

NOTICE

There will be a special meeting of the Harrison City Council directly following the Committee meeting beginning at 6:00 PM on **Thursday, November 10, 2011**. The meeting will be held in the City Council Room at City Hall.

Call to order – Jeff Crockett, Mayor
Roll Call –Jeff Pratt, City Clerk
Prayer – Alderman Shannon Snow
Pledge

Ordinance and Resolutions:

- American Indian Resolution
- Grant Resolution per Thomas Hodges
- Resending of City Trash Resolution

Mayor's Comments:

- Discussion of 2012 City Budget

Alderman Comments:

Citizen Comments:

Jeff Crockett, Mayor

RESOLUTION NO. _____

**A RESOLUTION IN SUPPORT OF
NATIONAL AMERICAN INDIAN
HERITAGE MONTH**

WHEREAS, the history and culture of our great nation have been significantly influenced by American Indians and indigenous peoples; and

WHEREAS, the contribution of American Indians have enhanced the freedom, prosperity, and greatness of America today, and their customs and traditions are respected as part of a rich legacy throughout the United States; and

WHEREAS, Native American Awareness Week began in 1976 and recognition was expanded by Congress and approved by President George Bush in August, 1990, designating the month of November as National American Indian Heritage Month; and

WHEREAS, in honor of National American Indian Heritage Month, community celebrations as well as cultural, artistic, educational and historical activities have been planned;

NOW THEREFORE, BE IT RESOLVED that the Harrison City Council hereby authorizes the Mayor to proclaim November as the National American Indian Heritage Month, and urge all citizens to observe this month with appropriate programs, ceremonies, and activities.

Passed and adopted this ____ day of _____, 2011.

City of Harrison, Arkansas

Attest:

Jeff Crockett, Mayor

Jeff Pratt, City Clerk

RESOLUTION NO. _____

**A RESOLUTION IN SUPPORT OF
GFI FIRE GRANT AND
AUTHORIZE THE MAYOR
TO PURSUE GRANT APPLICATION**

WHEREAS, the Harrison City Council acknowledges the benefit to the citizens and visitors of all ages for the Harrison Fire Department to obtain the equipment needed for public safety. The availability of this equipment to the Fire Department will contribute to the safety of the public and as training devices for the City's Firemen.

WHEREAS, the Department of Rural Services, Arkansas Rural Development Commission has a non-matching grant to Cities Fire Departments for training equipment, and equipment for daily use in public safety;

NOW THEREFORE, BE IT RESOLVED that the Harrison City Council hereby authorizes the Mayor, or his representative, to submit the application for grant funds under "The GFI Fire Protection Grant" to provide public safety and training devices for City of Harrison Firemen. The Harrison City Council authorizes the Mayor to proceed with pursuing this grant.

Passed and adopted this ____ day of _____, 2011.

City of Harrison, Arkansas

Attest:

Jeff Crockett, Mayor

Jeff Pratt, City Clerk

City of Harrison

Proposed Purchase

UNFI Complex

The City of Harrison is a wonderful place to live and raise your family! However, over the years it seems to be growing harder and harder. The main reason for this growing struggle here in our community is the need for increase in Jobs and Economic Growth.

It is said that “in today’s world if you are not growing you are dying”. The evidence here is proven by our most recent Census statistics. In the last 10 years, Harrison has only experienced a grown in population of 791 people. This is hardly enough people to establish growth in our community. We need to push hard in our area to assure our children that there will be viable job opportunities in our area. It is up to us now to provide them the opportunity to get an education and raise their families here in Harrison.

The City of Harrison has a unique opportunity to take a huge part in growing our community. The following plan would provide the City office space, warehouse space, and manufacturing space to recruit and attract businesses to our town. This will employ our residents, broaden our tax bases, and show the world that we are serious about bringing business to our community. We can do this without placing the City in a financial crisis, and the following plan will completely pay for itself in 5 years. This will also provide a revenue stream down the road for the City that is desperately needed.

Breakdown of the UNFI Property

112 Acres Containing :

Building 1: Valley Warehouse
Approx Feet warehouse 437,000
Approx Resale store/ office/ warehouse 20,000

Building 2: Computer Center Bunker
Approx Feet 10,400

Building 3: Shipping and Office Building
Shipping/ warehouse approx 255,504
Office- 30,700
Truck Maintenance Area 6,400

Building 4: Warehouse/Corporate Offices/Kitchen/Banquet Area
Approx 243,900 warehouse
PACE Industries Occupies 103,136 sq feet
Lease November 1, 2010- October 31, 2011
\$232,056.00 Annual (2.25ft)
Approx 60,000 Office

Building 5: Fixture Shop / Old Print Shop
Approx Feet 21,750

Building 6: Truck Maintenance Shop
Approx 20,000

Building 7: Equipment Storage Area
Approx 10,000

Total for all buildings

Warehouse/ Storage	994,554
Office	121,100

Currently Listed for \$5,250,000
Recently Offered \$3,000,000
Received a Counter Offer of \$3,600,000

The counter offer includes all shelving and racking systems, all office equipment, and furniture. Computer equipment is not included.

Structuring this Purchase

Go back with original offer of \$3,000,000

Make offer contingent upon the following items:

1. An accepted sales contract on Buildings 1 & 2 for \$1,300,000
2. An accepted sales contract on Truck Shop & Storage Building for \$400,000
3. A 5 year lease with Pace Industries on their current space.

The City would take \$1,300,000 from reserves. The remaining \$1,700,000 to be made up from the sale of the above buildings.

Currently Pace Industries leases 103,336 sqft. at an annual lease of \$232,056. At this current rate the City would be able to pay back the reserves in roughly 5 ½ years. This is without any additional income or leasing of additional space.

The City's use of the additional space

Office Space:

Currently the City occupies approximately 10,000 sqft of office space for City Hall. Building #3 has 30,000 sqft of office space. This would be more than sufficient to house City offices for many years to come. It would also allow the City to consolidate all of its offices under one roof.

Maintenance Space:

Currently building #3 has a Truck Maintenance Facility of 6,400 sqft.

Public Space:

Currently our City Hall is inadequate for our Citizens. City Hall does not have any type of lobby for Citizens while waiting to visit various offices. Many times the public is left to simply stand in the halls and wait. This becomes a huge privacy issue, and in many times a noise and distraction to the employees.

Currently the City must borrow a meeting space from one of our local banks to have enough room for the public to attend our meeting. Building #4 has a large meeting / banquet room that has a commercial kitchen. This area would be more than enough room to house City meetings, and allow the public to attend comfortably.

Economic Advantages

Building #3 has 255,000 of warehouse space. This area is an open expanse that allows the City to offer space to incoming companies or local companies looking to expand. The City would be able to offer a unique package of possible Free or Reduced Rent for a specified time to allow a company to get settled. This of course would have to be negotiated in the beginning based upon the amount of jobs brought to the area. This is something that could help Harrison stand out in a crowd of other City's fighting for jobs in their area too.

Building #4 would still have 140,764 sqft available to lease, and approximately 60,000 sqft of office space that the City could lease.

Building #5 has 21,000 sqft to lease.

In addition to the 103,000 sqft currently leased by Pace, the City would have roughly 416,000 sqft of addition warehouse / manufacturing space to lease, and 60,000 sqft of office / corporate space to lease.

Leasing only 25% of the available warehouse / manufacturing space for the same as currently leased would generate an additional \$230,000 a year in revenue, not to mention an increase in jobs in our town. Just imagine what it would do to our City revenue and jobs market if we can lease more or all of that available space. It would easily mean an addition \$1,000,000 per year to the City in rental income and countless more dollars to our economy with the additional jobs.

Other Considerations

Along with this purchase the City would receive all the equipment, furniture, shelving, and racking systems. There have been estimates that scrapping out the conveyor systems alone could generate, conservatively \$200,000 - \$300,000. These revenues could be applied back towards the purchase, repaying the reserves even quicker.

The office furniture would be something that the City can always use and could provide to future tenants.

The shelving systems are massive commercial shelving systems that any incoming manufacturing or warehousing company would love to have. This would also be a huge savings to those tenants making our position even more enticing.

There is also approximately 12 acres along the back side of this property that could be developed into additional industrial development opportunities.

Consolidation of City offices would allow Public Works to be located on property and would allow the City to sell the highway frontage where Public Works is currently located. The sale of that property could generate \$400,000 - \$500,000 that would help to repay the reserves.

The building #5 could be remodeled in to a Fire Department. There has been much talk over the years about finding a location on the north end of town for a new fire station. The construction alone of a new fire station would exceed the City's portion of the purchase of this property.

The City has talked for many years of a new City Hall. The construction of a new City Hall would far exceed the City's portion of the purchase of this property.

From the sale of Building #1, #2, and the Truck Shop, and the City's occupation of Building #3 you would have an attractive and well grounded industrial area that would be attractive to new businesses. This would be a huge improvement to an already vacant property.