

**MINUTES
CITY OF GAINESVILLE
CITY COUNCIL MEETING
200 South Rusk
Gainesville, Texas 76240
June 6, 2017**

The City Council of the City of Gainesville, Texas met in regular session on June 6, 2017 at 6:30 p.m. with the following persons in attendance.

MEMBERS PRESENT: Keith Clegg, Carolyn Hendricks, Ken Keeler, Steve Gordon, Mary Jo Dollar, Tommy Moore

MEMBERS ABSENT: Mayor Jim Goldsworthy

STAFF PRESENT: Barry Sullivan, City Manager; Bill Harris, City Attorney; Caitlyn Huddleston, City Secretary; Kevin Phillips, Chief of Police; Dan Parker, Finance Director

OTHERS PRESENT: Mike Gordon, Nikki King, Will Presson, Steve Schmitz, C.J. Evans, Jr., Phil Schenk, Dean Patterson, Joe Conner, Aaron Wilson, Bonnie Friedrich, Jasper Conner, Jango Conner, Jake Conner, Rebecca Lawson, Jerry Lawson, Russell Schmid, Justin Harris, Tony Avila, Jennifer Avila, Roman Avila, Megan Gray-Hatfield, Tony Dresser (Videographer)

CALL TO ORDER

Mayor Pro Tem Keith Clegg called the meeting to order at 6:30 p.m.

INVOCATION & PLEDGE OF ALLEGIANCE

City Manager Barry Sullivan gave the invocation. Mayor Pro Tem Clegg led the pledge to the flag.

REPORTS

Cooke County Arts Council Presentation, Tony Avila

Tony Avila, President of Gainesville Area Visual Arts, made a short presentation to Council regarding funds provided to the organization by the City. Mr. Avila summarized his presentation with three messages: that art is important; they bring visitors to this town; and they give money back. Mr. Avila noted that in the last four years, they have granted more than \$12,000 in scholarships to Cooke County high school students. Avila noted that they were not asking for additional funds from the City this year, but would do so next fiscal year. Thirteen people were in attendance to show support for the Arts Council.

Liberty Crossing Presentation on Economic Development Incentives Request(s)

Steve Schmitz and C.J. Evans, Jr. made a presentation regarding future economic development incentive requests for Liberty Crossing, formerly the Outlet Mall. Schmitz and Evans provided an overview of the project and plans for future tenants, current and historical real and personal property tax, sales tax and employment data, and detailed information on financial assistance requests.

Council thanked them for making the presentation public and being transparent. Mayor Pro Tem Keith Clegg commented that he's excited Mr. Schmitz had taken this property on and that it could be a benefit to all.

CONSENT AGENDA

Council reviewed the Minutes of the City Council budget workshop session of May 13, 2017 and the regularly scheduled City Council Meeting of May 16, 2017 and approved them as written.

Councilmember Keeler **moved to approve the consent agenda**, seconded by Councilmember Moore, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

RESOLUTION 06-06-2017 – CANCELLING THE REGULAR COUNCIL MEETING OF JULY 4, 2017.

CONSIDERATION OF AND ACTION ON A OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS TO CANCEL THE REGULAR COUNCIL MEETING OF JULY 4, 2017.

Council voted to cancel the upcoming July 4, 2017 regular City Council Meeting as it falls on the Independence Day Holiday.

Councilmember Moore **moved to approve the resolution**, seconded by Councilmember Dollar, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

RESOLUTION 06-06-2017 A – AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT ON BEHALF OF THE CITY OF GAINESVILLE FOR PURCHASE OF REAL ESTATE PROPERTY.

CONSIDERATION OF AND ACTION ON A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT ON BEHALF OF THE CITY OF GAINESVILLE FOR PURCHASE OF REAL ESTATE PROPERTY.

Council voted to authorize the City Manager to execute a contract for the purchase of three lots (301, 305, and 309 N Weaver) for a future parking lot at the corner of Weaver and Broadway. City Manager Barry Sullivan explained that the current downtown parking lot will be used for the Farmerø Market area improvements. This resolution purchases property a half block away to replenish that parking. He also added that during the planning and conception stages for the Farmerø Market improvements, the City added eighteen additional parking spaces in September 2016. Moreover, other head-in and parallel spaces will be added around the Farmerø Market once improvements begin. The cost will be \$108,000, plus closing and realtor costs.

Councilmember Hendricks **moved to approve the resolution**, seconded by Councilmember Gordon, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

RESOLUTION 06-06-2017 B – AUTHORIZING THE MAYOR TO EXECUTE A QUITCLAIM DEED CONVEYING A SMALL PIECE OF PROPERTY TO THE GAINESVILLE MASONIC BODIES TO ESTABLISH A BOUNDARY LINE.

CONSIDERATION OF AND ACTION ON A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF GAINESVILLE, TEXAS A QUITCLAIM DEED CONVEYING A SMALL PIECE OF PROPERTY TO THE GAINESVILLE MASONIC BODIES TO ESTABLISH A BOUNDARY LINE.

Authorized the Mayor to execute a quitclaim deed conveying a small piece of property to the Gainesville Masonic Lodge. A recent survey for the Farmers Market area shows the Masonic Lodge building encroached on City property by 0.4 feet. This resolution deeds the property to them to resolve the boundary issue.

Councilmember Keeler **moved to approve the resolution**, seconded by Councilmember Dollar, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

PUBLIC HERAING ON A RESOLUTION APPROVING ACTIONS OF THE GEDC WHICH APPROVED AN ECONOMIC DEVELOPMENT INCENTIVE FOR DURA LINE EXPANSION.

PUBLIC HERAING ON A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE WHICH APPROVED AN ECONOMIC DEVELOPMENT INCENTIVE FOR DURA LINE EXPANSION.

Mayor Pro Tem Clegg opened the Public Hearing at 7:05 p.m. and called for public comment on the resolution. No one came forward to speak in support or opposition.

With no further discussion, Councilmember Dollar moved to close the Public Hearing, with second by Councilmember Moore, and the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy). The Public Hearing was closed at 7:06 p.m.

FIRST READING OF A RESOLUTION APPROVING ACTIONS OF THE GEDC WHICH APPROVED AN ECONOMIC DEVELOPMENT INCENTIVE FOR DURA LINE EXPANSION.

FIRST READING ON A RESOLUTION APPROVING ACTIONS OF THE GAINESVILLE ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF GAINESVILLE WHICH APPROVED AN ECONOMIC DEVELOPMENT INCENTIVE FOR DURA LINE.

Council completed first reading of the GEDC approval of an economic development incentive for Dura-Line. The GEDC Board approved Dura-Line as an economic development project and also approved a Job Creation Grant and to support their application as a Texas Enterprise Zone. GEDC Director Arleene Loyd explained that in consideration for Dura-Line creating 40 new jobs with wages at or above \$16.50 per hour, the GEDC agrees to Dura-Line receiving a grant of \$4,000 for each new qualifying job up to \$160,000 and to be paid within 4 years. The expansion will be under the same roof at the current location. A capital investment of new equipment valued at \$10 million will be purchased.

Under the Texas Enterprise Zone, communities of less than 250,000 may designate a business as an enterprise project. If approved by the state, Dura-Line will be eligible for a refund of all state sales and use taxes paid during the expansion of up to \$2,500 per new job created. The GEDC expressed their support of this venture. This will be a future item for council consideration and was not part of the resolution.

Per state law, council takes no action on first reading. Second reading will be held June 20, 2017.

EXECUTIVE SESSION

At 7:10 p.m. Mayor Pro Tem Keith Clegg announced that Council would convene into Executive Session in compliance with Vernon's Texas Codes Annotated, Government Code, Chapter 551 (Open Meetings Act), to discuss the following:

Under Government Code §551.087 Economic Development

RECONVENE INTO OPEN SESSION

Council reconvened into open session at 7:32 p.m. and Mayor Pro Tem Keith Clegg announced no action was taken during executive session.

RESOLUTION 06-06-2017 C – ESTABLISHING “GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT/ENTERPRISE ZONE CREATED WITHIN THE CITY OF GAINESVILLE.”

CONSIDERATION OF AND ACTION ON A RESOLUTION ESTABLISHING GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT IN A REINVESTMENT/ENTERPRISE ZONE CREATED WITHIN THE CITY OF GAINESVILLE; PROVIDING A SEVERABILITY

CLAUSE; PROVIDING AN EFFECTIVE DATE; AND PROVIDING AN OPEN MEETING FINDING.

Council established guidelines for providing tax abatements in the city. Guidelines are valid for a two year period and can only be changed during the effective dates with a three-fourths vote of the City Council. Previous guidelines expired in February 2017. City Manager Barry Sullivan explained that the percentage of allowable abatements has been updated to 100%.

Councilmember Moore **moved to approve the resolution**, seconded by Councilmember Dollar, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

RESOLUTION 06-06-2017 D – APPROVING AN AGREEMENT BETWEEN THE CITY OF GAINESVILLE AND NORTH GAINESVILLE SOLAR, LLC; PROVIDING FOR AD VALOREM TAX ABATEMENT WITHIN THE ENTERPRISE ZONE OF THE CITY OF GAINESVILLE.

CONSIDERATION OF AND ACTION ON A RESOLUTION MAKING FINDINGS AND APPROVING AN AGREEMENT BY AND BETWEEN THE CITY OF GAINESVILLE, TEXAS, AND NORTH GAINESVILLE SOLAR, LLC; PROVIDING FOR AD VALOREM TAX ABATEMENT FOR SAID BUSINESS WITHIN THE ENTERPRISE ZONE OF THE CITY OF GAINESVILLE, TEXAS; AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT FOR AND ON BEHALF OF THE CITY, FOR THE CONSIDERATION AND ON THE TERMS AND CONDITIONS STATED THEREIN.

Council approved an agreement for a Tax Abatement with North Gainesville Solar, LLC for construction of a solar electric generation facility, located between North I-35 and North Weaver Street. Aaron Wilson of Cypress Creek Renewables, owner of North Gainesville Solar, LLC, explained that feasibility studies had been completed and construction for the facility is set to begin in one to two months. City Manager Sullivan added that North Gainesville Solar, LLC went to the county for approval prior to the City as they are building another facility near Muenster.

The tax abatement request is for 50% exemption from taxation for the increase in value of said premises over the base year for a period of ten (10) years. The tax abatement will take effect for values of the new tangible personal property established on January 1, 2018. The County voted to approve a tax abatement for North Gainesville Solar, LLC at a previous meeting.

Councilmember Dollar **moved to approve the resolution**, seconded by Councilmember Moore, the motion carried by vote of 6 Ayes, 0 Nays, 0 Abstentions, 1 Absent (Goldsworthy).

ADJOURN

Mayor Pro Tem Keith Clegg closed the meeting with remarks regarding the anniversary of the allied invasion of Normandy during World War II, more commonly known as D-Day. This was the 73rd anniversary. Clegg commended the soldiers who fought to protect our freedom.

With no further business to come before the City Council, the meeting was adjourned at 7:39 p.m.

Respectfully submitted,

Caitlyn Huddleston, City Secretary

Keith Clegg, Mayor Pro Tem