



**CITY COUNCIL
REGULAR SESSION MINUTES
DECEMBER 5, 2018**

PRESENT:

Rita G. Jonse, Mayor

COUNCIL MEMBERS:

Gene Kruppa, Place 1
Maria Amezcua, Place 2
Anne R. Weir, Mayor Pro Tem, Place 3
Larry Wallace Jr., Place 4
Deja Hill, Place 5
Valerie Dye, Place 6

CITY STAFF:

Thomas Bolt, City Manager
Lluvia Tijerina, City Secretary
Scott Dunlop, Asst. Development Services Director
Lydia Collins, Director of Finance
Ryan Phipps, Chief of Police
Tracey Vasquez, HR Coordinator

REGULAR SESSION – 7:00 P.M.

With a quorum of the Council Members present, the regular session of the Manor City Council was called to order by Mayor Jonse at 7:00 p.m. on Wednesday, December 5, 2018, in the Council Chambers of the Manor City Hall, 105 E. Eggleston St., Manor, Texas.

PLEDGE OF ALLEGIANCE

At the request of Mayor Jonse, Zindia Pierson, former Council Member, led the Pledge of Allegiance.

PRESENTATIONS

Recognitions of outgoing Council Member Zindia Pierson; and Council Member Todd Shaner presented by Mayor Rita G. Jonse.

Mayor Jonse read and presented plaques to outgoing Council Member Zindia Pierson; and Council Member Todd Shaner.

Mayor Jonse thanked Zindia Pierson and Todd Shaner for their services on behalf of the City.

PUBLIC COMMENTS

Alton L. Scott, 12716 Johnson Rd., Manor, Texas, spoke before City Council regarding internet services in his area. Mr. Scott expressed his frustration regarding not having Wi-Fi services. He is requesting for the City to add and permit Wi-Fi Services in his residential area.

Vicky McFarland, with the Chamber of Commerce, Manor, Texas, spoke before City Council regarding the Christmas in the Park event at Jennie Lane Park on Saturday, December 8, 2018, from 4p.m. to 8p.m. She thanked the City staff for all decorations in the park.

No one else appeared to speak at this time.

WORKSHOP SESSION

Presentation and discussion on a Preliminary Project and Finance Plan for Tax Increment Reinvestment Zone Number One, City of Manor, Texas.

Jon Snyder with P3Works LLC, presented the attached PowerPoint Presentation.

Mr. Snyder discussed the following topics:

- The TIRZ Pool
- How a TIRZ Works
- TIRZ Application
- Why a TIRZ Works
- Manor Heights Development Agreement
- TIRZ No. 1, City of Manor, Texas
- Annual Tax Increment Distributions (Projected)
- TIRZ No. 1, Board of Directors
- Board Responsibilities

The discussion was held regarding the eligibility for public improvements and the TIRZ True-up.

CONSENT AGENDA

1. Consideration, discussion, and possible action to approve the City Council Minutes:

- **November 14, 2018, Called Special Session**
- **November 20, 2018, Called Special Session**

2. Consideration, discussion, and possible action on an ordinance declaring the results of the City Council General Election.

Ordinance No. 533: An Ordinance of the City Council of the City of Manor, Texas, Canvassing the Election Returns and Declaring the Results of the General Election of the City of Manor Held on Tuesday, November 6, 2018, for the City of Manor's Council Member Place No. 2; Council Member Place No. 4; and Council Member Place No. 6; and Declaring the effective date of this ordinance.

3. Second and Final Reading: Consideration, discussion, and possible action on an ordinance of a rezoning request for 4.382 acres of land out of the A.C. Caldwell Survey, Number 52, locally known as 14101 US Hwy 290 E, from Interim Agricultural (A) to Medium Commercial (C-2). Applicant: Hans Lorange, Real People Homes, Inc. Owner: Hans Lorange

Ordinance No. 535: An Ordinance of the City of Manor, Texas, Amending the Zoning Ordinance by Rezoning a Parcel of Land from Interim Agricultural (A) to Medium Commercial (C-2); Making Findings of Fact; and Providing for Related Matters.

4. Consideration, discussion, and possible action to accept the resignation of Dr. Larry Wallace Jr. from Place No. 4 on the Planning and Zoning Commission (P&Z); and Declare a vacancy on the P&Z Commission.

Council Member Kruppa inquired about the administration of the Oath-of-Office for Dr. Wallace Jr.

The discussion was held regarding the prohibitions of an appointed City office official to hold office prior to their resignation on a board.

City Manager Bolt stated Mr. Wallace's resignation was received prior to the Canvass and his Oath-of-Office.

MOTION: Upon a motion made by Council Member Dr. Wallace Jr. and seconded by Council Member Weir, the Council voted seven (7) For and none (0) Against to approve and adopt all items on the consent agenda. The motion carried unanimously.

PUBLIC HEARING

5. Conduct a public hearing regarding the creation of a Tax Increment Reinvestment Zone Number One, City of Manor, Texas.

The City staff's recommendation was that the City Council conduct the public hearing.

Mayor Jonse opened the public hearing

There was no discussion on this item.

MOTION: Upon a motion made by Council Member Dr. Wallace Jr. and seconded by Council Member Amezcua the Council voted seven (7) For and none (0) Against to close the Public Hearing. The motion carried unanimously.

REGULAR AGENDA

6. Consideration, discussion, and possible action on an ordinance for the creation of the Tax Increment Reinvestment Zone Number One, City of Manor, Texas; Describing the boundaries of the Zone; Creating a Board of Directors for the Zone and appointing members of the Board.

The City staff's recommendation was that the City Council approve Ordinance No. 536 for the creation of the Tax Increment Reinvestment Zone Number One, City of Manor, Texas; Describing the boundaries of the Zone; Creating a Board of Directors for the Zone and appointing members of the Board.

MOTION: Upon a motion made by Council Member Hill and seconded by Council Member Kruppa the Council voted seven (7) For and none (0) Against to approve Ordinance No. 536 for the creation of the Tax Increment Reinvestment Zone Number One, City of Manor, Texas; Describing the boundaries of the Zone; Creating a Board of Directors for the Zone and appointing members of the Board. The motion carried unanimously.

7. Consideration, discussion, and possible action on authorizing an order recorded in the minutes designating Frontier Bank to serve as depository for the City's restricted fund accounts and designating Independent Bank to serve as depository for the City's general fund accounts; and authorizing the City Manager to execute depository service contracts in the form approved by the City Attorney.

The City staff's recommendation was the City Council approve and authorize an order recorded in the minutes designating Frontier Bank to serve as depository for the City's restricted fund accounts and designating Independent Bank to serve as depository for the City's general fund accounts; and authorize the City Manager to execute depository service contracts in the form approve by the City Attorney.

Mayor Jonse expressed her concerns regarding Independent Bank.

City Manager Bolt discussed the different options the Council had regarding approving staff's recommendation.

The discussion was held regarding the time frame for moving all funds to Frontier Bank.

Finance Director Collins expressed her concerns regarding the movement of the General Fund account to Frontier Bank.

The discussion was held regarding concerns with Independent Bank.

Finance Director Collins advised for the General Fund account to continue with Independent Bank due to its constant movement of funds.

City Manager Bolt suggested that all accounts could be transferred in a future date to Frontier Bank.

Council Member Kruppa inquired about the interest rates and incentives to the City from each bank. He expressed his concerns with Independent Bank.

The discussion was held regarding the incentives and benefits to the city from each bank.

Finance Director Collins discussed the accounts that would stay with Independent Bank and accounts that would move to Frontier Bank.

The discussion was held regarding the use of the restricted fund account.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Amezcua the Council voted six (6) For and one (1) Against to approve and authorize an order recorded in the minutes designating Frontier Bank to serve as depository for the City's restricted fund accounts and designating Independent Bank to serve as depository for the City's general fund accounts; and authorize the City Manager to execute depository service contracts in the form approve by the City Attorney. Council Member Hill voted against. The motion carried.

8. Consideration, discussion and possible action on an ordinance authorizing and allowing an Updated Service Credits for qualifying members of the Texas Municipal Retirement Systems (TMRS) of the City of Manor; and Increasing the rate of deposits to Texas Municipal Retirement Systems by the employees.

The City staff's recommendation was that the City Council approve Ordinance No. 537 authorizing and allowing an Updated Service Credits for qualifying members of the Texas Municipal Retirement Systems (TMRS) of the City of Manor; and Increasing the rate of deposits to Texas Municipal Retirement Systems by the employees.

HR Coordinator Vasquez discussed the updated service credits and the increase rate of deposits to the Texas Municipal Retirement Systems by employees.

MOTION: Upon a motion made by Council Member Kruppa and seconded by Council Member Weir the Council voted six (6) For and one (1) Against to approve Ordinance No. 537 authorizing and allowing an Updated Service Credits for qualifying members of the Texas Municipal Retirement Systems (TMRS) of the City of Manor; and Increasing the rate of deposits to Texas Municipal Retirement Systems by the employees from 5% to 7% effective January 1, 2019. Council Member Hill voted against. The motion carried.

Council Member Dr. Wallace Jr. advised he would be abstaining from discussion and consideration of the following item as he was on the Planning and Zoning Commission at the time it was presented to the board. The appropriate Conflict of Interest Affidavit had been filled out and filed with the City Secretary.

9. Consideration, discussion and possible action on the first reading of an ordinance rezoning Lot 6, Block 43 Town of Manor, locally known as 209 North Lexington Street, from Single Family (R-1) to Light Commercial (C-1). Applicant: Marcos Chavez. Owner: Marcos Chavez.

The City staff's recommendation was that City Council approve the first reading of an ordinance rezoning Lot 6, Block 43 Town of Manor, locally known as 209 North Lexington Street, from Single Family (R-1) to Neighborhood Business (NB).

Scott Dunlop, Assistant Development Services Director, was available to address any questions posed by the City Council.

City Manager Bolt discussed the rezoning of the property and parking regulations.

MOTION: Upon a motion made by Council Member Kruppa and seconded by Council Member Weir, the Council voted six (6) For and none (0) Against to deny the first reading of an ordinance rezoning Lot 6, Block 43 Town of Manor, locally known as 209 North Lexington Street, from Single Family (R-1) to Neighborhood Business (NB). The motion failed.

10. Consideration, discussion and possible action on a request for disannexation of 2.0 acres, Abstract 154 Survey 52 Caldwell AC, locally known as 15201 Voelker Lane, Manor, TX 78653. Applicant: Terry L. Schultz. Owner: Terry L. Schultz.

The City staff's recommendation was that the City Council postpone a request for disannexation of 2.0 acres, Abstract 154 Survey 52 Caldwell AC, locally known as 15201 Voelker Lane, Manor, TX 78653.

Scott Dunlop, Assistant Development Services Director, was available to address any questions posed by the City Council.

Terry L. Schultz, 15201 Voelker Lane, Manor, Texas, spoke before City Council in support of this item. He stated he does not receive any city services and is the reason he's requesting disannexation from the city.

The discussion was held regarding the services of the Police Department and refuse services for Mr. Schultz.

Council Member Dr. Wallace Jr., inquired about the services that are not provided to Mr. Schultz.

Mr. Schultz stated he had applied for refuse services and had been denied several times. He expressed his frustration regarding the water drainage in his property.

Mr. Schultz stated he is only requesting disannexation of 2.0 acres of his homestead property.

City Manager Bolt discussed the reasons why the city was not providing refuse services.

Council Member Kruppa inquired about the time frame on an disannexation request.

City Manager Bolt suggested for this item to be postponed to gather additional information for Council to review.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Dr. Wallace Jr., the Council voted seven (7) For and none (0) Against to postpone this item to the January 2, 2019, regular council meeting for further discussion and education. The motion carried unanimously.

11. Consideration, discussion and possible action on a request for disannexation of 1.0 acres, Abstract 456 Survey 64 Kimbro L, locally known as 15108 Voelker Lane, Manor, TX 78653. Applicant: Lena Ging. Owner: Lena Ging

The City staff's recommendation was that the City Council postpone a request for disannexation of 1.0 acres, Abstract 456 Survey 64 Kimbro L., locally known as 15108 Voelker Lane, Manor, TX 78653 for two (2) weeks.

Lena Ging, 15108 Voelker Lane, Manor, Texas, spoke before City Council in support of this item. She stated that the city promised Manor sewer services within five (5) years of being annexed and the city had failed to fulfill the agreement. She is requesting disannexation from the city.

Mrs. Ging stated her, and her husband purchased a Palm Harbor home and she was informed by city staff that she would not be able to move her home into her property due to ordinance regulations.

Mrs. Ging stated she is only requesting disannexation of 1.0 acres of her property.

The discussion was held regarding the rezoning of the property.

Asst. Development Services Director Dunlop advised for this item to be postpone to have the opportunity for Council and City staff to discuss with City Attorney.

MOTION: Upon a motion made by Council Member Dr. Wallace Jr. and seconded by Council Member Amezcua, the Council voted seven (7) For and none (0) Against to postpone this item to the December 19, 2018, regular council meeting. The motion carried unanimously.

12. Consideration, discussion, and possible action on the Manor Lions Club H.O.T. Funds application of reimbursement of actual expenses meeting the State of Texas Hotel Tax Law Requirements Section 351.101.

The City staff's recommendation was that the City Council postpone the application of up to \$3,500 once all qualified invoices and or receipts have been turned in for reimbursement to the December 19, 2018, regular council meeting.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Amezcua, the Council voted seven (7) For and none (0) Against to postpone this item to the December 19, 2018, regular council meeting. The motion carried unanimously.

13. Consideration, discussion, and possible action on the review of the City Council attendance from November 20, 2017 to November 20, 2018.

The discussion was held regarding the emails to City staff from Council regarding their absentees to meetings.

MOTION: Upon a motion made by Council Member Hill and seconded by Council Member Dye, the Council voted seven (7) For and none (0) Against to postpone this item to the December 19, 2018, regular council meeting to receive all emails regarding absentees. The motion carried unanimously.

14. Consideration, discussion, and possible action on the election of Mayor Pro Tem to serve a one -year term.

The City staff's recommendation was that the City Council elect a Mayor Pro Tem to serve a one-year term.

Mayor Jonse opened the floor for nominations.

Council Member Weir nominated Council Member Amezcua.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Kruppa, the Council voted seven (7) For and none (0) Against to appoint Council Member Amezcua to serve a one-year term as Mayor Pro Tem. The motion carried unanimously.

15. Consideration, discussion, and possible action on the appointment of one (1) Council Member to fill a vacancy on the Public Improvement District Committee.

The City staff's recommendation was that the City Council appoint one (1) Council Member to fill a vacancy on the Public Improvement District Committee.

Mayor Jonse open the floor for nominations.

Council Member Dye volunteered to be on the board.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Dr. Wallace Jr., the Council voted seven (7) For and none (0) Against to appoint Council Member Dye to fill a vacancy and serve on the Public Improvement District Committee. The motion carried unanimously.

16. Consideration, discussion, and possible action on the appointment of three (3) Budget Committee Council Members to serve a one -year term.

The City staff's recommendation was that the City Council appoint three (3) Budget Committee Council Members to serve a one-year term.

City Manager Bolt discussed the duties of the Budget Committee for the City.

Mayor Jonse volunteered to continue serving on the board.

MOTION: Upon a motion made by Council Member Weir and seconded by Council Member Dye, the Council voted seven (7) For and none (0) Against to appoint Council Member Amezcua; Mayor Jonse; and Council Member Dr. Wallace Jr. to serve on the Budget Committee for a one-year term. The motion carried unanimously.

Mayor Jonse adjourned the regular session of the Manor City Council into Executive Session at 8:42 p.m. Wednesday, December 5, 2018, in accordance with the requirements of the Open Meetings Law.

EXECUTIVE SESSION

The Manor City Council convened into executive session pursuant to *Section 551.074 Personnel Matters – Commission Interview Candidates for appointment to fill an unexpired vacancy on the City of Manor Planning and Zoning Commission.* at 8:42 p.m., on Wednesday, December 5, 2018, City Council Conference Room of the Manor City Hall, 105 E. Eggleston St., Manor, Texas.

The Executive Session was adjourned at 9:03 p.m. on Wednesday, December 5, 2018.

OPEN SESSION

The City Council reconvene into Open Session pursuant to the provisions of Chapter 551 Texas Government Code at 9:03 p.m. on Wednesday, December 5, 2018, in the Council Chambers of the Manor City Hall.

Mayor Jonse opened the floor for action to be taken on the items discussed in the Executive Session.

Section 551.074 Personnel Matters – Commission Interview Candidates for appointment to fill an unexpired vacancy on the City of Manor Planning and Zoning Commission.

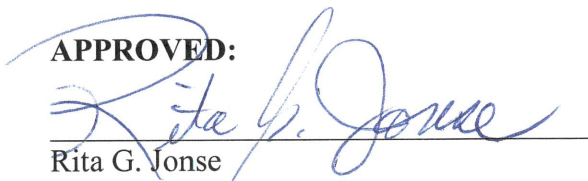
MOTION: Upon a motion made by Council Member Dr. Wallace Jr. and seconded by Council Member Kruppa, the Council voted seven (7) For and none (0) Against to appoint Michael Burke to the Planning and Zoning Commission, Place 4 to fill an unexpired term and continue serving until the next appointment of January 1, 2020. The motion carried unanimously.

ADJOURNMENT

The Regular Session of the Manor City Council Adjourned at 9:04 p.m. on Wednesday, December 5, 2018.

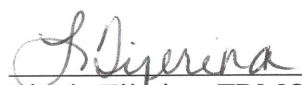
These minutes approved by the Manor City Council on the 19th day of December 2018.

APPROVED:



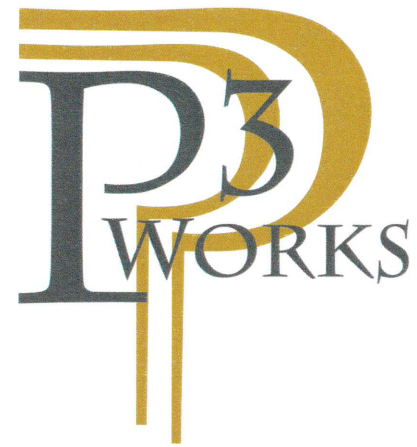
Rita G. Jonse
Mayor

ATTEST:



Lluvia Tijerina, TRMC
City Secretary





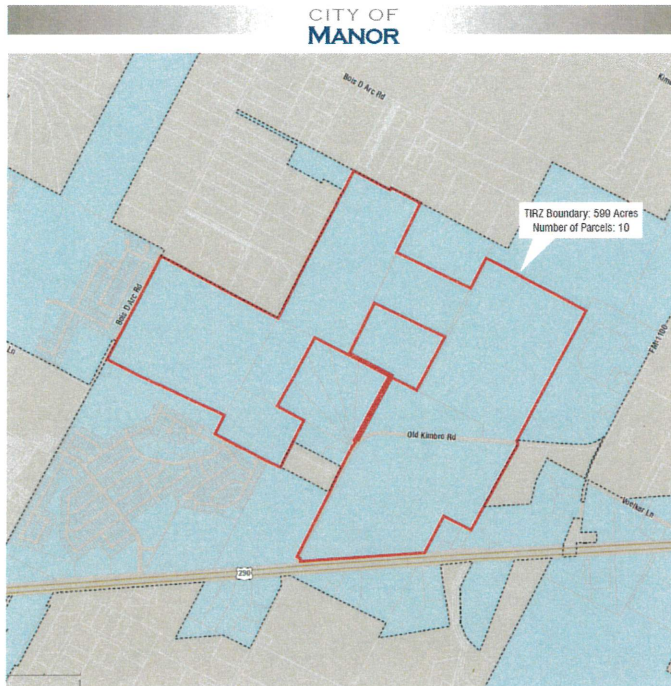
TIRZ Workshop

DECEMBER 5, 2018

The TIRZ Tool



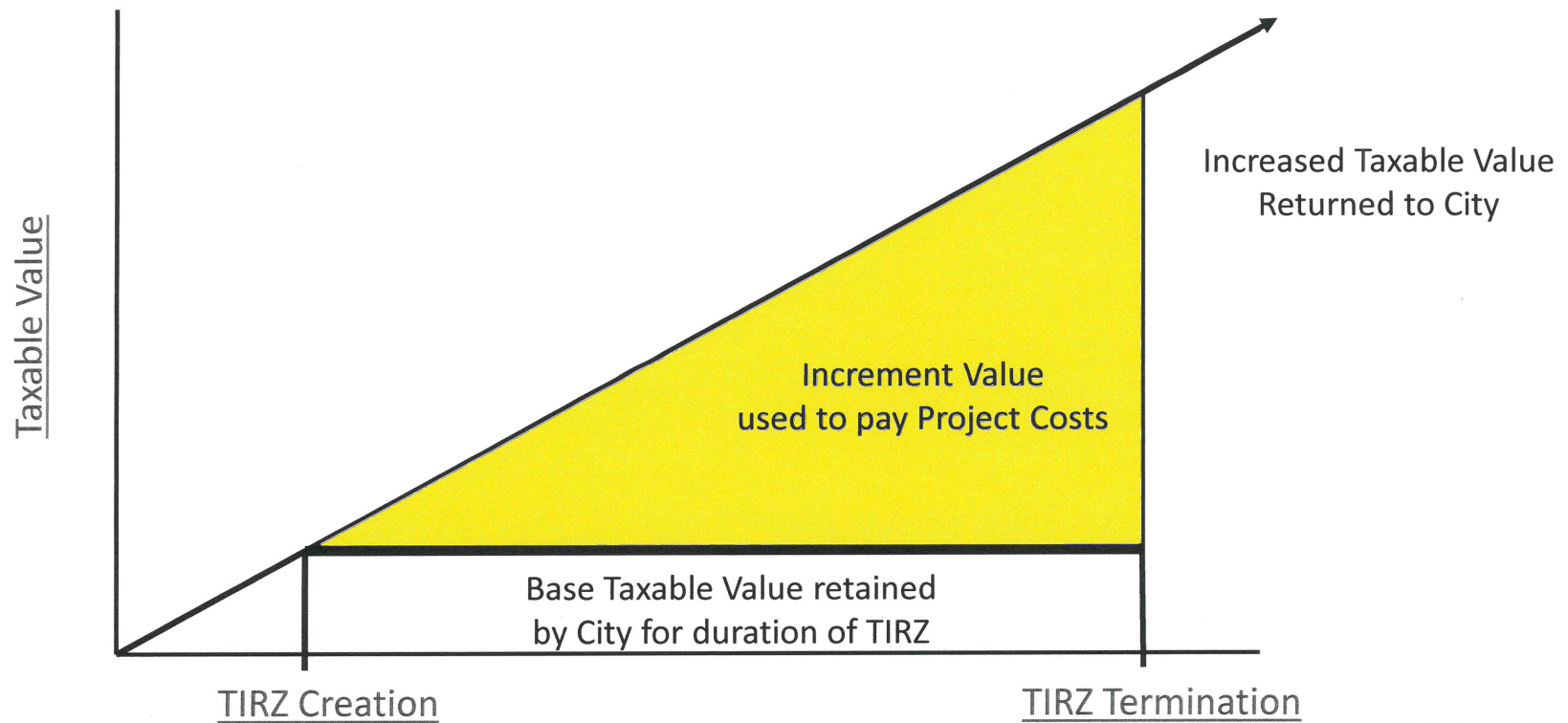
- A widely used economic development tool that allocates revenues for public improvement projects without increasing taxes
- Public improvements are paid for over time by allocating a portion of the tax revenues generated from the new development
- 100% controlled by the local taxing entities
- No up front costs required
- No impact on the City's bond rating or debt capacity
- No reduction of dollars necessary to maintain current operations and services



How a TIRZ works

- Boundaries are established by the City Council
- The existing ad valorem tax revenues within the boundary at the time of creation are used as a baseline and continue to be collected and allocated in the typical fashion
- As new development occurs, the new increment of ad valorem and/or production of sales taxes that are generated above the baseline are used to pay for public improvements within the boundary as determined by the City Council. This includes the revenue generated by increases in appraised values on baseline values

TIRZ Application





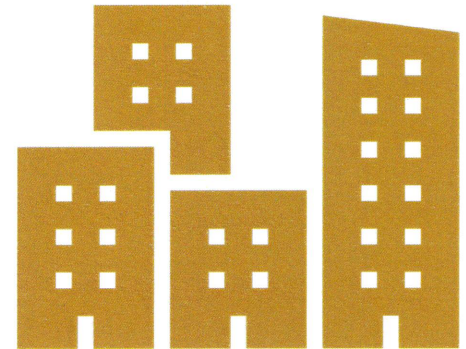
Why a TIRZ works

- Area is predominantly underutilized and underdeveloped
- Development would not occur solely through private investment in the reasonable foreseeable future
- Revenues for public improvements are generated as development occurs
- Opportunity for public/private partnerships
- Oversight of Project Plan is the TIRZ Board's responsibility
- Allows City to actively pursue other economic development elements (PID)
- Does not change the zoning of the property
- Does not increase property taxes or negatively impact property values

Manor Heights Development Agreement

City Council approved the Development Agreement on November 7, 2018

- 599 acre property intended to be developed as a master planned community with up to 1,659 units
- Creation of PID and TIRZ on the property
- TIRZ No. 1, City of Manor, Texas
 - Eligible Public Improvements
 - Offsite Water
 - MAD 4 Roadway/Collector Roadway
 - Phase 2 Wastewater Treatment Plant
 - Enhanced Landscaping
 - Maximum contribution of \$19,168,820
 - 25 year term
 - TIRZ True-up
 - Requires \$287,000 average sales price

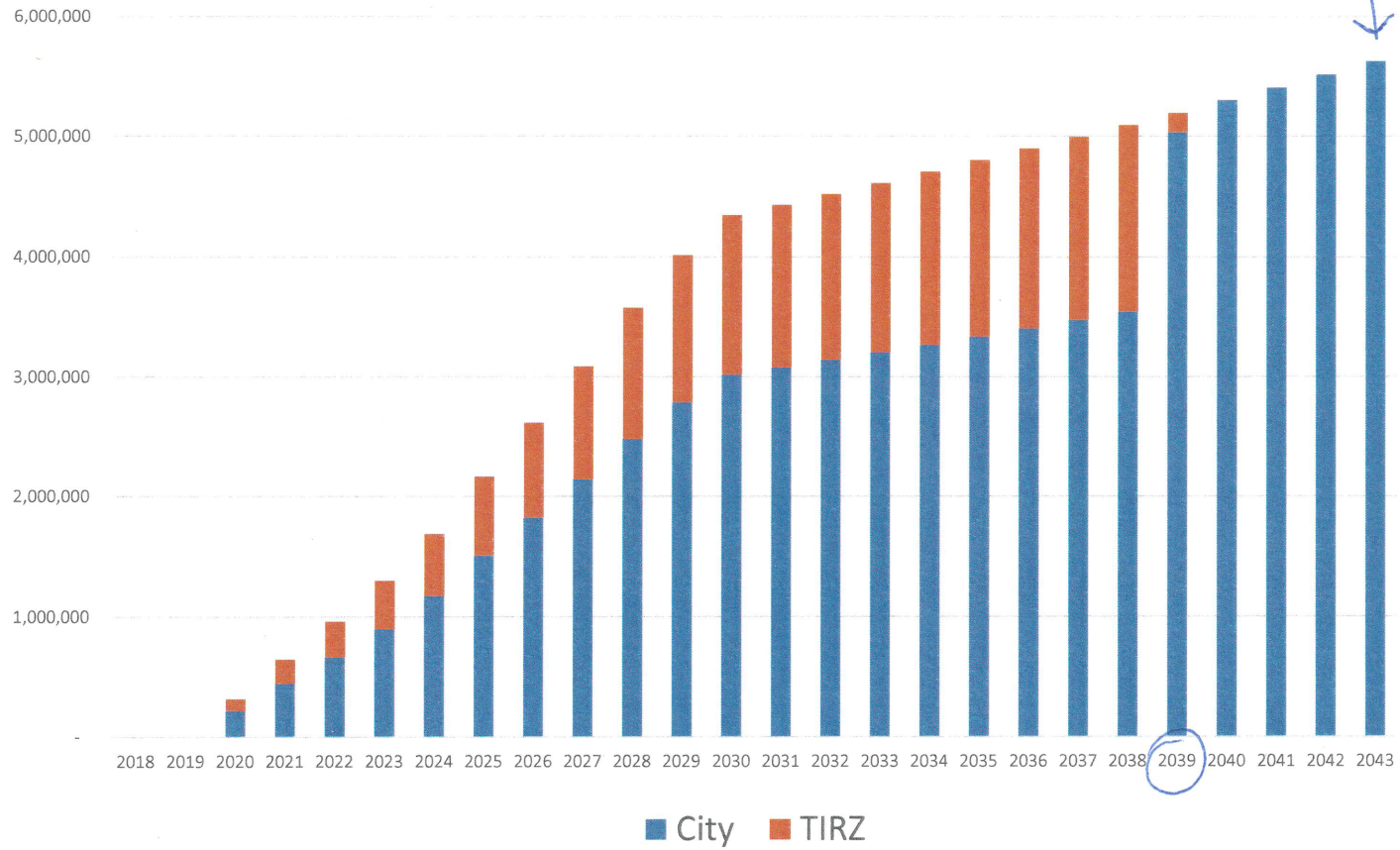




TIRZ No. 1, City of Manor, Texas

Jurisdiction	Tax Rate	Participation Rate	Term	Maximum Reimbursement to Owner
City of Manor	\$0.7522 per \$100 of Assessed Value (2018 Tax Rate) I&S = \$0.2715 M&O = \$0.4807	30.5% equal to \$0.2294 per \$100 of Assessed Value	Earlier of: (1) 25 years (2) Maximum Contribution (3) Owner reimbursed Project Costs plus interest	\$19,168,820

Annual Tax Increment Distributions (Projected)



TIRZ No. 1 Board of Directors



Zone and Board designated by Ordinance



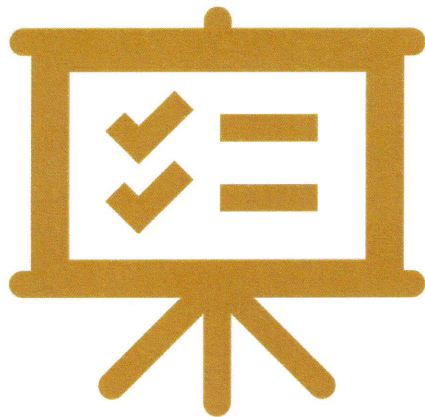
Board consists of 7 members appointed by the City Council



Place 1 serves as Chair of the Board

Place 1	Mayor (term expires November 30, 2019)
Place 2	Council Place 1 (term expires November 30, 2019)
Place 3	Council Place 2 (term expires November 30, 2020)
Place 4	Council Place 3 (term expires November 30, 2019)
Place 5	Council Place 4 (term expires November 30, 2020)
Place 6	Council Place 5 (term expires November 30, 2019)
Place 7	Council Place 6 (term expires November 30, 2020)

Board Responsibilities



- Make recommendation to the City Council on the Final Project and Finance Plan
 - City Council approves the Final Project and Finance Plan
- Make recommendations to the City Council on the implementation of the Project and Finance Plan



Next Steps

City Council considers Ordinance creating TIRZ and forming TIRZ Board

If Council approves creation Ordinance:

- Board reviews Draft Final Plan
- Board votes to recommend Final Plan to Council
- Council to consider Final Plan and recommendation

If Council approves Final Plan:

- TIRZ begins accruing new increment value in 2019
- Revenue collected from new increment value in 2019 flow to TIRZ Fund in 2020



Questions
