
EXHIBIT 3A

INTRODUCTION

Keys to the City

A brief visit is all it takes. Drive through Plano's attractive, comfortable neighborhoods. Walk through one of the city's many pristine parks. Note the numerous businesses, big and small, that inject the city with an air of vitality.

And especially meet Plano's people. Friendly, vivacious, intelligent, eager to extend a helping hand, they are the city's best ambassadors.

A quick visit and the visitor soon senses that the community of Plano is a special place.

One of the fastest growing communities in the country, Plano offers a multitude of enticing lures to both new businesses and residents.

Consider just a few of them:

- A vibrant, diversified business climate. In addition to dozens of smaller businesses, Plano is now headquarters to these major corporations: Frito-Lay, Southland Life, J.C. Penney Financial Services, ARCO, Capital Wire and Cable, and soon-to-be headquarters of corporate giants J.C. Penney and Electronic Data Systems.



- Schools known locally and nationally for excellence. When asked why they moved to Plano, the frequent reply of newcomers is: "The schools!"
- An energetic and gifted group of civic and community leaders who are deeply committed to Plano's future.
- Unparalleled sports and athletic facilities, programs and parks of all kinds for all ages.
- A state-of-the-art, caring medical



community within a short drive of nearly every home.

- A healthy, family-oriented atmosphere, nurtured by a large variety of volunteer, religious and civic groups.
- A lively artistic community, including an orchestra, ballet, opera, theater and dance groups, painters and writers.

Plano's location has made it a natural for growth. Since 1970, Plano's population has leapt by more than 500 percent — from 17,872 to more than 120,000 today. Plano is the largest city in beautiful Collin County, the third fastest growing county in the nation.

Location alone, of course, doesn't account for all of Plano's phenomenal growth. The city's outstanding quality of life is a powerful magnet to businesses and persons considering a permanent new home.

Anticipating the current population boom, city planners enacted building ordinances that have attracted the finest and most reputable home, office and commercial developers. The result: mile after mile of beautifully designed houses and buildings, enhanced by carefully maintained streets and sidewalks.

Plano is operated under the council-manager form of government. The mayor and six other city council members are elected by the city's residents to two-year terms. The city manager serves as the chief executive officer of the city and is responsible for implementing council policy and the administration of the government of the city.

Plano is noted for its innovative and aggressive leadership, which has helped guide the city into its current prosperity, and is busily planning an equally prosperous future.

A modern, immaculate, and well-run city, Plano is also noted for its safety. Neighborhood Crime Watch groups cooperate with the Plano Police Department to help keep the city safe and free from crime.

The many fine attributes of Plano draw many fine people. A diverse group of ambitious, young professionals and executives comprise much of the city's population, injecting energy and vitality into the community's business and social climates.

The median age of a Plano resident is 28.5 years, below the median age for Texas (28.2) and the nation (32.1). A study released in 1987 by The Dallas Morning News revealed that the median family income in Plano is \$54,547, compared to the national family income average of under \$30,000.

Sixty-nine percent of Plano households have two breadwinners, above the Dallas-Fort Worth average of 63 percent, and significantly above the national average of 56 percent.

At least 37 percent of Plano's residents have completed four or more years of college — twice the national average. Another 13 percent have completed some post-graduate studies.

Although two-thirds of the Plano's work force now works in Dallas, it is estimated that by the year 2000 two-thirds of the city's working residents will be employed in Plano.

The city's amazing growth, fueled by an influx of new corporations and businesses, is expected to continue. Estimates on the city's population in the year 2000 range from 200,000 to 250,000.

One brief visit is all it takes. You'll soon see why it's not hard to get hooked on Plano!

EXHIBIT 3B

Economic Development Data

PLANO
CHAMBER OF COMMERCE

Accredited by the United States Chamber of Commerce
1200 East 15th Street, Plano, Texas 75074-6229
(214) 424-7547

DEMOGRAPHIC DATA

PLANO, TEXAS

Population 1980 U. S. Census	72,331		
Population 4/1/89 (estimate)	128,500*		
Population Mix 1988**			
White	90.1%		
Hispanic	4.4%		
Black	3.6%		
Other	1.9%		
Median Age 1980 U. S. Census	27.1 years		
Median Age 1988	30.5 years**		
Age Distribution 1988**			
0 - 5	9.9%	45 - 49	8.2%
5 - 9	9.5%	50 - 54	4.9%
10 - 14	9.0%	55 - 59	3.4%
15 - 17	6.4%	60 - 64	2.2%
18 - 20	2.8%	65 - 69	1.1%
21 - 24	4.3%	70 - 74	0.7%
25 - 29	7.2%	75 - 79	0.4%
30 - 34	9.4%	80 - 84	0.3%
35 - 39	9.9%	85+	0.4%
40 - 44	10.1%		
Family Household Size 1980 U. S. Census	3.24		
Family Household Size 1988	2.99**		
Median Household Income 1980 U. S. Census	\$29,055.		
Median Household Income 1988	\$55,140.**		
Household Income Distribution 1988**			
Less than \$7,500	3.5%	\$30,000 - \$34,999	5.4%
\$ 7,500 - 14,999	4.5%	35,000 - 39,999	5.2%
15,000 - 19,999	3.7%	40,000 - 49,999	12.3%
20,000 - 24,999	3.9%	50,000 - 74,999	34.2%
25,000 - 29,999	4.5%	75,000 and over	22.8%
Number of Households in Plano 12/31/88	39,819**		
Enrollment in Plano Independent School District 12/21/88	28,527***		

SOURCES:

- *City of Plano
- **National Planning Data Corp.
- ***Plano Independent School District

PREPARED BY:

Plano Chamber of Commerce
January, 1989

ECONOMIC INDICATORS

PLANO, TEXAS

<u>FACTOR</u>	<u>1970</u>	<u>1975</u>	<u>1980</u>	<u>1988</u>
Population	17,872*		72,331*	128,500**
School Enrollment	5,490	13,605	23,256	28,527
1% Sales Tax	\$ 177,000.	\$ 482,000.	\$ 2,257,000.	\$ 12,047,065.
7% Hotel-Motel Tax	-	-	-	\$ 511,977.
Value of Building Permits	\$12,293,000.	\$46,527,000.	\$130,614,000.	\$ 369,130,331.
Number of Single Family Permits	523	1,395	2,368	1,549
Utilities:				
Water Customers	5,224	11,436	22,484	37,776
Telephone				
Residential	5,703	13,249	25,158	45,480
Commercial & Industrial	813	1,989	3,940	16,370
Natural Gas				
Residential	4,763	8,944	17,024	26,966
Commercial & Industrial	257	400	850	1,678
Electricity				
Residential	6,015	12,800	21,620	43,007
Commercial & Industrial	78	898	2,168	3,817

*Official U. S. Census

**City of Plano Estimate (4/1/89)

Friday
June 30, 1989

Plano Star Courier

A Harte-Hanks Community Newspaper

Vol. 101 No. 303 Plano, Texas



25c

★ 4 Sections

Nikko America to build here

City council expected to vote on tax abatement soon

By LUIS TORIBOELLA
Staff Writer

Nikko America Inc., a subsidiary of the Japanese firm Nikko Ltd., plans to build a 74,400-square-foot distribution center in Plano and relocate its employees to its Richardson plant.

The Plano Planning and Zoning Commission on Thursday approved a site plan and final plan for the office

warehouse distribution center to be built on two lots on 14.3 acres at the northwest corner of Summit and Murray on Plano's east side.

The city distributor will be moving just a few miles into Collin County from its present site on International Parkway in the Dallas County portion of Richardson.

The tax abatement committee consists of two representatives each of the Plano City Council, Plano Independent School District Board of Trustees, Collin County Community Court and the Collin County Community College District Board of Trustees.

Commission tables school's site plan

Continued from Page 1A
been scheduled council meeting July 10.

Harvard could not be reached for comment Thursday.

The recommended abatement apparently was not agreed upon unanimously by the tax abatement committee. The recommended abatement deviates from the tax abatement policy adopted by each of the taxing jurisdictions in 1987, Plubian contended.

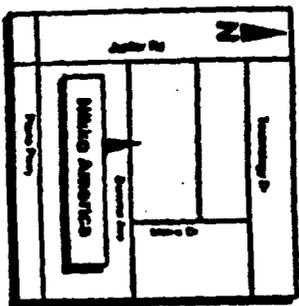
Plubian would not comment on whether he agreed to the recommended abatement.

In either action Thursday, the commission approved the following items:

• Revising plan of 84 acre property from an 11.7 acre site to 11.7 acres.

• Revising plan of 11.7 acre property from an 11.7 acre site to 11.7 acres.

• Revising plan of 11.7 acre property from an 11.7 acre site to 11.7 acres.



Plans for distribution center

Control Data office moves

Benefit services division, 300-plus employees to relocate here

By MICHAEL MORRISON
Business Editor

In early April, the main office of a division of Control Data, along with its 300 to 325 employees, will relocate from Richardson to the Pitman Atrium Tower at 1255 W. 15th in Plano.

"We've grown by leaps and bounds over the past year or so, and we've absolutely outgrown our current space," said Diane Rodgers, national marketing manager for Control Data's benefit services division.

In the past year, the division's revenues and number of employees have roughly tripled. In addition to its local operations, the benefit services division has smaller offices in Seattle and Minneapolis, said Rodgers.

Currently located at 2100 N. Greenville in Richardson, the main office of the division will move into 47,000 square feet of office space in the Pitman Atrium Tower under a multiyear lease.

By occupying the ninth and 10th floors and part of the first floor, the Control Data division will become

the building's lead tenant, said Mark T. Meyer, office leasing representative for Hunt Properties Inc.

"We were looking for an area that would give us some flexibility and one that was also convenient to our employees," said Rodgers.

In the next three to four years, the division may ultimately have up to 500 employees and occupy 65,000 square feet of the 10-story, 179,000-square-foot Plano building.

The benefit services division is a medical, dental and vision-claims administrator for large self-funded employers. Its parent company,

Minneapolis-based Control Data, is a publicly-held services and products company that recorded revenues of \$3.6 billion in fiscal year 1988.

"We're happy. It's like hitting a home run in the suburban market," said Meyer. "We've got a long way to go, but it's nice to get an anchor tenant."

Pitman Atrium Tower is part of a three-building office complex, Pitman Office Park, which is jointly owned by Hunt Properties and Rosewood Property Co.

The new multiyear lease will increase Pitman Atrium Tower's

occupancy level from 27 percent to about 53 percent, said Meyer.

The Plano building was one of 18 that the benefit services division considered for the move.

Although the division was not offered any tax incentives, local officials let Control Data representatives know they were wanted and appreciated in the city, said Plano Mayor Jack Harvard.

For the past six months, officials from the city of Plano and the Plano Chamber of Commerce have work-

See Office, Page 3A

Office space demand rises

Continued from Page 1A
ed with Control Data officials and local property owners on the possible relocation.

"The city was already benefiting from the division's current location, but we will obviously benefit some more from (the move)," said Harvard.

Al Alfred, president of Hunt Properties, said his firm has seen a dramatic increase in the demand for office space in the Plano area in the past three months.

"We sat there for two years and didn't see a deal in the Plano area. Nobody was making any deals, but there's a lot of activity up there now," said Alfred.

Soon after lease negotiations were completed at the end of January, finish-out work began on the new building space.

Fultz Associates served as the broker for the Control Data division.

January 23, 1989

Murata to complete relocation soon

By **MICHAEL MORRISON**
Business Editor

For the second time in less than a month, a major corporate relocation to Plano will be completed when Murata Business Systems Inc. moves into its new headquarters in Legacy Office Park on Feb. 4-5.

Murata, a leading international marketer of facsimile equipment, will bring 165 employees to its new two-story, 53,000-square-foot corporate headquarters located on 9.6 acres at 5560 Tennyson Parkway.

Murata officials say construction on the new headquarters, which cost slightly more than \$2 million excluding land costs, is virtually complete. In moving to its new home, the company will be vacating about 28,000 square feet of leased

space on Spring Valley in Dallas.

Similar to Murata, Arco International Oil and Gas Co. completed its relocation from Los Angeles to Plano last week. Staffed by more than 230 employees, Arco International's 205,000-square-foot headquarters on Plano Parkway is adjacent and just west of its sister company, Arco Oil and Gas Co.

Soon after Murata announced plans in November 1987 to relocate from far North Dallas to Plano, construction began in February 1988.

"Our growth since we began marketing our products under our own name in 1985 has been phenomenal," said R. Michael Franz, president and chief executive officer of Murata. "The new facility provides the space for further

expansion and continued growth."

Since Murata began marketing fax under its own name in 1985, revenues have grown from \$13 million to \$120 million at the end of fiscal year 1988, which was on May 31. Officials estimate that Murata's revenues will surge above \$250 million by the end of fiscal 1989.

Murata is an independent subsidiary of Murata Machinery Ltd., a major diversified Japanese corporation.

The parent company began manufacturing facsimile machines in the early 1970s, and formed the independent subsidiary in 1982 to market facsimile products as an original equipment manufacturer.

On Feb. 15, a few weeks after Murata completes its move to Plano, an open house will be held.

MURATA'S GRAND OPENING WAS HELD
FEBRUARY 15, 1989.

January 12, 1989

Restructure creates new Plano company

By MICHAEL MORRISON
Business Editor

Sometime in the first half of 1989, Plano will become the headquarters for Eljer Industries Inc., a publicly-held, building products entity that will be created by a major restructuring of Chicago-based Household International Inc.

Two of the three operating units of Eljer Industries, the

Eljer division and the U.S. Brass division, currently are headquartered and have manufacturing operations in Plano, said Robert J. Hartney, director-public relations for Household Manufacturing, a wholly-owned subsidiary of Household International.

A third unit, the Selkirk division, currently has manufacturing plants in Canada, Ohio,

See New, Page 2A

New company plans Plano headquarters

Continued from Page 1A

Idaho, England and West Germany. Selkirk's addition to Eljer Industries fits in with the new entity's market and its focus on building products, said Hartney.

Company officials say that Eljer Industries will be one of the largest providers of plumbing fixtures, and the leading supplier of gas vents, prefabricated chimneys and polybutylene piping supplies.

In 1988, the companies that will form Eljer Industries employed about 4,900 people and recorded combined sales of more than \$400 million and net income of about \$22 million.

In addition to Texas, manufacturing facilities for Eljer Industries will be located in Idaho, Indiana, Ohio,

Pennsylvania, Mississippi, Georgia, North Carolina, Canada and Europe.

The restructuring plan involves the spin-off of three new publicly-held corporations, including Eljer Industries, in the first half of 1989. These entities currently account for a major part of Household Manufacturing.

The other units to be spun off are Scotsman Industries Inc. and Schwitzer Inc.

Company officials say the restructuring is designed to enhance the value of Household International's stock, which is traded on the New York Stock Exchange.

"For a long time, we have felt Household International's stock was

being undervalued by Wall Street because we were a mixture of manufacturing and financial services," said Hartney. "We felt that a central part of the undervaluation problem was that (Wall Street) was not equating enough value to our manufacturing operations."

By spinning off the three new entities, officials say Household International will become a more focused financially-oriented company.

According to the plan, shareholders will keep their Household International stock, and receive one share in each spinoff company for every five shares that they currently own.

Reacting favorably to the restructuring announcement, Household

International's stock jumped 5 1/4 on Wednesday to close at 62 3/8 on heavy volume of 860,000 shares.

"(Wall Street) is already beginning to apply a higher value to the manufacturing companies," said Hartney.

Richard L. Denman, who currently serves as president of the Eljer and U.S. Brass divisions, will become president and chief executive officer of Eljer Industries.

"We are delighted to have the opportunity to stand on our own," said Denman. "We believe this plan will enhance our ability to provide the highest quality products for our customers and maintain strong relationships with our suppliers."

December 7, 1988

Plano fastest growing major state city in '80s

Special to the Star Courier

AUSTIN — Plano and Austin have been the fastest-growing of major cities with more than 100,000 population so far in the '80s, according to estimates released by the Texas Department of Commerce's State Data Center (SDC). Between 1980 and 1987, the number of Plano residents increased by 59.3 percent, to 81,855, for an increase of 47.1 percent. The SDC estimates include population totals for the counties and municipalities as

of July 1, 1987.

In addition, Collin County grew by 53.4 percent during the first seven years of the decade, the seventh fastest growing county in the state.

The ten largest cities in Texas according to the 1987 population estimates are Houston (1,888,337); Dallas (1,061,850); San Antonio (989,591); Austin (508,185); El Paso (502,884); Fort Worth (472,608); Corpus Christi (256,362); Arlington (231,985); Lubbock (187,863); and Garland (175,457). One major change in these rankings since 1980 is that Austin has moved from sixth largest

to fourth, while El Paso and Fort Worth have each fallen one notch, to fifth and sixth, respectively.

Total state population rose from 14.2 million in 1980 to nearly 16.6 million in 1987, an increase of 18 percent. Of the 20 cities in Texas with more than 100,000 residents in 1987, 11 have grown faster than the state as a whole in the 1980s: Plano (59.3 percent); Austin (47.1 percent); Arlington (44.9 percent); Laredo (27.6 percent); Garland (26.4 percent); San Antonio (25.9 percent); Brownsville (25.5 percent); Irving (25.2 percent); Fort Worth (22.7 percent); Houston (18.4 percent); and El Paso

(18.3 percent).

Although many of the state's largest cities have increased significantly in population, the largest percentage gains are found among the smaller cities and towns. Eleven municipalities have more than doubled their populations over the past seven years. The 11 are: Pflugerville (318 percent); Post Oak Bend City (188 percent); Round Rock (156 percent); Hays (142 percent); Heath (142 percent); Kyle (122 percent); Haslet (121 percent); Cornth (120 percent); Buda (110 percent); Granite Shoals (106 percent); and Lakeway (106 percent).

Among Texas' 254 counties, Rockwall and Williamson posted the largest percentage gains over the past seven years, with increases of 68.5 percent and 64.7 percent, respectively. Five other counties exceeded 50 percent growth since 1980: Hood (59.2 percent); Hays (58.7 percent); Denton (56.1 percent); Bastrop (53.8 percent); and Collin (53.4 percent). The largest absolute population gains, however, came in counties which are part of Texas' major metropolitan areas. Harris County gained 372,867 persons from 1980 to

See Collin, Page 5A

Collin County seventh fastest growing county

Continued from Page 1A

1987, while Dallas County added 317,234. Tarrant County (270,914), Bexar County (197,890) and Travis County (139,600) complete the top five counties in terms of numerical change.

The estimates were developed by staff at Texas A&M University's Department of Rural Sociology under contract with the Texas State Data Center.



Plano Mayor Jack Howard, right, welcomes once in which J.C. Penney announced J.C. Penney Chief Executive Officer William Howell as its permanent headquarters. The Howell to Plano during today's news confer- site at EDS should be completed by 1992.

Steven Howard-Gall photo

Penney

From 1A

the route between the Dallas/Fort Worth International Airport and the Preston/State Highway 121 intersection. Howell said he often made the trip within a 30-minute time period.

Howell said J.C. Penney still holds options on other pieces of land. He said the company eventually may take some of these options and show others to bidders. "We are in the real estate business," he said. Locations in Frisco, Las Colinas and Levensville had been considered during the negotiations.

Plano City Commissioner Florence Shapiro said today that George "Robbie" Robinson, project director of EDS, told her that as a result of the J.C. Penney announcement, EDS is now talking with three other corporations who are considering the area as a potential site.

Howell said he did not know a final count in terms of structures for the complex. J.C. Penney earlier had said it would build a campus-style complex of perhaps five to 10 clustered buildings over the next three to five years.

Howell said any tax abatements

between the city of Plano and J.C. Penney have "not been determined at the moment as to the facilities." He said Penney did not go to cities and ask for various concessions but dealt with property owners.

The company, in conjunction with EDS, vigilantly protected information about its relocation, keeping the location of its permanent site under wraps until today's announcement.

Howell, who also chairs the J.C. Penney board, told the Star Center June 22 that the company had signed a letter of intent with EDS, although he declined to discuss the contents of that document.

J.C. Penney announced in April that it would relocate its central administrative operations to the "Dallas area" from New York City, where it has maintained its headquarters since 1914. The announcement ended a two-year search for a new corporate site that began in 1985.

The company decided to leave New York for several reasons, including dry-high taxes, labor costs

and a desire to locate in the center of its market — the Midwest.

The retailer may save \$60 to \$70 million per year in administrative costs by moving to Dallas, officials have said. The move will cost J.C. Penney about \$140 million, \$82 million of which were written off during the first quarter.

Howell said that of the 2,200 management-level employees in J.C. Penney, he expects about 70 percent to move here. He said of the 1,500 to 1,600 non-management employees, he expects 10 percent to 15 percent to come here.

Of the remaining 30 percent management personnel, Howell said he expects to find people in Texas and Oklahoma to fill those positions.

J.C. Penney employs about 3,800 in its New York office.

The company has experienced a steady growth trend, chalking up a \$478 million net income in 1986. Company officials attribute the business success to streamlined management and new work patterns.

Friday, April 10, 1987

New health facility to locate here

Announcement made at Plano film debut

By DON MARTIN
Business Editor

Plano's month-long economic development fund-raising campaign kicked off in grand style with the announcement a new hospital complex will move to the city.

City officials also announced they have collected more than half of the campaign's \$1 million goal.

The announcements came at the premiere of Plano's new promotional video — *Plano — Profile of Excellence*. The premiere was held at the AMC Central Park 7 Cinema.

Before the film was shown, Mayor Jack Harvard said Children's Medical Center and Presbyterian Hospital will combine in a joint venture to build a \$35-million medical facility on 38 acres of land near Midway and Parker.

He said the first phase of the new hospital will bring 500 about new jobs to Plano. The hospital's annual payroll will be about \$11 million, he said. Once the entire 750,000-square-foot project is complete, the facility will offer 350 in-patient beds, 120 professional offices, a day care, a fitness center and a number of retail stores.

Harvard said he has worked during the last three months to pull the deal together between Children's Medical and Presbyterian.

Although extensive work has gone into bringing the project together, the hospital must still receive a zoning change to build on the announced site.

A request to change the zoning will soon go before the Plano City Council. Harvard said he anticipates that the zoning change "will be discussed fully and I think that there

Turn to HOSPITAL, page 2A

is a desire of all parties to work it out. There is no such thing as an easy zoning case."

George "Robbie" Robinson, chairperson of the fund-raising drive, said \$535,500 of the planned \$1-million trust fund has already been raised through advance donations. In the past weeks, Robinson contacted many of the larger businesses in Plano and asked for pledges.

Robinson said in the next month fund-raisers will start contacting all Plano businesses to ask for contributions. He said he is confident the \$1-million goal can be reached despite the poor economy.

"I know times are tough, but this is the time that we need to grab the bootstraps and pull," he said.

Gene Ramsey, president of the Plano Chamber of Commerce, said despite the pledges of the larger companies, that the hardest part of the drive is ahead.

"In putting on a campaign of this nature, the hardest part is the organization," Ramsey said. "The drive is well organized with prominent business leaders working on the team." He said the fund-raising teams are well prepared and realistic goals have been set.

In other speeches, Florence Shapiro, council member and president of the economic development board, said economic development is vital if Plano is to remain a healthy community.

"Plano has enjoyed stunning growth in the past 10 to 15 years," she said. "But the forces that generated that growth were tied to much wider economic development and were not within our control.

"The economic tides that swept prosperity into Plano have now receded. We must take urgent and vigorous steps to generate new growth."

Shapiro said that although luring new businesses to Plano is important to the city's future, nurturing existing businesses is very critical.

"We are not just talking about going out with economic development and getting new business into Plano," she said. "It's not just new business. It's the retention and the growth of the businesses that are already here. We've got to do what we can to strengthen the businesses that are here."

Following is a listing of businesses and people which have contri-



David J. Sams/Staff photo

Talking at the premiere screening of the film Plano: Profile of Excellence are, from left to right, Gene Ramsey, president of Plano Chamber of Commerce; Bob Woodruff, city manager; and Jack Harvard, Plano mayor.

buted to the economic development fund drive:

American National Bank, American Telephone and Telegraph, City National Bank, Electric Data Systems Corp., Frito-Lay, General Telephone Co. of the Southwest, Harrington Homeplace, Harvey Hotel-Plano, Homart Development Co., Huffines Chrysler-Plymouth, Hunt Properties, The

McCall Family, PAWA-Winkelmann & Associates Plano Bank & Trust Plano Savings Ray Chevrolet Rosewood Properties Shapiro, Small and Associates TeleCable of Plano, Texas Back Institute, Texas Utility Electric, Title Resource Corp., Willow Bend National Bank.

Highway comes of age

A brief history of state Highway 190:

■ 1964 — Greater Dallas Planning Council states that a loop freeway is needed in northern Dallas County to relieve anticipated traffic congestion for the next 20 years. The route is proposed in the Campbell corridor.

■ 1969 — The Texas Highway Commission issues a minute order designating the proposed highway as a state project and names it Loop 9.

■ 1970 — As a result of strong opposition, the proposed route of Loop 9 will have an economic benefit-to-cost ratio of 24:1, the highest of any road planned in North Texas.

■ 1977 — The state highway commission authorized Loop 9, now called Texas Highway 190, from State Highway 78 in Garland to I-35 East in Carrollton.

■ 1980 — Collin County Judge Nathan White Jr. says construction of SH 190 could start in 1983 if property owners adjoining the highway donate the needed right of way.

■ 1982 — A group of Carrollton homeowners wants to move the proposed route of SH 190 in

their city. The fight ends up in court and delays the start of the highway's construction.

■ March 1985 — After cities and counties along the route offer to pay for part of SH 190's right of way costs, the highway commission agrees to fund the highway from SH 78 to Renner.

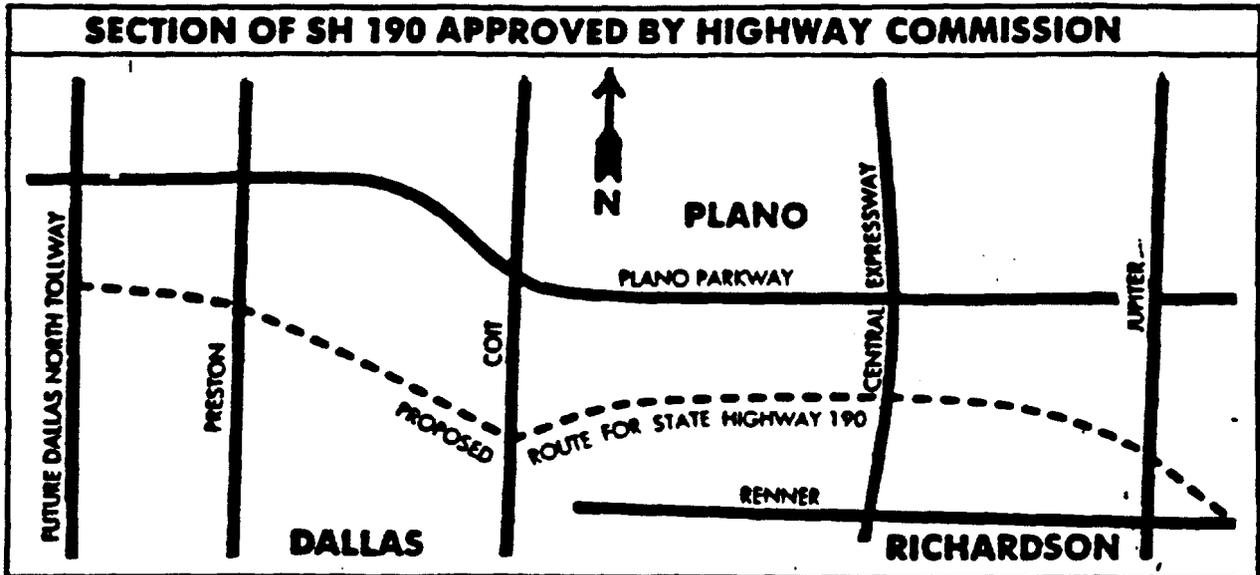
■ July 1985 — Cities and counties give \$4 million as their share for the preliminary engineering costs of SH 190 for the first section of roadway.

■ March 1986 — The state highway commission does not favor a plan to fund the section of SH 190 from Renner to Central Expressway.

■ November 1986 — The highway commission indicates it will approve funding for the roadway from Renner to the Dallas North Tollway if the cities can obtain the right of way.

■ Jan. 26, 1986 — The Plano City Council approves the Hunt-Rosewood zoning ordinances that lead developers to donate the right of way to the city.

■ Jan. 27, 1986 — The highway commission approves funding for four lanes of service roads on SH 190 from Renner to the Dallas North Tollway.



R.D. Dye/Staff artist

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In The Matter Of)
)
Amendment of Section 73.606(b)) MM DOCKET NO.
Table of Allotments,) RM-
Television Broadcast Stations)
(Decatur and Plano, Texas))

NOTICE OF PROPOSED RULE MAKING

Adopted:

Released:

By: The Chief, Policy and Rules Division:

1. The Commission has before it for consideration a Petition for Rule Making filed by Word of God Fellowship, Inc. ("Word of God"). Word of God is the applicant (File No. BAPCT-890303KM) to acquire the construction permit of Station KMPX(TV), Channel 29, Decatur, Texas. It requests amendment of the Television Table of Allotments, Section 73.606(b) of the Commission's rules, to change the community of license of Channel 29 from Decatur to Plano, Texas, and the modification of the KMPX construction permit to specify the new community of license. Channel 29 can be allocated to Plano in compliance with the Commission's recently adopted Report & Order, 4 FCC Rcd 4870 (1989) (hereinafter "Report & Order"), which permits a licensee or permittee to request a new community of license without placing its existing authorization at risk. Channel 29 can be allocated to Plano in accordance with the Report & Order because the channel would not otherwise be available for use in that community

due to the mutual exclusivity with its existing allotment to Decatur.

2. In accordance with our policy established in the Report & Order, we shall propose to modify the permit of Station KMPX to specify the new community of license. This is consistent with our action in the Report & Order, in which we specifically noted that we will modify a station's authorization to specify a new community of license if it results in a preferential arrangement of allotments. In that regard, the proposed amendment to the Television Table of Allotments serves the Commission's television allotment priorities as set forth in the Report & Order. Finally, because KMPX is an unbuilt facility and does not provide existing service, the grant of this petition will not deprive Decatur of an existing service representing its only transmission service.¹

3. We believe the public interest would be served by proposing the reallocation of Channel 29 to Plano as it could provide that Community with its first commercial television broadcast service. In light of the increased populatio to be served, as well as the totality of service improvements and benefits to be achieved, this

¹ In the event that the Commission determines that a waiver of Section 1.420 of the rules is necessary and appropriate, the last sentence of Paragraph 2, above, should be deleted and the following language inserted in its place: "Petitioner has requested that Section 1.420 of the Rules be waived to permit consideration of the proposed change of community of license for KMPX because, as an unbuilt facility, it does not provide "existing service" representing Decatur's only transmission service. For the reasons set forth in the Petition for Rule Making, we agree that the public interest will be served by the grant of such a waiver in order to achieve a preferential arrangement of allotments and the substantial service improvements that will result by our proposed action."

proposal meets the objectives specified in the Report & Order and will result in a preferential arrangement of allotments. Accordingly, we propose to amend the Television Table of Allotments, Section 73.606(b) of the Rules, for the communities listed below, to read as follows:

<u>Community</u>	<u>Existing</u>	<u>Proposed</u>
Decatur, TX	Channel 29	--2
Plano, TX	--	Channel 29

4. The Commission's authority to institute rule making proceedings, showings required, cut-off procedures, and filing requirements are contained in the attached Appendix and are incorporated by reference herein. NOTE: A showing of continuing interest is required by Paragraph 2 of the Appendix before a channel will be allocated.

5. Interested parties may file comments on or before _____, and reply comments on or before _____, and are advised to read the appendix for the proper procedures. Additionally, a copy of such comments should be served on the petitioner as follows:

B. Jay Baraff, Esquire
Alan E. Aronowitz, Esquire
Baraff, Koerner, Olender &
Hochberg, P.C.
Suite 700
2033 M Street, N.W.
Washington, D.C. 20036

Counsel to Word of God Fellowship, Inc.

6. The Commission has determined that the relevant provisions of the Regulatory Flexibility Act of 1980 do not apply to Rule

² The Commission may wish to propose allocation of Channels 50, 57, or 63 to Decatur.

Making Procedures to amend the Television Table of Allotments, Section 73.606(b) of the Commission's rules. See Certification at Section 603 and 604 of the Regulatory Flexibility Act Do Not Apply to Rule Makings to Amend Section 73.202(b), 73.504 and 73.606(b) of the Commission's Rules, 46 Fed. Reg. 11549, published February 9, 1981.

7. For further information concerning this proceeding, contact _____, Mass Media Bureau, (202) _____. However, members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all ex parte contacts are prohibited in Commission proceedings such as this one, which involve Channel assignments. An ex parte contact is a message (spoken or written) concerning the merits of a pending rule making, other than comments officially filed at the Commission, or oral presentation required by the Commission. Any comments which have not been served on the Petitioner constitute an ex parte presentation and shall not be considered in the proceeding. Any reply comments which have not been served on the person(s) who filed the comments, to which the reply is directed, constitute an ex parte presentation and shall not be considered in this proceeding.

FEDERAL COMMUNICATIONS COMMISSION

Chief, Policy and Rules Division
Mass Media Bureau

Attachment: Appendix
c:\wp\aea\091289

EXHIBIT 2

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

001 4 1989

IN REPLY REFER TO:

B. Jay Baraff, Esquire
Alan E. Aronowitz, Esquire
Baraff, Koerner, Olender & Hochberg, P.C.
2033 M Street, N.W., Suite 700
Washington, D.C. 20036-3355

Dear Gentlemen:

This is in response to the petition for rule making filed on behalf of Word of God Fellowship, Inc., requesting the change of community of license for Station KHFX(TV), Channel 29, Decatur, Texas, to Plano, Texas, and the modification of the station's construction permit to reflect Channel 29 at Plano.

After a careful review of the proposal we find that it is unacceptable for consideration. As you are aware, Commission Rules Section 1.420(i) recently added to allow licensees and permittees to modify their FM and television authorizations to specify a new community of license in the course of a rule making proceeding without risking the loss of its existing authorization. See Modification of FM and TV Authorization to Specify a New Community of License in M1 Docket No. 88-526, 54 FR 26199, June 22, 1989, recon. pending. However, your proposal fails to meet a threshold test of acceptability. You request the reallocation of Channel 29 from Decatur to Plano, which would deprive Decatur of its sole television broadcast service. We stated that proposals which seek to deprive a community of an existing station representing its only local transmission service would not be entertained. Therefore, your proposal cannot be considered.

You contend that an unbuilt facility is not an "existing" service nor should a construction permit be considered an "existing" service in relation to this new procedure. Thus, you request a waiver of Section 1.420(i) of the Commission's Rules to permit the grant of your petition. Generally, the Commission recognizes construction permits as "existing" services for comparative purposes. See Santee Cooper Broadcasting Co., 99 F.C.C. 2d 781 (1984).

Although issues related to the limitation on proposals filed pursuant to Section 1.420(i) concerning removal of "existing" stations are currently pending before the Commission, there are additional reasons foreclosing consideration of your proposal. Specifically, on July 16, 1987, the Commission, by Order, imposed a freeze in certain metropolitan areas on new allotments of television channels. See 52 FR 28346, July 29, 1987. Your proposal is affected by the freeze since Decatur and Plano are located within the proscribed distance to the Dallas-Fort Worth, Texas, market, one of thirty major markets listed in the Order. A grant of your proposal would move the use of Channel 29 closer to both Dallas and Fort Worth, and we would not, therefore, be inclined to favorably consider a waiver of the freeze, even had you requested one.

Furthermore, our records indicate that the construction permit for Station KMPX(TV) at Decatur is currently held by Karen L. Hicks. Therefore, in accordance with Section 73.3517(a) of the Commission's Rules, you were required to provide with your proposal a written statement from the existing permittee which specifically grants you permission to pursue this proposal.

Based on the above discussion, your request is not acceptable for rule making and all copies are herewith returned.

Sincerely,



Karl A. Kensinger
Chief, Allocations Branch
Policy and Rules Division
Mass Media Bureau

Enclosure

EXHIBIT 3

TECHNICAL STATEMENT
PREPARED ON BEHALF OF
WORD OF GOD FELLOWSHIP, INC.
DECATUR, TEXAS

This statement on behalf of Word of God Fellowship, Inc., permittee of television station KMPX, channel 29, Decatur, Texas supports a petition for reconsideration of a request to change KMPX's community of license. KMPX proposes to substitute Plano, Texas for Decatur as its principal community.

Both KMPX's authorized site and its proposed Plano reference point are within the minimum cochannel separation distance of Dallas and of Fort Worth, Texas. Dallas and Fort Worth are among the thirty cities protected by the freeze on new television allotments imposed July 16, 1987. Since all cities involved here are in television zone two, the minimum cochannel separation distance for UHF stations is 280.8 kilometers. The table in Figure 1 shows distances from KMPX's authorized and proposed sites to Dallas and Fort Worth. KMPX's authorized site is 98.4 kilometers from Dallas and 74.6 kilometers from Fort Worth. The proposed Plano reference point is 25.3 kilometers from Dallas and 38.1 kilometers from Fort Worth.

A letter to Radnor Broadcasting Company, Inc. (released October 30, 1989; reference 8940-MLB) from the FCC's Mass Media Bureau states, "In its Tentative Decision and Further Notice of Inquiry in Advanced Television Systems... the Commission suggested that ATV systems that require the use of additional spectrum should permit the

UHF taboos to be disregarded and more stringent co-channel interference protection criteria to be satisfied." Therefore, in determining whether a channel could be used to accommodate advanced television systems in a metropolitan area, only the proximity of cochannel stations is relevant. The letter also notes that "...co-channel separations as low as 100 miles may be necessary" for implementation of advanced television systems.

Even if the minimum cochannel separation distance were reduced to 100 miles (160.9 kilometers), KMPX's authorized operation would still preclude use of channel 29 in either Dallas or Fort Worth. Figure 2 is a map showing circles with radii of 100 miles from Dallas and from Fort Worth. Any station within the area of intersection of the two circles is within 100 miles of both cities, and would therefore preclude the use of the same channel for ATS in both Dallas and Fort Worth. As the map shows, KMPX's existing site is within this intersection area. Although KMPX proposes to move closer to Dallas and Fort Worth, the move would have no greater preclusionary effect than does KMPX's authorized operation.

In conclusion, the permittee of KMPX believes that changing the station's community of license from Decatur to Plano would not affect implementation of advanced television systems in Dallas or Fort Worth, and respectfully requests that its waiver request be granted.



Ann Gallagher

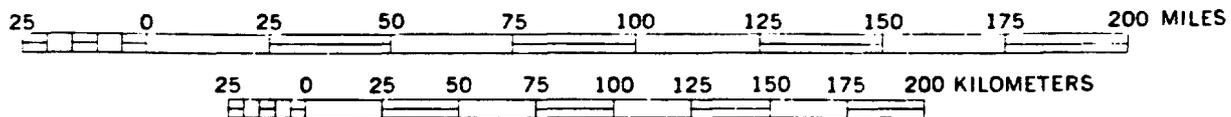
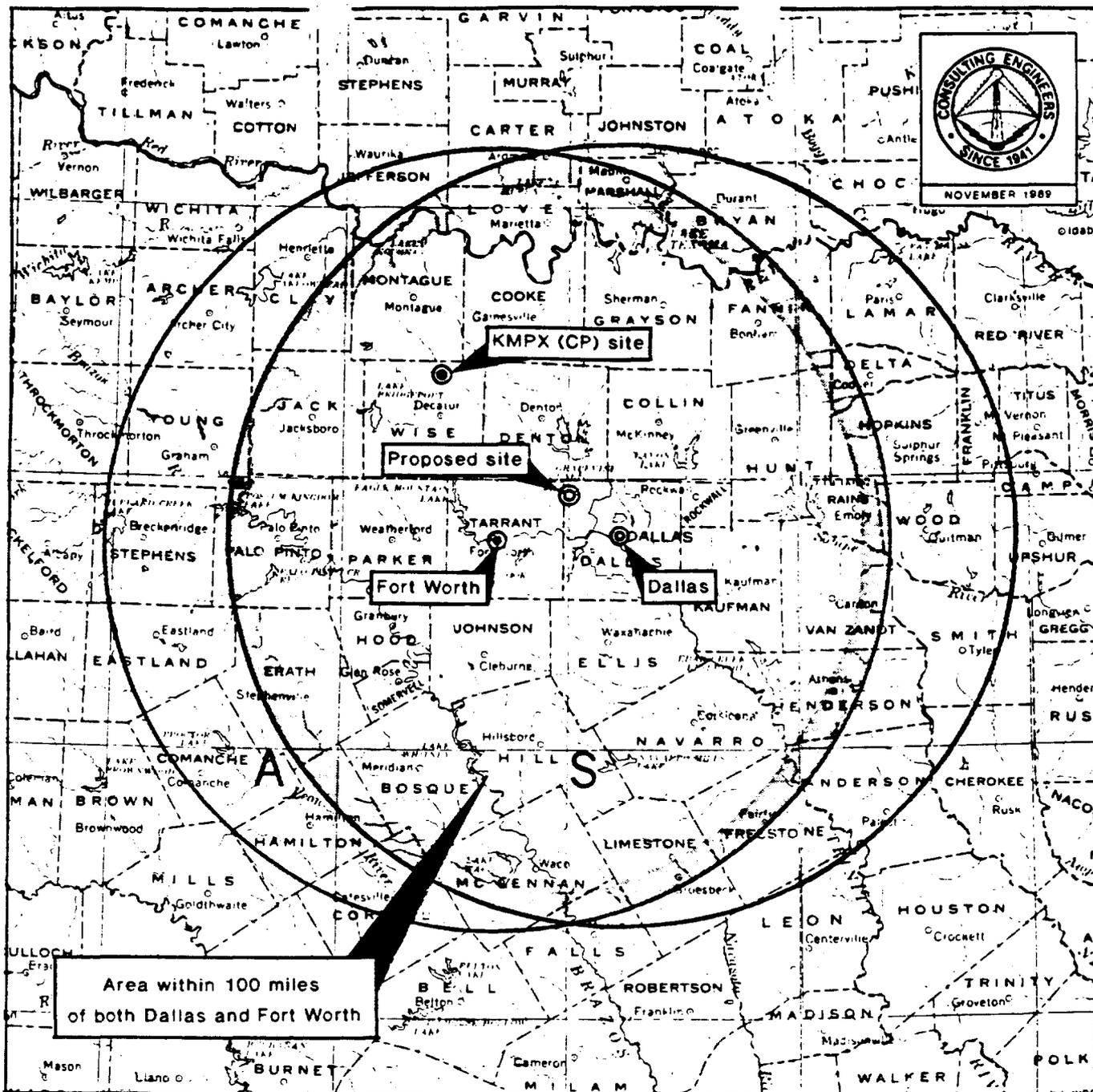
October 31, 1989

TECHNICAL STATEMENT
PREPARED ON BEHALF OF
WORD OF GOD FELLOWSHIP, INC.
DECATUR, TEXAS

TV Freeze Study

	<u>Distance (km) From:</u>	
	<u>Dallas, TX</u>	<u>Fort Worth, TX</u>
Authorized KMPX site: 33-23-30 97-33-49	98.4	74.6
Proposed Plano, TX reference point: 32-56-28 96-59-30	25.3	38.1

Note: The Commission's reference coordinates for Dallas are 32-47-09; 96-47-37. Coordinates for Fort Worth are 32-44-55; 97-19-44.



PRECLUSION STUDY
 Prepared for
WORD OF GOD FELLOWSHIP, INC.
 du Treil, Lundin & Rackley, Inc. Washington, D.C.

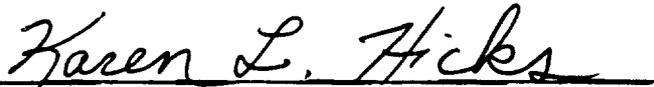
EXHIBIT 4

STATEMENT

My name is Karen L. Hicks and I am presently the permittee of KMPX(TV), Channel 29, Decatur, Texas.

On March 3, 1989, an application (File No. BAPCT-890303KM) was filed to assign the KMPX construction permit to Word of God Fellowship, Inc.

By this statement, I hereby extend my permission for Word of God Fellowship, Inc., to file and prosecute a petition for rulemaking requesting the change of community of license for KMPX from Decatur to Plano, Texas. This statement is being filed pursuant to Section 73.3517(a) of the Commission's Rules.


Karen L. Hicks