

**CITY OF SHERMAN
CITY COUNCIL CALLED MEETING AGENDA
COUNCIL CHAMBERS OF THE CITY HALL
220 WEST MULBERRY STREET
SHERMAN, TEXAS
FRIDAY, DECEMBER 22, 2017
12:00 P.M.**

A. 1. CALL TO ORDER, QUORUM DETERMINED, MEETING DECLARED OPEN

A. 2. INVOCATION BY COUNCIL MEMBER DARON HOLLAND

Public Hearing

B. 1. INTRODUCTION AND PUBLIC HEARING ON ORDINANCE NO. 6093

Designating a Certain Area as Industrial Reinvestment Zone, Number 122017-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

Close Public Hearing and Consider Adoption of Ordinances

B. 2. ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Number: 6093

C. COUNCIL COMMENTS

Executive Session

D. 1. EXECUTIVE SESSION

In Accordance with Chapter 551, Government Code, V.T.C.S. (Open Meetings Law), "The City Council Will Now Hold a Closed Executive Meeting Pursuant to the Provisions of the Open Meetings Law, Chapter 551, Government Code, Vernon's Texas Codes Annotated, in Accordance with the Authority Contained in the Following Sections:

Section 551.071	Consultation with City Attorney concerning Pending or Contemplated Litigation
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The Council reconvenes into General Session

E. 1. OPEN MEETING

Reconvene into Open Meeting and Consider Action, if any, on items discussed in Executive Session

F. ADJOURNMENT

COUNCIL CALENDAR

CERTIFICATION

I, the undersigned authority, do hereby certify that the above Notice of Called Meeting of the City Council of the City of Sherman is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board at City Hall of said City of Sherman, Texas, a place convenient to the public, and said notice was posted on December 19, 2017 at 11:00 a.m., and said time of posting was 72 hours before said meeting was convened or called to order.

Dated this 19th day of December, 2017
City of Sherman, Texas

City Clerk

The above agenda schedule represents an estimate of the order for the indicated items and is subject to change at any time.

All agenda items are subject to final action by the City Council.

An unscheduled closed executive session may be held if the discussion of any of the above agenda items concerns the purchase, exchange, lease or value of real property; the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee; the deployment or use of security personnel or equipment; or requires consultations with the City Attorney.

At the discretion of the City Council, non-agenda items under the headings of "Citizens Requests", "Media Questions", and "Council Concerns" may be presented to the Council for informational purposes; however, by law, the Council shall not discuss, deliberate, or vote upon such matters except that a statement of specific factual information, a recitation of existing policy, and deliberations concerning the placing of the subject on a subsequent agenda may take place.

The City Attorney has approved the Executive Session items on this agenda.

PERSONS WITH DISABILITIES, WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED ASSISTANCE, ARE REQUESTED TO CONTACT LINDA ASHBY AT (903) 892-7204, TWO (2) WORKING DAYS PRIOR TO THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.

Mayor

David Plyler

Deputy Mayor

Pamela L. Howeth

Council Members

Willie Steele, Council-At-Large, PL #1

Jason Sofey, Council-At-Large, PL #2

Shawn C. Teamann, Council – District #1

Josh Stevenson, Council – District #2

Pamela L. Howeth, Council – District #3

Daron Holland, Council – District #4



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Called Meeting

B.1.

Meeting Date: 12/22/2017

Prepared By: Mary Lawrence, Director of Finance

Approved By: Robby Hefton, City Manager

Caption:

INTRODUCTION AND PUBLIC HEARING ON ORDINANCE NO. 6093

Designating a Certain Area as Industrial Reinvestment Zone, Number 122017-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance

Issue:

The creation of a new industrial reinvestment zone in response to a tax abatement requested by J.P. Hart Lumber Co., LLC (JP Hart)

Background:

On Wednesday, December 13, 2017, the Tax Reinvestment Committees of the City of Sherman, Grayson County, and Grayson College (the "Committee") met to consider a request from J.P. Hart Lumber Co., LLC for a tax abatement involving a project to invest \$8 million in land and facilities and \$1.6 million in personal property in Sherman. The taxable value of JP Hart's current property is about \$140,000. The project began at the end of 2017 and is expected to employ 29 people by June 2018 and a total of 37 people by June of 2019.

The Committee voted to recommend an abatement and the creation of the Zone to the City Council and other taxing entities. The law requires that a reinvestment zone be established prior to a tax abatement being granted for eligible projects. The attached ordinance is the first step in accomplishing the creation of a new commercial/industrial reinvestment zone, which would cover only JP Hart's property. Prior to its adoption, a public hearing must be held to allow for interested parties to speak to the issue. The Tax Abatement Agreement will be addressed at the City Council's regular meeting on Tuesday, January 2, 2018, in the form of a resolution.

Origination:

J.P. Hart Lumber Co., LLC, Applicant
Tax Reinvestment Committee

Financial Consideration:

There is no direct cost to creating Industrial Reinvestment Zone, Number 122017-01 and providing the medium for granting tax abatement agreements within the designated zone.

Staff Recommendation:

The staff recommends that the City Council introduce and hold the public hearing on the ordinance and consider its adoption.

Alternatives:

No alternatives are recommended.

Attachments

Ordinance No. 6093 with Exhibits "A" and "B"

ORDINANCE NO. 6093

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS, DESIGNATING A CERTAIN AREA AS INDUSTRIAL REINVESTMENT ZONE, NUMBER 122017-01, CITY OF SHERMAN, TEXAS, PROVIDING FOR THE ESTABLISHMENT OF AGREEMENTS WITHIN THE ZONE, AND OTHER MATTERS RELATING THERETO; PROVIDING FINDINGS OF FACT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE FOR THE COMMENCEMENT OF THE REINVESTMENT ZONE AND THIS ORDINANCE; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City Council of the City of Sherman, Texas (the “City”), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a Reinvestment Zone, as codified in Chapter 312 of the Texas Tax Code (the “CODE”); and

WHEREAS, a hearing before the City Council was set for 5:00 p.m. on the 22nd day of December, 2017, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper of general circulation in the City of Sherman; and

WHEREAS, the City has called a public hearing and published notice of such public hearing, and has properly notified the proper officials of Grayson County, Grayson County College, and Sherman Independent School District, as required by the CODE; and

WHEREAS, upon such hearing being convened, there was presented proper proof and evidence that notices of such hearing had been published and mailed as described above; and

WHEREAS, the City at such hearing invited any interested person, or his attorney, to appear and contend for or against the creation of the Reinvestment Zone, whether all or part of the territory, which is described by a metes and bounds description attached hereto as Exhibit “A” and depicted in the drawing attached hereto as Exhibit “B”, should be included in such proposed Reinvestment Zone; and

WHEREAS, all owners of property located within the proposed Reinvestment Zone, and all other taxing units and other interested persons, were given the opportunity at such public hearing to protest the creation of the proposed Reinvestment Zone or the inclusion of their property in such Reinvestment Zone; and

WHEREAS, the proponents of the Reinvestment Zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the Reinvestment Zone, and no opponents of the Reinvestment Zone appeared to contest creation of the Reinvestment Zone; and

WHEREAS, after considering all testimony and evidence offered at the public hearing, the City Council finds that improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Zone, will be of general benefit to the City of Sherman, and that it will be in the public interest to pass this ordinance creating a Reinvestment Zone;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SHERMAN, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct.

SECTION 2. That the City, after conducting such hearing and having heard such evidence and testimony, has made the following findings and determinations based on the evidence and testimony presented to it:

- (a) That the public hearing on adoption of the Reinvestment Zone has been properly called, held and conducted, and that notice of such hearing has been published as required by law;
- (b) That the City has jurisdiction to hold and conduct this public hearing on the creation of the proposed Reinvestment Zone, pursuant to the CODE;
- (c) That creation of the proposed Zone, with boundaries as described in Exhibits “A” and “B”, will result in benefits to the City, its residents and property owners, and to the property, residents and property owners in the Reinvestment Zone; and
- (d) That the Reinvestment Zone, as defined in Exhibits “A” and “B”, meets the criteria for the creation of a Reinvestment Zone as set forth in Section 312.202 of the CODE in that:
 - (1) It is a contiguous geographic area located wholly within the corporate limits of the City.
 - (2) The area will reasonably be likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City.
 - (3) No part of the property in the Reinvestment Zone is owned or leased by a member of the governing body of the City or Town, or by a member of a zoning or planning board or commission of the City.
 - (4) Improvements in the Reinvestment Zone will enhance significantly the value of all taxable real property in the Reinvestment Zone.

SECTION 3. That the City hereby creates a Reinvestment Zone over the area described by the description in Exhibit “A”, attached hereto and depicted in a drawing attached hereto as Exhibit “B”, and such Reinvestment Zone shall hereafter be identified as the Industrial Reinvestment Zone, Number 122017-01, City of Sherman, Texas (the “Zone”).

SECTION 4. That the written agreement(s) as provided in the CODE, with the owners of the property located within the Reinvestment Zone, is hereby authorized for a period of up to ten (10) years, and the written agreement(s) shall provide an exemption from taxation of the increased value in the real and/or personal property in the percentages and for the years to be established in the agreements.

SECTION 5. That, if any section, paragraph, clause, or provision of this ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 6. That it is hereby officially found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the City Council at which this ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this ordinance and the subject matter hereof has been discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

SECTION 7. That the contents of the notice of public hearing, which hearing was held before the City Council on the 22nd day of December, 2017, and the publication of said notices, is hereby ratified, approved, and confirmed.

1ST READING this the _____ day of _____, 2017.

2ND READING this the _____ day of _____, 2017.

EFFECTIVE DATE: _____ day of _____, 2017.

CITY OF SHERMAN, TEXAS

BY: _____
DAVID PLYLER, MAYOR

ATTEST:

BY: _____
LINDA ASHBY, CITY CLERK

**APPROVED AS TO FORM
AND CONTENT:**

BY: _____
BRANDON S. SHELBY,
CITY ATTORNEY

EXHIBIT "A"

INDUSTRIAL REINVESTMENT ZONE, NUMBER 122017-01, CITY OF SHERMAN, TEXAS FIELD NOTES

LEGAL DESCRIPTION

Situated in the City of Sherman, Grayson County, Texas, being a part of the William Martin Survey, Abstract No. 765, and being a part of Lot 3 of Sherman Industrial Development Addition to said City of Sherman as shown by plat of record in Volume 11, Page 67, Plat Records, Grayson County, Texas, and also being a part of Lot 2-R of the Replat Of Lots One And Two of Sherman Industrial Development Addition to said City of Sherman as shown by plat of record in Volume 19, Page 66, said Plat Records, and being more particularly described by metes and bounds as follows:

Beginning at a 1/2" steel rod found for the Southeast corner of the herein described tract in the South line of said Lot 3 and North right-of-way line of Progress Drive, said rod also marking the beginning of a curve to the right having a radius of 470.00 feet:

Thence in a Southwesterly direction with said South line of said Lot 3 and North right-of-way line of Progress Drive along said curve, (chord bears South 50°48'49" West, 402.83 feet), an arc distance of 416.31 feet to the end of said curve;

Thence South 76°11'20" West continuing with said North right-of-way line of Progress Drive a distance of 539.24 feet to a 1/2" steel rod found maintaining the Southwest corner of said Lot 3 and the Southeast corner of said Lot 2-R;

Thence North 08°43'51" West with the West line of said Lot 3 and East line of said Lot 2-R a distance of 910.00 feet to a 1/2" steel rod set for and inside "L" corner;

Thence North 89°49'08" West a distance of 633.47 feet to a 1/2" steel rod set for the most Westerly Southwest corner of the herein described tract in the West line of said Lot 2-R and East line of Lot 1-R of said Replat;

Thence North 11°49'44" West a distance of 600.00 feet to a 1/2" steel rod found maintaining the Northwest corner of said Lot 2-R and Northeast corner of said Lot 1-R in the South line of the 119.166 acre tract of land conveyed by The Sunny Delight Beverages Co. to Sherman Economic Development Corporation by deed dated December 16, 2010, recorded in Volume 4895, Page 876, Official Public Records Grayson County, Texas;

Thence North 75°51'36" East, passing the Northeast corner of said Lot 2-R and the Northwest corner of said Lot 3 and continuing for a total distance of 1205.25 feet to a 1/2" steel rod set for the Northeast corner of the herein described tract;

***Thence** South 21°51'52 East a distance of 1508.40 feet to the Point-of-Beginning and containing 37.64 acres of land more or less.....*

I, Douglas W. Underwood, Registered Professional Land Surveyor, hereby certify that the above legal description was prepared from an actual survey made on the ground and is true and correct to the best of my knowledge and belief.

JOB NO. 16030163
(REVISED)

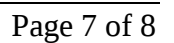


EXHIBIT "B"
INDUSTRIAL REINVESTMENT ZONE, NUMBER 122017-01,
CITY OF SHERMAN, TEXAS
VICINITY MAP





SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Called Meeting

B.2.

Meeting Date: 12/22/2017

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

ADOPTION OF ORDINANCES

Consider Adoption of Ordinance Number: 6093

Issue:

B. 1. INTRODUCTION AND PUBLIC HEARING OF ORDINANCE NO. 6093

Designating a Certain Area as Industrial Reinvestment Zone, Number 122017-01, City of Sherman, Texas, Providing for the Establishment of Agreements within the Zone, and Other Matters Relating Thereto; Providing Findings of Fact; Providing an Effective Date for the Commencement of the Reinvestment Zone and this Ordinance



SHERMAN CITY COUNCIL

Agenda Communication Form

City Council Called Meeting

Meeting Date: 12/22/2017

Prepared By: Pamela Cloer, Assistant to the City Manager

Approved By: Robby Hefton, City Manager

Caption:

COUNCIL CALENDAR

Attachments

2017 Council Calendar

2018 Council Calendar

2017

JANUARY						
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1/2/2017	New Years Day/Called Council Meeting on 1/3/2017 - Cancelled
3/21/2017	Called Joint Meeting with SISD Board of Trustees
4/21/2017	Called Budget Planning Mtg in Council Chambers
5/22/2017	Called Council Meeting for Introduction, PH and Adoption of Annexation Ordinance (459.6 acre tract on Preston Club Drive in ETJ)
6/15-16/2017	Called Budget Workshop in Council Chambers
7/3/2017	July 3rd Council Meeting Cancelled
7/31/2017	Called Council Meeting for 2nd PH of Annexation Ordinance (Kings Ridge on Norwood Street in ETJ)
9/4/2017	Labor Day/Called Council Meeting on 9/5/2017

9/25/2017	Called Joint Mtg w/SEDCO Board in Council Chambers
12/22/2017	Called Council Meeting for Introduction, PH and Adoption of Ordinance Creating IRZ # 122017-01, City of Sherman, Texas

2018

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