

**MINUTES OF REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF LUFKIN, TEXAS, HELD ON THE
3RD DAY OF JUNE, 1997 AT 5:00 P. M.**

On the 3rd day of June, 1997 the City Council of the City of Lufkin, Texas, convened in a regular meeting in the Council Chambers of City Hall with the following members thereof, to wit:

Don Boyd
Percy Simond
Betty Jones
Bob Bowman
Tucker Weems
C. G. Maclin
Darryl Mayfield
Bob Flournoy
Atha Stokes
Keith Wright
Stephen Abraham
Kenneth R. Williams

Mayor pro tem
Councilmember, Ward No. 1
Councilmember, Ward No. 3
Councilmember, Ward No. 4
Councilmember, Ward No. 6
City Manager
Asst. City Manager/Finance
City Attorney
City Secretary
City Engineer
Director of Planning
Public Works Director

being present, and

Louis A. Bronaugh
Jack Gorden, Jr.

Mayor
Councilmember, Ward No. 5

being absent when the following business was transacted.

1. Meeting was opened with prayer by Harold Hancock, Pastor, Church of Christ Church.
2. Mayor pro tem Boyd welcomed visitors present.

3. APPROVAL OF MINUTES

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Bob Bowman that the minutes of the Regular Meeting of May 20, 1997 be approved as presented. A unanimous affirmative vote was recorded.

4. ORDINANCE - APPROVED - SECOND READING - SPECIAL USE PERMIT - PAR THREE GOLF COURSE - COMMERCIAL DISTRICT - 2926 S. JOHN REDDITT DRIVE - RANDY MOON - JACK POWELL

Mayor pro tem Boyd stated that the first item for consideration was Second Reading of an Ordinance to grant a Special Use Permit to allow for a par three golf course on property zoned "C" Commercial located at 2926 S. John Redditt Drive (Loop 287) as requested by Randy Moon on behalf of Jack Powell.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Betty Jones that Ordinance to grant a Special Use Permit to allow for a par three golf course on property zoned "C" Commercial located at 2926 S. John Redditt Drive (Loop 287) as requested by Randy Moon on behalf of Jack Powell be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

5. ORDINANCE - APPROVED - SECOND READING - SPECIAL USE PERMIT - PRIVATE CLUB - PAR THREE GOLF COURSE - COMMERCIAL - 2926 S. JOHN REDDITT DRIVE - RANDY MOON - JACK POWELL

Mayor pro tem Boyd stated that the next item for consideration was Second Reading
6/03/97

of an Ordinance to grant a Special Use Permit to allow for a private club for the sale of alcohol in connection with a par three golf course on property zoned "C" Commercial located at 2926 S. John Redditt Drive (Loop 287) as requested by Randy Moon on behalf of Jack Powell.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Percy Simond that Ordinance to grant a Special Use Permit to allow for a private club for the sale of alcohol in connection with a par three golf course on property zoned "C" Commercial located at 2926 S. John Redditt Drive (Loop 287) as requested by Randy Moon on behalf of Jack Powell be approved on Second and Final Reading as presented. A unanimous affirmative vote was recorded.

6. ORDINANCE - APPROVED - FIRST READING - SPECIAL USE PERMIT - RESIDENTIAL MEDIUM AND SPECIAL USE (MASONRY) - GLASS AND MIRROR SHOP - 2010 ATKINSON DRIVE

Mayor pro tem Boyd stated that the next item for consideration was the request of Roger Gay to amend the special use permit on property zoned "RM & SU" Residential Medium and Special Use (Masonry) District to allow for a glass and mirror shop on property located at 2010 Atkinson Drive.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation and a recommendation from the Planning & Zoning Commission to amend the Special Use Permit with the conditions as found in Ordinance 2503: (1) The hours of operation shall be limited to between 7 a.m. and 7 p.m. seven days a week (2) The Special Use Permit shall pertain only to the front portion of the property with the dimensions of 185.6' x 102.2' and the rear portion of the property shall remain its "RM" Residential Medium zoning designation, and (3) No outdoor storage of goods and materials shall be permitted within 5 feet of the west property line.

Motion was made by Councilmember Betty Jones and seconded by Councilmember Bob Bowman that request of Roger Gay to amend the special use permit on property zoned "RM & SU" Residential Medium and Special Use (Masonry) District to allow for a glass and mirror shop on property located at 2010 Atkinson Drive be approved on First Reading as presented. A unanimous affirmative vote was recorded.

7. REQUEST - APPROVED - ANNEXATION PROCEEDINGS - UNITED PENTECOSTAL CHURCH - DANNY RUSSO - U. S. HIGHWAY 59 - FM 819

Mayor pro tem Boyd stated that the next item for consideration was the request of Danny Russo of United Pentecostal Church to initiate annexation proceedings on two tracts of land approximately 29.3895 acres adjacent to the campground and generally located at the southwest corner of U. S. Highway 59 and FM 819.

City Manager Maclin stated that included in the Council packet is a memorandum of explanation. City Manager Maclin stated that Council may recall that this request was considered partially previously, and then the applicants withdrew. City Manager Maclin stated that those reasons for withdrawing have been resolved and they are coming back now to seek request for annexation. City Manager Maclin stated that the Planning Department is recommending the annexation of the property be initiated and that the attached annexation schedule be adopted, which will be the first step in the annexation process.

Danny Russo stated that as Mr. Maclin stated, this request was previously taken up to the final step but there were some reasons they had to reschedule. Mr. Russo stated that they were coming back at this time asking for the annexation for the purpose of enlarging their facilities and adding on to them.

In response to question by Councilmember Bowman, Mr. Russo stated that they are looking at initially some facilities for travel trailers. Mr. Russo stated that this space would be in a corner of the property that would not be viewed from the new road that is going through there. Mr. Russo stated that eventually another building would be added on the property.

In response to question by Councilmember Weems, City Manager Maclin stated that there is City water and sewer at this location.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Tucker Weems that the request of Danny Russo of the United Pentecostal Church to initiate annexation proceedings on two tracts of land approximately 29.3895 acres adjacent to the campground and generally located at the southwest corner of U. S. Highway 59 and FM 819 be approved as presented, and that the annexation schedule be adopted accordingly. A unanimous affirmative vote was recorded.

8. RESOLUTION - APPROVED - UTILITY/DRAINAGE EASEMENT RELEASE - BROOKHOLLOW IV, BLOCK 1, LOT 12 - CECIL LANCASTER

Mayor pro tem Boyd stated that the next item for consideration was a Resolution for the release of a utility/drainage easement in Brookhollow IV, Block 1, Lot 12 as requested by Cecil Lancaster.

City Manager Maclin stated that included in the Council packet is a Resolution that would release this easement that was part of a plat when Brookhollow IV was submitted several years ago. City Manager Maclin stated that the owner of Lot 12, Mr. Lancaster, would like to expand his property there, and the City Attorney and City Engineer have reviewed this request and determined that there has not been a need for maintaining or retaining this utility easement nor do they anticipate one. City Manager Maclin stated that from a staff standpoint the City is not opposed to releasing this easement. City Manager Maclin stated that in order for Mr. Lancaster to move forward with his building project he is seeking Council's consideration for release of this easement.

Councilmember Jones asked if staff was quite sure that there would not be a future need for this easement. Keith Wright, City Engineer, stated that because of the topography of the land there is no natural drainage through that area. Mr. Wright stated that there is a garage partially in the easement. Mr. Wright stated that there is no need for any utilities, the utilities are all on the main streets. Mr. Wright stated that he does not see any need for this easement at all, it is unnecessary. Councilmember Jones asked if Mr. Lancaster's proposed construction would be a problem for drainage. Mr. Wright stated that the lower parts of the drainage are away from this easement, and this would not never be a natural drainage path.

David Hearne, attorney for Mr. Lancaster, stated that Mr. Lancaster purchased this property in 1976, and at the time he purchased it there were no utilities in that easement, which is still the case today. Mr. Hearne stated that within six or seven years Mr. Lancaster obtained a building permit and built a detached garage which is located partly on this easement. Mr. Hearne provided a copy of the plat of the property to the Council showing where the easement is located and how much of his garage is in the easement. Mr. Hearne stated that, in his opinion, if there ever was a need for the City in the future to use this easement there is room to go around the existing structure. Mr. Hearne stated that Mr. Lancaster does not plan to do any further construction on this property.

In response to question by Councilmember Weems, Mr. Wright stated that there is an easement continuing up to the north of this property that is not necessary either, but the City has not had a request to release it.

In response to question by Mayor pro tem Boyd, Mr. Flournoy stated that the City

does not own the easement, so no money is required from Mr. Lancaster, and all the City has to do is release the easement.

Motion was made by Councilmember Bob Bowman and seconded by Councilmember Tucker Weems that Resolution for the release of a utility/drainage easement in Brookhollow IV, Block 1, Lot 12 as requested by Cecil Lancaster be approved as presented. A unanimous affirmative vote was recorded.

9. RESOLUTION - APPROVED - PUBLISH OF NOTICE - REVENUE BONDS

Mayor pro tem Boyd stated that the next item for consideration was a Resolution approving and authorizing the City Secretary to publish the giving of notice of intention to issue revenue bonds.

City Manager Maclin stated that included in the Council packet is a Resolution regarding the revenue bonds that were discussed in last summers budget preparations that will include the drilling of a new water well (well #13), a new ground storage tank to increase retention capacity, some improvements at the Waste Water Treatment Plant, and the relocation of the sewer line at the intersection of U. S. 69 North and Loop 287. City Manager Maclin stated that the total for these projects is approximately \$3 million. City Manager Maclin stated that staff will take the issue to the bond market later this month, and come back to Council on July 1st to actually seek the sale of these bonds. City Manager Maclin stated that this will give the City additional water capacity to keep up with the growth of the City, at Pilgrim's Pride and the City in general. City Manager Maclin stated that the additional ground storage tank will give additional retention time necessary to provide aerification to hopefully minimize the negative side effects of nitrogen sulfite, such as odor and clarity of the water.

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Percy Simond that Resolution approving and authorizing the City Secretary to publish the giving of notice of intention to issue revenue bonds be approved as presented. A unanimous affirmative vote was recorded.

10. PINEYWOODS HOME TEAM - STATUS REPORT

Mayor pro tem Boyd stated that the next item for consideration was the status report from the Pineywoods HOME Team.

City Manager Maclin stated that Doug Dowler, Executive Director of the Pineywoods HOME Team, had provided the Council with a written report that is on the Council table.

Mr. Dowler stated that the Pineywoods HOME Team had a dream two years ago when it came before the Council and asked for their participation in the program. Mr. Dowler stated that the Council agreed to participate and he then proceeded to apply for some State and Federal funds to bring affordable housing into the community. Mr. Dowler stated that the Texas Department of Housing and Community Affairs had granted the funds in October of last year and very shortly after that began a progress of bringing affordable housing to Lufkin. Mr. Dowler stated that in February of this year he was hired as the Executive Director of that organization and there is one staff member and a part time secretary. Mr. Dowler stated that he was proud to bring Council a status report tonight letting them know that they have started the process in Lufkin, entered into contracts to purchase real estate within the City limits of Lufkin to provide affordable housing, gotten loan commitments from two private lenders on the national level, one out of Washington, D. C. named the Housing Assistance Council and the Low Income Housing Fund out of San Francisco, California. Mr. Dowler stated that both of these institutions are providing funding to them in the form of down payment assistance, closing costs assistance, real estate acquisition, and interim construction costs. Mr. Dowler stated that he is pleased that they are able to leverage these

national funds within the Lufkin community and bring them affordable housing. Mr. Dowler stated that the HOME team contract started May 1 with the State. Mr. Dowler stated that the team has taken 18 applications so far and have processed those applications, and a local institution has approved two of the applications for affordable housing. Mr. Dowler stated that he anticipates that in late July they will actually break ground and start construction on the first houses.

Mr. Dowler stated that he wanted to extend his sincere appreciation to the City, the City staff, the City Manager who has been very gracious in affording them extreme help, guidance and leadership in their organization.

In response to question by Councilmember Simond, Mr. Dowler stated that the home plans range anywhere from a two bedroom house up to a five bedroom house. Mr. Dowler stated that they run from \$38-40 a square foot cost wise, and are selling with the lot for \$48 a square foot. Mr. Dowler stated that the price range of the houses is from \$47,000 to \$60,000 for a four bedroom.

In response to question by Councilmember Simond, Mr. Dowler stated that the homes have vinyl siding for the purpose of lowering the maintenance cost on the homes. Mr. Dowler stated that vinyl siding has a 50 year guarantee with less maintenance for the homeowner, so they are able to take care of their property and keep it in good shape.

In response to question by Councilmember Simond, Mr. Dowler stated that each lender has a different program and some lenders are requiring the borrower to put up as much as 3% in down payment. Some lenders have a program whereby the borrower does not have to put anything for a down payment. Mr. Dowler stated that their down payment assistance provides a fixed amount of money and that is \$5,000. Mr. Dowler stated that this amount can be applied towards the borrowers closing cost and down payment. Mr. Dowler stated that the most any lender will make is a 95% loan, so if the borrower is still short they will have to come up with additional funds to get into the house. Mr. Dowler stated that on the borrowers part that is approximately \$1,000 to \$1,500.

In response to question by Councilmember Simond, Mr. Dowler stated that the person who will be living in the house will have to qualify for a mortgage loan through that lender. Mr. Dowler stated that part of his program is to provide homebuyer education, putting the prospective homebuyer through an eight hour course in what it is to be a homeowner, what it is to make a mortgage loan application, and the responsibilities of homeownership after they receive the loan. Mr. Dowler stated that they then offer post-mortgage counseling with that individual to maintain contact with them to ensure that their loan performs.

Councilmember Simond stated that his concern would be that with a family of four they have to make \$26,500 a year. Mr. Dowler stated that they could not make more than that. Councilmember Simond asked how much mortgage can a person making \$26,500 a year with a family of four afford. Mr. Dowler stated that the HOME team works with the borrower in qualifying them for as much house as they can afford but certainly not more than they can afford. Mr. Dowler stated that they follow the same underwriting guidelines that all the lending institutions do, in that they cannot have a house payment usually more than 33% of their gross monthly income. Mr. Dowler stated that sometimes for a family of four with a three bedroom house running about \$50,000, the payment would be \$518 per month. Mr. Dowler stated that they will be making around \$1,200-\$1,300 per month and still be able to qualify for that much of a house payment, if they do not have any other debts. Mr. Dowler stated that the HOME team counsels with applicants and the fact that they should be able to budget their money each month to be able to afford the house payment since they will be faced with it for the next 30 years.

Councilmember Simond stated that his next question would be, a person with a family of four that does not make any more than \$26,000 a year in all probability has

been living from pay check to pay check all of their lives, and he is not too sure that you could find too many lenders that would loan them the money. Mr. Dowler stated that they have had some applicants within these guidelines that have been approved thus far. Mr. Dowler stated that they cannot have a lot of other debts.

Councilmember Simond stated that it appeared to him that the HOME team will be trying to reach the people who have these qualifying problems, because a person who can qualify doesn't need the HOME team. Mr. Dowler stated that can qualify usually lives from paycheck to paycheck and they haven't had the ability to save up the money for a down payment and closing costs, they meet their monthly obligations each month and pay their bills on time, but they can't necessarily save the money to be able to pay the closing costs and down payment requirements of the loan. Mr. Dowler stated that that is where their program comes into service. Mr. Dowler stated that he tries to prepare the applicant to the best of his ability to meet the guidelines that the bank will require.

Councilmember Simond asked where on the literature the City of Lufkin's name appears. Councilmember Simond stated that the City pledged \$14,000 to this program at one time, and he would like to know what that \$14,000 was used for. Mr. Dowler stated that \$9,375 is used for down payment assistance. The City is the match for the grant from the Texas Department of Housing and Community Affairs. Mr. Dowler stated that it was \$625 per house for 15 houses. The other \$5,000 went to help with the administrative costs in preparing the grant application and submitting it to the State.

Councilmember Simond stated that he is concerned about the people that really need these houses, and, in his opinion, will never live in one of these house.

In response to question by Councilmember Jones, Mr. Dowler stated that the smallest house is a two bedroom house and is 950 SF; the three bedroom house is 1,021 up to 1,267 SF; the four bedroom house is a little over 1,400 SF, and if the need should ever arise there is a five bedroom house at 1,800 SF.

In response to question by Councilmember Jones, Mr. Dowler stated that they have future hopes of putting in a development on Myrna Street, reserving one half acre, if there is a need for training and education in the homeowners association, or if there is a need for day care services.

Mayor pro tem Boyd thanked Mr. Dowler for making this presentation to the Council and wished him success in this endeavor.

Mayor pro tem Boyd called Municipal Judge John Sloan to come forward and introduce Sylvia Crain, the newly appointed Municipal Court Clerk.

11. EXECUTIVE SESSION

Mayor pro tem Boyd recessed Regular Session at 5:40 p.m. to enter into Executive Session. Regular Session reconvened at 6:10 p.m. and Mayor pro tem Boyd stated that re-appointments to the Planning & Zoning Commission and the Zoning Board of Adjustment and Appeals was discussed.

12. APPOINTMENTS - APPROVED - PLANNING & ZONING COMMISSION - DALE GREEN - ZONING BOARD OF ADJUSTMENT & APPEALS - JERRY BENSON - AL MEYER - LACY CHIMNEY

Motion was made by Councilmember Tucker Weems and seconded by Councilmember Bob Bowman that Dale Green be re-appointed to the Planning & Zoning Commission and that Al Meyer, Jerry Benson and Lacy Chimney be re-appointed to the Zoning Board of Adjustment & Appeals. A unanimous affirmative vote was recorded.

13. COMMENTS

Councilmember Simond stated that he was concerned about people throwing things off of the overpass on Kurth Drive.

Councilmember Simond stated that he had received a phone call from a Mr. Fowler who was complaining about people driving up and down Timberland on Sunday and disturbing the service at his Church with loud music. City Manager Maclin stated that he would investigate the situation. City Manager Maclin stated that last year 68 citations were issued along Timberland Drive to people who's radios were too loud.

City Manager Maclin reminded Councilmembers of the First Friday luncheon June 6 and that Representative Jim McReynolds would be the speaker giving a report on the legislative session that ended yesterday.

City Manager Maclin reminded Councilmembers that next Wednesday, June 11, at 11:30 a.m. there would be a joint meeting with the Parks Master Plan Advisory Committee. City Manager Maclin stated that a report from the Committee would be delivered to Councilmembers on Friday prior to the meeting on Wednesday.

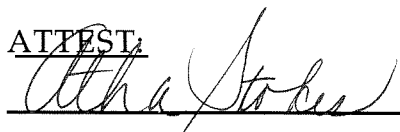
City Manager Maclin stated that the City Attorney, the City Engineer and himself will be meeting Thursday with the National Guard regarding the conflict over property on the expansion of Tulane Drive.

City Manager Maclin stated that on Monday, the City Engineer, Waste Water Treatment Plant Superintendent and himself will be meeting with TNRCC in regards to the current pending issuance of the new Waste Water Treatment Plant permit. City Manager Maclin stated that staff will be meeting with TNRCC to ask them for the deletion of some items that they have included in the City's permit that will significantly increase the City's annual testing costs.


Chief Collins stated that the auction has been moved to the Angelina County Airport to one of the hangar buildings, on Saturday, June 7th at 9:00 a.m.

14. There being no further business for consideration, meeting adjourned at 6:20 p.m.

ATTEST:



Atha Stokes - City Secretary


Louis A. Bronaugh - Mayor