



Notice is hereby given of a Regular Meeting of the Nacogdoches City Council to be held **July 21, 2015, 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. **PRESENTATIONS AND RECOGNITIONS:**  
Receive presentation from the Nacogdoches Youth Softball Association.
3. Items to be removed from Consent Agenda.
4. **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 July 7, 2015. (City Secretary)
  - B. Consider authorizing the City of Nacogdoches to participate in the Texas Enterprise Zone Program by adoption of an amended resolution to correct the business name from Pilgrim's Pride to Pilgrim's Pride Corporation, providing tax incentives, designating a liaison for communication with the interested parties, and nominating Pilgrim's Pride Corporation to the Economic Development and Tourism Division of the Governor's Office through the economic development bank as a Texas Enterprise Project. (City Planner)
  - C. Receive Quarterly Investment Report for quarter ended June 30, 2015. (Director of Finance)

**REGULAR AGENDA:**

5. **PUBLIC HEARING:** Consider a petition for voluntary annexation of the Nacogdoches County Exposition Center property, located at 3805 NW Stallings Drive. (City Planner)
6. Consider the adoption of a resolution setting the public hearing dates for the annexation of the Nacogdoches County Exposition Center. (City Planner)
7. Consider authorizing the Mayor to execute documents in connection with Pilgrim's Pride Texas Capital Fund contracts. (City Attorney)
8. Consider utilizing Local Government Code Chapter 380 to promote economic development, with dedicated funding. (City Manager)
9. Consider the following board appointments:
  - A. Mayor's Committee on People with Disabilities (6 positions)
  - B. Nacogdoches Housing Authority (3 positions)
  - C. Planning and Zoning Commission (3 positions)

- D. Zoning Board of Adjustments (5 regular members/1 alternate)
- E. Public Library Board (5 positions)
- F. Historic Landmark Preservation Committee (2 positions)
- G. Main Street Board (2 positions)

10. Receive budget presentation. (City Manager)

**For the convenience of the audience, the Council may conduct Executive Session deliberation in the first floor conference room, Room 112, of City Hall. Re-opening of the open session for action, if any, on Executive Session items will be in City Council Chambers. Regular Session agenda items appropriate for Executive Session consideration may be moved into Executive Session for deliberation, but not action, upon proper announcement at the meeting by the presiding officer.**

11. **EXECUTIVE SESSION:**

- A. Deliberation regarding Economic Development negotiations under Local Government Code Section 551.087 as follows:
  - 1. 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
  - 2. Deliberate the offer of a financial or other incentive to business prospects described by Subdivision 1 above.

12. Open for action, if any, on Item 11-A-1.

13. Open for action, if any, on Item 11-A-2.

14. 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](http://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 Wednesday, July 17, 2015 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 July 2015.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: Receive Annual Report From Nacogdoches Youth Softball Association

MEETING DATE: July 21, 2015

DESCRIPTION: Discuss the needs for the association, challenges from the year, proposed projects and growth, and thank City staff for all the time and effort during a difficult spring.

ATTACHMENTS: None

CITY CONTACT: Brian Bray, Community Services Director

ITEM NO. 4-A

## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: CONSENT AGENDA: Consider approval of minutes from regular meeting of July 7, 2015.

MEETING DATE: July 21, 2015

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

ATTACHMENTS: Minutes

**MINUTES**  
**Regular Session**  
**Nacogdoches City Council**  
**July 7, 2015 – 5:30 p.m.**  
City Council Room – City Hall  
202 E. Pilar Street

**DRAFT**

**Regular Session:**

**Those Present:**

Mayor Van Horn; Council members Shelley Brophy, Roy Boldon, Mike 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. PRESENTATIONS AND RECOGNITIONS:**

None.

**3. Items to be removed from Consent Agenda.**

None.

**4. 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 June 16, 2015.**

*Approved as presented.*

**B. Consider authorization for tax resale for property described as: Being Lot 41, Block 53 in the City of Nacogdoches, Nacogdoches County, TX; more fully described in Volume 465, Page 623, Deed Records, Nacogdoches County, Texas located at 1023 Fulgham. GEO (17-053-0041-000000).**

*Approved as presented.*

**C. Consider authorization for tax resale for property described as: Being Lot 3-B, JM Martinez Survey, Allen Seale Subdivision in the City of Nacogdoches, Nacogdoches County, TX; more fully described in Volume 519, Page 495 Deed Records, Nacogdoches County, Texas located at 1700 Railroad Street. GEO (18-524-5800-003020).**

*Approved as presented.*

**D. Consider authorization for tax resale for property described as: Tract 2: Being Lot 8-D, Block 43 in the City of Nacogdoches, Nacogdoches County, Texas; also referred to as Third Tract and more fully described in Volume 1004, Page 0-69 Official Public Records, Nacogdoches County, Texas located at 1213 Powers Street. GEO (17-043-1008-040000).**

*Approved as presented.*

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

**Minutes unofficial until approved by City Council**

**REGULAR AGENDA:**

**5. Consider approval of a Chapter 380 Economic Development Agreement with Crisp Construction, Inc. for retail space at 111 N. Pecan Street.**

Larissa Philpot, city planner, reviewed the request for a 380 Agreement from Crisp Construction, Inc. to renovate the interior and exterior of the warehouse building at 111 N. Pecan Street. She stated the first floor would be used for retail space and the second floor for an event venue. She reviewed the terms of the 5-year agreement for the rebate of ad valorem tax at 100% for the first two years, and 75%, 50% and 35% percent for subsequent years. She stated the property is currently valued at \$98,000 and the project was estimated to exceed \$275,000.

Kim Crisp, property owner, appeared and reviewed the planned renovations and restorations. He stated his daughter would operate a ladies apparel and home accessories retail business on the first floor, and the upper floor would be used for events such as meetings and weddings. Crisp stated they purchased the parking lot to the north of the building, as well as the alley to the south of the building and reviewed plans for both.

Council member Brophy moved to approve the 380 Agreement with Crisp Construction, Inc. for 5-year tax rebate for the property located at 111 N. Pecan Street as presented. The motion was seconded by Council member Boldon and unanimously passed.

**6. Consider authorizing the Mayor to execute documents in connection with Pilgrim's Pride Texas Capital Fund contracts.**

Mayor Van Horn stated this item would be tabled until a future meeting.

**7. Consider 2015 Street Paving Project bid dismissal.**

Steve Bartlett, city engineer, explained only one bid had been received for the 2015 Street Paving project. He reviewed the bid solicitation process, stating contractors he spoke with explained they were saturated with work at this point and were not able to bid at this time. The bid received was a "courtesy bid" submitted by Drewery Construction in the amount of \$1,473,984, indicating they could not even consider beginning the work until spring 2016.

Bartlett reviewed a staff recommendation asking the city council to dismiss the one bid received and use public works crews to focus on the worst streets, rolling unused funds into the next fiscal year. He stated the remaining streets could be bid again next spring. Bartlett reviewed the streets proposed to be paved by city staff in this fiscal year.

After some discussion Council member Norton moved to dismiss the bid of Drewery Construction in the amount of \$1,473,984 for the 2015 Street Paving project. The motion was seconded by Council member Keller and unanimously passed.

**8. Consider the award of a contract for the construction of Utility Relocations on East Starr Avenue.**

Steve Bartlett, city engineer stated one bid had been received for the relocation of utilities in connection with the East Starr Avenue project by TxDOT. He explained the bidder, Duplichain Contractors, submitted a bid in the amount of \$491,530.40, which was below budget. He stated Duplichain Contractors had previously done work for the city and staff was recommending award of the contract to them.

Council member Boldon moved to award the utility relocation contract for East Starr Avenue to Duplichain Contractors in the amount of \$491,530.40 as presented. The motion was seconded by Council member Brophy and unanimously passed.

**9. Consider award for the purchase of a 2016 Mack LEU-613 Sanitation Collection Truck.**

Cary Walker, public works manager, stated staff was recommending the purchase of a 2016 Mack sanitation collection truck to replace a 2009 Mack side-load truck with over 9,000 hours. He reviewed the features of the new truck which would dump residential cans and commercial dumpsters from the same vehicle, potentially reducing the city's

fleet in the future. He stated other cities were using them and were pleased with the results.

Walker requested approval for the purchase of one 2016 Mack LEU-613 sanitation truck in the amount of \$323,000 to be purchased through Buy Board.

Council member Brophy moved to authorize the purchase of one 2016 Mack LEU-613 sanitation truck in the amount of \$323,000 to be purchased through Buy Board as presented. The motion was seconded by Council member Keller and unanimously passed.

**10. Receive budget presentation.**

Jim Jeffers, city manager, gave a brief presentation on economic indicators to include increased sales tax; building permits; water sales and hotel occupancy tax.

*No action necessary.*

*The City Council went into Executive Session at 6:13 p.m.*

**11. EXECUTIVE SESSION:**

- A. Deliberation regarding Personnel under Local Government Code Section 551.074 as follows:
  - 1. Consider annual City Manager evaluation and consider contract extension; and
  - 2. Consider amendment to City Manager and City Attorney contracts to provide for cost of living adjustments paid to other employees to apply to City Manager and City Attorney.
  
- B. Consultation with Attorney - Deliberation regarding attorney's advice under Local Government Code Section 551.071 regarding Dowtech Specialty Contractors, Inc. vs. City of Nacogdoches.
  
- C. Deliberation regarding Economic Development negotiations under Local Government Code Section 551.087 as follows:
  - 1. 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
  - 2. Deliberate the offer of a financial or other incentive to business prospects described by Subdivision 1 above.

*The City Council returned to open session at 7:20 p.m.*

**12. Open for action, if any, on Item 11-A-1.**

Council member Brophy moved to extend the contract with City Manager Jim Jeffers for one additional year, and amend the contract to provide for cost of living adjustments paid to other employees to apply to the City Manager. The motion was seconded by Council member Keller and unanimously passed.

**13. Open for action, if any, on Item 11-A-2.**

Mayor Van Horn moved to amend the City Attorney contract to provide for cost of living adjustments paid to other employees to apply to the City Attorney. The motion was seconded by Council member Brophy and unanimously passed.

**14. Open for action, if any, on Item 11-B-1.**

*No action taken.*

**15. Open for action, if any, on Item 11-B-2**

*No action taken.*

**16. Open for action, if any, on Item 11-C-1.**

*No action taken.*

**17. Open for action, if any, on Item 11-C-2.**

*No action taken.*

**18. Adjourn.**

Mayor Van Horn adjourned meeting at 7:23 p.m.

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Mayor Roger Van Horn  
City Council  
City of Nacogdoches

ATTEST:

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Lila Fuller, City Secretary



## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: CONSENT AGENDA: Consider authorizing the City of Nacogdoches to participate in the Texas Enterprise Zone Program by adoption of an amended resolution to correct the business name from Pilgrim's Pride to Pilgrim's Pride corporation, providing tax incentives, designating a liaison for communication with the interested parties, and nominating Pilgrim's Pride Corporation to the Economic Development and Tourism Division of the Governor's Office through the economic development bank as a Texas Enterprise Project.

MEETING DATE: July 21, 2015

### DESCRIPTION:

Pilgrim's Pride is requesting to participate in the Texas Enterprise Zone Program, which requires the City of Nacogdoches to adopt a resolution nominating them as a State Enterprise Project. In May 2015, the City Council adopted such a resolution. Pilgrim's Pride submitted the resolution and the remainder of the Enterprise Project application to the state.

The state recently notified Pilgrim's Pride of a few deficiencies in the Enterprise Project application which was submitted. One deficiency noted by the state is the exact name of the business requesting the enterprise project designation must be used throughout the application and supporting documentation. Pilgrim's Pride has requested the City Council adopt an amended resolution, correcting the name of the business from Pilgrim's Pride to Pilgrim's Pride Corporation.

COST: \$0

BUDGET AMENDMENT REQUIRED?: No

SCHEDULE: The state will notify the city if the project has been approved in six months.

RECOMMENDED  
ACTION: Approve resolution

CITY CONTACT: Larissa Philpot, City Planner; 559-2571, [philpotl@ci.nacogdoches.tx.us](mailto:philpotl@ci.nacogdoches.tx.us)

ATTACHMENTS: Resolution

## RESOLUTION NO. 1179-7-15

WHEREAS, the City of **Nacogdoches, Texas** has previously passed Ordinance No. 1551-8-10 electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. 1551-8-10;

WHEREAS, the Office of the Governor Economic Development and Tourism (EDC) through the Economic Development Bank (Bank) will consider **Pilgrim's Pride Corporation** as an enterprise project pursuant to a nomination and an application made by the City;

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals;

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code (the "Act"), **Pilgrim's Pride Corporation** has applied to the City for designation as an enterprise project;

WHEREAS, the City finds that **Pilgrim's Pride Corporation** meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. **Pilgrim's Pride Corporation** is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located in an enterprise zone and at least twenty-five percent (25.0%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
3. The designation of **Pilgrim's Pride Corporation** as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

WHEREAS, the City finds that **Pilgrim's Pride Corporation** meets the criteria for tax relief and other incentives adopted by the City and nominates **Pilgrim's Pride Corporation** for enterprise project status on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, the City finds that it is in the best interest of the City to nominate **Pilgrim's Pride Corporation** as an enterprise project pursuant to the Act;

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

That the findings of the City and its actions approving this resolution taken at the council meeting are hereby approved and adopted.

BE IT FURTHER RESOLVED that **Pilgrim's Pride Corporation** is a "qualified business", as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act.

BE IT FURTHER RESOLVED that the enterprise project shall take effect on the date of designation of the enterprise project by the agency and terminate five (5) years after the date of designation.

PASSED BY THE CITY COUNCIL of the **City of Nacogdoches** this 21<sup>st</sup> day of July, 2015.

ATTEST:

\_\_\_\_\_  
Lila Fuller  
City Secretary

\_\_\_\_\_  
Roger Van Horn  
Mayor

Approved as to content:

Approved as to form:

\_\_\_\_\_  
Larissa Philpot  
Director of Municipal Services

\_\_\_\_\_  
Rob Atherton  
City Attorney

THE STATE OF TEXAS

COUNTY OF **NACOGDOCHES**

I, Lila Fuller, City Secretary of the **City of Nacogdoches, Texas** do hereby certify that the above and foregoing is a true and correct copy of Resolution Number **1179-7-15** passed by the **City of Nacogdoches** City Council on the this 21st day of July, 2015.

\_\_\_\_\_  
Lila Fuller  
City Secretary

**CITY OF NACOGDOCHES  
AGENDA INFORMATION SHEET:**

PROJECT: CONSENT AGENDA: Receive Quarterly Investment Report for quarter ended June 30, 2015.

MEETING DATE: July 21, 2015

DESCRIPTION: Presentation of Quarterly Investment Report for quarter ended June 30, 2015.

COST:

RECOMMENDED ACTION: None

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

ATTACHMENTS: Quarterly Investment Report ended June 30, 2015

**Investment Report**  
**April 1, 2015 - June 30, 2015**



This report is presented in accordance with the Texas Government Code Title 10 Section 2256.023. The below signed herby 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 blue ink that reads "Pam Curbow". The signature is written in a cursive style and is positioned above a horizontal line.

Pam Curbow  
Investment Officer

**Investment Position  
City of Nacogdoches  
June 30, 2015**

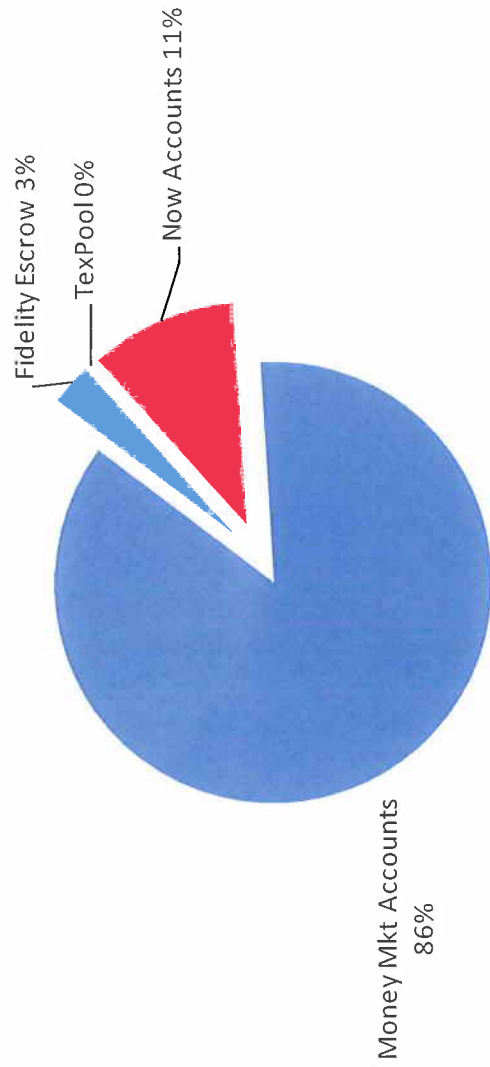
As of June 30, 2015, the City of Nacogdoches had a total of \$5 million in non-interest bearing NOW Accounts at Regions Bank, \$40.3 million invested in Money Market accounts earning a contracted rate of 0.55%, and \$1.4 million in a Fidelity Money Market Escrow account earning a rate of 0.01%. The City's average yield for FY15 is 0.29%.

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

**Summary Statement  
City of Nacogdoches  
4/1/2015 – 6/30/2015**

Beginning Balance 4/1/2015	\$48,591,389
Ending Balance 6/30/2015	\$46,776,308
Increase/(Decrease)	\$(1,815,081)
Total Interest	\$34,528
Avg Yield	0.30%

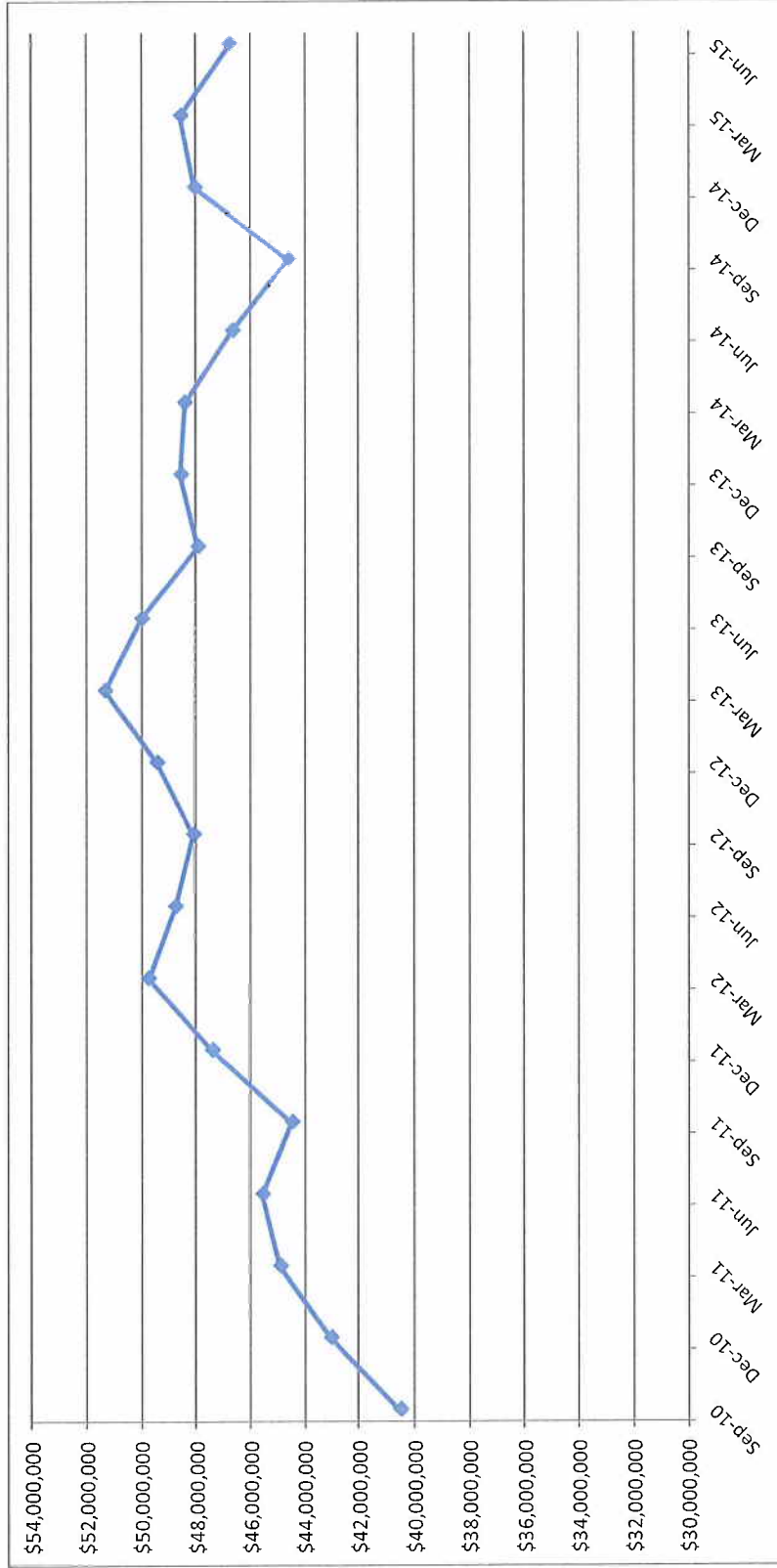
# Ending Book Value City of Nacogdoches June 30, 2015



Type	Interest Rate	Value	% Total
TexPool	0.06%	\$ 200	0%
Now Accounts	0.00%	\$ 5,000,000	11%
Money Mkt Accounts	0.55%	\$ 40,343,809	86%
Fidelity Escrow	0.01%	\$ 1,432,299	3%
<b>Total</b>		<b>\$ 46,776,308</b>	<b>100%</b>



# Portfolio Balance History City of Nacogdoches



CITY OF NACOGDOCHES  
 AGENDA INFORMATION SHEET:

PROJECT: PUBLIC HEARING: Consider a petition for voluntary annexation of the Nacogdoches County Exposition Center property, located at 3805 NW Stallings Drive.

MEETING DATE: July 21, 2015

DESCRIPTION:

The Nacogdoches County Commissioners' Court recently voted to petition the City for annexation of the Nacogdoches County Exposition Center. Currently, the newly constructed Civic Center and the Exposition Center are divided by the City limits. The voluntary request by the County Commissioners' Court allows the City Council to consider only the County owned Exposition Center property, without invoking the state requirement the parcel be at least 1000 feet wide.

Annexation of the Exposition Center will result in development control, protection of the health, safety and welfare of the public, and revenue capture. The construction of I-69 will encourage growth on the west side of Nacogdoches. The properties surrounding the Expo Center will eventually be targeted for annexation, to accommodate the natural growth in the area. Annexation of this property will allow the City to initiate this expansion and plan for the future. The Nacogdoches Police Department's jurisdiction and enforcement of city municipal laws ends at the city limits. Therefore, a different set of laws applies to the activities and operation of the Civic Center and the Expo Center. Currently, if an event utilizes both the Civic Center and the Exposition Center, someone purchasing an item in the Civic Center would pay city sales tax, while someone purchasing an item a few feet away in the Exposition Center would not.

This annexation includes the Exposition Center building and associated barns and land. No new infrastructure is anticipated to be required, as the property is already serviced by City utilities.

COST: The proposed annexation is not expected to produce any significant costs to the City.

BUDGET AMENDMENT REQUIRED?: No

<u>FUNDING FROM CURRENT BUDGET</u>				
FUNDING:	Acct. Name & No.	Adopted Budget	Balance	Requested
		<b>N/A</b>		

SCHEDULE:	Service Plan completed	August 20, 2015
	First Public Hearing	September 1, 2015
	Second Public Hearing	September 15, 2015

Final adoption of annexation  
Annexation effective

October 6, 2015  
October 21, 2015

RECOMMENDED  
ACTION:

Acceptance of the petition.

CITY CONTACT:

Larissa Philpot, City Planner; 559-2572, [philpotl@ci.nacogdoches.tx.us](mailto:philpotl@ci.nacogdoches.tx.us)

ATTACHMENTS:

None

## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: Consider the adoption of a resolution setting the public hearing dates for the annexation of the Nacogdoches County Exposition Center.

MEETING DATE: July 21, 2015

DESCRIPTION: This is a resolution setting the public hearing dates for the annexation of the county's exposition center that currently lies outside the city limits. This step starts the process of annexation that will follow the schedule outlined below. A service plan will be provided before the first public hearing. The adoption of this ordinance does not commit the city to annex these properties, it only sets the public hearing dates, as required by law. The County Commissioner's Court voted to request voluntary annexation of this property.

COST: The proposed annexation is not expected to produce any significant costs to the City.

BUDGET AMENDMENT REQUIRED?: No

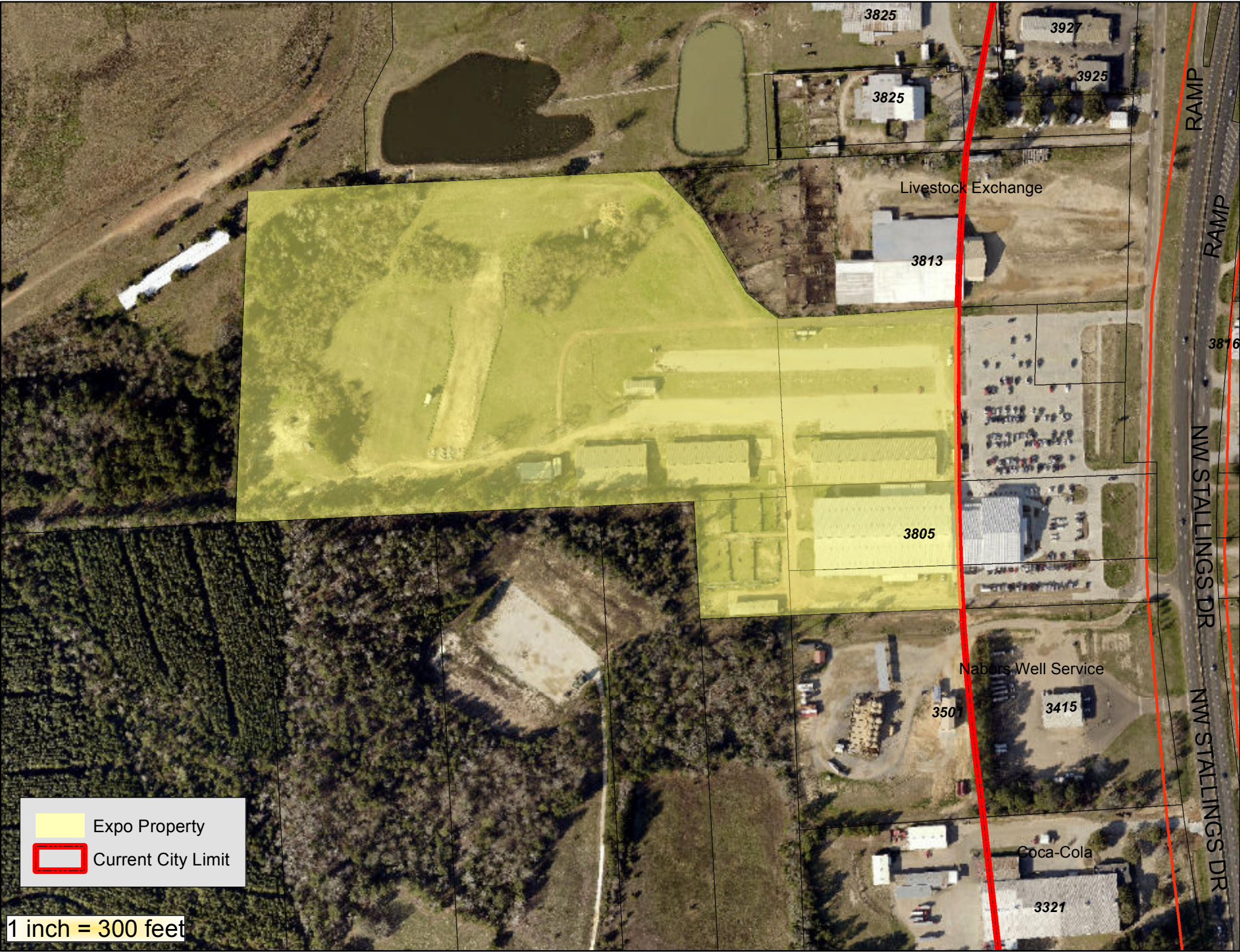
<u>FUNDING FROM CURRENT BUDGET</u>				
FUNDING:	Acct. Name & No.	Adopted Budget	Balance	Requested
		<b>N/A</b>		

SCHEDULE:	Service Plan completed	August 20, 2015
	First Public Hearing	September 1, 2015
	Second Public Hearing	September 15, 2015
	Final adoption of annexation	October 6, 2015
	Annexation effective	October 21, 2015

RECOMMENDED ACTION: Adoption of the resolution setting the public hearing schedule.

CITY CONTACT: Larissa Philpot, City Planner; 559-2572, [philpotl@ci.nacogdoches.tx.us](mailto:philpotl@ci.nacogdoches.tx.us)

ATTACHMENTS: Map of area  
The resolution and property description are available on file in the City Planning office.



Expo Property  
 Current City Limit

1 inch = 300 feet

3825

3927

3925

3825

Livestock Exchange

3813

RAMP

RAMP

3816

NW STALLINGS DR

NW STALLINGS DR

3805

Nabors Well Service

3507

3415

Coca-Cola

3321

## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

PROJECT: Consider authorizing the Mayor to execute documents in connection with Pilgrim's Pride Texas Capital Fund contracts

MEETING DATE: July 21, 2015

DESCRIPTION: In 1994 the City assisted Pilgrims (then Green Acres Foods) with a \$1.4 million economic development loan from the State. Essentially the City received the money and was deeded by Green Acres Foods a 0.99 acre tract of Green Acre Foods' land. In approximately 2000 the City entered into a similar arrangement with Pilgrims Pride on 0.2 acres upon which a blast freezer was constructed. The City "passed through" the money to Green Acres Foods and Pilgrims to pay for the construction. The land and freezer were leased back to the company for 20 year terms. Lease payments were sufficient to repay the loan over the life of the lease at which time the land and freezer would be deeded back to the company. This was the State's way of making a 0% interest loan which the City was responsible to pay back if the company defaulted.

Pilgrims has repaid all but about \$35,000.00 of the Green Acres Foods' loan, and the lease only has a few months to run. It still owes \$393,000.00 on the freezer loan. Pilgrims recently refinanced its assets for \$1.7 Billion dollars and its lender wants the City to effectively subordinate the lease to the new loan. In other words, if the bank forecloses on the loan it wants to be able to keep the leases and sell them, along with the rest of the plant, to a new buyer.

This is not new in that the City did such a subordination in 2009. We've worked with the Texas Department of Agriculture which now administers the contracts for the State, and it will sign off on the requested documents if the City does. Since the City is still on the hook for the remaining \$428,000.00, the State has no risk.

The requested and recommended action is consent to the documents and authorization for the Mayor to sign a (1) Lessor Estoppel and Consent; (2) Amended and Restated Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing; and (3) UCC Financing Statement.

COST: \$0.00

SCHEDULE: As soon as possible

RECOMMENDED  
ACTION:

The requested and recommended action is consent to the documents and authorization for the Mayor to sign a (1) Lessor Estoppel and Consent; (2) Amended and Restated Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing; and (3) UCC Financing Statement.

CITY CONTACT: Rob Atherton, City Attorney

ATTACHMENTS: None

CITY OF NACOGDOCHES  
AGENDA INFORMATION SHEET:

PROJECT: Consider utilizing Local Government Code Chapter 380 to promote economic development, with dedicated funding.

MEETING DATE: July 21, 2015

DESCRIPTION: City management has been researching options for increasing funding for economic development. Chapter 380 of the Local Government Code gives cities opportunities to be creative while pursuing economic development, more so than 4a or 4b cities (sales tax). City Management will share options with City Council asking guidance on what new policies should be developed, giving the city a greater opportunity to be more successful with economic development.

RECOMMENDED  
ACTION:

CITY CONTACT: Jim Jeffers, City Manager  
[jeffers@ci.nacogdoches.tx.us](mailto:jeffers@ci.nacogdoches.tx.us)  
936-559-2501

ATTACHMENTS: None



## CITY OF NACOGDOCHES AGENDA INFORMATION SHEET:

- PROJECT: Consider the following board appointments:
- A. Mayor's Committee on People with Disabilities (5 positions)
  - B. Nacogdoches Housing Authority (3 positions)
  - C. Planning and Zoning Commission (3 positions)
  - D. Zoning Board of Adjustments (5 regular members/1 alternate)
  - E. Public Library Board (5 positions)
  - F. Historic Landmark Preservation Committee (2 positions)
  - G. Main Street Board (2 positions)
- MEETING DATE: July 21, 2015
- DESCRIPTION: The Interview Committee has completed their interviews and will make a recommendation at Tuesday's meeting.
- SCHEDULE: Upon City Council approval, staff will notify the appointed members.
- CITY CONTACT: Lila Fuller, City Secretary – 559-2504
- ATTACHMENTS:

CITY OF NACOGDOCHES  
AGENDA INFORMATION SHEET:

PROJECT: Receive FY 2015-2016 budget presentation

MEETING DATE: July 21, 2015

DESCRIPTION: A brief presentation on a particular aspect of the FY 2015-2016 budget will be presented.

CITY CONTACT: City Manager Jim Jeffers – [Jeffers@ci.nacogdoches.tx.us](mailto:Jeffers@ci.nacogdoches.tx.us)

Presentation will be made  
at Tuesday's meeting

CITY OF NACOGDOCHES  
AGENDA INFORMATION SHEET:

PROJECT: EXECUTIVE SESSION:

- A. Deliberation regarding Economic Development negotiations under Local Government Code Section 551.087 as follows:
1. 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
  2. Deliberate the offer of a financial or other incentive to business prospects described by Subdivision 1 above.

MEETING DATE: July 21, 2015

Presentation will be made at  
Tuesday's meeting