

**City Council
Agenda Memo**



**City Council
Meeting Date: 08-26-10**

TO: Larry D. Gilley, City Manager

FROM: Richard Burdine, Assistant City Manager for Economic Development

SUBJECT: City of Abilene's Participation in the Texas Enterprise Zone Program and Nomination of Health Care Service Corporation, a Mutual Legal Reserve Company, (Blue Cross Blue Shield) as an Enterprise Project to the Office of the Governor Economic Development and Tourism

GENERAL INFORMATION

The City of Abilene's involvement with the state's Enterprise Zone Program began in 1997 when the City Council nominated three Enterprise Zones, which were subsequently approved for designation by the Texas Department of Economic Development (now know as the Office of the Governor Economic Development and Tourism or "Agency"), resulting in Abilene's West, Central and East Enterprise Zones. In 2004 the state legislature revised the program so that any census block group having a 2000 Census poverty level of 20% or higher is automatically an enterprise zone (see attached map).

If the qualified business is not in an eligible block group, as is the case with BCBS, it can be nominated as an Enterprise Project. An Enterprise Project is a business that is nominated by a city or county and approved by the state Economic Development Bank for state and local incentives.

State incentives include state sales and use tax benefits based on capital investment and jobs created and/or retained during the designation period, not to exceed 5 years. Blue Cross Blue Shield will commit to \$5 million in capital investment, retaining their current level of employment and hiring economically disadvantaged individuals to the fullest extent possible over the next five years. These commitments make them eligible for up to \$1,250,000 in state incentives.

The state may designate up to 85 enterprise projects each biennium. With private capital markets so tight there has been tremendous demand for the program, so much that all project designations will probably be allocated to successful applications submitted on September 1, 2010. It will be 2 years before more projects can be considered, which is why BCBS' application is being expedited.

SPECIAL CONSIDERATIONS

See Page 2.

FUNDING/FISCAL IMPACT None to the City of Abilene. All refunds will come from the State.

STAFF RECOMMENDATION City Council approve the attached ordinance recommending BCBS for designation as an Enterprise Project by the Office of the Governor Economic Development and Tourism.

BOARD OR COMMISSION RECOMMENDATION Not Applicable.

ATTACHMENTS Map and Ordinance.

Prepared by: Richard Burdine	Item No. <u>7.1</u>	Disposition by City Council
Name: Richard Burdine		<input type="checkbox"/> Approved Ord/Res# _____
Title: Asst. City Manager for Economic Development		<input type="checkbox"/> Denied
		<input type="checkbox"/> Other
		_____ City Secretary

SPECIAL CONSIDERATIONS

In addition to its own incentives, the state requires cities that nominate companies for enterprise project designation to make complimentary local incentives available. Local incentives are scored by the state when they consider a business' application. Once the ordinance is adopted future project nominations will only require a resolution.

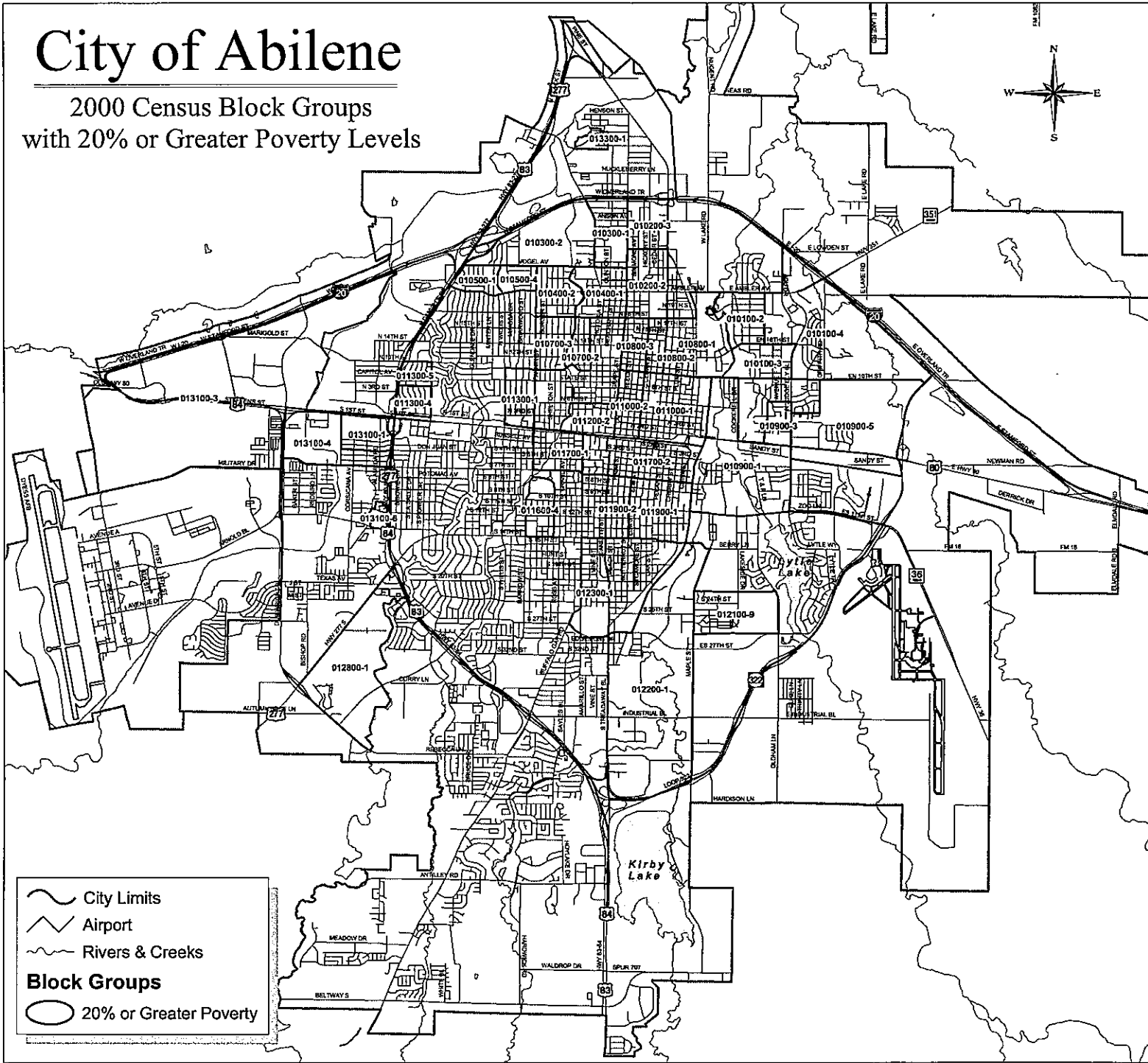
The following local incentives which we already offer or have considered offering in the past, are or will be made available to the nominated project and to future projects at the discretion of the City Council:

- a) Abate taxes up to five (5) years, on a case-by-case basis;
- b) Establish a Tax Increment Financing District to fund public improvements to serve a project;
- c) Adopt the Freeport Tax Exemption;
- d) Offer assistance through its 4A Development Corporation of Abilene, Inc.;
- e) Provide regulatory relief to businesses, including:
 - 1) Zoning changes or variances; and/or,
 - 2) streamlined permitting.
- f) Provide enhanced municipal services to businesses, including:
 - 1) Institution of community crime prevention programs; or,
 - 2) Special public transportation routes or reduced fares.
- g) Provide improvements in community facilities, including:
 - 1) Capital improvements in water and sewer facilities;
 - 2) Road repair; or,
 - 3) Creation or improvement of parks.
- h) Provide improvements to housing, including:
 - 1) Low-interest loans for housing rehabilitation, improvement, or new construction; or,
 - 2) Transfer of abandoned housing to individuals or community groups.
- i) Provide business and industrial development services, including:
 - 1) Low-interest loans for business;
 - 2) Provision of publicly-owned land for development purposes, including residential, commercial, or industrial development; or,
 - 3) Creation of special one-stop permitting and problem resolution centers or ombudsmen.
- j) The City may provide job training and employment services to businesses, including:
 - 1) Retraining programs;
 - 2) Literacy and employment skills programs;
 - 3) Vocational education;
 - 4) Customized job training; or,
 - 5) Job training programs.

At this time Blue Cross Blue Shield has only requested the City's help to nominate their project for state designation.

City of Abilene

2000 Census Block Groups
with 20% or Greater Poverty Levels



ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ORDAINING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING THE HEALTH CARE SERVICE CORPORATION, A MUTUAL LEGAL RESERVE COMPANY (BLUE CROSS BLUE SHIELD) TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT).

WHEREAS, the City Council of the City of Abilene, Texas (City) desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area; and

WHEREAS, the project or activity is not located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, Health Care Service Corporation, a Mutual Legal Reserve Company has applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that Health Care Service Corporation, a Mutual Legal Reserve Company meets the criteria for tax relief and other incentives adopted by the City on the grounds that it will be located at the qualified business site, will create economic activity and stability; and

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

Section 1: The City nominates Health Care Service Corporation, a Mutual Legal Reserve Company for enterprise project status.

Section 2: The following local incentives, at the election of the governing body, are or will be made available to the nominated project or activity of the qualified business and future projects:

- a) The City may abate taxes up to five (5) years, on a case-by-case basis.

- b) The City may establish a Tax Increment Financing District to fund public improvements to serve a project.
- c) The City may adopt the Freeport Tax Exemption.
- d) The City may offer assistance through its 4A Development Corporation of Abilene, Inc.
- e) The City may provide regulatory relief to businesses, including:
 - 1) zoning changes or variances; or
 - 2) streamlined permitting.
- f) The City may provide enhanced municipal services to businesses, including:
 - 1) institution of community crime prevention programs; or
 - 2) special public transportation routes or reduced fares.
- d) The City may provide improvements in community facilities, including:
 - 1) capital improvements in water and sewer facilities;
 - 2) road repair; or
 - 3) creation or improvement of parks.
- e) The City may provide improvements to housing, including:
 - 1) low-interest loans for housing rehabilitation, improvement, or new construction; or
 - 2) transfer of abandoned housing to individuals or community groups.
- f) The City may provide business and industrial development services, including:
 - 1) low-interest loans for business;
 - 2) provision of publicly-owned land for development purposes, including residential, commercial, or industrial development; or
 - 3) creation of special one-stop permitting and problem resolution centers or ombudsmen.
- g) The City may provide job training and employment services to businesses, including:
 - 1) retraining programs;
 - 2) literacy and employment skills programs;
 - 3) vocational education;
 - 4) customized job training; or
 - 5) job training programs.

Section 3: The City of Abilene City Council directs and designates its Mayor, or his designee, as the City's liaison to communicate and negotiate with the EDT

through the Bank and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

Section 4: The City finds that Health Care Service Corporation, a Mutual Legal Reserve Company meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- (a.) Health Care Service Corporation, a Mutual Legal Reserve Company is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site not located in an enterprise zone in the governing body's jurisdiction and at least thirty-five percent (35%) of the business' new employees will be residents of an Enterprise Zone or economically disadvantaged individuals; and
- (a.) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
- (b.) The designation of Health Care Service Corporation, a Mutual Legal Reserve Company as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

Section 5: The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate five (5) years after the date of designation.

PASSED ON FIRST READING this 26th day of August, 2010.

A notice of the time and place, where and when said ordinance would be given a public hearing and considered for final passage was published in the Abilene Reporter-News, a daily newspaper of general circulation in the City of Abilene, said publication being on 19th day of August, 2010, the same being 7 calendar days prior to a public hearing being held in the Council Chamber of City Hall in Abilene, Texas, at 8:30 a.m. on the 26th day of August, 2010, to permit the public to be heard. Said Ordinance becomes effective from and after its passage.

PASSED ON SECOND AND FINAL READING this 30th day of August, 2010.

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ATTEST:

CITY SECRETARY

MAYOR

APPROVED:

CITY ATTORNEY

City Council
Agenda Memo



City Council
Meeting Date: August 26, 2010

TO: Larry D. Gilley, City Manager
FROM: Ken Dozier, Fire Chief
SUBJECT: Resolution Establishing an Emergency Medical Services Citizens Advisory Committee

GENERAL INFORMATION

In 1985 the Abilene Fire Department (AFD) was certified as a First Responder Organization by the Department of State Health Services (DSHS). At that time the AFD began to respond to 911 emergency medical calls within the city limits and provided Emergency Medical Technician (EMT) - Basic level service (Level 2). In 2002 the AFD's First Responder Program was upgraded to an Advanced Level First Responder Organization, with service at the EMT-Intermediate level (Level 3). In 2009, the department committed to training for the highest level of prehospital care - EMT-Paramedic EMS (Level 4). With the proposed 2011 budget the AFD is ready to advance to this final step as a First Responder Organization.

Once the AFD provides Paramedic level EMS, the option exists for the department to provide emergency transports (Level 5) and non-emergency transfers (Level 6) via ambulances. The task assigned to the EMS Citizens Advisory Committee will be to make a recommendation to the City Council regarding the level of EMS service to be provided by the Abilene Fire Department.

FUNDING/FISCAL IMPACT

None

STAFF RECOMMENDATION

Staff recommends City Council approve the attached resolution and appoint a 15 member Emergency Medical Services Citizens Advisory Committee

ATTACHMENTS

Resolution and Exhibit A

Prepared by:

Name: Ken Dozier

Title: Fire Chief

Item No. 7.2

Disposition by City Council

Approved Ord/Res#

Denied _____

Other _____

City Secretary

RESOLUTION NO. _____

**RESOLUTION ESTABLISHING AN EMERGENCY MEDICAL SERVICE
CITIZENS ADVISORY COMMITTEE**

WHEREAS, In 1985 the Abilene Fire Department (AFD) was certified as a First Responder Organization by the Department of State Health Services (DSHS) and began to respond to 911 emergency medical calls within the city limits and provided Emergency Medical Technician (EMT) - Basic level service (Level 2), and;

WHEREAS, In 2002 the AFD's First Responder Program was upgraded to an Advanced Level First Responder Organization, with service level at the EMT-Intermediate level (Level 3), and;

WHEREAS, In 2009, the department committed to training for the highest level of prehospital care- EMT-Paramedic EMS (Level 4), and;

WHEREAS, With the proposed 2011 budget the AFD is ready to advance to the final step as a First Responder Organization, and;

WHEREAS, Once the AFD provides Paramedic level EMS, the option exists for the department to provide emergency transports (Level 5) and non-emergency transfers (Level 6) via ambulances

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

- Part 1. The City Council hereby creates a fifteen member Emergency Medical Services Citizens Advisory Committee with two members appointed by each City Councilmember, and a chairperson appointed by the Mayor, said members being set forth on the attached Exhibit A.
- Part 2. Committee members shall serve an initial term of six months; if Council determines a need for further study, members may be reappointed to additional six month terms.
- Part 3. The Committee shall assist the Abilene Fire Chief and City staff in determining the feasibility and timetable for the Abilene Fire Department to become a Level 5 and/or Level 6 Emergency Medical Service provider.
- Part 4. The Committee shall present a determination and recommendation at the January 27, 2011 meeting of the City Council.

Part 5. This Resolution shall take effect immediately from and after its adoption and it is accordingly so ordered.

PASSED AND APPROVED, this 26th day of August, 2010.

ATTEST:

City Secretary, City of Abilene

Mayor, City of Abilene

(City Seal)

APPROVED:

City Attorney, City of Abilene

Exhibit A

Mayor Norm Archibald:

Committee Chair: _____
Member 1: _____
Member 2: _____

Mayor Pro Tem Anthony Williams:

Member 1: _____
Member 2: _____

Councilman Robert Briley:

Member 1: _____
Member 2: _____

Councilman Joe Spano:

Member 1: _____
Member 2: _____

Councilman Stormy Higgins:

Member 1: _____
Member 2: _____

Councilman Shane Price:

Member 1: _____
Member 2: _____

Councilwoman Kellie Miller:

Member 1: _____
Member 2: _____



City Council
Agenda Memo

TO: Larry D. Gilley, City Manager

FROM: Mindy Patterson, Director of Finance

Mindy

City Council
Meeting Date: 08/26/10

SUBJECT: Public Hearing on the Proposed 2010-11 Tax Rate

GENERAL INFORMATION

The FY 2011 Budget approved by Council on July 27, 2010 set the tax rate at 69.86¢. State law requires that two (2) public hearings must be held prior to the final public hearing and vote. The first public hearing was held on August 12, 2010. This is the second public hearing. The final public hearing and vote will be held on September 9, 2010.

STAFF RECOMMENDATION

Staff recommends that the City Council hold the public hearing in accordance with state law. No action is required by Council.

ATTACHMENT

- 1) Ordinance

Prepared By: Name <u>Mindy Patterson</u> Title <u>Director of Finance</u>	Item No. <u>7.3</u>	Disposition by City Council <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> Other Ord/Res # _____ _____ City Secretary
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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF ABILENE, TEXAS, APPROVING THE ASSESSMENT ROLL FOR 2010, LEVYING AN AD VALOREM TAX FOR THE CITY OF ABILENE, TEXAS, FOR THE YEAR 2010; PROVIDING FOR THE ASSESSMENT AND COLLECTION THEREOF; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT HEREWITH; CALLING A PUBLIC HEARING; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 26.05 of the Tax Code requires notice of a tax increase whether that increase occurs by an increase in the tax rate or a rise in property values or both; and

WHEREAS, the City of Abilene is proposing a tax rate increase and property values have risen in the City which trigger components of Section 26.05; and

WHEREAS, the components of Section 26.05 require Cities to post that an increase in property values even when the tax rate is held constant, is considered as an effective tax rate increase; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1: That the assessment roll for the year 2010, as compiled by the Chief Appraiser of the Central Appraisal District of Taylor County, and amended and approved by the Appraisal Review Board of Taylor County, on the 22nd day of July, 2010, be, and the same is hereby, in all things, approved and adopted.

PART 2: That there be, and is hereby levied, on all of the property located in the City of Abilene, Texas, on the 1st day of January, 2010, and not exempt from taxation by the Constitution and Laws of the State of Texas and the City of Abilene, an ad valorem tax in the aggregate total of --sixty-nine and eighty-six one-hundredths cents (69.86¢)-- on each one hundred dollars' (\$100.00) valuation of said property, apportioned as follows:

General Fund:

(a)	Operations & Maintenance	\$.4812
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Debt Service Funds:

(a)	2001 G.O. Series	\$.0036
(b)	2002 C.O. Series	\$.0069
(c)	2002 G.O. Series	\$.0064
(d)	2002 Airport C.O. Series	\$.0029
(e)	2003 C.O. Series	\$.0051
(f)	2003C Refunding	\$.0029
(g)	2004 C.O. Series	\$.0039
(h)	2004 Airport C.O. Series	\$.0017
(i)	2005 C.O. Series	\$.0102

(j)	2005A C.O. Series - Public Safety	\$.0262
(k)	2006 C.O. Series	\$.0097
(l)	2006 G.O. Series	\$.0110
(m)	2006 Airport C.O. Series	\$.0029
(n)	2007 C.O. Series	\$.0087
(o)	2007 G.O. Series	\$.0125
(p)	2007 Airport G.O. Series	\$.0022
(q)	2008 C.O. Series	\$.0045
(r)	2008 G.O. Series	\$.0155
(s)	2008A C.O. Series - Energy	\$.0174
(t)	2009 Refunding	\$.0311
(u)	2009 C.O. Series	\$.0032
(v)	2009 G.O. Series	\$.0152
(w)	2009A C.O. Series - HRIS & Finance System Replacement	\$.0046
(x)	2010 Refunding	\$.0048
(y)	2010 C.O. Series	<u>\$.0043</u>
	Debt Rate	\$.2174

TOTAL RATE FOR THE YEAR 2010 \$.6986

PART 3: That there be, and are hereby authorized exemptions as follows:

- 1) Homestead exemption -- fifteen percent (15%)
- 2) Age 65 and over exemption -- \$15,000

PART 4: THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 1.2 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$8.10.

PART 5: That notice for the public hearings on the 12th day of August, 2010, and the 26th day of August, 2010, were given by publication in the Abilene Reporter-News on the 4th day of August, 2010.

PART 6: That notice for the public hearing on the 9th day of September, 2010, was given by publication in the Abilene Reporter-News on the 29th day of August, 2010.

PART 7: That a public hearing was held on the 9th day of September, 2010, in accordance with the City Charter.

PART 8: That any ordinance, resolution, policy or any provision or section of the Code of the City of Abilene, Texas, as amended, in conflict herewith, be, and the same is hereby repealed to the extent of any conflict.

PART 9: That this ordinance shall take effect immediately from and after its date of final passage.

PASSED ON FIRST READING on the 27th day of July, A.D. 2010.

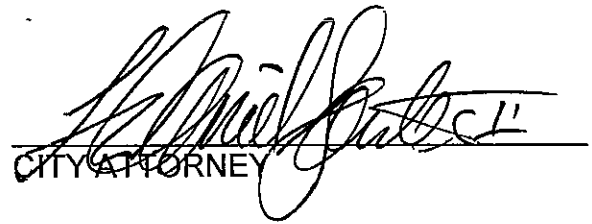
PASSED ON SECOND AND FINAL READING AT A PUBLIC HEARING on the 9th day of September, A.D. 2010.

ATTEST:

CITY SECRETARY

MAYOR

APPROVED:



CITY ATTORNEY