the working class who benefit the most from federal housing subsidies, it's the wealthy homeowner. Homeowners receive tax deductions for mortgage interests and a similar write-off for property taxes paid. When you factor in improvements in property values, increases in taxes paid by stable employment, enhanced revenues from a better educated populace, affordable housing provides a net gain to governments at every level.*
- Myth 9:** **Affordable housing only benefits the very poor, everyone else pays.**
Reality: *Some of the people impacted by a lack of affordable housing include employers, seniors, blue collared, entry-level workers,*

firefighters, police officers, military personnel, and teachers who want to stay in their City,. The lack of affordable housing means taxes revenues are not in place to improve roads, schools, or air quality. It means businesses struggle to retain qualified workers, and lowers the amount of money available to spend in those businesses. Affordable housing isn't about doing something to help the moderate income, it's about improving business and raising the standards of working- and middle-class families, and nation at large.

Myth 10:

Maintenance at these projects are poor

Reality:

The opposite is true. Affordable housing projects have multiple layers of periodic inspections from various financing sources. Due to these inspections and use of third-party professional management companies, such projects set aside adequate budget for long term maintenance in the form of replacement costs.

EXPERT OPINIONS

"People underestimate the economic impact that flows from apartment buildings," says Stephen S. Fuller, an academic researcher at George Mason University's Center for Regional Analysis

"Renters spend more of their income locally than homeowners." Fuller points out. "These renter households generate a lot of jobs that ordinarily wouldn't be associated with the apartment industry."

Apartment residents spent a significant portion of those available dollars on housing, food, and transportation—their three largest expenditures—followed by utilities, fuels, and public services; apparel and services; and entertainment. Roughly 70 percent of the dollars residents spent on those items stayed within the local economy.

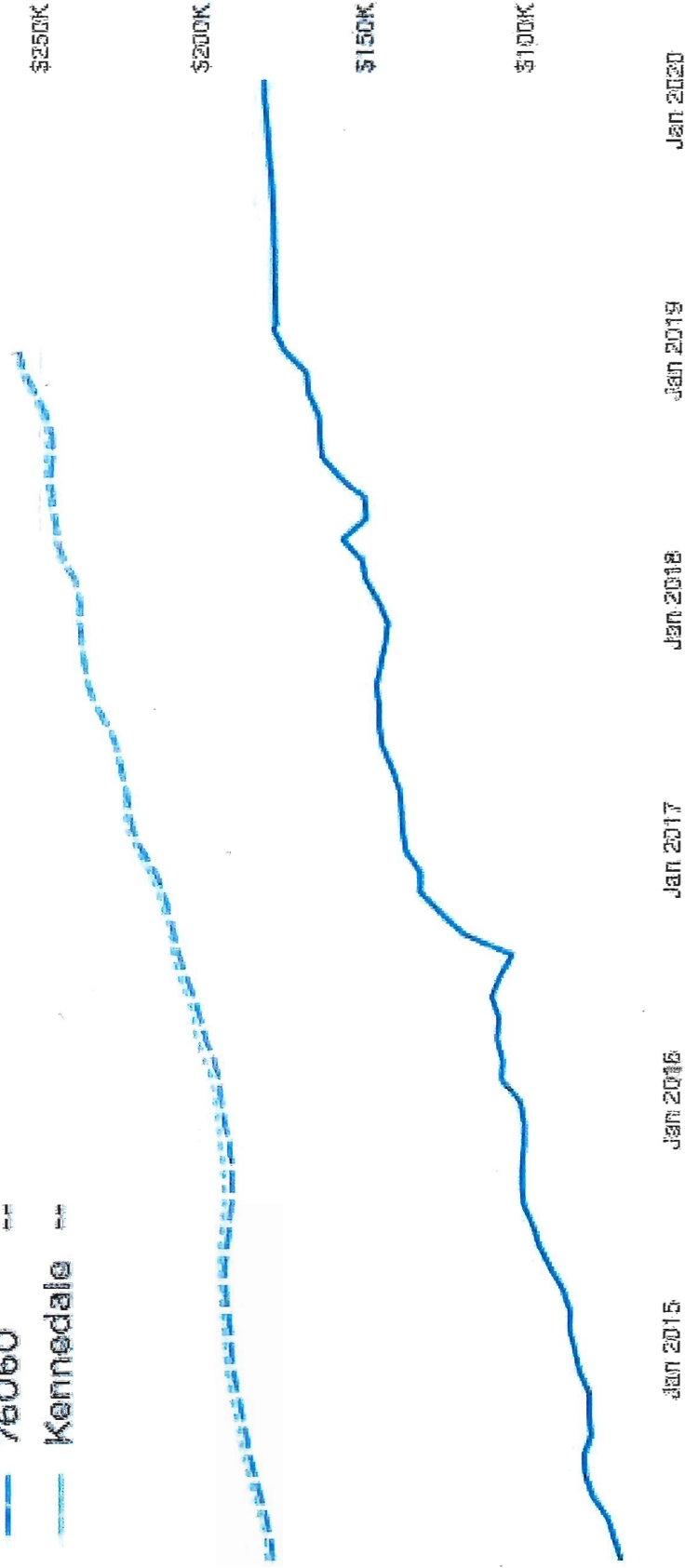
"This research supports the idea that multifamily is critically important to the economy," Fuller says. "People who consider multifamily to be second class ... to be undesirable in their communities ... they have no sense that it's a major economic force."

Local Home Values

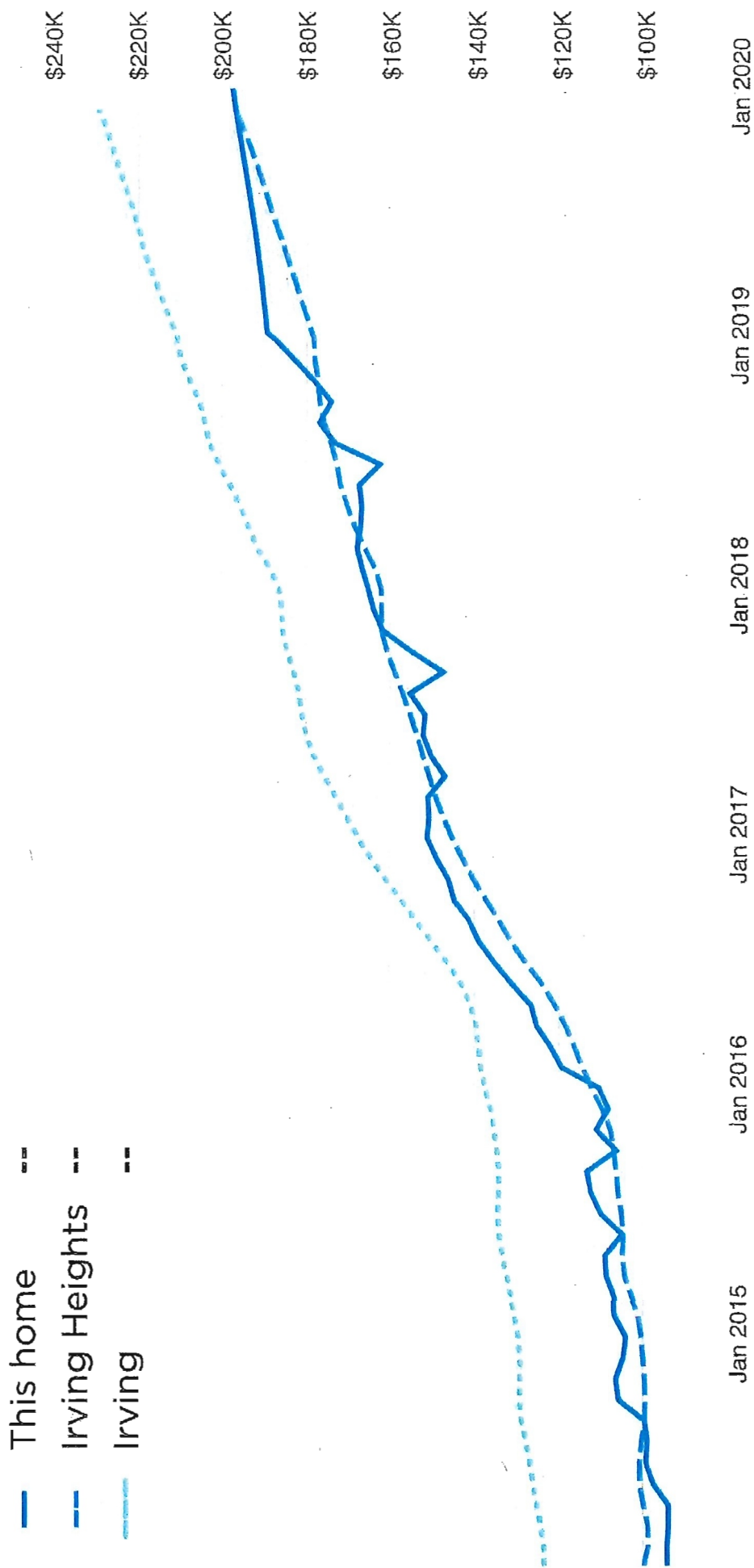
1 year 5 years 10 years

Forecast

- This home
- 76060
- Kennedale

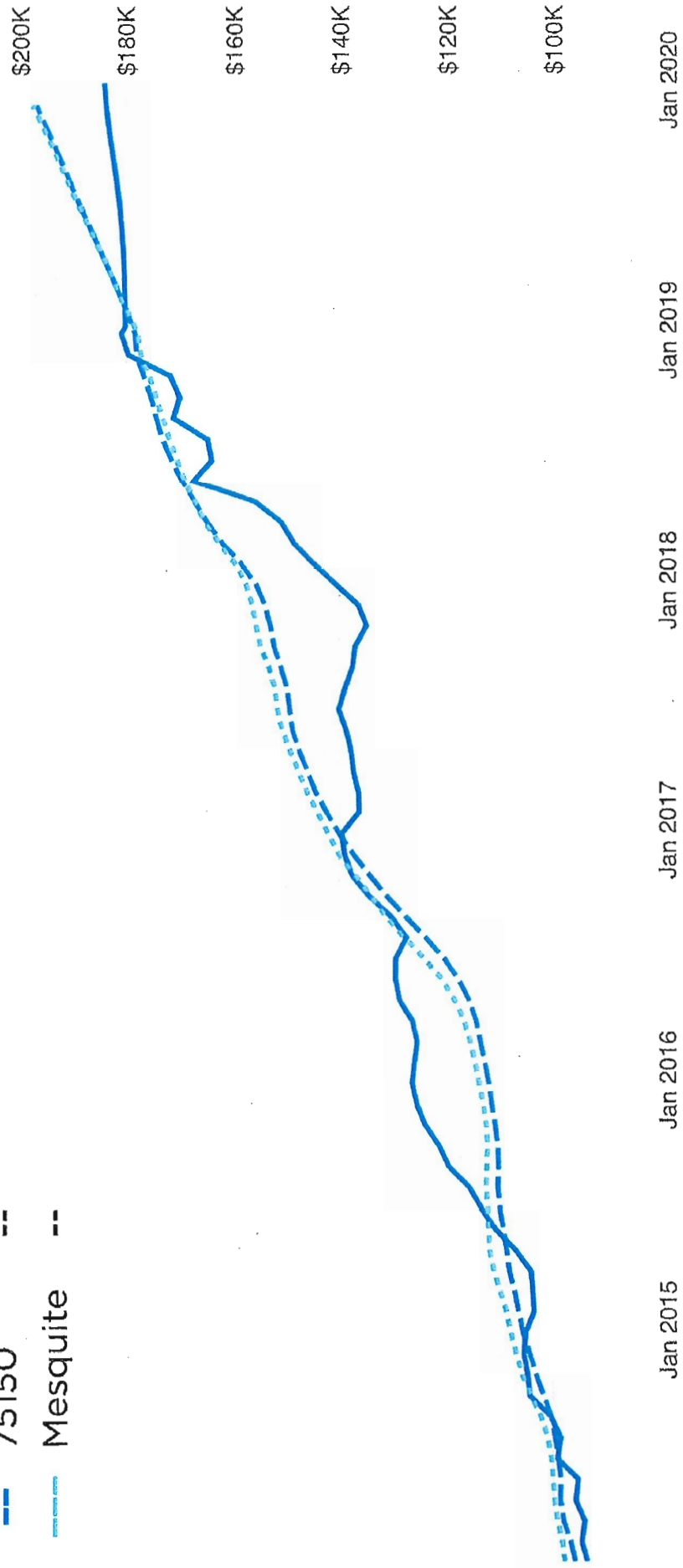


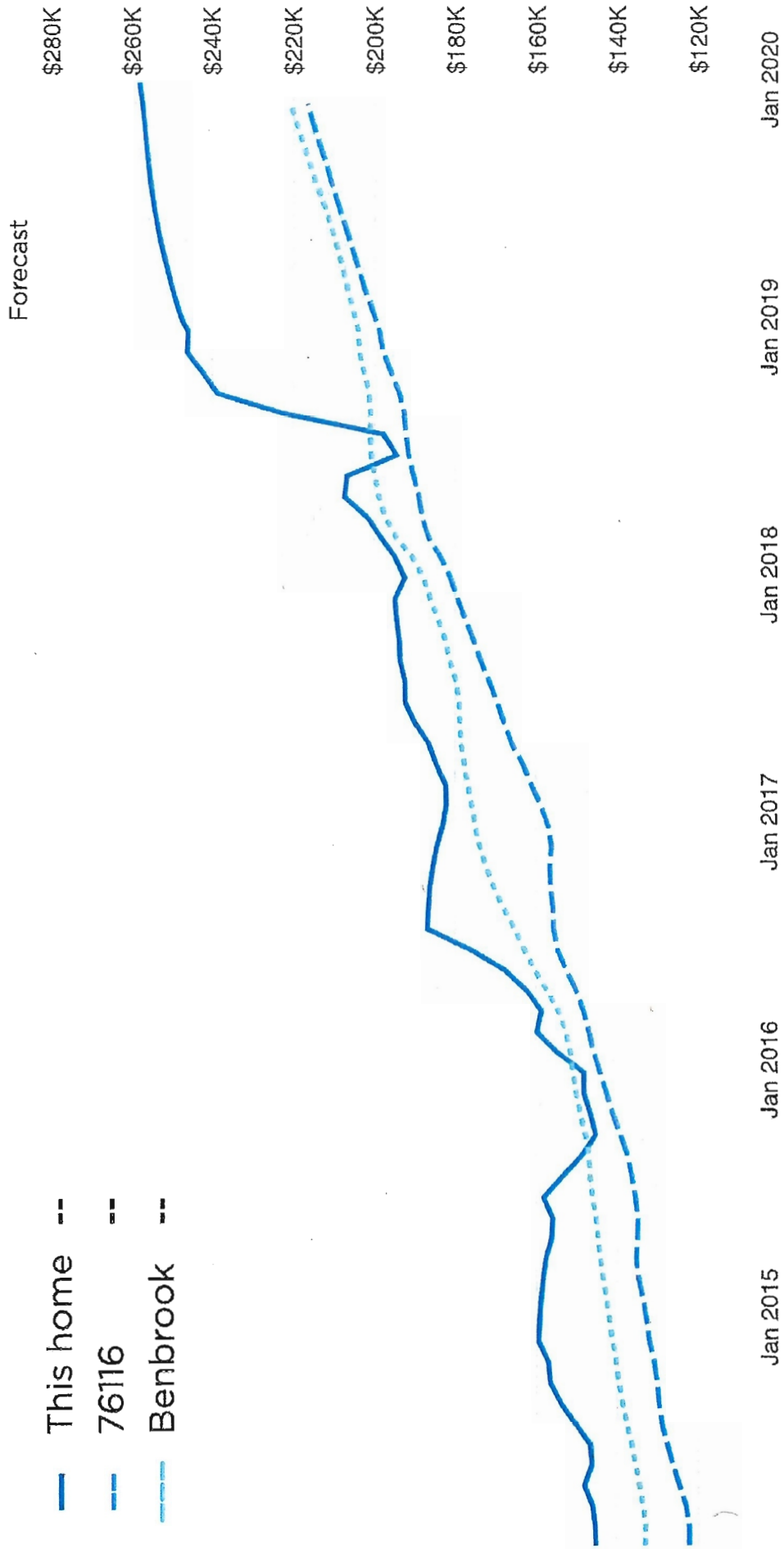
Forecast

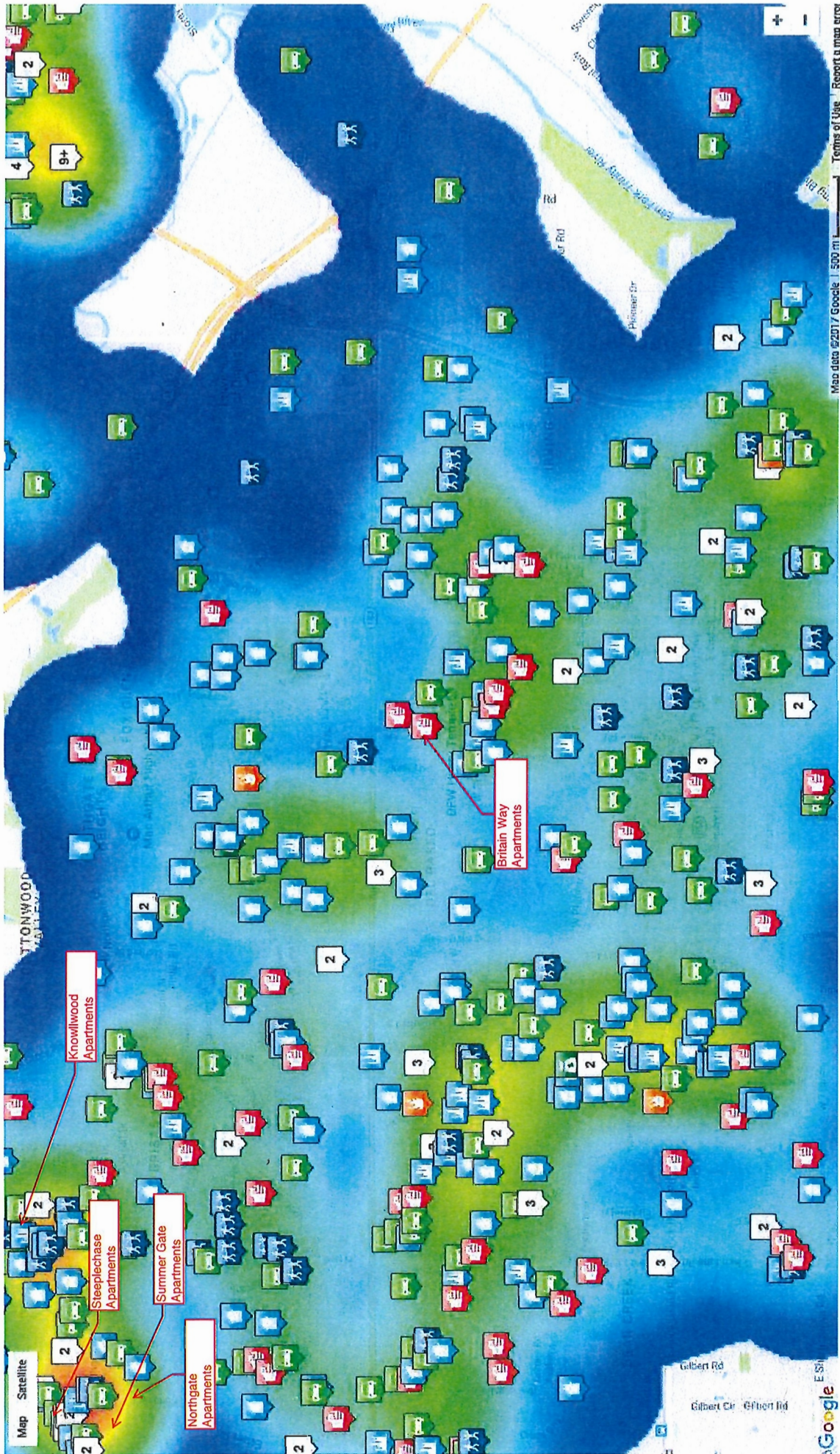


Forecast

- This home
- - 75150
- - Mesquite







APARTMENT MARKET DATA, LLC

CONSULTANTS, ECONOMISTS, ANALYSTS

February 11, 2019

Mr. Deepak Sulahke
OM Housing
5033 Brookview Drive
Dallas, Texas 75220

Re: Preliminary Analysis
Hammack Creek Apartments (9% HTC)
Kennedale, Texas

Greetings:

Per your request, we have conducted a preliminary demand analysis for the project referenced above. A final analysis would be provided in a full market study.

For this analysis, we utilized a "primary market area" encompassing 37.80 square miles. These boundaries follow the census tracts listed:

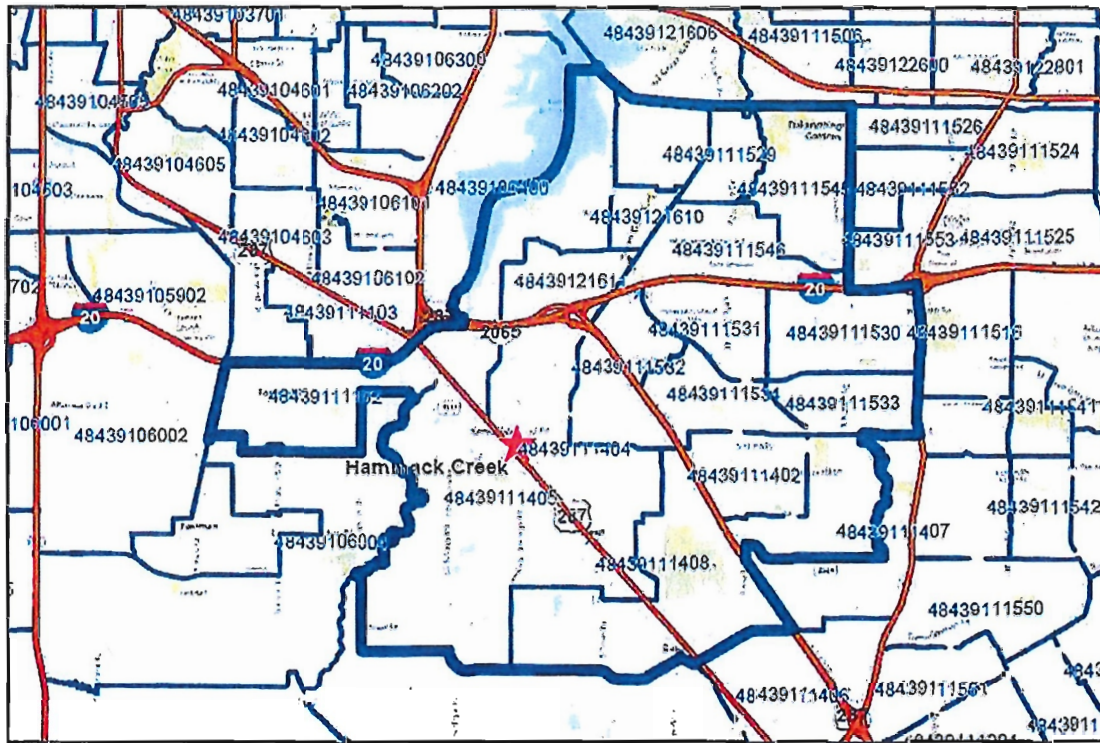
Census Tracts	Census Tracts	Census Tracts	Census Tracts
484391111.02	484391114.02	484391114.04	484391114.05
484391114.08	484391114.09	484391115.29	484391115.30
484391115.31	484391115.32	484391115.33	484391115.34
484391115.45	484391115.46	484391216.08	484391216.09
484391216.10	484391216.11		



20540 State Hwy. 46 West
(210) 530-0040

Suite 115 - PMB 416
Fax (210) 340-5830

Spring Branch, Texas 78070
www.aptmktdata.com



This area was used as it complies with the definition of a “Primary Market Area” (PMA) as defined by the Texas Department of Housing and Community Affairs (TDHCA).

CAPTURE RATE

ELIGIBLE HOUSEHOLDS BY INCOME

HH Size	30% of AMI		40% of AMI		50% of AMI		60% of AMI	
	Min	max	min	Max	min	max	min	max
1	\$12,690	\$15,810			\$21,150	\$26,350	\$25,380	\$31,620
2	\$12,690	\$18,060			\$21,150	\$30,100	\$25,380	\$36,120
3	\$15,210	\$20,310			\$25,380	\$33,850	\$30,450	\$40,620
4	\$15,210	\$22,560			\$25,380	\$37,600	\$30,450	\$45,120
5	\$17,580	\$24,390			\$29,340	\$40,650	\$35,190	\$48,780
6	\$17,580	\$26,190			\$29,340	\$43,650	\$35,190	\$52,380

**INCOME BANDING OF THE
PRIMARY QUALIFIED RENTER HOUSEHOLDS**

SUBJECT	# OF	PERCENT
\$ 12,690 - \$ 19,999	436	5.3%
\$ 20,000 - \$ 29,999	796	9.7%
\$ 30,000 - \$ 39,999	1,069	13.0%
\$ 40,000 - \$ 49,999	984	12.0%
\$ 50,000 - \$ 52,380	203	2.5%
Primary Qualified Households	3,487	42.5%

HISTA Data

ANNUAL INCOME-ELIGIBLE SUBMARKET DEMAND SUMMARY		
Type of Demand*	Units of Demand	% of Total Demand
2019 Renter	3,487	90.8%
2020 & 2021 Renter	3	0.1%
External Demand (10%)	349	9.1%
TOTAL DEMAND	3,839	100.0%

* Income eligible without rental assistance

Now that we know the total demand, we have to account for other affordable projects in the trade area that have not leased up and maintained a stabilized occupancy of 90% for the previous 12 months. The following table is taken from the TDHCA database of affordable properties within the designated trade area.

TDHCA	Name of Project	# of Units	Distance	Population	# of HTC Units
19315	Subject	110	-	Family	90
				TOTAL	90

Based on the information taken table above, we calculate the inclusive capture rate for the subject to be as follows:

$$\frac{\text{Subject's L/I Units} + \text{Other Previous L/I Units}}{\text{Total Units of Income Qualified Demand}} = \text{Capture Rate}$$

$$\frac{90 \text{ Total L/I Units}}{3,839 \text{ Units of Demand}} = 2.3\% \text{ Capture Rate}$$

CITY OF KENNEDALE DEMAND ANALYSIS

The City of Kennedale is comprised of 2,779 households. Renter households account for 1,911 of these households. There are 985 income - qualified renter households. These households account for 35% of the total households, but 52% of all renter households.

INCOME BANDING OF THE PRIMARY QUALIFIED RENTER HOUSEHOLDS CITY OF KENNEDALE

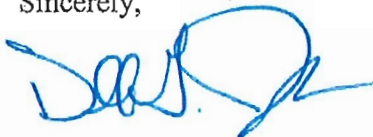
SUBJECT	# OF	PERCENT
\$ 12,690 - \$ 19,999	122	6.4%
\$ 20,000 - \$ 29,999	215	11.2%
\$ 30,000 - \$ 39,999	310	16.2%
\$ 40,000 - \$ 49,999	276	14.4%
\$ 50,000 - \$ 52,380	122	6.4%
Primary Qualified Households	985	51.5%

HISTA Data

SUMMARY

Based on our preliminary analysis, the subject will be readily accepted by the market.

Sincerely,



Darrell Jack
President

MEMORANDUM

to the Mayor and City Council

DATE: Thursday, February 07, 2019

SUBJECT: Letters of Support, Decision Item B

ORIGINATED BY: Melissa Dailey, Director of Planning & Economic Development

Attached are letters of support that were provided to staff for Decision Item B on the Monday, February 11 agenda.

SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS REPORT, PLEASE CONTACT MELISSA DAILEY AT 817-985-2135 OR MDAILEY@CITYOFKENNEDALE.COM.

To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 Office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide eco-friendly housing that is affordable to citizens of modest means.

Name of Business: Dickey's Barbecue Pit #1377

Contact Name: Ivy Wong

Address: 201 W. Kennedale Pkwy. Kennedale, TX 76060

Phone / Email: 817-908-8021 / ivywong93@yahoo.com

Signature: Ivy Wong

Digitally signed by Ivy Wong
DN: cn=Ivy Wong, o=oo, email=ivywong93@yahoo.com, c=US
Date: 2019.01.31 20:36:27 -06'00'

To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 Office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide eco-friendly housing that is affordable to citizens of modest means.

Name of Business: US Concrete Products
Contact Name: Garry Petty
Address: 218 Valley Ln Kennedale, TX 76060
Phone / Email: 817-798-6092 / garrypetty@yahoo.com
Signature: Garry Petty

To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 Office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide eco-friendly housing that is affordable to citizens of modest means.

Name of Business: Garry's Sandwich Shop
Contact Name: Garry Petty
Address: 201 W. Kennedale Pkwy
Phone / Email: 817-798-6092 garrypetty@yahoo.com
Signature: Garry Petty

To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000-SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: DONNA TRAWEEK CPA LLC

Contact Name: DONNA TRAWEEK

Address: 200 E. KENNEDALE PKWY

Phone / Email: DONNA@TRAWEEKCPA.COM

Signature: Donna Traweck Date: 2-1-2019

Name of Business: The Stovall Corp.

Contact Name: Jerry Stovall

Address: 104 E. Broadway

Phone / Email: JStovall@Stovallcorp.com

Signature: J. Stovall Date: 2/1/19



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: Performance TRANSMISSIONS

Contact Name: Bret Young

Address: 917 E KENNEDALE PKwy Kennedale TX 76060

Phone / Email: 817 478-0068

Signature: Bret Young Date: 2/1/19

Name of Business: Quick Roofing

Contact Name: Frankie Brown

Address: 925 E Kennedale Parkway Kennedale -TX-76060

Phone / Email: 817-477-0999 / frankie@quickroofing.com

Signature: Frankie Brown Date: 2-1-19



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: Advance Auto Parts

Contact Name: Angelina Hand

Address: 104 E. Short St.

Phone / Email: 817 478 1128

Signature: [Signature] Date: 2-1-19

Name of Business: 3 CORNER FOOD STORE VALERO

Contact Name: SAMIR Merchant

Address: 100 E KENNEDALE PKWY

Phone / Email: ~~Pickup~~ Three CORNER Foodmart@gmail.com

Signature: [Signature] Date: 02/01/19



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: Jm Ycarr Automotive

Contact Name: Teresa Ycarr

Address: 509 E Kennedale Pkwy

Phone / Email: 817 478 6742 jennyycarr@gmail.com

Signature: [Signature] Date: Feb 1 2019

Name of Business: JALISCO AUTO BODY AND PAINT.

Contact Name: Vicente Gonzalez

Address: 458 E. Kennedale Pkwy

Phone / Email: jaliscoautobodyandpaint@gmail.com

Signature: Vicente Gonzalez Date: 02/01/2019



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business:

CES

Contact Name:

Philip McKinney

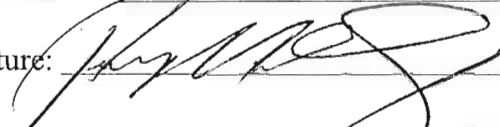
Address:

201 W Kennedale

Phone / Email:

204-618-0650

Signature:



Date:

1/31/19

Name of Business:

FARMERS INSURANCE

Contact Name:

DAVID ADKINSON

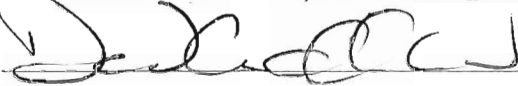
Address:

201 W. Kennedale Pkwy #504

Phone / Email:

817-769-4088

Signature:



Date:

2-1-19



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: The Topsy Turtle

Contact Name: Roger Barnett

Address: 324 W Kennedale Parkway, Kennedale, TX 76060

Phone / Email: 817-330-3455 getamd@yahoo.com

Signature: Roger Barnett Date: 2/3/2019

Name of Business: Techxperts

Contact Name: Jeff Navarro

Address: 338 Spring Branch Ln.

Phone / Email: 817 797 6698

Signature: Jeff Navarro Date: 2/3/19



To Whom It May Concern:

I have reviewed the proposal for Village at Hammack Creek, to be located on approximately 16 acres at the NWC of Kennedale Parkway and Sublet Road, Kennedale, Texas. I understand that this proposal includes a mix of uses including approximately 31,000 SF of Retail, 7,500 office, 110 affordable apartment homes, and about 20 for-sale zero-lot single family homes or townhomes. We believe that this mixed-use project is much needed for the City, will offer economic development opportunities for improvements on Kennedale Parkway and provide housing that is affordable to citizens of modest means.

Name of Business: Global Servo Hyd, Inc.

Contact Name: James Cudé

Address: 609 Corry A. Edwards Dr.

Phone / Email: 817-478-4968 Servovalve@yahoo.com

Signature: James Cudé Date: 2/4/19

Name of Business: _____

Contact Name: _____

Address: _____

Phone / Email: _____

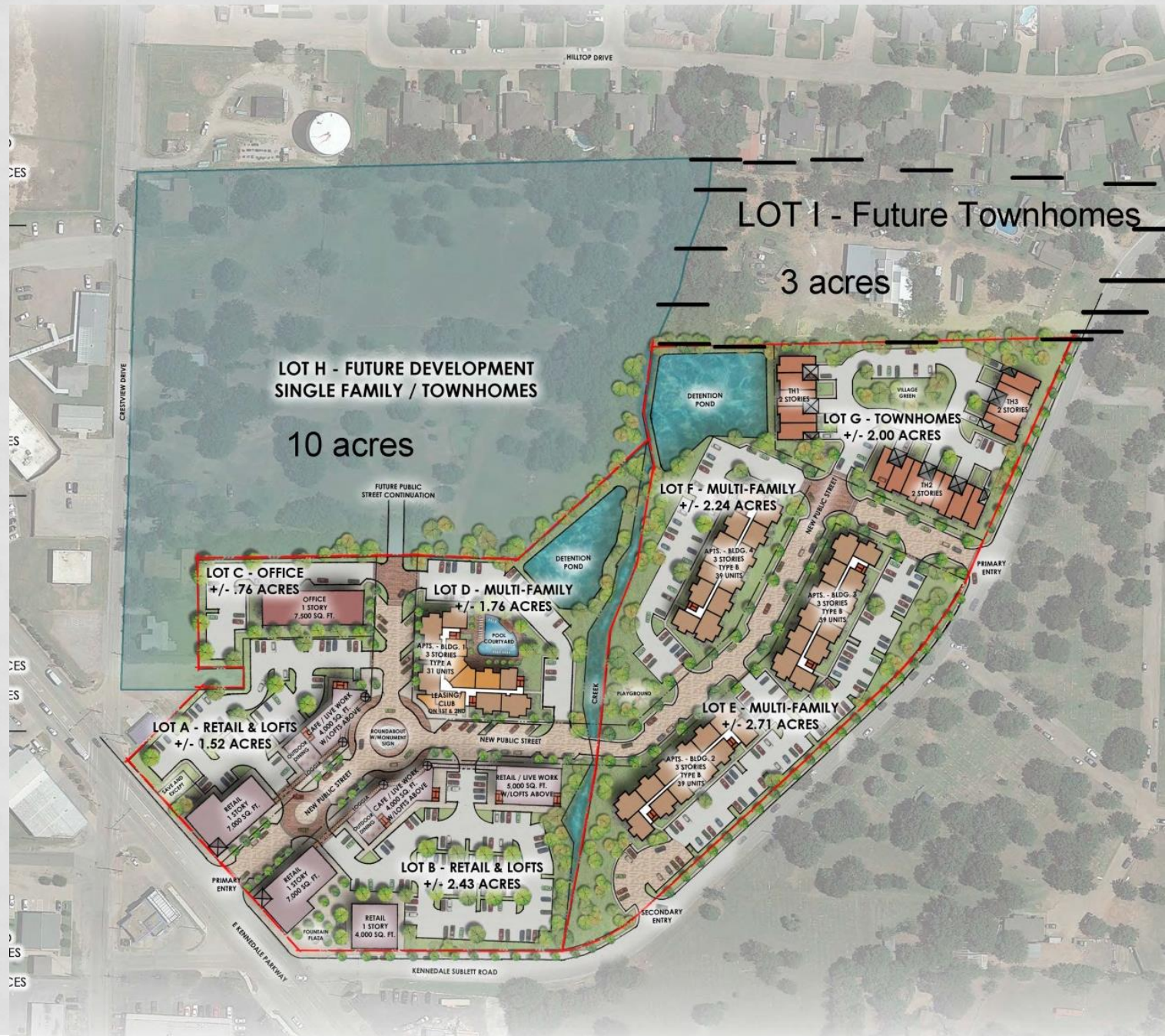
Signature: _____ Date: _____



VILLAGE AT HAMMACK CREEK

PROPOSED 16-ACRE MIXED-USE DEVELOPMENT





VILLAGE AT HAMMACK CREEK

- 4.75 acres retail/office development
 - 31,000 sf retail
 - 7,500 sf office
- 2.12 acres townhomes (16 in Phase I)
- 7 acres multi-family homes (112)
- 2+ acres open space



VILLAGE AT HAMMACK CREEK

- Affordable housing;
Not low-income or Section 8
- No subsidies provided directly to residents
- This is workforce housing with max rents:
 - 1 bedroom \$846
 - 2 bedroom \$1,015
 - 3 bedroom \$1,173



WHAT ARE HOUSING CREDITS?

- Congressional Program enacted in 1986 under President Reagan
- Private financing of high-quality housing
- Administered by the Texas Department of Housing and Community Affairs (TDHCA)
- GOAL → to provide high-quality affordable housing and spur economic development

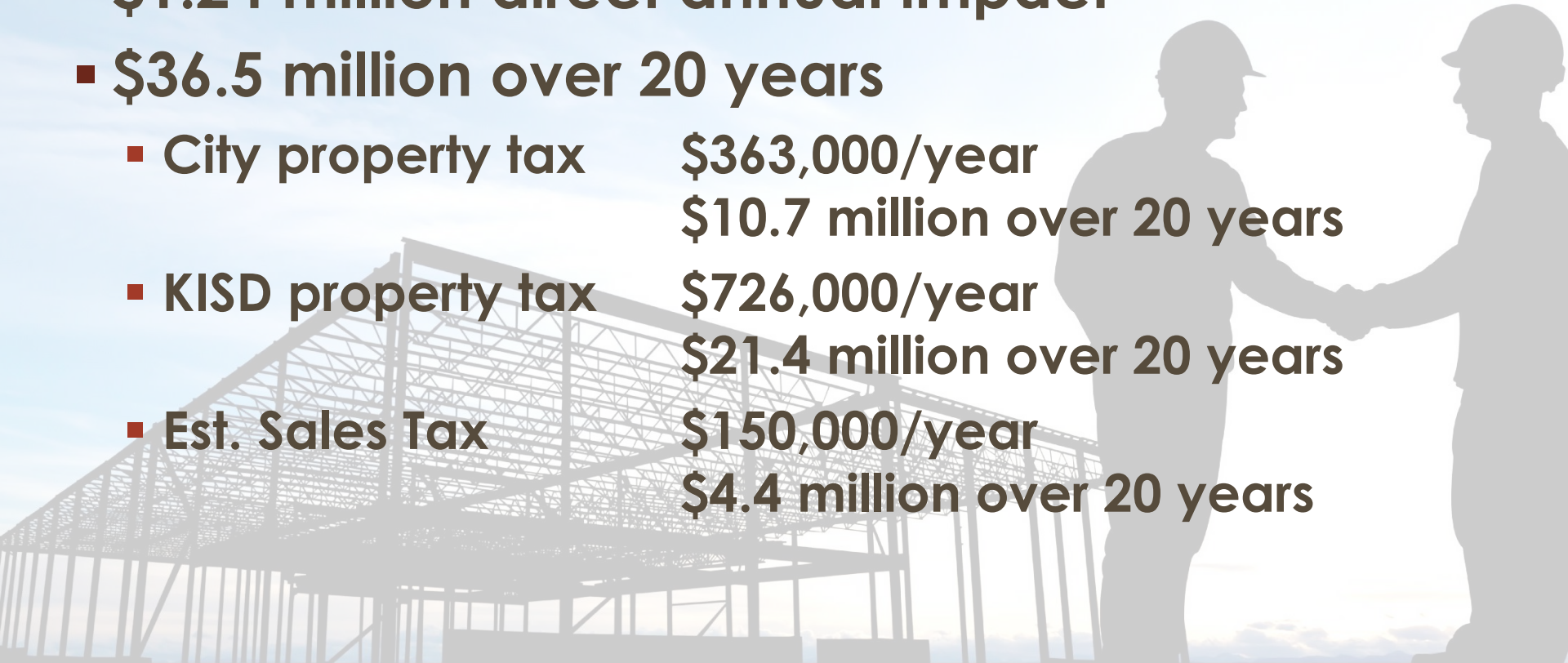


VILLAGE AT HAMMACK CREEK

- 112 apartments
- 20% market rate
80% affordable housing
- Workforce Housing: 30-60% AMFI
(Area Median Family Income = \$75,200 in 2018)
- Income limits for this development (60%)
 - Household of 1 \$31,620
 - Household of 2 \$36,120
 - Household of 3 \$40,520
 - Household of 4 \$45,120

ECONOMIC IMPACT

- \$50 million development
- \$1.24 million direct annual impact
- \$36.5 million over 20 years
 - City property tax \$363,000/year
\$10.7 million over 20 years
 - KISD property tax \$726,000/year
\$21.4 million over 20 years
 - Est. Sales Tax \$150,000/year
\$4.4 million over 20 years



ECONOMIC IMPACT

- 150+ construction jobs
- 50+ permanent jobs
- Business for local vendors



RESOLUTION NO. 543

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, SUPPORTING OM HOUSING'S APPLICATION FOR HOUSING TAX CREDITS FOR THE PROPOSED VILLAGE AT HAMMACK CREEK PROJECT.

WHEREAS, OM Housing, LLC, has proposed The Village at Hammack Creek – a mixed use development for high quality, eco-friendly, retail, office, and rental apartments at 133 E Kennedale Parkway in the City of Kennedale; and

WHEREAS, the naming of the proposed project as “Hammack” is reflective of Kennedale history – Dr. J. A. Hammack and the tributary located on the site; and

WHEREAS, OM Housing, LLC, intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2019 Housing Credit Program to partially finance the development of The Village at Hammack Creek; and

WHEREAS, The Village at Hammack Creek project will be required to comply with all City zoning and site development regulations/standards, prior to issuance of any building permits; and

WHEREAS, the proposed Village at Hammack Creek will be required to be consistent with the Kennedale Comprehensive Plan, to be an eco-friendly facility, and be architecturally compatible with the TownCenter.

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

This Resolution affirms the City of Kennedale's acknowledgement and support of the application for the Village at Hammack Creek subject to the provisions noted in the preamble.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE ON THE 19TH DAY OF FEBRUARY, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY, LESLIE GALLOWAY

Date: February 19, 2019

Agenda Item No: DECISION ITEMS - D.

I. Subject:

Discuss and consider Resolution 547, a Resolution of Support for an application to the Texas Department of Housing and Community Affairs (TDHCA) 2019 Housing Credit Program by CSH Cardinal Court Seniors, Ltd. to partially finance the senior residential development of Cardinal Court Seniors, located at 439 Mansfield Cardinal Road

II. Originated by:

Melissa Dailey, Director of Planning and Economic Development

III. Summary:

CSH Cardinal Court Seniors, Ltd. is proposing a \$17 million redevelopment of property located on approximately 6 acres at 439 Mansfield Cardinal Road. The development, Cardinal Court Seniors, would include 100 2-story apartments for seniors 55 and over. CSH Cardinal Court Seniors, Ltd. is proposing the use of Federal Housing Tax Credits as part of the financing for the development. The tax credits are provided to the developer directly, and this development would have units with rent amounts for seniors that earn up to 50% and 60% of AMFI (Area Median Family Income).

This development is located within two miles of another proposed development also being considered for a resolution of support by the City Council, the Village at Hammack Creek, a mixed-use development open to individuals and families with children. Affordable housing tax credits are issued on a competitive, point-based system; and are not awarded for more than one project within a two-mile radius. For this reason, the Village at Hammack Creek and Cardinal Court Seniors would not both be awarded tax credits.

While both developments provide apartments and both will market some or all units to seniors, Cardinal Court Seniors serves only one population (seniors) and does not accommodate families with children. Cardinal Court Seniors is approximately one-third of the investment of the Village at Hammack Creek, is not a mixed-use development, and is not located on a major commercial corridor. Therefore, it would have less of an economic impact and would not serve as a catalyst project on Kennedale Parkway close to TownCenter as effectively as the Village at Hammack Creek.

Staff recommends not providing a resolution of support for CSH Cardinal Court Seniors, Ltd.'s application for Affordable Housing Tax Credits in the current TDHCA funding cycle.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	Cardinal Court Seniors - Letter to Mayor	Cardinal Court Seniors - Letter to Mayor.pdf
2.	Cardinal Court Seniors - Allgeier Development	Cardinal Court Seniors - Allgeier Development.pdf

3.	R547 Support for Cardinal Court Seniors LTD (TDHCA)	R547 Support for Cardinal Court Seniors LTD (TDHCA).pdf
----	--	--

CSH CARDINAL COURT SENIORS, LTD.

3839 McKinney Ave., Suite 155-5088 Dallas, TX 75204

January 4, 2019

Mayor Brian Johnson
City of Kennedale
405 Municipal Drive
Kennedale, Texas 76060
817-478-7169 (Fax)

Dear Mayor Johnson:

CSH Cardinal Court Seniors, Ltd. (the “Applicant”) is making an application for the Housing Tax Credit Program and possibly the Multifamily Direct Loan Program with the Texas Department of Housing and Community Affairs for Cardinal Court Seniors to be located at 439 Mansfield Cardinal Road, Kennedale, TX 76060 in Tarrant County. This proposed new construction development is an apartment community and composed of approximately 115 total units of which approximately 100 will be for low-income tenants. The residential density of the development (i.e., the number of units per acre) is approximately 19 units/acre.

In the spring, the Department will hold public hearings in various locations around the state to gather input on Competitive Housing Tax Credit applications; comments can be made on any and all applications at each hearing. The hearing schedule along with contact information for written public comment will be posted on TDHCA’s Public Comment Center website later this year.

Sincerely,

Matt Higgins

Matt Higgins
Representative of the Applicant
Consultant Email: mhiggins@msh-icservices.com
Consultant Phone: (817) 683-1571

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS



Tax Credit Development

Serving Seniors of the City of Kennedale

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

Allgeier Development

MULTIFAMILY DEVELOPMENT ■ CIVIL ENGINEERING ■ PROPERTY MANAGEMENT



DAN ALLGEIER'S career in real estate development spans forty-years and includes significant experience in the multifamily development, civil design and land planning, housing construction, and property management. Dan has held positions as the Senior Vice President of Development and Construction for NuRock Companies and the President and Owner of Housing Associates, Inc. During his tenure in the industry, Dan has contributed as a co-developer, consultant, guarantor, or advisor on apartment communities across Texas, Oklahoma, Florida, and Missouri with project experience that includes 50+ properties totaling 4500+ residential units. Dan Allgeier is a graduate of Southern Methodist University, is a registered Professional Engineer in the State of Texas, and actively holds his Real Estate Broker License. He is also the owner and principal of Lakewood Property Management, LLC, a Texas-certified HUB.



MATT HIGGINS is a Project Manager and brings ten-years' experience managing and executing multi-family development, mixed-use commercial planning and entitlement, and construction project initiatives. Prior to working with Allgeier Development, Matt worked with GroundFloor Development as the supervising project manager and Owner's representative contributing to the successful development of five mixed-income properties totaling 500+ units. Matt's background also includes executing project initiatives in the advancement of large-scale, mixed-use, master-planning and development where he contributed to project initiatives such as securing entitlements, land acquisition due diligence, franchise and public utility and infrastructure construction.

CARDINAL COURT SENIORS

Team



DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS



CROSS ARCHITECTS is a full-service architectural firm founded in 2003 by partner Brian Rumsey with extensive experience in design and planning of multifamily communities, commercial office spaces, retail shopping centers, restaurants and hotels. To date, Cross has designed 160+ multifamily communities and nearly

30 senior living properties. Cross' approach is to establish a long-term partnership with its clients, earning their respect with integrity, honesty and high moral standards. Cross is also a certified Historically Underutilized Business (HUB).



MAKER Bros.

MAKER BROS ("Maker") is a privately held real estate development and construction company based in Dallas, Texas, having the core purpose of developing sustainable communities that provide a sense of place for its residents, while simultaneously exceeding the goals of the clients, investors

and partners. Founded by Andy Carnahan, Justin Bailey, and Matt Stevens - the partners have built or developed 18,000+ multifamily units and spent their careers sourcing, underwriting, zoning, acquiring, building and capitalizing multifamily and other commercial real estate assets in suburban and infill locations throughout Texas.



Team – Cont'd



DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS



General Scope / Design

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS

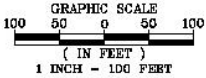
General Scope / Site Plan

SITE DATA
-4.2 ACRES
-100 UNITS
-18.12 UNITS/ACRE
-NO KNOWN FLOODPLAIN
-KNOWN EASEMENTS SHOWN
-2 STORY BUILDING

PARKING TABULATION

PARKING REQUIRED	
1.50 PER 1-BR UNIT (84)	126
1.50 PER 2-BR UNIT (16)	24
TOTAL REQUIRED	150
PARKING PROVIDED	
UNCOVERED SPACES	150
CLUBHOUSE	12
TOTAL	162

1.5 PARKING RATIO / UNIT



SITE PLAN
SCALE: 1" = 100' - 0"

Cross
architect

**CARDINAL COURT SENIORS
KENNEDALE, TEXAS**

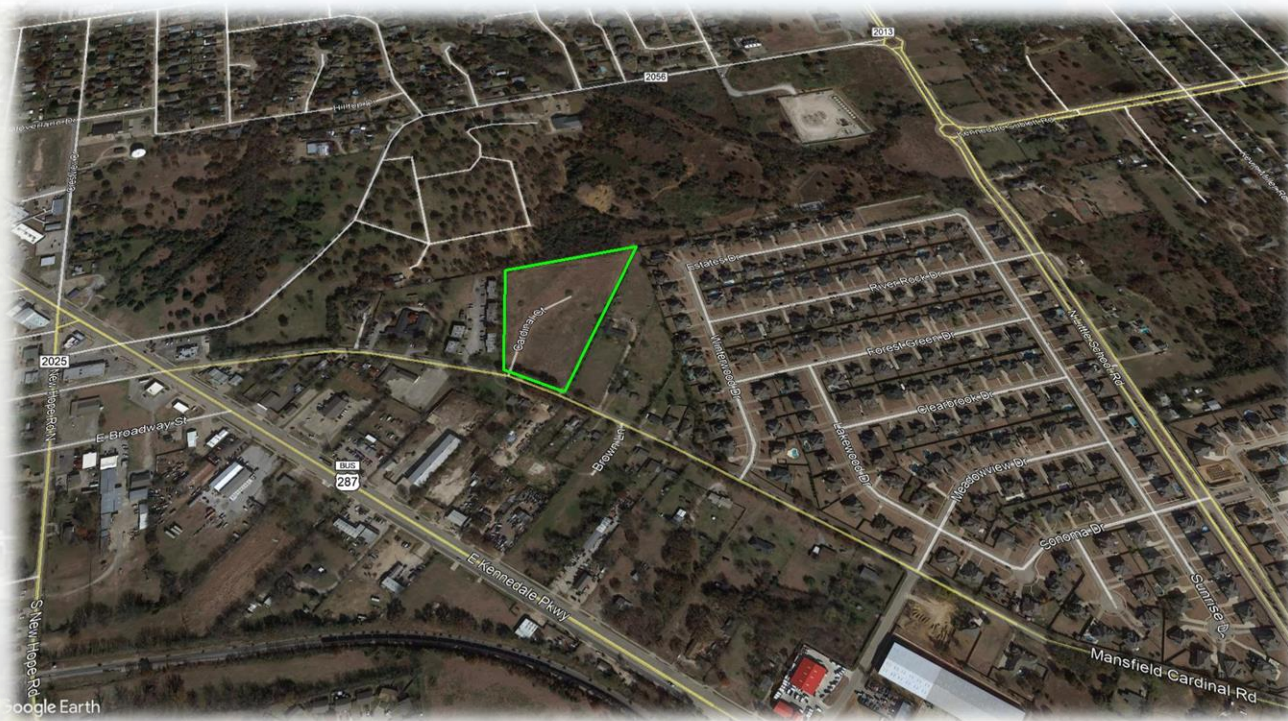
**A1.0
SITE PLAN**
Copyright © 2010

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS



Location / Pictures



DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS



General Scope / Amenities may include:

- Controlled Access Gates
- Microwave
- Dishwasher
- Washer/Dryer
- Balcony
- Patio
- Exterior Storage
- Ceiling Fans
- Refrigerator w/icemaker
- Spacious Closets
- Library
- Fitness Center
- Pool / Shaded Seating Areas
- Spa
- Theater
- Community Dining Areas
- Wifi
- Business Center
- Barbeque and Picnic Areas
- Walking Trails
- ADA accessible pool and amenities

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS

Total # of Units / Mix

Unit Type	# of Units	Bed / Bath	Sq Ft / Unit	Net Rentable Sq Ft	Net Rent
30%	2 Units	1 / 1	750 SF	1,502 SF	\$358
50%	7 Units	1 / 1	750 SF	5,257 SF	\$640
60%	14 Units	1 / 1	750 SF	10,514 SF	\$781
Market	7 Units	1 / 1	750 SF	5,257 SF	\$900
30%	6 Units	2 / 2	950 SF	5,700 SF	\$422
50%	17 Units	2 / 2	950 SF	16,150 SF	\$761
60%	33 Units	2 / 2	950 SF	31,350 SF	\$930
Market	14 Units	2 / 2	950 SF	13,300 SF	\$1,100
Totals	100 Units			89,030 SF	

Value of Tax Credits

Annual Credit Request \$1,500,000 (10 year value \$15,000,000)

Total Development Cost \$17,200,000

NUMBERS ARE ESTIMATES



General Scope

Units

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

439 Mansfield Cardinal Road

Kennedale, Texas

CARDINAL COURT SENIORS

APPROXIMATE AREA MEDIAN INCOME

\$75,200

The majority of units will be:

50% AMI = \$26,350 – \$37,600*

60% AMI = \$31,260 – \$45,120*

*Based on # household

NUMBERS ARE APPROXIMATIONS



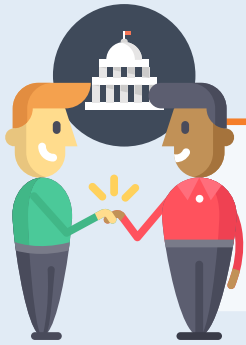
General Scope

AMI

DISCLAIMER: all photos, design, amenities and contents of this ppt are representative in nature and are subject to change.

HOUSING TAX CREDITS

A PRIVATE-PUBLIC PARTNERSHIP SOLUTION TO AFFORDABLE HOUSING



The Housing Tax Credit Solution is the Most Successful Public-Private Partnership in U.S. History

In 1986, during the Reagan administration, Washington lawmakers created the Housing Tax Credit (HTC) solution to incentivize private developers to build more affordable housing. The incentive allows the federal government to transfer housing development and future operations & maintenance costs to the private market. Since affordable rental housing costs the same to build as market-rate rental housing, the tax credits allow owners to offer reduced rents to cost-burdened* families.

*Cost-Burdened describes families paying more than 30% of their income on housing costs.



HTC COMMUNITIES ARE PRIVATELY OWNED & MAINTAINED

Why It Works...

- Large Private Sector Financial Investment, Not Government Owned
- Investors Screen & Scrutinize Developments to Ensure Viability
- NO Financial Risk for Federal or State Government
- Minimum 15-Year Oversight by Investors, Federal & State Governments
- Tax Credit Developments are Virtually Indistinguishable from Market-Rate Developments But Remain Affordable for 15 to 30 Years

Everyone Benefits!



Residents
Pay Affordable Rents



Local Government & Economy
Earns Property Taxes, Benefits from Economic Development, Attracts Employers to Relocate & Invest, Provides Workforce Housing, Saves Money & Resources by Keeping Residents from Being Homeless



Developer
Owns Development & Gets Paid by Building Development



Investor
Reduces Tax Liability

**Source: U.S. Department of Housing and Urban Development (HUD)

Thank You!



Contact:

Dan Allgeier – Developer

214-277-4839

Dan@AllgeierDevelopment.com

RESOLUTION NO. 547

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, SUPPORTING ALLGEIER DEVELOPMENT'S APPLICATION FOR HOUSING TAX CREDITS FOR THE PROPOSED CARDINAL COURT SENIORS DEVELOPMENT.

WHEREAS, Allgeier Development has proposed Cardinal Court Seniors – a development of affordable senior rental housing at 439 Mansfield Cardinal Road in the City of Kennedale; and

WHEREAS, Allgeier Development intends to submit an application (No. 19267) to the Texas Department of Housing and Community Affairs (TDHCA) for 2019 Housing Credit Program to partially finance the development of Cardinal Court Seniors; and

WHEREAS, The Cardinal Court Seniors project will be required to comply with all City zoning and site development regulations/standards, prior to issuance of any building permits; and

WHEREAS, the proposed Cardinal Court Seniors will be required to be consistent with the Kennedale Comprehensive Plan.

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

This resolution affirms the City of Kennedale's acknowledgement and support of the application for the Cardinal Court Seniors project subject to the provisions noted in the preamble.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE ON THE 19TH DAY OF FEBRUARY, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY, LESLIE GALLOWAY



Date: February 19, 2019

Agenda Item No: EXECUTIVE SESSION - A.

I. Subject:

Discussion of pending legal matters regarding Ron Sturgeon vs. City of Kennedale

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: EXECUTIVE SESSION - B.

I. Subject:

Discussion with the City Attorney regarding proposed contracts to purchase potable water from the City of Arlington and to transfer the operation and maintenance of the Kennedale water and sewer systems to the City of Arlington

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: February 19, 2019

Agenda Item No: EXECUTIVE SESSION - C.

I. Subject:

Discussion with the City Attorney regarding Resolutions of Support for applications to the Texas Department of Housing and Community Affairs (TDHCA) Housing Credit Program

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments: