



MINUTES

The City Council and the Economic Development Board of the City of Palestine convened in a Virtual Special Joint Meeting at 11:30 a.m., on Thursday, April 16, 2020, in Palestine, Texas with the following members present:

Present: Steve Presley, Mayor; Ann Connor, Mayor Pro Tem; Vickey L. Chivers, Council Member; Joe Baxter, Council Member; Dana Goolsby, Council Member

Absent: Larissa Loveless, Council Member; Mitchell Jordan, Council Member

Present PEDC Board: Larry Weber, President; Kurt Herrington, Board Member; Charles Drane, Board Member; Ben Campbell, Board Member; Linda Dickens, Board Member; Michael Page, Board Member; Will Brule, Board Member

Staff Present: Leslie Cloer, City Manager and Acting Economic Development Director; Teresa Herrera, City Secretary; Terry Johnson, Economic Development Project Manager; Gary Landers, City Attorney; Chris Nichols, Economic Development Attorney

SPECIAL MEETING

A. CALL TO ORDER

With a quorum present, Mayor Presley called the City Council meeting to order at 11:36 a.m. PEDC President Weber called the PEDC meeting to order at 11:37 a.m.

B. PUBLIC COMMENTS

Members of the public may submit their comments by completing the required Request to Speak form by using the weblink below. All comments submitted prior to the meeting will be read during the meeting.

<http://cityofpalestinetx.com/government/city-secretary/policies-forms/request-to-speak/>

There were no public comments.

C. PUBLIC HEARING

In accordance with Texas Local Government Code Section 505.159, the Economic Development Corporation and the City Council will receive public comments related to an economic development incentive whereby the Economic Development Corporation proposes:

1. To sell or otherwise convey a 5.599-acre tract of land (Lot 1R-3B) located in the Willow Creek Business Park to Wildwood Park, LLC for the construction of a facility for the relocation of the existing Department of Health and Human Services offices.
PEDC Attorney Nichols provided a summary. PEDC is selling a 5.599-acre tract of land to Wildwood Park, LLC in the amount of \$5,000, the price was negotiated by former economic development director, as part of an economic development incentive.

City Manager Cloer stated PEDC approved the Project Potter on February 18, 2019, and City Council approved Project Potter on February 25, 2019.

Mayor Presley opened the public hearing at 11:44 a.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Presley closed the public hearing at 11:45 a.m.

2. To spend sales tax on infrastructure improvements to incentivize Magnum Opus Ventures to construct a new approximate 150-unit apartment complex in the City of Palestine, Texas. PEDC Attorney Nichols provided a summary. Texas Local Government Code allows Type B economic development corporations with a population of less than 20,000, to spend sales tax dollars on infrastructure incentives for housing. Also, he is finalizing a performance agreement with Magnum Opus Ventures. This public hearing is part of the legal proceedings necessary to move the project forward.

City Manager Cloer stated the 200-unit project has been reduced to 145 to 150-unit complex for market-rate apartments. The complex is located off Loop 256 and Murchison Street. PEDC and City Council will work with TCEQ to find affordable options for grease traps and waste-water issues for this new multi-family housing project. The City Manager held conversation concerning grease traps with the developer during a Developmental Review Meeting some months ago, so the developer is aware solutions will need to occur for grease trap measures.

Mayor Presley opened the public hearing at 11:53 a.m. and asked for anyone speaking for or against the request to do so. With no one speaking, Mayor Presley closed the public hearing at 11:53 a.m.

3. To spend sales tax on infrastructure improvements to incentivize Chick-fil-A restaurant to construct a new restaurant location near the Palestine Mall. PEDC Attorney Nichols provided a summary. Texas Local Government Code allows Type B economic development corporations with a population of less than 20,000 to spend sales tax dollars on infrastructure incentives for various retail projects.

Mayor Presley opened the public hearing at 11:56 a.m. and asked for anyone speaking for or against the request to do so. Tawna Allen, Deborah Morman, Kelli Fletcher, and Lisa Sutton reported support via Facebook chatbox. With no one else speaking, Mayor Presley closed the public hearing at 11:58 a.m.

D. **REGULAR AGENDA**

1. Consider and take action to approve a Resolution approving the sale and conveyance of a 5.599-acre tract of land, also identified as Lot 1R-3B, located in the Willow Creek Business Park to Wildwood Park, LLC for the purpose of constructing a facility for the relocation of the existing Department of Health and Human Services offices.

Motion by Board Member Drane, seconded by Board Member Dickens to adopt **Resolution No. R-15-20**, approving the sale and conveyance of a 5.599-acre tract of land, also identified as Lot 1R-3B, located in the WCBP to Wildwood Park, LLC for the purpose of constructing a facility for the relocation of the existing Department of Health and Human Services offices.

Vote: 7 - 0 - Unanimously

2. Consider a Resolution approving the Economic Development Corporation's sale and conveyance of a 5.599-acre tract of land, also identified as Lot 1R-3B, located in the Willow Creek Business Park to Wildwood Park, LLC for the purpose of constructing a facility for the relocation of the existing Department of Health and Human Services offices.

Mayor Presley conducted the reading of the Resolution.

PEDC President Weber informed that the tract of land to be conveyed is for construction of a building for the Department of Health & Human Services, but the building will be owned by a private company. This Project will bring sales tax revenue to our tax rolls with new jobs. The state agency does not own the property. PEDC Board Member Ben Campbell stated the building will be privately owned and taxed. Then it will be leased to the state agency, thereby adding new property taxes to our city tax rolls.

3. Consider and take action to approve a Resolution approving the Economic Development Corporation's sale and conveyance of a 5.599-acre tract of land, also identified as Lot 1R-3B, located in the Willow Creek Business Park to Wildwood Park, LLC for the purpose of constructing a facility for the relocation of the existing Department of Health and Human Services offices.

Mayor Presley conducted the reading of the Resolution.

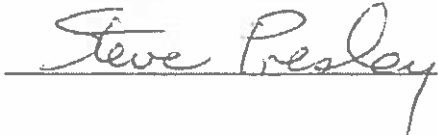
Motion by Council Member Dana Goolsby, seconded by Council Member Joe Baxter to adopt **Resolution No. R-15-20**, approving the Economic Development Corporation's sale and conveyance of a 5.599-acre tract of land, also identified as Lot 1R-3B, located in the Willow Creek Business Park to Wildwood Park, LLC for the purpose of constructing a facility for the relocation of the existing Department of Health and Human Services offices.

Vote: 5 - 0 - Unanimously

E. ADJOURNMENT

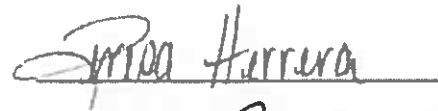
With no other business to come before Council nor PEDC Board, the meeting was adjourned at 12:10 p.m.

PASSED AND APPROVED THIS 26TH DAY OF MAY 2020.

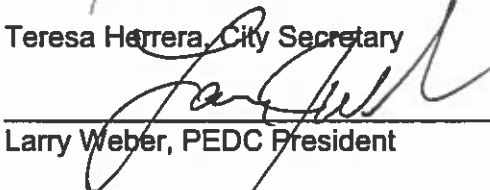


Steve Presley, Mayor

ATTEST:

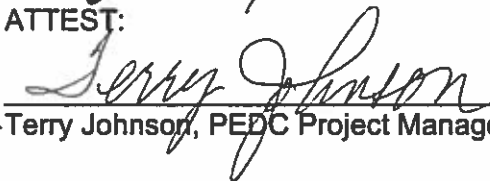


Teresa Herrera, City Secretary



Larry Weber, PEDC President

ATTEST:



Terry Johnson, PEDC Project Manager