



Notice is hereby given of a Regular Meeting of the Nacogdoches City Council to be held **April 15, 2014, beginning at 5:30 p.m.** in the Council Chambers of City Hall, 202 E. Pilar Street, Nacogdoches, Texas, for the purpose of considering the following agenda items. All agenda items are subject to action.

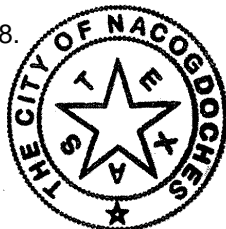
PLEASE LIMIT PRESENTATIONS TO THREE MINUTES
(UNLESS PRIOR APPROVAL IS OBTAINED)

1. Call to order.
2. Invocation.
3. **PRESENTATIONS AND RECOGNITIONS:**
4. Items to be removed from Consent Agenda.
5. **CONSENT AGENDA:** Items included under the Consent Agenda require little or no deliberation by the Council. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations as reflected in the minutes of this meeting.
 - A. Consider approval of minutes from the regular session of April 1, 2014. (City Secretary)
 - B. Consider proclamation recognizing April as "Fair Housing Month". (Mayor)
 - C. Consider contract amendment between the City of Nacogdoches and Schaumburg and Polk, Inc. for services regarding the Texas Department of Agriculture TxCDBG 2012 Community Development Block Grant Program funding: Douglass Road Sewer Line Improvement Project. (City Engineer)
 - D. Consider TDHCA HOME Reservation System Participant Agreement No. 2013-0011 between City of Nacogdoches and the Texas Department of Housing and Community Affairs. (Grant Coordinator)
 - E. Receive first quarter investment report for quarter ending March 31, 2014. (Finance Director)

REGULAR AGENDA:

6. Consider ordinance establishing new speed limits on East Main Street. (City Planner)
7. Consider CP 48 (TX), LLC Assisted Living Project Annexation Agreement. (City Planner/City Attorney)
8. **EXECUTIVE SESSION:** -- Deliberation regarding Economic Development negotiations under Local Government Code Section 551.087 as follows:
 - A. Discuss or deliberate regarding commercial or financial information that the City has received from a business projects that the City body seeks to have locate in the City of Nacogdoches and with which the City is conducting economic development negotiations; and
 - B. Deliberate the offer of a financial or other incentive to business prospects described by Subdivision A above.
9. Open for action, if any, on Item 8.
10. Adjourn.


Lila Fuller, City Secretary



This agenda is posted as required under G. C. Section 551.041. For more information or a copy of the Open Meetings Act, please contact the Attorney General of Texas at 1-800-252-8011; the City Secretary at 936/559-2504 or visit the City of Nacogdoches web site at www.ci.nacogdoches.tx.us.

The Nacogdoches City Council Chambers are wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at (936) 559-2504 or FAX (936) 559-2912 for further information.

CERTIFICATION

I certify that the notice of meeting was posted in the directory outside of City Hall, 202 E. Pilar Street, Nacogdoches, Texas on Friday, April 11, 2014 at 5:00 p.m.

Lila Fuller, City Secretary

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the directory outside of City Hall on the ____day of April 2014.

Name: _____ Title: _____

ITEM NO. 5-A

CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: **CONSENT AGENDA:** Consider approval of minutes from regular meeting of April 1, 2014.

MEETING DATE: **April 15, 2014**

CITY CONTACT: Lila Fuller, City Secretary - 559-2504

ATTACHMENTS: **Minutes**

MINUTES
Regular Session
Nacogdoches City Council
April 1, 2014 – 5:30 p.m.
City Council Room – City Hall
202 E. Pilar Street

Regular Session:

Those Present:

Mayor Roger Van Horn; Council members Shelley Brophy, Roy Boldon, Michael Keller and David Norton; City Manager Jim Jeffers, City Attorney Rob Atherton and City Secretary Lila Fuller.

1. Call to Order.

Mayor Van Horn at 5:30 p.m. A quorum was established.

2. Invocation.

Mayor Van Horn gave the invocation.

3. Presentations and Recognitions:

A. Presentation regarding Stephen F. Austin State University and City of Nacogdoches Synergy.

Dr. Dana Cooper, faculty senate president at Stephen F. Austin State University, reviewed university projects and shared information about programs in the community that SFA was involved in. Dr. Cooper stated community service was very important for their students and it was their goal to improve dialogue with the university and others in the community. She stated she would be teaching an SFA 101 class this fall that would provide opportunities for the students to build relationships in the community.

B. Recognize April as “Autism Awareness Month”.

Mayor Van Horn read a proclamation recognizing April as Autism Awareness Month in Nacogdoches and spoke of the Helping House Kite Festival held annually to bring awareness about autism services available in the community.

C. Presentation regarding Nacogdoches ISD Bond issue.

Dr. Fred Hayes, Nacogdoches ISD superintendent, provided information regarding a \$58.78 million bond election to be held May 10. He reviewed projects that would be completed as part of the bond issue if approved by the voters, to include two new elementary schools, security measures and facility renovations.

Dr. Hayes reviewed the election dates and times and the impact to the citizens, estimated to be an increase to \$1.52 per \$100 of taxable value in property taxes.

4. Items to be removed from the Consent Agenda.

None.

5. CONSENT AGENDA: Items included under the Consent Agenda require little or no deliberation by the Council. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations as reflected in the minutes of this meeting.

A. Consider approval of minutes from regular session of March 18, 2014.

Approved as submitted.

B. Consider purchase of a 2014 Caterpillar Model 420F C4E Backhoe Loader for Water Utilities.

Purchase approved through Texas Buyboard from Holt Caterpillar in the amount of \$95,684.00. (Acct. 30.37.680.25)

Council member Norton moved to approve the consent agenda as presented. The motion was seconded by Council member Brophy and unanimously passed.

REGULAR AGENDA:

6. Consider budget amendment for donation to install playground equipment at the Nacogdoches Youth Baseball Complex.

John Anderson, chair of the City Naming Committee, appeared and reviewed the request for the naming of a new playground to be installed at the Nacogdoches Youth Baseball Park after Dane Shaw, a four-year old who was killed in a house fire in 2013. Anderson stated the Shaw family wished to donate funds to cover the cost of purchase and installation of the playground equipment next to the youth baseball field that Dane's team played on. He stated the request meets all of the requirements and it was the Naming Committee's recommendation that the request be approved, naming the playground "Dane Shaw Memorial Park".

Council member Brophy moved to approve the recommendation of the Naming Committee, naming the playground "Dane Shaw Memorial Park", and that a budget amendment be approved in the amount of \$40,000 for the donation for purchase and installation of the playground equipment from the Shaw family. The motion was seconded by Council member Boldon and unanimously passed. (Ordinance No. 1663-4-14)

7. Consider consulting agreement with Young Strategies to perform a Hotel Occupancy Tax audit, or Destination Vision Plan for the City of Nacogdoches.

Jim Jeffers, city manager, stated a contract had been negotiated with Young Strategies to perform a hotel tax audit for a total cost of \$44,930.01. The cost would be shared by the City (\$7,975.08) CVB (\$32,574.25) and the Chamber of Commerce (\$4,380.68). Jeffers stated the project should be complete in 6 months, and include a 5-year strategic plan.

Council member Keller moved to approve the contract with Young Strategies in the amount of \$44,930.01, with costs shared by the City, CVB and Chamber as presented. The motion was seconded by Council member Norton and unanimously passed.

8. Consider acceptance of Change Order No. 1 for FCS Construction for construction of Block O, Cells 1 & 2 at the City of Nacogdoches Solid Waste Disposal Landfill.

Steve Bartlett, city engineer, explained that soft, unsuitable soil material was encountered during the excavation process for the first two cells of Block O. The material was not detected when the original soil borings were made and was encountered in a critical location under the permanent perimeter berm of the cells.

Bartlett stated approximately 25,000 cubic yards of material would ~~be~~ need to be removed and replaced with suitable soil material, modifying the contract price with FCS Construction by \$92,250.00 with this change order, for a total contract price of \$2,647,416.25.

Council member Brophy moved to approve the change order with FCS Construction in the amount of \$92,250.00 for Block O, Cells 1 & 2 at the landfill as presented. The motion was seconded by Council member Keller and unanimously passed.

9. Consider approving cable access procedures for NacTV.

Sarah O'Brien, communications director, presented cable access procedures to define the function of the City of Nacogdoches and NISD relating to NacTV cable access

channel. She further stated they also serve as a guide to be adhered to by the City and NISD personnel responsible for creating content for NacTV Channel 21.

Council member Boldon moved to approve the Cable Access procedures for NacTV Channel 21 as presented. The motion was seconded by Council member Norton and unanimously passed.

10. Receive Police Department Annual Report to Council.

Police Chief Jim Sevey presented the annual report to the City Council.

No action necessary.

11. Consider EnerQuest, Ltd. request to extend a lease agreement for an oil and gas lease originally dated May 26, 2011.

Rob Atherton, city attorney presented a 2-year lease extension as requested by Enerquest, Ltd. for 83.86 gross acres, offering \$175~~/per~~ acre for a total bonus of \$9,788.13.

Council member Keller moved to approve the lease extension with Enerquest, Ltd. as presented. The motion was seconded by Council member Norton and unanimously passed.

12. Consider appointment of four (4) City Council members to the Deep East Texas Council of Governments Board of Directors for a one-year term.

Mayor Van Horn moved that Council members Brophy, Boldon, Keller and Norton be nominated and approved for appointment to the DETCOG Board for a one-year term. The motion was seconded by Council member Norton and unanimously passed.

13. Adjourn.

Mayor Van Horn adjourned meeting at 6:39 p.m.

ATTEST:

Mayor Roger Van Horn
City Council
City of Nacogdoches

Lila Fuller, City Secretary

ITEM NO. 5-B

**CITY OF NACOGDOCHES
AGENDA INFORMATION SHEET:**

PROJECT: **CONSENT AGENDA:** Present proclamation of April as Fair Housing Month pursuant to Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares is a national policy to provide, within constitutional limits, for fair housing in the United States.

MEETING DATE: April 15, 2014.

DESCRIPTION: Present proclamation pursuant to Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares is a national policy to provide, within constitutional limits, for fair housing in the United States.

RECOMMENDED ACTION: Receive proclamation and approve its publication in accordance with Federal Fair Housing regulations for all federally funded grants.

CITY CONTACT: Stacy Corley, Grant Coordinator 559-2570

ATTACHMENTS: Proclamation is available from the City Secretary

ITEM NO. 5-C

**CITY OF NACOGDOCHES
AGENDA INFORMATION SHEET:**

PROJECT: CONSENT AGENDA: Consider approval of contract amendment between City of Nacogdoches and Schaumburg and Polk, Inc. to include Exhibit E.33 Terms and Conditions for Services regarding the Texas Department of Agriculture TXCDBG 2012 Community Development Block Grant Program funding: Douglass Road Sewer Line Improvement Project \$275,000 federal funds with \$19,066 City matching funds.

MEETING DATE: April 15, 2014

DESCRIPTION: The original contract between the City of Nacogdoches and Schaumburg and Polk, Inc. lacked required verbiage to comply with federally funded grants. Exhibit E.33 will bring the contract into compliance for CDBG Contract 712249.

COST: No

BUDGET AMENDMENT REQUIRED?: NO (Already in 2012-13 Budget)

SCHEDULE: Contract period: November 1, 2012 thru October 31, 2014.

RECOMMENDED ACTION: Approve Schaumburg and Polk, Inc. contract amendment as presented.

CITY CONTACT: Steve Bartlett, City Engineer, 559-2522
Stacy Corley, Grant Coordinator, 559-2570

ATTACHMENTS: Exhibit E.33 is available for review in City Secretary's office

CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: CONSENT AGENDA: Consider approval of TDHCA HOME Reservation System Participant Agreement No. 2013-0011 between City of Nacogdoches and the Texas Department of Housing and Community Affairs.

MEETING DATE: April 15, 2014.

DESCRIPTION:
The Grant Department will be administering the HOME Program, a grant through TDCHA which allows the City to demolish and reconstruct homes for low income, disabled homeowners. The original project design called for five homeowners to be assisted. The City has been awarded a recertification request to continue the program as in the past upon Council approval.

COST: None

SCHEDULE: Executed agreement due to TDHCA by Tuesday, April 22, 2014, upon approval of agreement no. 2013-0011 staff will begin the process.

RECOMMENDED ACTION: Approval of HOME Reservation System Participant Agreement No. 2013-0011.

CITY CONTACT: Stacy Corley, Deputy City Sec/Grant Coordinator 936-559-2570

ATTACHMENTS: Copy of agreement available upon request.

ITEM NO. 5-E

**CITY OF NACOGDOCHES
AGENDA INFORMATION SHEET:**

PROJECT: **CONSENT AGENDA:** Receive Quarterly Investment Report for quarter ended March 31, 2014.

MEETING DATE: April 15, 2014

DESCRIPTION: Presentation of Quarterly Investment Report for quarter ended March 31, 2014.

RECOMMENDED ACTION: None

CITY CONTACT: Pam Curbow, Director of Finance 559-2526

ATTACHMENTS: Investment Report

Investment Report

January 1, 2014 - March 31, 2014



This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023. The below signed hereby certify that, to the best of their knowledge on the date this report was created, that this report is in compliance with the stated policies and strategies of the City of Nacogdoches.

A handwritten signature in black ink, appearing to read "Pam Curbow".

Pam Curbow
Investment Officer

**Investment Position
City of Nacogdoches
March 31, 2014**

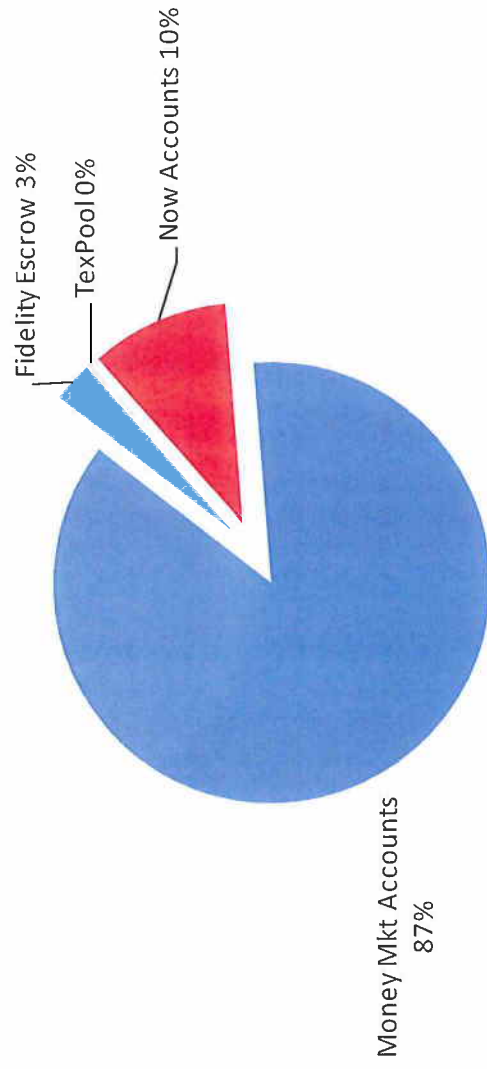
As of March 31, 2014, the City of Nacogdoches had a total of \$5 million in non-interest bearing NOW Accounts at Regions Bank, \$42.0 million invested in Money Market accounts earning a contracted rate of 0.55%, and \$1.4 million in a Fidelity Money Market Escrow account earning a rate of 0.01%. The City's average yield for FY14 is 0.30%.

The City did not have any money invested in Treasuries, Bonds, or other investments with a stated maturity date.

**Summary Statement
City of Nacogdoches
1/1/2014 – 3/31/2014**

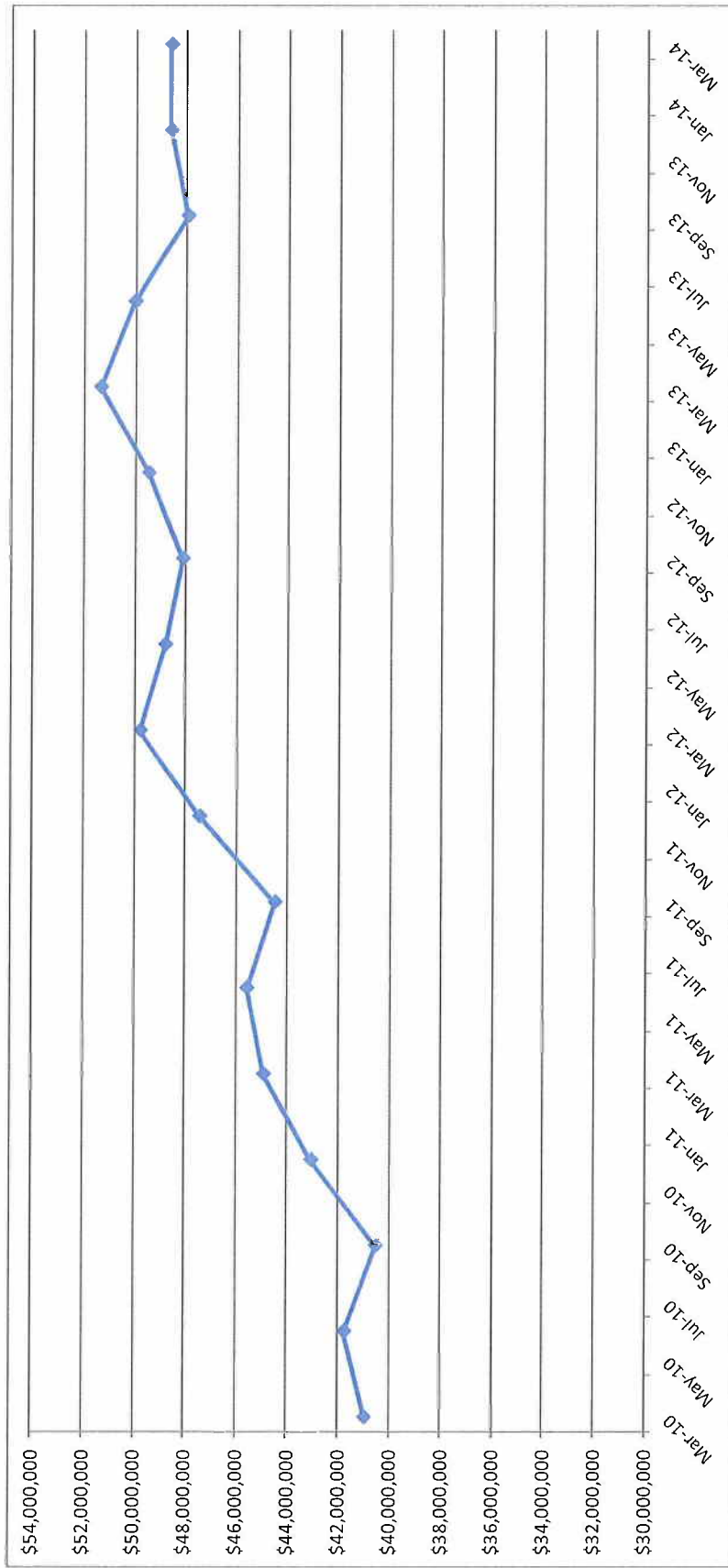
Beginning Balance 1/1/2014	\$48,591,412
Ending Balance 3/31/2014	\$48,456,212
Increase/(Decrease)	(\$135,200)
Total Interest	\$37,456
Avg Yield	0.30%

Ending Book Value City of Nacogdoches March 31, 2014



Type	Interest		
	Rate	Value	% Total
TexPool	0.06%	\$ 13,577	0%
Now Accounts	0.00%	\$ 5,000,000	10%
Money Mkt Accounts	0.55%	\$ 42,007,971	87%
Fidelity Escrow	0.01%	\$ 1,434,665	3%
Total		\$ 48,456,212	100%

Portfolio Balance History City of Nacogdoches



CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: Consider ordinance establishing new speed limits on East Main Street.

MEETING DATE: April 15, 2014

DESCRIPTION: A citizen request prompted TxDOT to perform a speed study on East Main Street from Shawnee Drive to the eastern City Limits. The study has been approved by the Austin TxDOT office. To make the new speed limit zones effective, City Council must adopt the attached ordinance.

	30 mph	40 mph	50 mph	55 mph
Current	North St to Walker Ave	Walker Avenue to Greer Street	Greer Street to Lamar Street	Lamar Street to City Limits
Proposed	North St to Shawnee	Shawnee to east of Sweetgum Street	East of Sweetgum to east of Loop 224	East of Loop 224 to City Limits

COST: \$0

BUDGET AMENDMENT REQUIRED?: No

FUNDING FROM CURRENT BUDGET

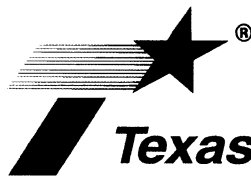
FUNDING:	Acct. Name & No.	Adopted Budget	Balance	Requested
	N/A			

SCHEDULE: Upon adoption by the City Council, the ordinance will become effective after publication in the newspaper. The speed limit change will become effective after posting of the new signs.

RECOMMENDED ACTION: The city's Traffic Committee recommends adoption of the ordinance.

CITY CONTACT: Larissa Philpot, City Planner; 559-2571, philpotl@ci.nacogdoches.tx.us

ATTACHMENTS: Ordinance and maps



125 EAST 11TH STREET | AUSTIN, TEXAS 78701-2483 | (512) 463-8700 | WWW.TXDOT.GOV

February 27, 2014

The Honorable Roger Van Horn
Mayor
City of Nacogdoches
P.O. Box 635030
Nacogdoches, Texas 75963-5030

Subject: Speed Zoning
State Highway 7/State Highway 21
Nacogdoches, Nacogdoches County

Dear Mayor Van Horn:

This office has recently completed speed zone studies on SH 7/SH 21 from FM 1275 to Loop 224 and received approval from our Austin Office to set the speed limit as follows:

From FM 1275 to a point approximately 4,187 feet eastward,
a distance of 0.793 miles, the speed limit shall be forty (40)
miles per hour in either direction.

From a point approximately 4,187 feet east of FM 1275 to
a point approximately 350 feet east of Loop 224, a distance
of 1.074 miles, the speed limit shall be fifty (50) miles per
hour in either direction.

For the above mentioned speed zone to be official, it will be necessary for the City Council to execute an Ordinance establishing it. Attached for the City's use are three (3) copies of a sample ordinance to accomplish this. Once the ordinance has been executed, please return two (2) copies to this office for our files and use. When the executed ordinance has been received, instructions will be issued to have the required signs installed.

If you have any questions, please contact this office at 936/633-4353.

Sincerely,

Donald M. Maddux

Donald M. Maddux
Traffic Systems Administrator
Lufkin District

/nh

Attachments

RECEIVED

FEB 28 14

Administration

AN ORDINANCE ESTABLISHING MAXIMUM SPEEDS OF
MOTOR VEHICLES IN CERTAIN AREAS AS DESIGNATED

WHEREAS, the Texas Department of Transportation has made its recommendations to this Commission for such speed zone areas, and

WHEREAS, the City Commission of Nacogdoches has studied such recommendations and believe them to be realistic and proper for the City of Nacogdoches,

NOW, THEREFORE BE IT ORDAINED, by the City Commission of the City of Nacogdoches, that the maximum speed for the areas applicable shall be as follows:

STATE HIGHWAY 7/STATE HIGHWAY 21

From FM 1275 to a point approximately 4,187 feet eastward, a distance of 0.793 miles, the speed limit shall be forty (40) miles per hour in either direction.

From a point approximately 4,187 feet east of FM 1275 to a point approximately 350 feet east of Loop 224, a distance of 1.074 miles, the speed limit shall be fifty (50) miles per hour in either direction.

BE IT ORDAINED that this Ordinance shall become effective immediately upon approval and publication.

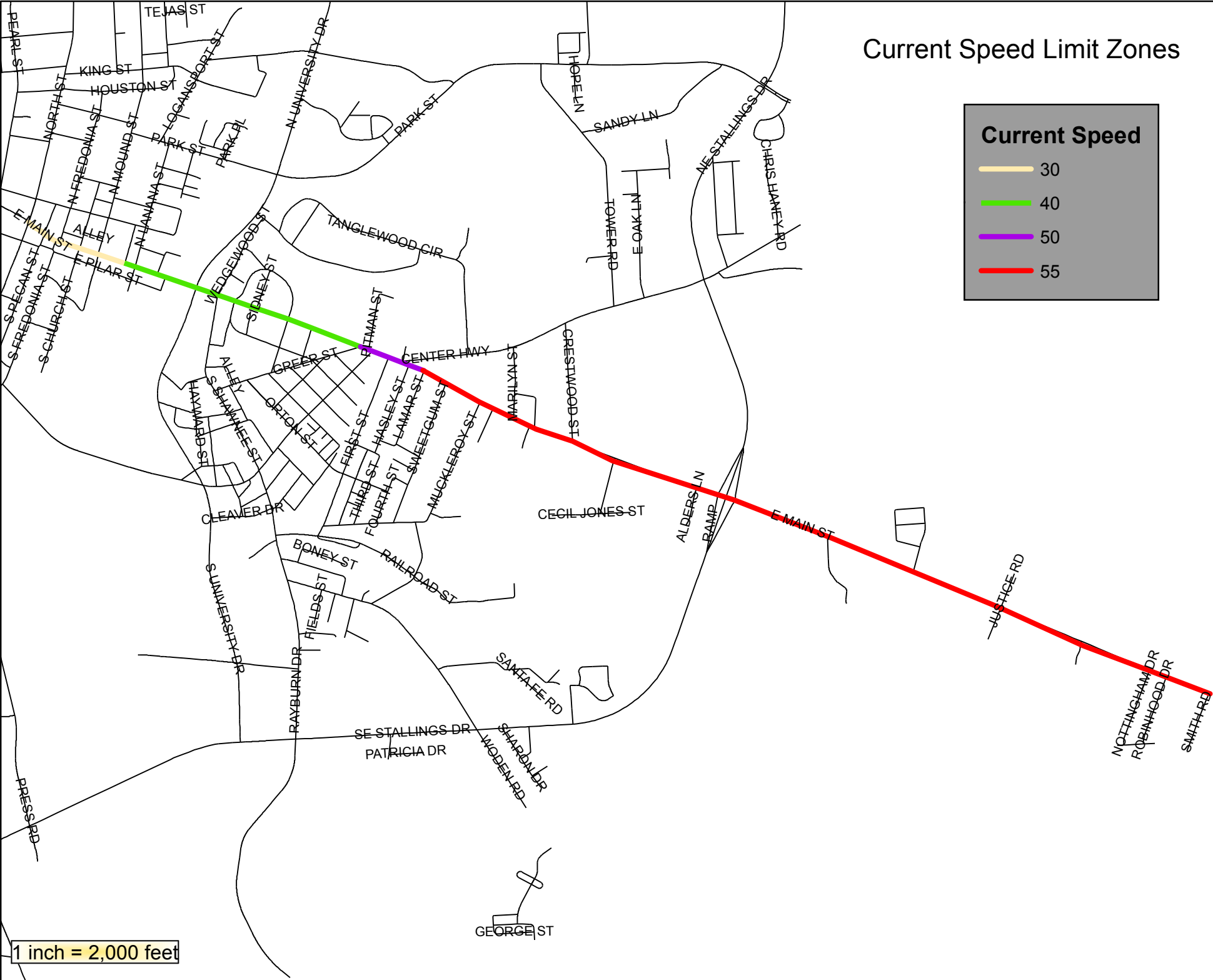
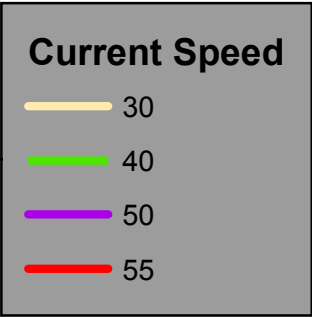
PASSED and APPROVED this 15 day of April 2014.

Mayor, City of Nacogdoches
Nacogdoches, Texas

ATTEST:

City Secretary
City of Nacogdoches, Texas

Current Speed Limit Zones



ITEM NO. 8

**CITY OF NACOGDOCHES
AGENDA INFORMATION SHEET:**

PROJECT: Consider CP 48 (TX), LLC Assisted Living Project Annexation Agreement

MEETING DATE: April 15, 2014

DESCRIPTION: Council approved an Annexation Agreement with CP 48 (TX), LLC in March. The document approved in March was crafted to be an agreement between the current property owner (Samuel Mejorado, Jr. and Gloria Iveth Mejorado) and the City. CP 48 (TX), LLC has since requested the agreement be changed to remove the Mejorados as property owners, and list CP 48 (TX), LLC as the owners. In addition to making this change, a statement was added to the agreement, making it conditional upon CP 48 (TX), LLC obtaining the property by May 31, 2014.

The agreement is being brought back before Council because one of the parties of the original agreement was removed, and language was added conditioning the agreement upon the acquisition of the property by CP 48 (TX), LLC.

COST: \$0.00

BUDGET AMENDMENT REQUIRED? : No

**RECOMMENDED
ACTION:** Approval of the Annexation Agreement

CITY CONTACT: Larissa Philpot, Rob Atherton

ATTACHMENTS: Annexation Agreement

**CITY OF NACOGDOCHES
CP 48 (TX), LLC ANNEXATION AGREEMENT
LOOP 224**

This Annexation Agreement (“Agreement”) is made and entered into by and between Pacrim US Landco, LLC (“Contract Buyer”), Pacrim US LLC (“Developer”), CP 48 (TX), LLC, its successors and assigns (“Owner”), and the City Of Nacogdoches, Texas, a home rule city and municipal corporation (“City”).

RECITALS

WHEREAS, the subjects of this Agreement are certain tracts of real property (the “Property”) more fully described in Exhibit “A” attached hereto and incorporated herein by reference; and

WHEREAS, the Property is outside the corporate boundaries of the City, but within the City’s extra territorial jurisdiction (“ETJ”); and

WHEREAS, Contract Buyer has entered into a Commercial Contract-Unimproved Property (the “Contract”) for sale of the Property to Contract Buyer; and

WHEREAS, Contract Buyer has entered into an agreement to assign the Contract or convey the fee simple title to the Property to Owner; and

WHEREAS, Developer intends to develop the Property as an assisted living project on behalf of Owner; and

WHEREAS, Owner, Contract Buyer and Developer have submitted a request for a Annexation Agreement (“Agreement”) to the City to establish the timing of any annexation of the Property and regulations that apply to the development of the property prior to and subsequent to annexation; and

WHEREAS, Owner, Contract Buyer and Developer have requested that the City enter into this Agreement to memorialize certain agreements and commitments by the City with respect to the provision of certain services to the Property; and

WHEREAS, if developed according to Owner’s and Developer’s plans, the proposed development of the Property will benefit the City by, among other things, creating additional housing opportunities; and

WHEREAS, the City, Owner, Contract Buyer, and Developer desire to establish a Annexation Agreement in accordance with the terms and conditions of Chapter 212, Subchapter G of the Texas Local Government Code, *Agreement Governing Certain Land In A Municipality’s Extraterritorial Jurisdiction*.

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, Contract Buyer, Owner, and Developer agree as follows:

I.

AUTHORITY AND TERM

1. Authority. The City's execution of this Agreement is authorized by Section 212.172 of the Texas Local Government Code and constitutes a valid and binding obligation of the City. The City acknowledges that Owner, Contract Buyer and Developer are acting in reliance upon the City's performance of its obligations under this Agreement in making its decision to commit substantial resources and money to the development of the Property.
2. Term. This Agreement shall become enforceable upon execution by the City, Contract Buyer, Owner, and Developer and shall be effective on the Effective Date. This Agreement shall terminate as provided elsewhere in this Agreement unless extended by mutual agreement of the parties.
3. Expressly Conditional. This Agreement is expressly conditioned upon Contract Buyer obtaining the Property and utility easements by May 31, 2014. Should such property and easements not be obtained by such date, this Agreement shall terminate in all respects.

II.

OBLIGATIONS OF THE DEVELOPER

Subject to and conditioned upon the acquisition of the Property by the Contract Buyer and by the conveyance by Contract Buyer to the Owner, Developer's development of the Property, and any other limitations set forth herein, and in consideration of the City's agreement to meet its obligations set forth in Section III below, Owner and Developer agree that the following performance guidelines shall be met in the development of the Property.

1. Land Plan. Developer shall develop the Property in accordance with the Conceptual Land-Use Plan shown on the attached Exhibit "B."
2. Development Schedule. Development of the Property shall occur in substantial accordance with the schedule described in the attached Exhibit "C."
3. Applicable Development Ordinances and Fees. Developer shall develop the Property in accordance with all City ordinances that apply to development within City limits, and more specifically, but without limitation, City development ordinances that apply within the B-2 zoning district as described in the City's Zoning Ordinance, provided, however, that nothing herein shall prohibit Developer or Owner from requesting a variance or exception from City ordinances in accordance with the procedures appropriate to the

requested variance or exception. Developer and/or Owner shall pay City upon request inspection fees customarily charged for assuring compliance with City ordinances.

4. Voluntary Petition for Annexation. The Owner, Contract Buyer and Developer hereby agree that this Agreement constitutes a voluntary petition to the City, acting in the City's sole discretion, for annexation of the Property for full purposes under the provisions of Section 43.052(h) of the *Texas Local Government Code* one year after a Certificate of Occupancy is issued to Developer for the Exhibit "B" Land-Use Plan, but in no event later than March 30, 2017.

To accomplish such annexation, the City will not need to take the following actions, all of which are waived by the Developer and Owner:

- (a) adopt or amend an annexation plan to include the Property;
- (b) give notice to any service providers in the area of the Property;
- (c) compile an inventory of services provided to the area by both public and private entities prior to the City's annexation or make such inventory available for public inspection;
- (d) complete a service plan that provides for the extension of full municipal services to the Property;
- (e) hold any public hearings; and
- (f) undertake any negotiations for provision of services to the Property.

The Contract Buyer, Developer and Owner confirm and agree that, as the Owner will be the sole owner of the Property upon the issuance of the Certificate of Occupancy and thereafter for relevant periods under this Agreement, such voluntary petition may not be revoked by the Owner except as provided by this Consent, and is intended to be and shall be binding upon the Owner and its successors in interest in ownership of any right, title or interest in and to the Property or any part thereof.

5. Notice of Conveyance. The Contract Buyer and Owner shall provide written notice to the City of Contract Buyer's conveyance of the Property to Owner within twenty (20) business days after such conveyance.
6. Annual Payment. Neither the Developer nor the Owner shall be required to make any payment in lieu of taxes prior to the annexation of the Property.

III.

OBLIGATIONS OF THE CITY

Subject to and conditioned upon Developer's development of the Property, and any other limitations set forth herein, and in consideration of Developer's and Owner's agreement to meet ~~its~~ their obligations set forth in Section II above, the City agrees to the following:

1. Utility Services and Rates. The City shall provide water and wastewater services following acquisition and payment for by Owner, Contract Buyer, or Developer of required easements through existing land adjacent to and East of the church. Extension of water and wastewater infrastructure will be at Developer's or Owner's expense. The City shall also provide solid waste collection and disposal service to the Developer's or Owner's dumpster. The rate for such services will be the outside city rate of 1-1/2 times the in-city rate for comparable services, customers and quantities. If, as, and when the Property is annexed into the City, the in-city rates will apply.
2. Cooperation. The City shall work with Developer to expeditiously review Developer's development plans and process permit applications. City shall provide to Developer any necessary documentation of permit approvals in a timely manner.
3. Applicable Development Ordinances. In accordance with Section 212.172(g) of the Texas Local Government Code, this Agreement constitutes a permit under Chapter 245 of the Texas Local Government Code. Pursuant to Section 212.172(b)(8), the City agrees that the Owner, Contract Buyer, Developer, and the City have agreed to annexation and that the uses and development of the Property may continue as described in this Agreement subsequent to annexation in accordance with B-2 zoning regulations.
4. Annexation. City shall not annex Property prior to (1) one year after the date of issuance of a Certificate of Occupancy for Developer's development; or (2) March 30, 2017, whichever is first. Such Certificate of Occupancy shall not be unreasonably delayed or withheld. The City may annex the Property at any time subsequent to the first to occur of (1) or (2) in accordance with Section II(4) of this Agreement. City shall provide written notice to Owner at least ten (10) business days prior to any public hearing to initiate annexation proceedings.
5. Base Zoning. Prior to annexation and zoning of the Property, City shall approve all permits for the project and apply all City ordinances to the development of the Property as such ordinances would apply to the City's B-2 zoning district. As soon as practicable subsequent to annexation of the Property, City shall initiate proceedings to zone or rezone the Property to B-2 or an equivalent zoning district compatible with the Land-Use Plan.

IV.

MISCELLANEOUS

1. Mutual Assistance. City, Owner, Contract Buyer, and Developer will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out such terms and provisions.
2. Representation and Warranties. The City represents and warrants to Owner, Contract Buyer, and Developer that this Agreement is within its authority, and that it is duly authorized and empowered to enter into this Agreement, unless otherwise ordered by a court of competent jurisdiction. Owner represents and warrants to Contract Buyer, Developer, and City that it has the requisite authority to enter into this Agreement. Developer and Contract Buyer represent and warrant to City that they have the requisite authority to enter into this Agreement.
3. Default. If any of the City, Owner, Contract Buyer, or Developer should default in the performance of any obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of thirty (30) days to cure such default, prior to instituting an action for breach or pursuing any other remedy for default.
4. Entire Agreement. This Agreement contains the entire agreement between the parties. Prior to the earlier of (1) one year after the issuance of a Certificate of Occupancy or (2) March 30, 2017, this Agreement may only be amended, altered, or revoked by written instrument signed by the City, Owner, Contract Buyer, and Developer. Subsequent to the earlier of (1) one year after the issuance of a Certificate of Occupancy or (2) March 30, 2017, this Agreement may only be amended, altered, or revoked by written instrument signed by the City and Owner.
5. Binding Effect. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors or assigns.
6. Assignment. Except as provided, Owner may assign all or part of its rights and obligations to a third party without prior written approval of the City.
7. Term and Termination. This Agreement and the obligations on the part of all parties shall be deemed terminated and of no further force or effect if, within four (4) years of the Effective Date, no permit applications are submitted to the City or other regulatory agency to initiate or continue development of the Property as an assisted living community. Otherwise, this Agreement shall terminate upon completion of annexation proceedings and zoning to B-2 (or equivalent zoning district), unless extended by mutual agreement of Developer and City.

8. Notice. Any notice and or statement required and permitted to be delivered shall be deemed delivered by actual delivery, facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

Owner: CP 48 (TX), LLC
Attn.: Lisa Gann
3131 McKinney Avenue, Suite 475
Dallas, Texas 75204
Telephone: 214-347-7140
Facsimile: 214-347-7142
Email: lisa.gann@cphomes.net

Contract Buyer: Pacrim US Landco LLC
Attn.: Rusty Prentice
3131 McKinney Avenue, Suite 475
Dallas, Texas 75204
Telephone: 214-347-7140
Facsimile: 214-347-7142
Email: rusty.prentice@cphomes.net

Developer: Pacrim US LLC
Attn.: Edward Good
3131 McKinney Ave. #475
Dallas, Texas 75201
Telephone: _____
Facsimile: _____
Email: _____

With copies to: Charles E. Aster, Esq.
Kane, Russell, Coleman & Logan, P.C.
1601 Elm Street, #3700
Dallas, Texas 75201
Telephone: 214-777-4266
Facsimile: 214-777-4299
Email: caster@krcl.com

City: James P. Jeffers
P. O. Box 635030
Nacogdoches, Texas 75963-5030
Telephone: 936-559-2501
Facsimile: 936-559-2912
Email: Jeffers@ci.nacogdoches.tx.us

With copies to: Rob Atherton, City Attorney
P. O. Box 635030
Nacogdoches, Texas 75963-5030
Telephone: 936-559-2503
Facsimile: 936-559-2502

Either party may designate a different address at any time upon written notice to the other party.

9. Interpretation. Each of the parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, however its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any party.
10. Applicable Law. This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in the State courts of Nacogdoches, Texas.
11. Severability. In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.
12. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.
13. No Joint Venture. It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The City, its past and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with the development of the Property.
14. Exhibits. The Exhibits attached hereto are incorporated by reference for all purposes.

EXECUTED to be effective as of the ____ day of _____, 2014.

CONTRACT BUYER:

PACRIM US LANDCO, LLC

By _____
RUSTY PRENTICE, its _____

OWNER:

CP 48 (TX), LLC

By: _____
Lisa Gann, its _____

DEVELOPER:

PACRIM US LLC

By: _____
EDWARD GOOD, its President

CITY OF NACOGDOCHES, TEXAS

By: _____
JAMES P. JEFFERS, City Manager

APPROVED AS TO FORM:

ROB ATHERTON, City Attorney

Exhibit "A" – Metes and Bounds of two tracts located on Loop 224

Exhibit "B" – Conceptual Land-Use Plan

Exhibit "C" – Development Schedule

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2014, by RUSTY PRENTICE, _____ (title) of PACRIM US LANDCO, LLC, on behalf of said limited liability company.

NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2014, by LISA GANN, _____ (title) of CP 48 (TX), LLC, on behalf of said limited liability company.

NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF NACOGDOCHES §

This instrument was acknowledged before me on _____, 2014, by JAMES P. JEFFERS, City Manager of City of Nacogdoches, a Texas municipal corporation, on behalf of said corporation.

NOTARY PUBLIC, STATE OF TEXAS

ACKNOWLEDGMENT

STATE OF TEXAS §
COUNTY OF _____§

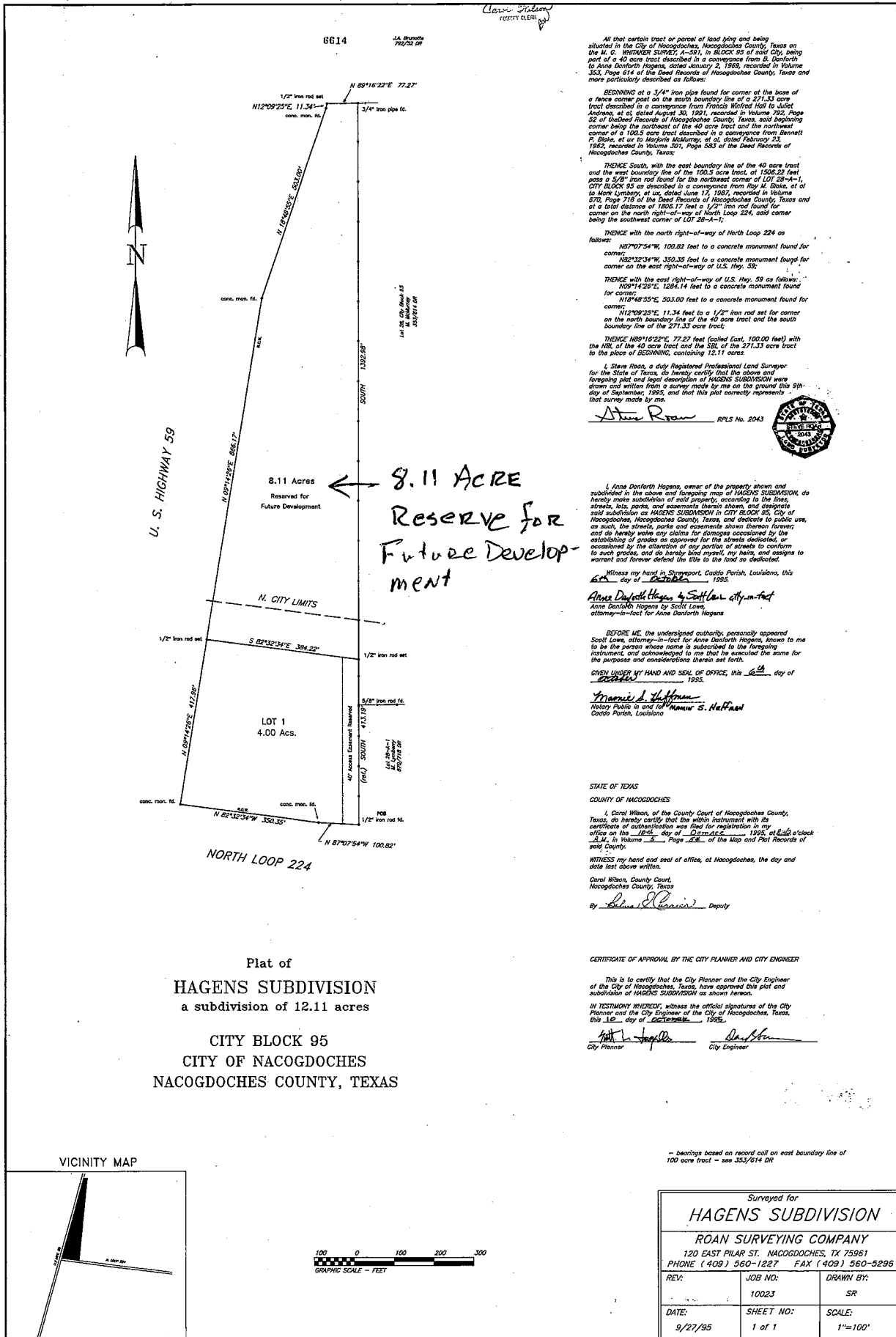
This instrument was acknowledged before me on the ____ day of _____, 2014, by EDWARD GOOD, President of PACRIM US LLC, on behalf of said limited liability company.

NOTARY PUBLIC, STATE OF TEXAS

EXHIBIT A

5-54

FILED
NACOGDOCHES COUNTY
TEXAS
95 OCT 10 AM 8:42
Clare Wilson
COUNTY CLERK



All that certain tract or parcel of land lying and being situated in the City of Nacogdoches, Nacogdoches County, Texas on the M. D. WINTHROP SURVEY, A-591, in BLOCK 95 of said City, being part of a 40 acre tract described in a conveyance from B. Danforth to Anne Danforth Hagens, dated January 2, 1989, recorded in Volume 353, Page 814 of the Deed Records of Nacogdoches County, Texas and more particularly described as follows:

BEGINNING at a 3/4" iron pipe found for corner of the base of a fence corner post on the south boundary line of a 271.33 acre tract described in a conveyance from Francis Winford Hall to Juliet Andrews, et al dated August 30, 1991, recorded in Volume 722, Page 52 of the Deed Records of Nacogdoches County, Texas, said beginning corner being the northeast of the 40 acre tract and the northwest corner of a 100.3 acre tract described in a conveyance from Bennett P. Blake, et al to Marjorie McLintyre, et al, dated February 23, 1982, recorded in Volume 351, Page 583 of the Deed Records of Nacogdoches County, Texas;

THENCE South, with the east boundary line of the 40 acre tract and the west boundary line of the 100.3 acre tract, at 1206.22 feet pass a 5/8" iron rod found for the northeast corner of LOT 28-A-1, CITY BLOCK 95 as described in a conveyance from Roy M. Blake, et al to Mark Lymbury, et al, dated June 17, 1987, recorded in Volume 670, Page 718 of the Deed Records of Nacogdoches County, Texas and at a total distance of 1806.17 feet a 1/2" iron rod found for corner on the north right-of-way of North Loop 224, said corner being the southwest corner of LOT 28-A-1;

THENCE with the north right-of-way of North Loop 224 as follows:

N87°07'54"W, 100.82 feet to a concrete monument found for corner;

N82°12'34"W, 350.35 feet to a concrete monument found for corner on the east right-of-way of U.S. Hwy. 59;

THENCE with the east right-of-way of U.S. Hwy. 59 as follows:

109°14'20"E, 1284.14 feet to a concrete monument found for corner;

N18°48'55"E, 503.00 feet to a concrete monument found for corner;

N12°09'23"E, 11.34 feet to a 1/2" iron rod set for corner on the north boundary line of the 40 acre tract and the south boundary line of the 271.33 acre tract;

THENCE N89°16'32"E, 77.27 feet (called East, 100.00 feet) with the NE of the 40 acre tract and the SE of the 271.33 acre tract to the place of BEGINNING, containing 12.11 acres.

I, Steve Roan, a duly Registered Professional Land Surveyor for the State of Texas, do hereby certify that the above and foregoing plat and legal description of Hagens SUBDIVISION were drawn and written from a survey made by me on the ground this 9th day of September, 1995, and that this plat correctly represents that survey made by me.

Steve Roan RPLS No. 2043
I, Anne Danforth Hagens, owner of the property shown and subdivided in the above and foregoing map of Hagens SUBDIVISION, do hereby make subdivision of said property, according to the lines, streets, lots, parks, and easements therein shown, and designate said subdivision as Hagens SUBDIVISION in CITY BLOCK 95, City of Nacogdoches, Nacogdoches County, Texas, and dedicate to public use, as such, the streets, parks and easements shown thereon forever; and do hereby waive any claims for damages occasioned by the establishing of grades as planned for the streets dedicated, or occasioned by the alteration of any portion of streets to conform to such grades, and do hereby bind myself, my heirs, and assigns to warrant and forever defend the title to the land so dedicated.

Witness my hand in Shreveport, Caddo Parish, Louisiana, this day of October, 1995.

Anne Danforth Hagens by *Scott Lowe* city-in-fact
Anne Danforth Hagens by Scott Lowe,
attorney-in-fact for Anne Danforth Hagens

BEFORE ME, the undersigned authority, personally appeared Scott Lowe, attorney-in-fact for Anne Danforth Hagens, known to me to be the person whose name is subscribed in the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein set forth.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 6th day of October, 1995.

Thomas J. Hoffman
Notary Public in and for the State of Louisiana
Caddo Parish, Louisiana

STATE OF TEXAS
COUNTY OF NACOGDOCHES

I, Carol Wilson, of the County Court of Nacogdoches County, Texas, do hereby certify that the within instrument with its certificate of authentication was filed for registration in my office on the 6th day of October, 1995, at 8:46 o'clock P.M., in Volume 353, Page 814 of the Map and Plat Records of said County.

WITNESS my hand and seal of office, at Nacogdoches, the day and date last above written.

Carol Wilson, County Court,
Nacogdoches County, Texas

By *Clare Wilson* Deputy

CERTIFICATE OF APPROVAL BY THE CITY PLANNER AND CITY ENGINEER

This is to certify that the City Planner and the City Engineer of the City of Nacogdoches, Texas, have approved this plat and subdivision of Hagens SUBDIVISION as shown herein.

IN TESTIMONY WHEREOF, witness the official signatures of the City Planner and the City Engineer of the City of Nacogdoches, Texas, this 12th day of October, 1995.

John L. Jorgensen *Don Sten*
City Planner City Engineer

CERTIFICATE OF APPROVAL BY THE CITY PLANNER AND CITY ENGINEER

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John L. Jorgensen *Don Sten*
City Planner City Engineer

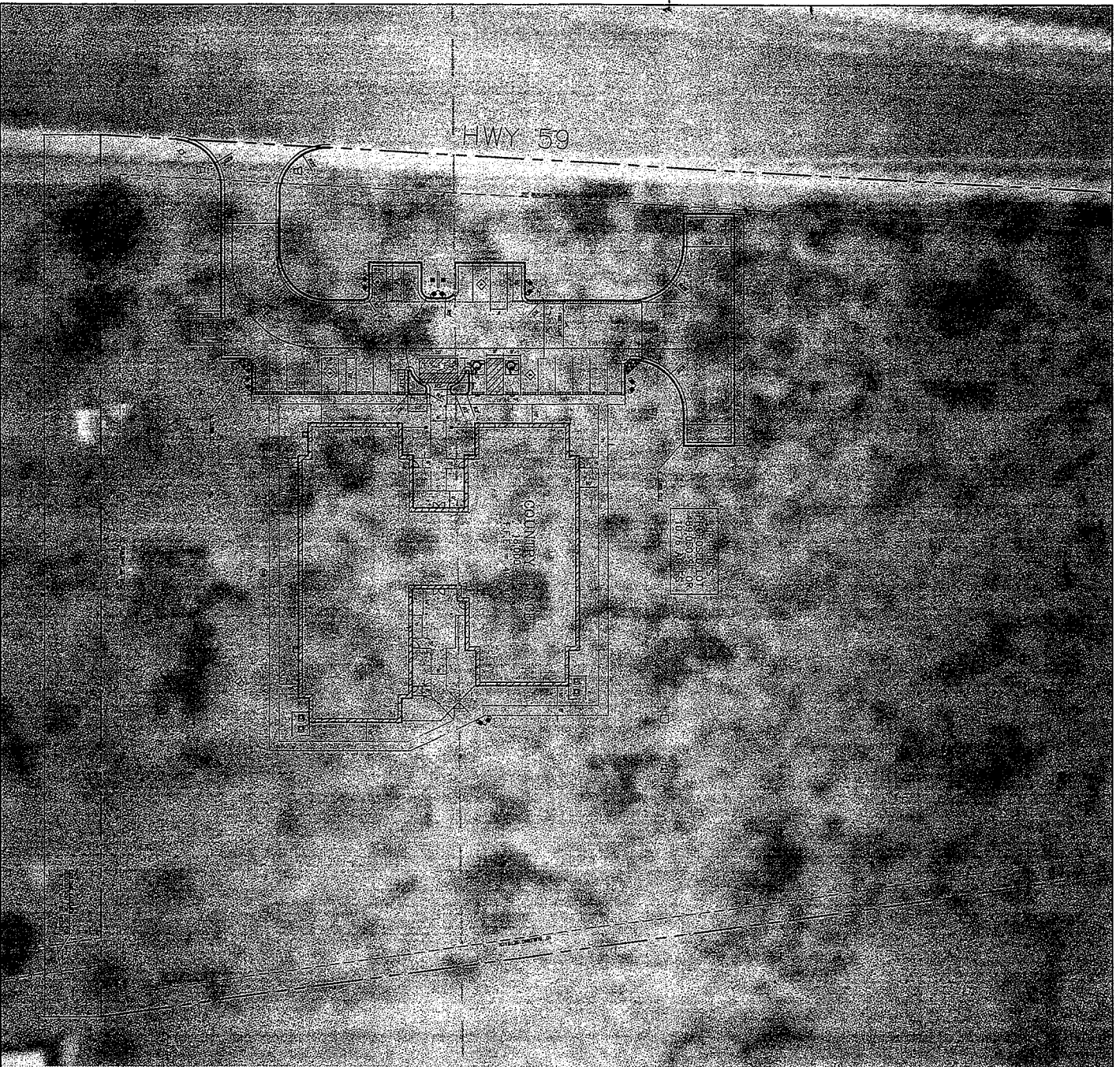
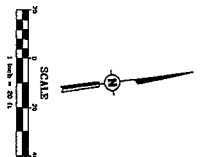


EXHIBIT B

Page 1 of 2



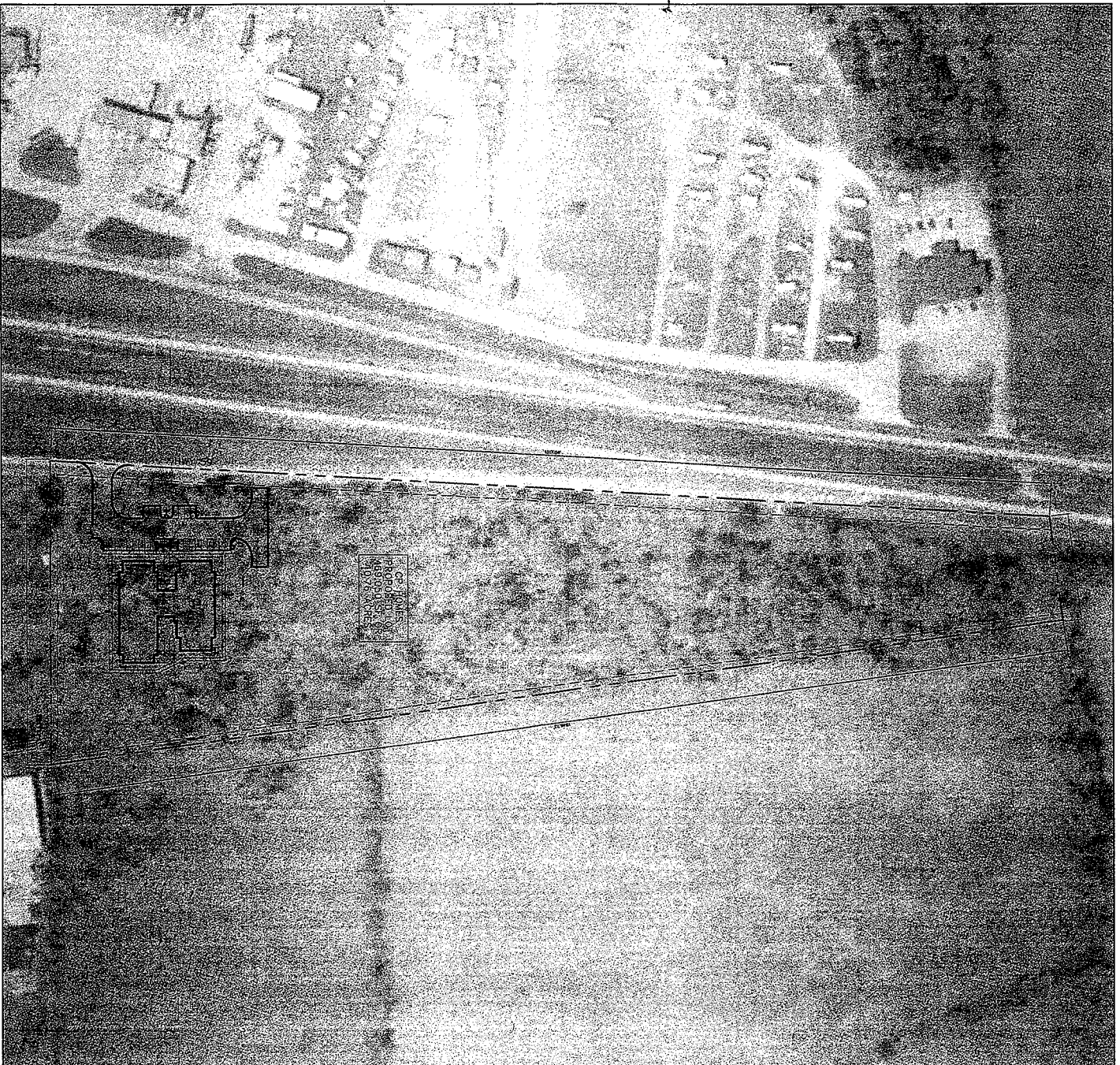


EXHIBIT B

Page 2 of 2

NOT TO SCALE



SHEET: C1.0	OVERALL SITE PLAN	TEXAS COA #T-8576	FOR REVIEW ONLY

Handwritten:
CP HOMES

DATE: 08-14-2014
TIME: 1:16 PM
PROJECT: 08-14-00002
FILE: 08-14-00002
USER: sarah.bryant

DATE: 08-14-2014
TIME: 1:16 PM
PROJECT: 08-14-00002
FILE: 08-14-00002
USER: sarah.bryant

CP HOMES
10000 W. 10th Street, Suite 100 Hoochcocker, TX 75964
PROJ NUMBER: 08-14-00002

FOR REVIEW ONLY
DATE: 08-14-2014
TIME: 1:16 PM
PROJECT: 08-14-00002
FILE: 08-14-00002
USER: sarah.bryant

HFA
HOUSTON AREA FEDERAL AGENCY
10000 W. 10th Street, Suite 100 Hoochcocker, TX 75964
PROJ NUMBER: 08-14-00002

Project Development Timeline

CP 48 DEVELOPMENT TIMELINE												
	Year 1				Year 2				Year 3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Contract Phase												
Administrative Phase												
Site Work												
Building Construction												
Interior Construction												
Hiring & Training												
Operational												

January 2014

Contract Phase (approximately 4 months)

The first part of our development will begin with the contract phase of the site. During this time we will obtain our title commitment, perform our Site Investigative Report (SIR), have an environmental phase 1 completed, as well as an ALTA survey.

Administrative Phase (approximately 6 months)

This phase covers entitlements, design, civil engineering, permits, and fees that are currently in process for the subject property. Contractor contracts will be signed and building permits obtained by the company during this three to six months of the development process.

Site Work Period (approximately 3 months)

In the second half of the administrative phase, the site work period begins. The first phase includes securing soil engineer and land surveyor, construction fencing, rough grading, soil excavation/import/compaction, and underground wet and dry utilities. Major milestones for the site work phase are pad certification and compaction report approval, after which building construction may begin. The second phase of site work, which is concurrent with building construction, includes tasks such as trash enclosure, curb, gutter, and hardscape, back fill and finish grade, landscaping, grave base and pave, monument and signage, and stripping and signage.

February 2015

Building Construction Period (approximately 6 months)

The building construction period may begin after pad certification is obtained and the compaction report is complete, about two months into the site work process. Tasks include excavation and foundation, underground rough plumbing and electricity, pour and form slab/curb, framing, rough electrical, rough plumbing, fire sprinkler, roofing, glass and glazing, stucco, set HVAC units, painting, fire alarm installation, system start-ups, and clean and punch list. Major milestones in the building construction period include the foundation, roofing, and stuccoing.

Interior Construction & Equipment Installation Period (approximately 4 months)

Tasks included in the interior construction and equipment installation phase may begin when the building has a roof and waterproofing, about two or more months into the building construction process. Tasks include finishing mechanical, electrical and plumbing, insulation, drywall, security installation, tap and finish, elevator, painting, ceramic tile, doors and hardware, millwork/cabinet, wall covering, floor covering, and communication systems.

January 2016

Hiring and Training of Staff (approximately 3 months)

The hiring and training of staff will begin shortly before the launch of initial operations, and hiring will continually gradually until the staff reaches a total of 20 full-time direct hires. The staff will have the qualifications and sensitivity necessary to provide excellent service and care for its residents. Training is an integral part of this Project as it ensures a steady level of quality service.

March 2016 Opening of Doors

March 2017 Annexation

ITEM NO. 8

**CITY OF NACOGDOCHES
AGENDA INFORMATION SHEET:**

PROJECT: **EXECUTIVE SESSION:** Deliberation regarding Economic Development negotiations under Local Government Code Section 551.087 as follows:

- A. Discuss or deliberate regarding commercial or financial information that the City has received from a business projects that the City body seeks to have locate in the City of Nacogdoches and with which the City is conducting economic development negotiations; and
- B. Deliberate the offer of a financial or other incentive to business prospects described by Subdivision A above.

MEETING DATE: April 15, 2014

Information will be provided
At Tuesday's meeting