



**NOTICE OF A SPECIAL MEETING
THE BRENHAM CITY COUNCIL
FRIDAY, MAY 11, 2018 AT 2:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN ST.
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Mayor Pro Tem Ebel**
- 3. Citizens Comments**
- 4. Discuss and Possibly Act Upon Resolution No. R-18-007 Nominating Blue Bell Creameries, L. P. to the Office of the Governor, Economic Development and Tourism for Designation as an Enterprise Project Under the Texas Enterprise Zone Program**
Pages 1-6
- 5. Discuss and Possibly Act Upon Resolution No. R-18-006 in Opposition of the Bluebonnet Haven Residential Facility**
Pages 7-10
- 6. Administrative/Elected Officials Report**

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiation

CERTIFICATION

I certify that a copy of the May 11, 2018 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on May 8, 2018 at **12:00 PM**.

Kacey A. Weiss, TRMC

Deputy City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ day of _____, 2018 at _____ AM PM.

Signature

Title



AGENDA ITEM 4

DATE OF MEETING: May 11, 2018	DATE SUBMITTED: May 7, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: James Fisher	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-18-007 Nominating Blue Bell Creameries, L. P. to the Office of the Governor, Economic Development and Tourism for Designation as an Enterprise Project Under the Texas Enterprise Zone Program		
SUMMARY STATEMENT: The City was notified last week by Blue Bell Creameries of their intent to apply to the Office of Governor as an Enterprise Project under the Texas Enterprise Zone Project. In the next five (5) years, Blue Bell is planning to invest over \$40,000,000 in capital improvements by way of new construction, facility improvements and equipment upgrades. The new construction will consist of a new fleet shop and an additional production building. In accordance with Chapter 2303 of the Texas Government Code, Blue Bell's capital improvements qualify as an enterprise project under the Texas Enterprise Zone Program. This Resolution indicates the City's support for Blue Bell and request that the Office of the Governor approve their project for designation as an Enterprise Project.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Resolution No. R-18-007; (2) Letter from Blue Bell Creameries, L. P.		
FUNDING SOURCE (Where Applicable):		

RECOMMENDED ACTION: Approve Resolution No. R-18-007 nominating Blue Bell Creameries, L. P. to the Office of the Governor, Economic Development and Tourism for designation as an Enterprise Project under the Texas Enterprise Zone Program

APPROVALS: Milton Y. Tate, Jr.

RESOLUTION NO. R-18-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS, NOMINATING BLUE BELL CREAMERIES, L.P. (“BLUE BELL” OR THE “COMPANY”), TO THE OFFICE OF THE GOVERNOR, ECONOMIC DEVELOPMENT AND TOURISM THROUGH THE TEXAS ECONOMIC DEVELOPMENT BANK FOR DESIGNATION AS AN ENTERPRISE PROJECT UNDER THE TEXAS ENTERPRISE ZONE ACT, TEXAS GOVERNMENT CODE, CHAPTER 2303; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on February 18, 2010, the City of Brenham (City) has previously passed Ordinance No. **O-10-002** electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined in Ordinance No. **O-10-002**;

WHEREAS, the Office of the Governor Economic Development and Tourism (EDC) through the Economic Development Bank (Bank) will consider Blue Bell Creameries, L.P. as an enterprise project pursuant to a nomination and an application made by the City;

WHEREAS, the City desires to pursue the creation of the proper economic and social environment in order to induce the investment of private resources in productive business enterprises located in the City and to provide employment to residents of enterprise zones and to other economically disadvantaged individuals;

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act, Texas Government Code (the "Act"), Blue Bell Creameries, L.P. has applied to the City for designation as an enterprise project;

WHEREAS, the City finds that Blue Bell Creameries, L.P. meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. Blue Bell Creameries, L.P. 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 within the governing body's jurisdiction located inside of an enterprise zone and at least twenty-five percent (25.0%) of the business' new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities within the area; and
3. The designation of Blue Bell Creameries, L.P. as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

WHEREAS, the City finds that Blue Bell Creameries, L.P. meets the criteria for tax relief and other incentives adopted by the City and nominates Blue Bell Creameries, L.P. for enterprise project status on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, the City finds that it is in the best interest of the City to nominate Blue Bell Creameries, L.P. as an enterprise project pursuant to the Act;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRENHAM that the findings of the City and its actions approving this resolution taken at the council meeting are hereby approved and adopted.

Section I: The City finds that Blue Bell Creameries, L.P. is a "qualified business", as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act.

Section II: The City nominates Blue Bell Creameries, L.P. as an Enterprise Project.

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

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS this 11th day of May, 2018.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC, CMC
City Secretary

APPROVED AS TO FORM:

Cary Bovey
City Attorney



Blue Bell Creameries, L.P.
P.O. Box 1807
Brenham, Texas 77834-1807
www.bluebell.com
(979) 836-7977

April 25, 2018

Mr. James Fisher
City Manager
City of Brenham
200 W. Vulcan
PO Box 1059
Brenham, Texas 77834

Ms. Nicole Ryf
Director, Business and Community
Development
Office of the Governor
Economic Development & Tourism
Post Office Box 12428
Austin, Texas 78711-2428

Re: Project Description Letter for Blue Bell Creameries, L.P.
City of Brenham, Texas Enterprise Project Application – Tab 12

Dear Mr. Fisher and Ms. Ryf:

Blue Bell Creameries, L.P. (“Blue Bell”) began in 1907 when a group of local businessmen in Brenham, Texas established the Brenham Creamery Company making butter from excess cream brought in by area farmers. A few years later, the creamery began making ice cream and delivering it to neighbors by horse and wagon. In 1930, the company changed its name to Blue Bell after the native Texas bluebell wildflower and shifted its production to focus on ice cream full time in 1958. Although Blue Bell is sold in only 22 states, it ranks as one of the bestselling ice creams in the country with annual sales of over \$400 million in 2017.

Blue Bell’s corporate headquarters are located at 1101 South Blue Bell Road, Brenham, Texas, and there are currently 511 qualifying full time employees at this location. In addition to our production facilities in Brenham, we also have multiple distribution branches located throughout Texas in Alvin, Austin, Beaumont, Big Spring, Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Humble, Katy, Longview, Lufkin, New Braunfels, McKinney, San Antonio, Tomball, Valley, and Waco. A total headcount of employees in the state of Texas is currently 1,165. Blue Bell is owned approximately 70% by Blue Bell Creameries USA, Inc. and the remaining 30% by individual partners. Blue Bell Creameries, Inc., a general partner of Blue Bell and a wholly owned subsidiary of Blue Bell Creameries USA, Inc., directly employs all personnel.

Mr. James Fisher
City Manager
City of Brenham
April 25, 2018
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Ms. Nicole Ryf
Director, Business and Community Development
Office of the Governor
Economic Development and Tourism

Over the next five years, Blue Bell plans to invest over \$40,000,000 in capital improvements at its Brenham headquarters location by way of new construction, facility improvements, and equipment upgrades. New construction will include a new fleet shop and an additional production building. The new production building will increase current production capabilities and will include construction for additional cold storage, ingredient processing, and office space. By increasing production capabilities and efficiencies, Blue Bell is striving to support future growth both in the City of Brenham and state wide. Blue Bell has no additional transportation needs at this time.

Blue Bell currently has 511 qualifying full-time jobs at its headquarters location and expects to retain 500 full-time jobs for benefit under the Enterprise Zone Program. These jobs meet the definition of a "retained job" in Texas Government Code § 2303.401(2) because they currently exist, provide and will continue to provide at least 1,820 hours of employment annually, and will be employment positions for the longer of the duration of the project's designation period or three years after the expiration date of the claim period for receipt of state benefit.

Blue Bell qualifies under Texas Government Code §2303.404 to receive an enterprise project designation because (1) it involves an expansion, renovation, or new construction; (2) it will be completed within the predetermined period of time not to exceed 5 years; (3) Blue Bell utilizes an accounting system that allows for tracking of income and expenses related to their facility; and (4) it will maintain separate payroll and tax records of the business activity conducted at the qualified business site.

Blue Bell's investment to expand and improve its Brenham facilities is an exciting and integral part of its commitment to the Brenham community. We thank you for your support, and look forward to working with the Office of the Governor and City of Brenham under the Texas Enterprise Zone Program in the coming years.

Sincerely,



Sam Sommer
Chief Financial Officer
Blue Bell Creameries, L.P.



AGENDA ITEM 5

DATE OF MEETING: May 11, 2018	DATE SUBMITTED: May 7, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: James Fisher	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1 ST READING
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2 ND READING
<input type="checkbox"/> EXECUTIVE SESSION	<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> RESOLUTION
	<input type="checkbox"/> WORK SESSION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-18-006 in Opposition of the Bluebonnet Haven Residential Facility		
SUMMARY STATEMENT: The City of Brenham is supporting the Brenham Independent School District (BISD) in their opposition to the opening of Bluebonnet Haven Residential Facility, which is to be located in the BISD jurisdiction. This facility will have a negative economic effect on BISD, as it will substantially increase the student special education population and the services required for students in this program. BISD will be expected to cover all educational costs incurred above any state and/or federal fund reimbursement. BISD currently lacks the funds needed to hire the additional specialized staff needed to provide services to the residents of Bluebonnet Haven.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):		
A. PROS:		
B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: Resolution No. R-18-006		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION: Approve Resolution No. R-18-006 in Opposition of the Bluebonnet Haven Residential Facility		
APPROVALS: Milton Y. Tate, Jr.		

RESOLUTION NO. R-18-006

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS IN OPPOSITION OF BLUEBONNET HAVEN RESIDENTIAL TREATMENT CENTER.

WHEREAS, Bluebonnet Haven, LLC (“Bluebonnet Haven”) is constructing a residential treatment center (“Facility”) located on Highway 36 South, immediately south of the City of Brenham corporate limits, in Washington County, Texas; and

WHEREAS, Bluebonnet Haven is applying for a license from the Texas Department of Family and Protective Services for the operation of the Facility as a residential treatment center; and

WHEREAS, on April 19, 2018 the Board of Trustees of the Brenham Independent School District (“BISD”) approved a Resolution in opposition to the Bluebonnet Haven Residential Treatment Facility being constructed in Washington County, Texas (“BISD Resolution”), a copy of said Resolution being attached hereto as Exhibit “A” and incorporated herein for all pertinent purposes; and

WHEREAS, the findings and recitation of facts made by the Board of Trustees in said BISD Resolution clearly demonstrate the significant detrimental impact said Facility will have on the resources and finances of the BISD;

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

Section 1: Based on the findings and recitation of facts made by the Board of Trustees in said BISD Resolution, which clearly demonstrate the significant detrimental impact said Facility will have on the resources and finances of the BISD, the City Council of the City of Brenham (“City Council”) fully supports and joins with the BISD Board of Trustees’ opposition to the Facility.

Section 2: The City Council strongly opposes the issuance of any license to Bluebonnet Haven by the Texas Department of Family and Protective Services for the operation of a residential treatment center or similar facility in Washington County, Texas.

RESOLVED this the 11th day of May, 2018.

ATTEST:

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary



Exhibit "A"

Brenham

INDEPENDENT SCHOOL DISTRICT EST. 1875

Brenham ISD Board of Trustees

Bluebonnet Haven Residential Facility Resolution

Whereas, Bluebonnet Haven, a for-profit residential treatment center for troubled youth is being constructed in Washington County; and

Whereas, Brenham ISD is aware that Bluebonnet Haven is applying for licensure as a residential treatment center through the applicable State agency; and

Whereas, Brenham ISD currently educates approximately 4,972 students in Washington County; and

Whereas, Brenham ISD currently educates a student special education population of 646 students, 13% of the total student enrollment; and

Whereas, Brenham ISD currently has a special education population that exceeds the state average of 8%; and

Whereas, Brenham ISD currently educates students from four different Residential Treatment Facilities in Washington County; and

Whereas, the enrollment of proposed residents of Bluebonnet Haven in Brenham ISD would substantially increase the student special education population and the intensity of services required for students in special education programs, and would result in a disproportionately high number of students in special education programs to students in regular education programs; and

Whereas, Brenham ISD would be required to hire additional specialized staffing in hard to fill areas upon enrollment of proposed residents of Bluebonnet Haven in Brenham ISD; and

Whereas, Brenham ISD would be expected to cover all educational costs incurred above state and federal fund reimbursements and currently lacks the resources to hire the additional specialized staff to provide services to the proposed residents of Bluebonnet Haven; and

Whereas, Brenham ISD would be expected to pay costs to rent facility to educate students at this residential treatment center and currently lacks the resources to pay such costs; and

Whereas, the District will continue to value and provide a safe and secure environment for ALL our campuses;

Now therefore, be it resolved by the Brenham ISD Board of Trustees of Washington County, Texas that:

Resolved, the BISD Board of Trustees completely and unequivocally oppose the opening of, and partnering with, the Bluebonnet Haven Residential Treatment Facility; and

Resolved, the BISD Board of Trustees finds that the enrollment of the proposed residents of Bluebonnet Haven would have a detrimental impact on the ratio of the number of students in special education programs to the number of students in regular education programs and that BISD currently lacks the resources to provide specialized instruction to the proposed residents of Bluebonnet Haven; and

Resolved, the BISD Board of Trustees further strongly urge the Texas State Licensure Board to deny any form of license to operate this facility in Washington County, which encompasses a total population of 35,056 residents.

Signed on April 19, 2018

Brenham ISD Board of Trustees

Natalie Lange, President

Melvin Ehlert, Vice President

Susan Jenkins, Secretary

Dr. Mike Altman, Member

Sgt. Kelvin Raven, Member

Mark Schneider, Member

Tommie Sullivan, Member