

March 1, 2023

**The Honorable Mayor and City Council
City of Tomball
401 West Market Street
Tomball, Texas 77375**

Re: Letter of Agreement for Partial Funding of the City of Tomball's Alley Improvements

Dear Mayor and Councilmembers:

The City of Tomball (the "City"), by letter dated February 27, 2023 (the "Request Letter"), which is attached hereto as "Exhibit A", requested financial assistance from the Tomball Economic Development Corporation (the "TEDC") for the partial funding of the City's Alley Improvement Project (the "Project"). Through the Request Letter, the City has requested that the TEDC provide six hundred thousand dollars (\$600,000) to fund the Project as listed in "Exhibit A" (the "Funds").

The TEDC hereby agrees to provide the Funds subject to the City's acknowledgement and compliance with the following conditions:

- 1.** The transfer of Funds contemplated in this Letter of Agreement are subject to all applicable rules associated with a project of the TEDC as provided in Chapter 505 of the Texas Local Government Code;
- 2.** The Funds shall be deposited in a City account dedicated to the Project and shall not be commingled with any other City funds;
- 3.** The Funds shall only be used for the Project as provided herein;
- 4.** The City shall keep a complete and accurate accounting of all expenditures of the Funds and make such records available to the TEDC; and,
- 5.** In the event the total amount of the Funds transferred by the TEDC to the City are not used to fund the Project as provided herein, then upon completion of the Project, the City shall remit the remaining portion of the Funds to the TEDC.

If the above terms and conditions are acceptable to the City, please have an authorized officer of the City sign below acknowledging the City's agreement and return this Letter of Agreement to the undersigned. Upon receipt of this signed Letter of Agreement, the TEDC's Treasurer will be directed to transfer the funds as provided above.

Yours very truly,

**By: _____
Gretchen Fagan, President
Board of Directors**

AGREED AND ACCEPTED:

CITY OF TOMBALL, TEXAS

Lori Klein Quinn, Mayor

ATTEST:

Doris Speer, City Secretary

EXHBIT A: City's Request for Funding



City of Tomball

Lori Klein Quinn
Mayor

David Esquivel, PE
City Manager

February 27, 2023

Kelly Violette, Executive Director
Tomball Economic Development Corporation
29201 Quinn Road, Suite B
Tomball, Texas 77375

RE: Alley Improvement Project

Kelly,

The City of Tomball would like to request financial assistance from the Tomball Economic Development Corporation for the Alley Improvement Project. During the budget process for fiscal year 2023, the City requested funding for four projects, including the Alley Improvement Project. To continue our efforts to increase walkability in downtown, the City of Tomball is requesting the funding of \$600,000 that was allocated during the budget process.

The Request for Proposals has been issued for the 100 block north and south, with responses due March 7, 2023. We are requesting \$600,000 from the EDC due an increase in the scope of the project (addition of a public restroom) and rising prices for construction material. The aesthetic enhancements related to the project are still under design, and we have not received an opinion of probable cost for those elements. As we currently have agreed, the cost of the aesthetic enhancements will be the responsibility of the EDC. A breakdown of the estimated project budget is below.

Project Element	Estimated Cost
100 block north & south	\$595,000
Public restroom facility	\$85,000
200 block north	\$240,000
Engineering	\$305,819
Misc. Expenses	\$1,500
300 & 400 blocks north & south	TBD – pending design

Please let me know if you need any additional information regarding this project and the City's funding request.

Sincerely,


David Esquivel
City Manager