

A G E N D A
CITY COUNCIL MEETING
October 24, 2016 @ 6:00 p.m.
Council Chambers - Government Center
200 North 12th Street - Corsicana, Texas 75110

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. MINUTES

Consider approving the minutes for the Work Session and Regular Meeting of October 10, 2016.

5. PUBLIC FORUM

- a. Presentation of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2015.
- b. Presentation of Proclamation to Judge Cody Beauchamp for Municipal Court Week, November 7-11, 2016.
- c. Public Comments.

6. PUBLIC HEARINGS

7. ORDINANCES

8. RESOLUTIONS

- a. Consider approving renewal of the City's participation in Granting Tax Abatement, along with the renewal of Tax Abatement Policy Guidelines and Criteria for granting Tax Abatement. **PAGE 12**
- b. Consider approving to waive fees for permits associated with two films currently planned to be made in Corsicana, and approving the use of the City of Corsicana name in the films. **PAGE 27**
- c. Consider authorizing a letter of support for Winters Oil Partners, LP for a grant application for a CNG fueling facility in Corsicana. **PAGE 29**
- d. Consider approving award of grant management services contract to Traylor and Associates, Inc. for the Texas Capital Fund Main Street Project No. 7215192 to include

construction of accessible sidewalks and ramps, and installation of street lighting on Collin Street from Main Street to Beaton Street. **PAGE 32**

- e. Consider approving award of Management Services contract to Traylor and Associates, Inc. for the 2017 TxCDBG Infrastructure Improvements Grant Project. **PAGE 35**

9. APPOINTMENTS

10. REPORTS and MISCELLANEOUS ANNOUNCEMENTS

- a. Presentation of the Quarterly Report from the Corsicana Convention and Visitors Bureau.
- b. Mayor/Council

11. EXECUTIVE SESSION: The Council will recess into closed or executive session to discuss real estate pursuant to Section 551.072 of the Texas Government Code.

12. RETURN TO OPEN SESSION: The Council will consider and act upon items discussed under Executive Session, as necessary.

13. ADJOURN

AGENDA INFORMATION

- * INFORMATION ON THE FOLLOWING PAGES IS SUBJECT TO CHANGE PRIOR TO COUNCIL MEETING.**

ITEM NO. 4

Date: October 24, 2016

Subject: Minutes

Comments:

A copy of the minutes for the Work Session and Regular Meeting of October 10, 2016, are attached for review.

Recommendation: Approve the minutes as printed.

**CITY OF CORSICANA
COUNTY OF NAVARRO
STATE OF TEXAS**

**Work Session
October 10, 2016**

The Corsicana City Council met in a Work Session on October 10, 2016, in the Corsicana Government Center Conference Room, 200 N. 12th Street, Corsicana, Texas. The following members were present: Chuck McClanahan, Mayor; Susan Hale, Council Member Precinct One; Ruby Williams, Mayor Pro Tem/Council Member Precinct Two; John McClung, Council Member Precinct Three; and Don Denbow, Council Member Precinct Four (who arrived at 5:12 p.m.).

In addition, Connie Standridge, City Manager; Stephanie Hunt, Finance Clerk; Elizabeth Borstad, City Engineer; Scott Jones, Economic Development Director; and other interested citizens were also present.

Mayor McClanahan called the meeting to order at 5:06 p.m.

The City Council discussed Interlocal Tax Trust Agreement and Housing Infill Program Priorities, Policies and Procedures.

This item was presented by City Manager Connie Standridge.

Also discussed was a I-45 Industrial Park Lease Proposal Program.

This item was presented by City Manager Connie Standridge and Elizabeth Borstad, City Engineer. Josh Bunting with Sundt, Inc. was in attendance also.

Mayor McClanahan declared the meeting adjourned at 6:01 p.m.

**Attested This, the 24th day
of October 2016**

**Attested This, the 24th day
of October 2016**

Finance Director/City Secretary

***** ***** *****

Mayor

***** ***** *****

**CITY OF CORSICANA
COUNTY OF NAVARRO
STATE OF TEXAS**

Council Regular Session
October 10, 2016

The Corsicana City Council met in a Regular Session on October 10, 2016, in the Corsicana Government Center Council Chambers, 200 N. 12th Street, Corsicana, Texas. Mayor Chuck McClanahan called the meeting to order at 6:06 p.m. The following members were present: Susan Hale, Council Member Precinct 1; Ruby Williams, Mayor Pro Tem/Council Member Precinct 2; John McClung, Council Member Precinct 3; and Don Denbow, Council Member Precinct 4.

Connie Standridge, City Manager; Terry Jacobson, local attorney; Stephanie Hunt, Finance Clerk; Robert Johnson, Police Chief; Elizabeth Borstad, City Engineer; Pam Gibson, Human Resource Director; Scott Jones, Economic Development Director; and other interested citizens were also present.

The invocation was given by Rev. Jeff Fitzhugh of First Baptist Church.

Approval of Minutes

The motion was made by Ruby Williams, and seconded by Susan Hale, *to approve the minutes for the Regular Meeting of September 26, 2016.* Motion passed, 5-0.

Public Forum

- a. Presentation of the Police Commendation Merit Ribbon to Officer Steven Travis by Police Chief Robert Johnson.
- b. Public Comments ,

N/A

Public Hearings

N/A

Ordinances

N/A

Resolutions

Resolution 3919 (approved)

This item was presented by City Manager Connie Standridge.

The motion was made by Don Denbow, and seconded by John McClung, that Resolution 3919,

approving establishment of the Interlocal Tax Trust Agreement and Housing Infill Program Priorities, Policies and Procedures, be passed and approved. The motion passed, 5-0. Against: none.

RESOLUTION NO. 3919

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, ESTABLISHING THE INTERLOCAL TAX TRUST AGREEMENT AND THE HOUSING INFILL PROGRAM PRIORITIES, POLICIES, AND PROCEDURES.

WHEREAS, an Interlocal Agreement between the Taxing Entities named as the City of Corsicana, Navarro County, Corsicana Independent School District, and Navarro College is beneficial to encourage housing development; and

WHEREAS, it is necessary for the Housing Infill Program Priorities, Policies, and Procedures to be established as guidelines in the acquisition, use, and disposition of properties acquired by the City of Corsicana; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS THAT the Interlocal Tax Trust Agreement and the Housing Infill Program Priorities, Policies, and Procedures be established as guidelines in the acquisition, use, and disposition of properties acquired by the taxing entities.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas, this 10th day of **October, 2016.**

Resolution 3920 (approved)

This item was presented by Elizabeth Borstad, City Engineer and Scott Jones, Economic Development Director.

The motion was made by John McClung, and seconded by Susan Hale, that Resolution 3920, approving a lease agreement between the City of Corsicana and Sundt, Inc. for the lease of approximately 10 acres in the South I-45 Industrial Park, be passed and approved. The motion passed, 5-0. Against: none.

RESOLUTION NO. 3920

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF CORSICANA AND SUNDT, INC.

WHEREAS, Sundt, Inc. desires to lease approximately 10 acres of land, more or less, out of the Michael Shire Survey, A-10, known as the South I-45 Industrial Park, Navarro County, Texas and being all that land as identified on Exhibit A and incorporated herein for all purposes; and

WHEREAS, the attached proposed lease agreement allows Sundt, Inc. to lease said property for a period of four (4) years and month to month thereafter at a base monthly rate of \$3,500; and

WHEREAS, the terms and conditions are set forth in the attached Lease Agreement and incorporated herein as if fully set forth at length.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, THAT the Lease Agreement between the City of Corsicana and Sundt, Inc. is hereby approved.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas, this 10th day of **October, 2016.**

Appointments:

N/A

Reports/Miscellaneous Announcements:

Mayor/Council

G.W. Jackson Multi-Cultural Rodeo	Youth Expo	October 15, 2016 5:00-7:00 p.m.
Main Street Pumpkin Patch	Visitor Ctr. – Beaton St. @ Hwy. 31	

Executive Session

Mayor McClanahan recessed into Executive Session at 6:18 p.m., to receive attorney’s advice on legal matters pursuant to Section 551.071 of the Texas Government Code.

Return to Open Session:

Mayor McClanahan called the meeting to Open Session at 7:30 p.m.

Adjournment

There being no further business, the Mayor declared the meeting adjourned at 7:31 p.m.

**Attested This, the 24th day
of October 2016**

**Attested This, the 24th day
of October 2016**

Finance Director/City Secretary
***** ***** *****

Mayor
***** ***** *****

ITEM NO. 5

Date: October 24, 2016

Subject: **Public Forum**

5. Comments: PUBLIC FORUM

- a. Presentation of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2015.
- b. Presentation of a Proclamation to Judge Cody Beauchamp for Municipal Court Week, November 7-11, 2016.
- c. Receive comments from public, if any.

Recommendation: No action required.

ITEM NO. 6

Date: October 24, 2016

Subject: **Public Hearings**

Comments:

Recommendation: N/A

ITEM NO. 7

Date: October 24, 2016

Subject: **Ordinances**

Comments: N/A

Recommendation: N/A

ITEM NO. 8A

Date: October 24, 2016

Subject: **Renewal of City's Participation in Tax Abatement Programs and Establishing Criteria and Guidelines for Granting Tax Abatement**

Comments: Attached is a resolution for the City of Corsicana electing to participate in granting tax abatements, and reestablishing the current tax abatement policy guidelines and criteria for granting tax abatement in reinvestment zones created by the City of Corsicana.

Chapter 312 of the Texas Tax Code requires that a taxing entity that wishes to participate in tax abatement must adopt a resolution stating that it elects to participate in tax abatement.

Chapter 312 of the Texas Tax Code further requires that a taxing entity that elects to participate in tax abatement must also establish guidelines and criteria governing the designation of reinvestment zones and tax abatement programs prior to granting future tax abatement.

The most recent tax abatement election to participate, along with the guidelines and criteria governing its tax abatement program, were adopted by the City Council on November 6, 2012, with the stipulation that they remained in effect for two years from the date of adoption.

Section 11 of the attached Tax Abatement Guidelines, Criteria and Policy establishes guidelines and criteria for tax abatement stipulates that it will remain in effect for two years from the date of adoption, which would be October 24, 2018.

Recommendation: Approve the resolution electing to participate in granting tax abatements, and reestablishing the current tax abatement policy guidelines and criteria.

MOTION:

I MOVE TO APPROVE/DENY RENEWAL OF THE CITY'S PARTICIPATION IN GRANTING TAX ABATEMENT, ALONG WITH THE RENEWAL OF TAX ABATEMENT POLICY GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS REESTABLISHING THE CURRENT TAX ABATEMENT POLICY GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN REINVESTMENT ZONES CREATED BY THE CITY OF CORSICANA, TEXAS OR OTHER AUTHORIZED TAXING JURISDICTION; ELECTING TO PARTICIPATE IN TAX ABATEMENTS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Chapter 312 of the Texas Tax Code requires that a taxing unit adopt a resolution stating that it elects to become eligible to participate in tax abatement; and

WHEREAS, Chapter 312 of the Texas Tax Code requires cities, which elect to participate in tax abatement programs, to establish guidelines and criteria governing the designation of reinvestment zones and tax abatement programs prior to granting any future tax abatement; and

WHEREAS, to assure a common coordinated effort to promote economic development with the City of Corsicana, the Guidelines and Criteria should be adopted; and

WHEREAS, any tax incentives offered by the City of Corsicana should be limited to those companies that create new wealth within the City of Corsicana; and

WHEREAS, the City of Corsicana reestablishes the previous Tax Abatement Policy approved and adopted on October 27, 2014.

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

SECTION 1.

The Tax Abatement Guidelines, Criteria and Policy for the City of Corsicana, Texas attached hereto as Exhibit "A" is hereby reestablished as the guidelines and criteria governing tax abatement in the City of Corsicana. The Tax Abatement Guidelines, Criteria and policy shall be effective for two (2) years from the date of this resolution, and may be amended or repealed by a vote of three-fourths (3/4) of the members of the City Council. The City Council hereby elects to participate in tax abatements.

SECTION 2.

This resolution shall become effective upon passage.

PASSED and **APPROVED** by majority vote of the City Council of the City of Corsicana, Texas, this **24th** day of **October, 2016**.

APPROVED:

Chuck McClanahan, Mayor

ATTEST:

Virginia Richardson, City Secretary

APPROVED AS TO FORM:

Kerri Anderson Donica, City Attorney

EXHIBIT A

TAX ABATEMENT GUIDELINES, CRITERIA AND POLICY CITY OF CORSICANA, TEXAS

SECTION 1. AUTHORITY, PURPOSE AND OBJECTIVES

- 1.01 The City of Corsicana is committed to the promotion of high quality development in all parts of the City; and to ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the City of Corsicana will, on a case-by-case basis, give consideration to providing tax abatement as stimulation for economic development in Corsicana. It is the policy of the City of Corsicana to make available tax abatement for both new facilities and for the expansion or modernization of existing buildings or structures. For the purpose of establishing a policy on economic development incentives, and pursuant to Chapter 312 of the Texas Property Tax Code, the City of Corsicana, Texas (hereinafter referred to as "City") is authorized to designate Reinvestment Zones and to enter into tax abatement agreements in all areas of the City.
- 1.02 Section 312.002 of the Texas Property Tax Code requires that the City establish guidelines and criteria governing tax abatement agreements. These guidelines and criteria are for the purpose of promoting the efficient and reasonably consistent administration of tax abatement incentives. These guidelines are effective for two (2) years from the date adopted by the City Council for the City (hereinafter referred to as "City Council").
- 1.03 These guidelines and criteria, and the procedures established herein, do not:
- a. Limit the discretion of the City Council to decide whether to enter into a specific tax abatement agreement,
 - b. Limit the discretion of the City Council to delegate to its employees the authority to determine whether or not the City Council should consider a particular application or request for tax abatement, and
 - c. Create any property right, contract right or other legal right to any person, or firm, or corporation to have the City Council consider or grant a specific application for a specific request for tax abatement.
- 1.04 The City is committed to the promotion of quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. Insofar as these objectives are generally served by the enhancement and expansion of the local economy, the City will, on a case-by-case basis, give consideration to providing tax abatement as stimulation for economic development in the City. It is the policy on economic development incentives for the City that said consideration will be provided in accordance with the guidelines, criteria and procedures outlined in this document. Nothing herein shall imply or suggest that the City is under any obligation to provide any incentive to any applicant. All applicants shall be considered on a case-by-case basis.

SECTION 2. DEFINITIONS

- 2.01 **“Abatement”** means the full or partial exemption from ad valorem taxes of certain real property values and/or tangible personal property values in a reinvestment or enterprise zone designated by the City for economic development purposes.
- 2.02 **“Agreement”** means a contractual agreement between a property owner and/or lessee and the City.
- 2.03 **“Base Year”** means the calendar year in which the abatement contract is executed (signed).
- 2.04 **“Base Year Value”** means the assessed value of eligible property January 1 preceding the execution of the agreement plus the value of eligible property improvements and Tangible Personal Property made after January 1, but before the execution of the Agreement, and which property is owned by the owner, co-owner, and/or its parent companies, subsidiaries, partners, co-venturers, or any entity exercising control over the owner or subject to control by the owner.
- 2.05 **“Deferred Maintenance”** means improvements necessary for continued operation which that do not improve productivity, or alter the process technology, reduce pollution or conserve resources.
- 2.06 **“Eligible Facilities”** or **“Eligible Projects”** means new, expanded or modernized buildings and structures, tangible personal property as defined in the Texas Tax Code, including fixed machinery and equipment, which is reasonably likely as a result of granting abatement to contribute to the retention or expansion of primary employment or to attract major investment in the reinvestment zone that would be a benefit to the property and that would contribute to the economic development within the City, including facilities which are intended primarily to provide goods and/or services to residents or existing businesses located in the City such as, but not limited to, restaurants and retail sales establishments. Eligible facilities may include, but shall not be limited to, industrial buildings and warehouses. Eligible facilities may also include facilities designed to serve a regional population greater than the City for medical, scientific, recreational or other purposes.
- 2.07 **“Expansion”** means the addition of buildings, structures, machinery, tangible personal property, equipment, payroll or other taxable value for purposes of increasing production capacity; and/or, a property previously undeveloped which is placed into service by means other than expansion or modernization.
- 2.08 **“Modernization”** means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of buildings, structures, machinery, equipment, pollution control devices or resource conservation equipment.
- 2.09 **“New Facility”** means a property previously undeveloped which is placed into service by means other than in conjunction with Expansion or Modernization.
- 2.10 **“Productive Life”** means the number of years a property improvement is expected to be in service in a facility.

- 2.11 **“Tangible Personal Property”** means tangible personal property classified as such under state law, but excluding inventory and/or supplies and tangible personal property that was located in the investment or enterprise zone at any time before the period covered by the agreement with the City.

SECTION 3. REINVESTMENT ZONE DESIGNATION

- 3.01 A Reinvestment Zone may only be designated in accordance with Subchapter B of Chapter 312 of the Texas Property Tax Code, as amended. The procedures set forth in this section apply to City created reinvestment zones.
- 3.02 A Reinvestment Zone under § 312.201 of the Texas Property Tax Code may by ordinance be designated by the City Council, in an area of the City, or extraterritorial jurisdiction of the City, that is found by the City to satisfy the requirements of § 312.202 of the Texas Property Tax Code.
- 3.03 An area may be designated as a Reinvestment Zone if the City Council, after a public hearing on the proposed designation, finds that the designation would contribute to the retention or expansion of primary employment within the City or would attract major investment in the Reinvestment Zone and would contribute to the economic development of the City.
- 3.04 A public hearing on the proposed Reinvestment Zone designation must be held prior to the findings and action of the City Council on the proposal. At this hearing, all interested persons are entitled to speak and present evidence for or against the designation. Not later than the seventh (7th) day before the date of the public hearing, notice of the public hearing shall be: (1) published in a notice in a newspaper having general circulation in the City, and (2) delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the Reinvestment Zone. The public hearing must also be posted as an agenda item on the City Council agenda to comply with the Tax Code and the Texas Open Meetings Act.
- 3.05 A delivered notice made under subsection 3.04 in the paragraph above is presumed to be delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.
- 3.06 If the City Council finds that designation of the area as a Reinvestment Zone is proper, such proposed designation shall be put to a vote of the City Council, and will pass if a majority of the members of the City Council in attendance vote to approve the designation.
- 3.07 The ordinance of the City Council designating the area as a Reinvestment Zone (Zone) shall contain a description of the boundaries of the Zone and the eligibility of the zone for residential tax abatement, or commercial-industrial tax abatement, or tax increment financing as provided for in Chapter 311 of the Texas Property Tax Code.
- 3.08 The designation of the Reinvestment Zone may be for a period of up to five (5) years. No designation shall exceed five (5) years, and may be for a shorter period at the discretion of the City Council. The designation shall automatically expire five (5) years after the date of the designation unless renewed by the City Council for subsequent periods not to exceed five (5)

years each. Pursuant to § 312.203 of the Texas Property Tax Code, the expiration of the designation of a Reinvestment Zone does not affect an existing tax abatement.

- 3.09 Designation of an area as an Enterprise Zone under the Texas Enterprise Zone Act (Chapter 2303, Government Code) constitutes designation of the area as a Reinvestment Zone without further hearing or other procedural requirements other than those set out in the Texas Enterprise Zone Act.
- 3.10 Pursuant to § 312.002 and § 312.204(a) of the Texas Property Tax Code, the City may agree in writing with the owner of taxable real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt from taxation a portion of the value of the real property or of tangible personal property located on the real property, or both, for a period not to exceed ten (10) years, on the condition that the owner of the property make specific improvements or repairs to the property.
- 3.11 Section 312.204(b) of the Texas Property Tax Code requires that the agreements made with the owners of property in a reinvestment zone contain identical terms for the portion of the value of the property that is to be exempt and the duration of the exemption.

SECTION 4. ABATEMENT AUTHORIZED

- 4.01 Tax Abatement is authorized, subject to the approval of the City Council and execution of a lawful tax abatement agreement, for properties located within a Reinvestment Zone designated by the City Council.
- 4.02 Authorized Facilities: Tax abatement may be granted for new facilities and for expansion or modernization of existing facilities. The Productive Life of a facility or improvements must exceed the life of the tax abatement agreement.
- 4.03 Eligible Property: Tax abatement may be granted for Eligible Facilities or Projects and increased value to real property or tangible personal property to the extent allowed by state law.
- 4.04 Value of Abatement: Eligible Facilities may be granted abatement on all or a portion of the increased value of eligible property over the Base Year for a period to be determined by the City Council. Taxes may be abated for real property or improvements, to the extent that the value of the real property exceeds the value for the Base Year. Taxes on eligible Tangible Personal Property may be abated to the extent of additions, but cannot be abated for Tangible Personal Property located on the real property at any time before the period covered by the tax abatement agreement, and cannot be abated for inventory and supplies.

SECTION 5. CRITERIA FOR TAX ABATEMENT

- 5.01 The following threshold criteria shall be used to determine whether any tax abatement incentives shall be considered:
 - a. The project must create an investment of at least one million dollars (\$500,000.00) in property improvements or in personal property must be made, not including purchase price of the land.

- b. At the discretion of the City Council, a partial (investment pro-rated) tax abatement may be granted in the event the project does not create a capital investment of at least one million dollars (\$500,000.00) in property improvements or in personal property, but other threshold requirements are met.
- c. The project must create at least fifteen (15) new, full time equivalent jobs (40 hours per week) with an average salary greater than the County average.
- d. A partial (employment pro-rated) tax abatement may be granted in the event the project does not create at least fifteen (15) new, full time jobs, but other threshold requirements are met. The partial (employment pro-rated) tax abatement shall be calculated as a ratio of actual new, full time jobs created (numerator) and the threshold employment level (fifteen [15] new jobs) (denominator) multiplied by the percentage tax abatement granted for the capital investment and the creation of fifteen (15) new jobs.
- e. The project must obtain all required permits and meet all relevant planning and zoning requirements as applicable.

5.02 In addition to the minimum requirements stated above, the following subjective criteria shall be considered prior to granting any economic development incentive:

- a. Is the project consistent with the preferred development or redevelopment of the City?
- b. What types and cost of public improvements and services (roads, bridges, etc.) will be required of the City? What types and values of public improvements, if any, will be made by the applicant?
- c. What impact will the project have on the local consumer and business communities?
- d. How many full time jobs directly and indirectly are created by the Company?

SECTION 6. DISCRETION OF THE CITY

6.01 It is the policy of the City to customize offers of economic development incentives on a case-by-case basis. The individualized design of a total incentive package is intended to allow maximum flexibility in addressing the unique concerns of each applicant while enabling the City to better respond to the changing needs of the community.

6.02 The criteria outlined in Section 5 above will be used to determine whether it is in the best interest of the City to provide any economic development incentives to a particular applicant. The degree to which the specified project furthers goals and objectives of the City and the relative impact of the specified project will be used to determine the total value of the incentives provided. As a general rule, no tax abatement will be provided to any applicant in an amount exceeding the value of the following:

- a. No incentive shall be provided which abates taxes on real property or personal property by more than the legal limit of over ten (10) years of the specific project (i.e., 50% level of abatement for a term of 10 years).
- b. An Eligible Project located within the boundaries of City that meets all tax abatement criteria stated herein is eligible for, but not entitled to, the maximum tax abatement.

SECTION 7. APPLICATION PROCEDURES

- 7.01 Any developer desiring that the City consider providing economic development incentives to encourage location of an Eligible Project within the City shall be required to comply with the following application procedures and process. However, nothing within these guidelines shall imply or suggest that the City is under any obligation to provide any incentive to any applicant.
- 7.02 Applicant shall file an application for tax abatement (Exhibit 1) with the City which shall include at least the following information to be considered, if applicable, in the determination whether to grant tax abatement.
 - a. A cover letter on Company letterhead addressed to the City Manager from the Company signed by a corporate officer requesting tax abatement consideration by the City Council.
 - b. A survey plat showing the precise location of the property, all roadways proximate to the site, and all existing zoning (as applicable) and land uses proximate to the site.
 - c. A metes and bounds legal description of the property considered for designation as a reinvestment zone.
 - d. A completed *Application for Tax Abatement* consisting of the following data and information:
 - 1. Date of application;
 - 2. Name of firm, partnership, or corporation and mailing address;
 - (a) Previous tax abatement received from City (Yes/No);
 - (b) If previous abatement has been received, date it was received
 - 3. Number of new full time (40 hour work week) employees to be added;
 - 4. Number of acres of property to be developed
 - (a) Plat of property and development or site plan attachment (Yes/No);
 - 5. Estimated value of existing real property to be developed;
 - 6. Estimated value of real property improvements;

7. Estimated value of existing inventory;
 8. Estimated value of inventory to be added;
 9. Estimated value of existing personal property;
 10. Estimated value of taxable personal property improvements;
 11. Total estimated value of taxable investment to be made;
 12. Description of public services for project development and new facilities and/or services required;
 13. Development schedule for all improvements;
 14. Estimate impact on the local school district(s);
 15. Expected benefit to the local economy;
 16. Estimated annual payroll of new employees;
 17. Description or product to manufactured or distributed;
 18. Expected Productive Life of all real property improvements;
 19. Identification and quantity of all pollutants and emissions;
 20. Certification of no materially adverse environmental impact as a result of the improvements and operations;
 21. Certification that project is compliant with relevant zoning requirements;
 22. Declaration by company official with signature that all information provided is correct.
 23. Reasonable proof of financial ability.
 24. References from past communities, if applicable.
- e. An environmental compliance letter (Exhibit 2) addressed to the City Manager written on company letterhead and signed by a company official confirming that the proposed project will fully comply with all requirements and regulations from the U.S. Environmental Protection Agency, Texas Commission on Environmental Quality, and all local environmental requirements, regulations, and codes.

SECTION 8. ABATEMENT AGREEMENT

- 8.01 Not later than the seventh (7th) day before the date on which the City enters into the tax abatement agreement (Agreement), the City shall deliver to the presiding officer of the governing body of each other taxing unit in which the property is located a written notice that the City intends to enter into the Agreement. The notice shall include a copy of the prepared Agreement.
- 8.02 The City shall formally pass a resolution authorizing the execution of an agreement with the owner (hereinafter referred to as Company). The Agreement shall contain at least:
- a. The Base Year Value;
 - b. The percent of value to be abated each year;
 - c. The commencement date and the termination date of abatement;
 - d. The proposed use of the facility, property survey and property description, and list of property improvements;
 - e. Contractual obligations in the event of default;
 - f. A provision for access to and authorization for inspection of the property by City employees to make certain the improvements or repairs are being made according to the specifications and conditions of the agreement;
 - g. A provision for access to and authorization for inspection by appraisal district representatives for ad valorem property tax appraisal for all real property, improvements to real property, tangible personal property, inventory and equipment.
 - h. The limitations on the uses of the property consistent with the general purpose of encouraging development and/or redevelopment of the zone during the period that property tax exemptions are in effect;
 - i. A provision for recapturing property tax revenue lost as a result of the agreement in accordance with Section 9;
 - j. A provision that all permanent jobs be registered with the Texas Workforce Commission and that all contractors be encouraged to seek qualified workers through the Texas Workforce Commission;
 - k. Each and every term and condition agreed to by the City and the Company;
 - l. A requirement that the Company certify annually to governing body of each taxing unit granting tax abatement is in compliance with applicable terms and conditions of the agreement; and
 - m. All terms required by Texas Property Tax Code § 312.205, as amended, and any other terms deemed appropriate by the City Council.

SECTION 9. RECAPTURE OF TAXES AND TERMINATION OF AGREEMENT

- 9.01 The City Council shall have the authority to require recapture of all taxes abated in the event the Company violates any term or condition of the Agreement.
- 9.02 In the event that the facility is completed and begins operation as required by the Agreement, but during the term of the Agreement subsequently discontinues such operation, or fails to maintain property values as required by the Agreement, for any reason excepting fire, explosion, or other casualty or accident or natural disaster, then the Agreement may terminate and all taxes previously abated by virtue of the Agreement shall be recaptured and paid to the City within sixty (60) days of the termination.
- 9.03 In the event that the company or individual:
- a. allows its ad valorem taxes owed the City or other affected jurisdiction to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest; or
 - b. fails to make improvements or repairs as provided in the Agreement, the Agreement then shall be terminated and all taxes previously abated by virtue of the Agreement shall be recaptured and paid within sixty (60) days of the termination.
- 9.04 Should the City determine that the Company or individual is in default according to the terms and conditions of the abatement agreement, the City shall notify the company or individual, in writing, at the address stated in the agreement, and if such non-compliance is not resolved within sixty (60) days from the date of such notice, then the agreement shall be terminated.

SECTION 10. AMENDMENTS TO THESE GUIDELINES AND CRITERIA

The guidelines and criteria adopted herein shall not be amended or repealed except by three-fourths (3/4th) vote of the City Council.

SECTION 11. EFFECTIVE DATE

These guidelines and criteria adopted herein shall be effective from the date of passage and remain effective for two (2) years from such date of adoption, unless otherwise repealed or amended by a three-fourths (3/4) vote of the City Council for the City of Corsicana, Texas.

EXHIBITS:

1. Application for Tax Abatement
2. Sample Environmental Compliance Letter

EXHIBIT 1

APPLICATION FOR TAX ABATEMENT

Instructions: Please print or type. Submit the completed and signed original copy of the Application for Tax Abatement with attachments to: The City of Corsicana Economic Development Department, 200 North 12th Street, Corsicana, Texas 75110

1. Date

2. Name of Firm, Partnership or Corporation and mailing address

Please print or type:

2a. Have you received a previous tax abatement from the City of Corsicana?

(YES/ NO)

2b. If yes, when?

3. Number of new full time employees to be added -----
 (*A minimum of 20 new, full-time [e.g. 40 hours/week] jobs are required.)

4. Number of acres of property to be developed -----

4a. Plat of property and Development or Site Plan attached? -----
 (Official Property Survey with metes and bounds required)

(YES/ NO)

5. Estimated value of existing real property to be developed -----

\$

6. Estimated value of real property improvements -----
 (A minimum \$1,000,000.00 investment required, unless otherwise approved by City Council)

\$

7. Estimated value of existing inventory -----

\$

8. Estimated value of inventory to be added -----

\$

9. Estimated value of existing personal property -----

\$

10. Estimated value of taxable personal property improvements -----

\$

11. Total estimated value of new taxable investment to be made (Total of Items # 6, 8 & 10)

\$

12. Description of real property improvements to be made:

12. Description of Public Services available for project development and new facilities and / or services required.

Water:	
Wastewater:	
Railways:	
Natural Gas:	
Electricity:	

13. One Year Development Schedule for all improvements.

1st Quarter:	
2nd Quarter:	
3rd Quarter:	
4th Quarter:	

* Qualification for pro-rating new employees is determined on a case-by-case basis.

The City of Corsicana Economic Development Department
 200 North 12th Street, Corsicana, Texas 75110

APPLICATION FOR TAX ABATEMENT (Page 2)

14. Expected impact on the Corsicana Independent School District.

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15. Expected benefit to the local economy.

--

16. Estimated annual payroll of new employees.

--

17. Description of product to be manufactured or distributed.

--

18. Expected productive life of all real property improvements.

--

19. Identification and quantity of all Pollutants and Emissions:

TYPE	QUANTITY
AIR:	
NOISE:	
SOLID WASTE:	
WASTEWATER:	

20. Certification of no materially adverse environmental impact as a result of the improvements and operations

--

21. Project in compliance with relevant zoning requirements.

--

22. Reasonable proof of financial ability.

--

23. References from past communities, if applicable.

--

I declare that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

sign here >

Phone:

Date:

Submitted By (Please Print)	
Name:	
Title:	
Date:	

Received by the City of Corsicana	
Name:	
Title:	
Date:	

For assistance in completing this form call the City of Corsicana, Texas - 903.654.4806. An Equal Opportunity Employer.

The City of Corsicana Economic Development Department
200 North 12th Street, Corsicana, Texas 75110

EXHIBIT 2 – SAMPLE ENVIRONMENTAL COMPLIANCE LETTER

**CORPORATION
LETTERHEAD**

DATE

City Manager
City of Corsicana, Texas
200 N. 12th Street
Corsicana, TX 75110

Dear City Manager:

The purpose of this correspondence is to provide assurances that the planned (approximate dollar value) expansion of (Company) at its Corsicana, Texas location will have no unacceptable environmental impact according to the Environmental Protection Agency (EPA, Texas Commission on Environmental Quality (TCEQ), and the City of Corsicana, Texas codes, guidelines and environmental regulations.

Sincerely,

(Signature block)

ITEM NO. 8B

Date: October 24, 2016

Subject: **Filming in Corsicana: Waive Fees and Approve use of City of Corsicana Name**

Comments: The City of Corsicana wishes to promote the film industry in the City and recognizes the importance of having attention drawn to the City. The proposed resolution authorizes the City staff to waive any fees for permits associated with two films that are currently planned for filming in the City, and to consider approval for the use of the name of the City of Corsicana in the films. The two films are to be named at a later date.

Recommendation: Approve for fees for permits to be waived for two currently planned films in the City of Corsicana.

MOTION:

I MOVE TO APPROVE/DENY WAIVING THE FEES FOR PERMITS ASSOCIATED WITH TWO FILMS CURRENTLY PLANNED TO BE MADE IN THE CITY OF CORSICANA, AND APPROVING THE USE OF THE CITY OF CORSICANA NAME IN THE FILMS.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, AUTHORIZING WAIVING OF FEES FOR PERMITS ASSOCIATED WITH TWO CURRENTLY PLANNED FILMS, AND FOR THE USE OF THE NAME OF THE CITY OF CORSICANA IN THE FILMS.

WHEREAS, the City of Corsicana wishes to promote the film industry in Corsicana; and

WHEREAS, the City of Corsicana recognizes the importance of drawing attention to the City; and

WHEREAS, there are currently two film projects proposed in the City of Corsicana, which will be named in the future; and

WHEREAS, the City will absorb the cost and waive fees for permits associated with the two current films; and

WHEREAS, the City approves the use of the name of the City of Corsicana in the two current films.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, that the City of Corsicana desires to promote the film industry in Corsicana by waiving fees for permits associated with two currently planned films, and to approve the use of the name of the City of Corsicana in the films.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas this 24th day of **October, 2016**.

Chuck McClanahan, Mayor

ATTEST:

Virginia Richardson, City Secretary

APPROVED AS TO FORM:

Kerri Anderson Donica, City Attorney

ITEM NO. 8C

Date: October 24, 2016

Subject: **Letter of Support for Compressed Natural Gas Fueling Station
(Grant Application to be submitted by Winters Oil Partners, LP)**

Comments: The City of Corsicana was requested to write a letter of support for a grant from the Texas Commission on Environmental Quality (TCEQ) to CNG Energy Partners and Winters Oil Partners, LP for the construction of a CNG (compressed natural gas) fueling facility near IH45. The construction of this type of facility has occurred in many different areas across Texas. Corsicana would be an ideal location for a facility between Dallas and Houston. In addition, there is ongoing discussion with Navarro College about a program to train mechanics and technicians to work on alternative fueled vehicles (AFVs) to further the economic viability of these vehicles in Texas. The letter of support does not commit the City in anyway but would open the door for the possibility of future use of AFVs.

Recommendation: Recommend authorization to provide a letter of support to Winters Oil Partners, LP for a grant application with TCEQ for a CNG fueling facility in Corsicana.

MOTION:

I MOVE TO APPROVE/DENY AUTHORIZATION TO PROVIDE A LETTER OF SUPPORT TO WINTERS OIL PARTNERS, LP FOR A GRANT APPLICATION FOR A CNG FUELING FACILITY IN CORSICANA.



CITY OF CORSICANA, TEXAS

October 24, 2016

TO: Texas Commission on Environmental Quality / Air Quality Division

RE: Construction of Compressed Natural Gas Fueling Station
Near Winters Oil Partners LP in Corsicana, Texas

This letter is written to express the City of Corsicana's support for the Texas Emissions Reduction Plan (TERP) grant application for construction of a public access CNG fueling facility in Corsicana, Texas. The request will be submitted by Winters Oil Partners, LP. The Council applauds this undertaking and believes that when completed, the project will provide incentives for Navarro communities and companies to invest in alternative fueled vehicles (AFV) such as electric and compressed natural gas (CNG). Having an easily accessible natural gas fueling infrastructure nearby would allow the City of Corsicana to possibly start implementing a pilot program allowing to run a fleet on cheaper, cleaner, domestically produced, abundant fuel source.

As you may know, the City of Corsicana is a centrally located city with distribution centers and manufacturing businesses. As a strong manufacturing community, this area is heavily reliant on over-the-road transit of raw materials and finished goods. Therefore, any reduction in transportation costs would be beneficial to the local economy.

Along with lower fuel costs, converting light-duty and heavy-duty fleets to run on CNG will help reduce emissions in Navarro County. The community is located along a major traffic route between DFW and Houston and is impacted by millions of vehicles commuting between these two major hubs along Interstate 45 annually. Availability of a publicly accessible CNG fueling facility in the area with easy access will encourage local and regional transition to AFV and promote the voluntary, cost-effective emission reductions necessary to meet new regulatory requirements without the burden and cost of mandates.

It makes economic and environmental sense for Navarro County businesses to use more natural gas. Purchasing domestic natural gas versus foreign fuel is an economic multiplier for Texas, a natural gas production state, and improves energy independence. It further encourages the use of domestically produced fuels and local natural resources which encourages sustainable growth in jobs and the economy in Texas.

For these reasons, favorable consideration of the Winters Oil TERP grant application is requested. If you have any questions, please do not hesitate to contact me at (903) 654-4803 or by e-mail at cstandridge@ci.corsicana.tx.us.

Sincerely,

Connie Standridge
City Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS AUTHORIZING SUBMITTAL OF A LETTER OF SUPPORT CONCERNING THE CONSTRUCTION OF A COMPRESSED NATURAL GAS FUELING STATION IN CORISCANA, TEXAS.

WHEREAS, Winters Oil Partners, LP is submitting a grant application to the Texas Commission on Environmental Quality for a Texas Emissions Reduction Plan (TERP) grant; and

WHEREAS, the TERP grant would provide for the construction of a public access CNG (compressed natural gas) fueling facility in Corsicana, Texas; and

WHEREAS, the City of Corsicana received a request to provide a letter of support to the Texas Commission on Environmental Quality concerning the grant application to be submitted by Winters Oil Partners, LP.; and

WHEREAS, a local fueling facility would encourage the use of alternative fuels such as natural gas; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, that the City of Corsicana approves a letter of support to be submitted to the TCEQ concerning the construction of a compressed natural gas fueling station in Corsicana, Texas.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas this 24th day of **October, 2016**.

Chuck McClanahan, Mayor

ATTEST:

Virginia Richardson, City Secretary

APPROVED AS TO FORM:

Kerri Anderson Donica, City Attorney

ITEM NO. 8D

Date: October 24, 2016

Subject: **Award of Grant Management Contract**
TxCAP Main Street Program
TCF Project #7215192

Comments: On October 14, 2016, proposals were accepted and reviewed for Grant Management Services for the Texas Capital Main Street Program project No. 7215192. One proposal was submitted by Traylor and Associates, Inc.

This project includes construction of accessible sidewalks and ramps, and the installation of street lighting on Collin Street from Main Street to Beaton Street.

Recommendation: Award a contract to Traylor and Associates, Inc. for Grant Management Services in the amount of \$15,000.

MOTION:

I MOVE TO APPROVE/DENY THE AWARD OF A CONTRACT FOR GRANT MANAGEMENT SERVICES TO TRAYLOR AND ASSOCIATES, INC. IN THE AMOUNT OF \$15,000.

RATING SHEET FOR MANAGEMENT CONSULTANT

Texas Capital Fund Main Street Program Grant

<u>Management Firm</u>	<u>Experience 40 Pts. Max/</u>	<u>Work Performance 25 Pts. Max.</u>	<u>Capacity To Perform 10 Pts. Max.</u>	<u>Familiarity With Project or City 10 Pts. Max.</u>	<u>Cost Of Services 10 Pts. Max.</u>	<u>Affirmative Action 5 Pts. Max.</u>	<u>TOTAL</u>
1. Traylor and Associates, Inc.	40	25	10	10	7	0	92

First Choice **Traylor and Associates**

Second Choice **NA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT BETWEEN THE CITY OF CORSICANA AND TRAYLOR AND ASSOCIATES, INC. TO PROVIDE GRANT MANAGEMENT SERVICES FOR THE CONTRACT AWARD FROM THE TEXAS DEPARTMENT OF AGRICULTURE UNDER THE TEXAS CAPITAL MAIN STREET PROGRAM, CONTRACT #7215192.

WHEREAS, the Texas Department of Agriculture approved a Texas Capital Main Street Program project in the amount of \$150,000 to assist with construction of accessible sidewalks, ramps and street lighting,

WHEREAS, Municipal Development Services resigned as the original grant administrator; and

WHEREAS, in accordance with program rules, Requests for Proposals were duly advertised and solicited on October 14, 2016; and

WHEREAS, one proposal was received; and

WHEREAS, after review and evaluation of the proposal it is being recommended to Council to award the contract for management services to Traylor and Associates, Inc. for a fee of \$15,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, that the City Manager is authorized to execute a contract with Traylor and Associates, Inc. to provide Grant Management Services for the contract award from the Texas Department of Agriculture under the Texas Capital Main Street Program for a total fee of \$15,000.00.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas, this 24th day of **October, 2016**.

Chuck McClanahan, Mayor

ATTEST:

Virginia Richardson, City Secretary

APPROVED AS TO FORM:

Kerri Anderson Donica, City Attorney

ITEM NO. 8E

Date: October 24, 2016

Subject: **Award of Management Services
2017 CDBG**

Comments: On October 14, 2016, Proposals for Application assistance and Grant Management Services for the 2017 Community Development Block Grant Program for infrastructure improvement project were accepted and reviewed. One (1) proposal was submitted and the rating sheet is attached. The proposed project will be funded by the Texas Department of Agriculture, in the amount of \$275,000.00.

Recommendation: Recommend award of a management contract to Traylor and Associates, Incorporated in an amount not to exceed 16% of the construction and acquisition cost of the proposed grant project.

MOTION:

I MOVE TO APPROVE/DENY AWARD OF MANAGEMENT SERVICES CONTRACT TO TRAYLOR AND ASSOCIATES, INC. FOR THE 2017 TXCDBG INFRASTRUCTURE IMPROVEMENTS GRANT PROJECT.

RATING SHEET FOR MANAGEMENT CONSULTANT

CDGB 2017 Application and Administration

<u>Management Firm</u>	<u>Experience 40 Pts. Max.</u>	<u>Work Performance 25 Pts. Max.</u>	<u>Capacity To Perform 10 Pts. Max.</u>	<u>Familiarity With Project or City 10 Pts. Max.</u>	<u>Cost Of Services 10 Pts. Max.</u>	<u>Affirmative Action 5 Pts. Max.</u>	<u>TOTAL</u>
1. Traylor & Assoc.	40	25	10	10	7	0	92

First Choice **Traylor & Associates**

Second Choice **NA**

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT BETWEEN THE CITY OF CORSICANA AND TRAYLOR & ASSOCIATES, INC. TO PROVIDE GRANT MANAGEMENT SERVICES FOR THE APPLICATION SUBMISSION AND CONTRACT ADMINISTRATION FOR THE 2017 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM THROUGH THE DEPARTMENT OF AGRICULTURE.

WHEREAS, the Texas Department of Agriculture will request applications for the Community Development Block Grant 2017 Program year in the amount of \$275,000.00 to assist with public infrastructure improvements; and

WHEREAS, in accordance with program rules, Requests for Proposals were duly advertised and solicited; and

WHEREAS, one proposal was received; and

WHEREAS, after review and evaluation of the proposal it is recommended to authorize award of the contract for management services to Traylor & Associates, Inc. for a fee not to exceed 16% of the total cost of construction and acquisition of the project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORSICANA, TEXAS, that the City Manager is authorized to execute a contract with Traylor & Associates, Inc. to provide application submission assistance and management services for the upcoming 2017 Community Development Block Grant Program through the Texas Department of Agriculture for a total fee not to exceed 16% of the project cost.

PASSED and APPROVED by majority vote of the City Council of the City of Corsicana, Texas, this 24th day of **October, 2016**.

Chuck McClanahan, Mayor

ATTEST:

Virginia Richardson, City Secretary

APPROVED AS TO FORM:

Kerri Anderson Donica, City Attorney

ITEM NO. 9

Date: October 24, 2016

Subject: **Appointments/Miscellaneous Business**

Comments: N/A

Recommendation: N/A

ITEM NO. 10

Date: October 24, 2016

Subject: **Reports and Miscellaneous Announcements**

Comments:

- a. Presentation of Corsicana Convention and Visitors Bureau Quarterly Report.
- b. Mayor / Council

Items to Mention:

Trick-or-Treat on Beaton Street – Friday, October 28, 3:30 p.m. to 5:30 p.m.

Pumpkins are on sale at the Visitors Center Pumpkin Patch -
(Through October 31, Monday to Saturday, 10:00 a.m. to 6:00 p.m.)

City Employee Holidays:

November 11	Veterans Day
November 24 & 25	Thanksgiving Holidays

ITEM NO. **11 & 12**
Date: October 24, 2016
Subject: **Executive Session**

11. **EXECUTIVE SESSION:** The Council will recess into closed or executive session to discuss real estate pursuant to Section 551.072 of the Texas Government Code.
12. **RETURN TO OPEN SESSION:** The Council will consider and act upon items discussed under Executive Session, as necessary.

Comments: N/A

Recommendation: N/A