

Memo

To: City Council of Mount Pleasant & City Manager, Titus County Commissioners &

Judge Cooper, and Franklin County Commissioners & Judge Lee

From: Nathan Tafoya, Executive Director MPEDC

cc: MPEDC Board & Staff

Date: Tuesday, March 4, 2025

Re: Mount Pleasant Economic Development Corporation (MPEDC) Seeking Necessary

Approvals to Acquire Real Estate for Future Economic Development

Strategic Justification for Purchasing Real Estate Outside Jurisdictional Boundaries

As municipal economic development organizations (EDOs) strive to drive sustainable growth, attract investment, and create employment opportunities, strategic land acquisition becomes a critical tool in shaping regional economic futures. While the traditional approach focuses on investments within municipal or jurisdictional boundaries, expanding real estate holdings beyond these limits can be a proactive and necessary strategy for long-term economic success.

As local elected officials dedicated to fostering sustainable economic growth, it is imperative to explore strategic avenues that extend beyond traditional municipal confines. Acquiring real estate outside current jurisdictional boundaries presents a proactive approach to address future development needs and enhance regional prosperity.

In the mid-1990s, the City of Mount Pleasant and MPEDC partnered with Franklin County, offering \$1.5 million to keep the Lowes Distribution Center local, namely in Franklin County. This decision has reaped multiple dividends, brought agricultural land onto the tax rolls, and create hundreds of jobs and logistics opportunities for the region.

In 2025, MPEDC is seeking to acquire approximately 155 acres of a contiguous tract that lay in both Titus and Franklin Counties. MPEDC is <u>only seeking resolution approval</u> to do so for a closing scheduled for <u>March 13, 2025</u>.

Below are key considerations and reasons a broad-based approach is critical to managed, strategic growth and impactful economic development partnerships:

1. Regional Economic Impact & Competitive Positioning

Municipal boundaries are often arbitrary from an economic standpoint. Businesses evaluate sites based on infrastructure, workforce availability, and market access rather than invisible political lines. By securing land outside jurisdictional limits, an EDO can:



- Create a Business-Ready Environment Acquire property that offers developmentready opportunities or essential infrastructure not available within existing boundaries.
- Implement Strategic Land Banking & Smart Growth Principles: Reserve parcels for future use, allowing for thoughtful planning aligned with community objectives while reducing rural sprawl and encroachments in the interim.
- Enhance Regional Competitiveness Secure sites to prevent competing entities or end-users opposed to smart growth from capturing strategic economic opportunities.
- Facilitate Cluster Development Support sector-specific growth (e.g., logistics, manufacturing, etc) by securing land where industries can, or desire, to co-locate. An EDO can offer suitable locations for industries requiring specialized infrastructure, thereby diversifying the local economy and enhancing resilience against sector-specific downturns.

2. Infrastructure Expansion & Market Readiness

Municipal EDOs often face land constraints, with limited inventory available for large-scale industrial, commercial, or mixed-use developments. Purchasing property outside municipal boundaries allows for:

- Proactive Infrastructure Planning Coordinating with regional and state partners to extend utilities, transportation, and broadband services.
- Land Banking for Future Growth Controlling prime locations to ensure readiness when expansion pressures arise.
- Enhancing Regional Infrastructure and Connectivity Strategic land acquisition enables the development of critical infrastructure that benefits the broader region
- Flexibility in Development Avoiding zoning or regulatory restrictions that may limit
 the feasibility of major projects within city limits.

3. Workforce and Housing Considerations

Workforce development is a critical factor in site selection, and many economic development projects require access to talent across multiple jurisdictions. Strategic land acquisition outside municipal limits can:

- Support Workforce Mobility & Enable Workforce Housing Solutions Data Provide proximity to labor markets that are not fully captured within current boundaries.
- Reduce Commuting Barriers Create employment hubs closer to various population centers, improving quality of life and employee retention.



4. Public-Private Partnerships & Regional Collaboration

Economic development does not occur in isolation. Purchasing property beyond jurisdictional lines fosters:

- Regional Cooperation Encourages multi-jurisdictional partnerships to share resources and incentives.
- Leveraging State & Federal Grants Expanding eligibility for infrastructure or workforce development funding.
- Private Investment Attraction Demonstrating long-term commitment to growth, making the area more attractive to site selectors.

5. Long-Term Revenue Generation & Fiscal Stability

While initial investments in land outside jurisdictional boundaries may require intergovernmental agreements, they can ultimately yield:

- Increased Tax Base Through annexation, development agreements, or shared revenue structures.
- Economic Diversification Supporting industry sectors that require large parcels or specialized infrastructure.
- Controlled Growth Management Ensuring sustainable expansion rather than reactive, uncoordinated development.

Conclusion

Investing in real estate beyond municipal boundaries is a forward-thinking economic development strategy that enhances competitiveness, fosters regional collaboration, and secures future growth opportunities. By taking a proactive approach to land acquisition, an EDO can ensure that its region remains attractive to investors, supports workforce needs, and creates a sustainable economic environment for years to come.

MPEDC respectfully requests City Council and respective County approvals for this real estate purchase. We look forward to partnering in years to come.

Nathan Tafoya, CEcD, MBA MPEDC Executive Director

2.025-03

TITUS COUNTY, TEXAS

A RESOLUTION OF THE COMMISSIONERS COURT OF TITUS COUNTY, TEXAS, AUTHORIZING THE CITY OF MOUNT PLEASANT, TEXAS INDUSTRIAL DEVELOPMENT CORPORATION, A TYPE A ECONOMIC DEVELOPMENT CORPORATION TO UNDERTAKE A PROJECT WITHIN TITUS COUNTY BY ACQUIRING CERTAIN REAL PROPERTY TO BE USED FOR ECONOMIC DEVELOPMENT PURPOSES WITHIN TITUS COUNTY, TEXAS; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Mount Pleasant, Texas Industrial Development Corporation is a Type A economic development corporation, created pursuant to Chapter 504 of the Texas Local Government Code, to provide economic development assistance in accordance with Chapters 501 to 505 of the Texas Local Government Code; and

WHEREAS, the City of Mount Pleasant, Texas Industrial Development Corporation desires to acquire certain real property to be used for economic development purposes. Said properties are as follows:

- Approximately 63.55-acre tract situated in the Joseph Reed Survey, Abstract No. 462, located within Titus County, Texas, CAD Property ID # 7706;
- (2) Approximately 5.529-acre tract situated in the Joseph Reed Survey, Abstract No. 462, Tract 805, located within Titus County, Texas, CAD Property ID # 102302;
- (3) Approximately 19.552-acre tract situated in the Joseph Reed Survey, Abstract No. 462, Tract 810, located within Titus County, Texas, CAD Property ID # 7708;
- (4) Approximately 7.00-acre tract or tracts of land, consisting of Block 1, Lots 1-10, pf the Moulton Addition, an addition to Titus County, Texas, CAD Property ID # 17838;
- (5) Approximately 8.21-acre tract situated in the Henry H. Clifton Survey, Abstract No. 111, Tract 810, located within Titus County, Texas, CAD Property ID # 1472;
- (6) Approximately 2.59-acre tract situated in the Henry H. Clifton Survey, Abstract No. 111, Tract 813, located within Titus County, Texas, CAD Property ID # 102303;
- (7) Approximately 361.429-acre tract situated in the Joseph Riddle Survey, Abstract No. 463, Tract 300, located within Titus County, Texas, CAD Property ID # 7725;
- (8) Approximately 3.00-acre tract situated in the Joseph Riddle Survey, Abstract No. 463, Tract 200, located within Titus County, Texas, CAD Property ID # 7724;

(hereinafter referred to as the "Project").

WHEREAS, the Project is located outside the city limits of the City of Mount Pleasant, Texas, and within the unincorporated area of Titus County, Texas; and

WHEREAS, Section 501.159(a) of the Texas Local Government Code provides the following:

A corporation may acquire, by construction, devise, purchase, gift, lease, or otherwise, or any one or more of those methods and may construct, improve, maintain, equip, and furnish one or more projects undertaken by another corporation or located within this state, including within the coastal waters of this state, and within or partially within the limits of the authorizing unit of the corporation or within the limits of another unit, if the governing body of the other corporation or the unit requests the corporation to exercise its powers within that unit; and

WHEREAS, in accordance with Section 501.159(a) of the Texas Local Government Code, the City of Mount Pleasant, Texas Industrial Development Corporation requests the Commissioners Court for Titus County, Texas, to authorize the City of Mount Pleasant, Texas Industrial Development Corporation to undertake the Project which is located outside the city limits of the City of Mount Pleasant, Texas, but within the unincorporated area of Titus County, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT FOR TITUS COUNTY, TEXAS, THAT:

Section 1. FINDINGS INCORPORATED. The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

Section 2. COUNTY AUTHORIZES CORPORATION TO UNDERTAKE PROJECT. The Commissioners Court for Titus County, Texas, in accordance with the authority contained in Section 501.159 of the Texas Local Government Code does hereby request and authorize the City of Mount Pleasant, Texas Industrial Development Corporation to undertake the Project which is located outside the city limits of the City of Mount Pleasant, Texas, but within the unincorporated area of Titus County, Texas.

Section 3. after its passage. EFFECTIVE DATE. This Resolution shall become effective from and

DULY RESOLVED by the Commissioners Court for Titus County, Texas, on this the ____day of March, 2025.

Kent Cooper, County Judge

ATTEST:

Leslie Brosnan, County Clerk

