

**SPECIAL MEETING OF THE CANTON CITY COUNCIL
12 NOON, MAY 26, 2021**

Canton City Hall
201 N. Buffalo, Canton, Texas 75103

MINUTES

The Canton City Council met at the above-named date and time in the Canton City Hall. Members present were Mayor Lou Ann Everett and Councilmembers Blake Fowler, Jim Fuller, Randon Sumner, and Nathan Moore. Councilmember Chase Melton was absent.

Also present were City Manager Lonny Cluck, City Secretary Debra Johnson, Finance Director Teri Pruitt, Director of Operations Peter Lamont, CEDC Director Julie Seymore, and City Attorney David Ritter.

1. CALL MEETING TO ORDER AND DECLARE A QUORUM PRESENT – Mayor Everett opened the meeting at 12:00 p.m. and declared a quorum present. Council convened into Executive Session at 12:01 p.m.

EXECUTIVE SESSION

In accordance with the authority contained in the Texas Government Code, Chapter 551, including but not limited to, Sections 551.071, 551.072, 551.074 and 551.087. Council will convene in closed or executive session to discuss the following matters.

2. EXECUTIVE SESSION FOR DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS (Section 551.087) REGARDING THE FOLLOWING:
Section 551.087 – to deliberate commercial or financial information the CEDC has received from a business prospect, and to deliberate the offer of a financial or other incentive for Project Bluegreen Development, and other business prospects, including but not limited to, a mixed-use development project, a local business retention and expansion project, a local capital investment project, a downtown retail rent subsidy prospect, and recruitment of new commercial, industrial, retail, restaurant, hospitality, and family entertainment prospects.
3. EXECUTIVE SESSION FOR CONSULTATION WITH ATTORNEY (Section 551.071)

RETURN TO OPEN SESSION

Council reconvened into Open Session at 1:49 p.m.

4. CONDUCT FIRST READING AND DISCUSSION OF RESOLUTION NO. 2021-17 APPROVING AND AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT AND PERFORMANCE AGREEMENT BY AND BETWEEN THE CITY OF CANTON, CANTON ECONOMIC DEVELOPMENT CORPORATION, AND HBIC, LLC REGARDING BLUEGREEN DEVELOPMENT PROJECT.

Mayor Everett gave a first reading of the caption for Resolution No. 2021-17.

5. CONDUCT SECOND READING AND CONSIDER APPROVAL OF RESOLUTION NO. 2021-17 APPROVING AND AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT AND PERFORMANCE AGREEMENT BY AND BETWEEN THE CITY OF CANTON, CANTON ECONOMIC DEVELOPMENT CORPORATION, AND HBIC, LLC REGARDING BLUEGREEN DEVELOPMENT PROJECT – After a second reading of the caption for Resolution No. 2021-17 by Mayor Everett, Councilmember Fowler made a motion to approve Resolution No. 2021-17 in conformance with guidelines proposed by Canton Economic Development Corporation - to reduce the hotel value from \$5 million to \$4.8 million; to reduce the retail value from \$5 million to \$4.2 million and to strike the personal guaranty. Councilmember Moore seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Approve
Council Member - Chase Melton: Absent
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

6. CONSIDER APPROVAL OF DEVELOPMENT AGREEMENT BETWEEN CITY OF CANTON AND HBIC, LLC. ON APPROXIMATELY 20.006 ACRES OF LAND IN THE Q.C. NUGENT SURVEY, A-618, VAN ZANDT COUNTY, TEXAS, OWNED BY BETTY WILKERSON, EDWARD DEARING, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE – Councilmember Moore made a motion to approve the Development Agreement which excludes any language reference to eminent domain. Councilmember Sumner seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Approve
Council Member - Chase Melton: Absent
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

7. CONSIDER ADOPTION OF ORDINANCE NO. 2021-2 ANNEXING APPROXIMATELY 20.006 ACRES OF LAND IN THE Q.C. NUGENT SURVEY, A-618, VAN ZANDT COUNTY, TEXAS, OWNED BY BETTY WILKERSON, EDWARD DEARING, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE – Councilmember Sumner made a motion to approve Ordinance No. 2021-2 annexing the property. Councilmember Fowler seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Approve
Council Member - Chase Melton: Absent
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

8. PUBLIC HEARING AND CONSIDER ADOPTION OF ORDINANCE NO. 2021-3 GRANTING A ZONING CHANGE FROM RURAL AGRICULTURAL (RA) DISTRICT TO A PLANNED DEVELOPMENT (PD) DISTRICT ON THAT APPROXIMATELY 20.006 ACRE TRACT OF LAND IN THE Q.C. NUGENT SURVEY, A-618, LOCATED IN THE NORTHEAST CORNER OF THE INTERSECTION OF HWY 19 AND I-20, CURRENTLY UNDER CONSIDERATION FOR ANNEXATION INTO THE CITY OF CANTON, TEXAS,

CURRENTLY OWNED BY EDWARD DEARING, BETTY WILKERSON, DORIS BUTLER, AND THE ESTATE OF JOYCE CRABTREE

Mayor Everett opened a public hearing at 2:34 p.m. There being no comments, the public hearing was closed at 2:35 p.m.

Councilmember Fowler made a motion to approve Ordinance No. 2021-3. Councilmember Moore seconded.

Council Member - Nathan Moore: Approve
Mayor Pro Tem - Randon Sumner: Approve
Council Member - Chase Melton: Absent
Council Member - Blake Fowler: Approve
Council Member - Jim Fuller: Approve

9. DISCUSSION REGARDING FIRST MONDAY, INCLUDING

- A. FIRST MONDAY POLICIES AND PROCEDURES
- B. FIRST MONDAY GENERAL OPERATIONS
- C. FIRST MONDAY GROUNDS IMPROVEMENTS
- D. FUTURE PLANNING

Mr. Cluck requested guidance on whether or not to allow other alcohol vendors to operate during First Monday. Currently, Silver Spur was the only one allowed to sell. Mr. Melton said Silver Spur was looking for a local winemaker to add to what they were selling. He suggested opening up two additional areas for the alcohol. One additional area could be around the old bandstand. Another one would be Trade Center I.

There was some discussion about the Deen lease for the property outside the Civic Center and the where the Cage was located. Mr. Cluck said it would not be practical to improve the RV park if the property lease was not going to be renewed.

- 10. CONSIDER ADOPTION OF ORDINANCE NO. 2021-9 REGARDING FIRST MONDAY POLICIES AND PROCEDURES – This item was not discussed.
- 11. DISCUSSION REGARDING CODE ENFORCEMENT PROCEDURES / POLICIES – This item was not discussed.
- 12. DISCUSSION REGARDING WATER RIGHTS FOR LAKE – This item was not discussed.
- 13. ITEMS FOR FUTURE AGENDAS
- 14. ADJOURN – There being no further business to discuss, the meeting was adjourned at 2:55 p.m.