

CITY OF DENTON CITY COUNCIL MINUTES

December 1, 2015

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, December 1, 2015 at 12:00 p.m. in the Council Work Session Room at City Hall.

PRESENT: Council Member Roden, Council Member Johnson, Mayor Watts, Council Member Hawkins, Council Member Briggs, Mayor Pro Tem Gregory, and Council Member Wazny.

ABSENT: None.

1. Citizen Comments on Consent Agenda Items

There were no citizen comments on Consent Agenda items.

2. Requests for clarification of agenda items listed on the agenda for December 1, 2015.

Mayor Pro Tem Gregory asked about Consent Agenda item A. He stated that he noticed in the backup that there was a recommendation of a (9-0) vote from the Economic Development Partnership Board but was wondering if it had gone before the Council Airport Committee.

Aimee Bissett, Director of Development Services, stated that it went to the EDP Board because it was a contemplated incentive.

3. Work Session Reports

A. ID 15-962 Receive an update, hold a discussion, and give staff direction on the Road Impact Fee implementation.

P.S. Arora, Wastewater Division Manager, presented the Mobility Committee recommendations to the Council. The Mobility Committee provided staff the following recommendations and direction to proceed on impact fee implementation. They recommended using \$612 per vehicle mile that equated to a \$3,000 road impact fee for a Single-Family home. Provide a rebate of 25 percent for all non-residential developments that equated to \$459 per vehicle mile. After one year of implementation of the road impact fees, staff would provide specific examples on how impact fees were assessed for various proposed developments. This would allow adjustments to the road impact fee ordinance as necessary. Staff would present the road impact fee study and the Mobility Committee recommendations to the Developer's Committee and provide any feedback to the City Council.

The Road Impact Fee and the Mobility Committee recommendations were presented to the Denton County Developers Alliance in their special called meeting on October 29. There was support for the Road Impact Fees in general and the Mobility Committee recommendations were not disputed. The only recommendation from the DCDA was to provide incentives in the infill area.

Staff recommended the \$3,000 Road Impact Fee for Single Family Home, a 25 percent reduction for all non-residential uses, and bring the Road Impact Fees ordinance for review by the Council

after one year of implementation and also review the infill impact fee implementation issues encountered.

- B. ID 15-1171 Receive a report, hold a discussion, and give staff direction on the Denton Renewable plan, activities, and possible financial options related to the future power supply plans to meet the City's growth and needs.

Phil Williams, General Manager of DME, stated that Council had given direction to look at renewables, rates, and reliability. In response to that direction, DME had prepared the Renewable Denton Plan. The Renewable Denton Plan included 70% renewable energy in various layers thru different kinds of wind as well as solar projects. This plan gave emissions reductions, cost savings, replaced coal generation, rate decreases beginning in 2020, 75% portfolio emission reduction, and two energy centers – quick-start units and space for renewable R&D testing.

The proposal considerations included emissions reductions, cost savings over a 20-year period, RFP bids for engines and RFQ bids on the design-build portion. He stated they had site control over a couple sites and were in negotiations on what the cost of those sites would be. The air permits for both sites had been obtained from TCEQ. One of the options for the engines for this would be from overseas and the exchange rates were favorable right now. Production tax credits would be extended. Interest rates at this time were very favorable. Discussion items for this afternoon included environmental questions, financing - voting options; energy consulting firm; public hearing process.

Kenneth Banks, Environmental Services and Sustainability Director, fielded questions regarding amount of emissions, permitting process, ozone levels. He stated that the new plants could be near existing natural gas pipelines and likely would be powered by natural gas from the Barnett Shale. He stated that the plants could trigger enough demand for natural gas to see about 28 new gas wells drilled but he was not sure whether those new wells would really be needed or where they might be drilled. The plants could have a small impact on the area's ozone.

Council discussion included quick start plants, trees to capture emissions from all plants, coal plants, market prices of wind power, wholesale gas prices, and solar and wind farms.

Williams stated they could provide an update next month regarding TMPA future operations. He stated that they had scheduled a tentative public hearing for the December 15 Council meeting and the Public Utilities Board had scheduled a public hearing for December 14. They would also be asking for Council approval on a resolution to approve the renewable plan.

General consensus of Council was that there were items that they needed more information on before they could consider the resolution.

Bryan Langley, Assistant City Manager, reviewed the financing options. Option 1 was Revenue Bonds. This was a pledge of city utility system revenues. They could capitalize the interest during construction and one year after completion. There would be higher interest rates than with property tax pledge. No notice or election was required prior to the sale. There was no ability for the City to call a binding election under state law. Option 2 was Certificates of

Obligation. This was a pledge of property taxes and city utility system revenues. They could capitalize interest during construction and one year after completion. There would be lower interest rates than revenue bonds due to property tax pledge (difference to street maintenance bond). This required publication of a notice of intent to issue CO's with the first publication at least 31 days prior to the sale. CO's were subject to referendum by a petition signed by 5% or more of registered voters. There was no ability for the City to call a binding election under state law unless we received a petition. Option 3 was General Obligation Bonds. This was a pledge of property taxes (could administratively pay debt services from utility revenues). There were restrictions on capitalized interest. There were lower interest rates than revenue bonds due to property tax pledge (difference to Street Maintenance Fund). This required an election on a uniform election date (November or May) with a simple majority of voters to approve the bond sale.

Council discussion included how other projects had been financed, debt to income ratio, debt coverage ratio for each utility system, instances when an outside consultant was used, what Council was looking for in a consultant, and using a phased-in approach.

Consensus of Council was to delay decision on consultant until after the December 15 meeting.

- C. ID 15-1202 Receive a report, hold a discussion and give staff direction regarding a policy for valet parking.

Aimee Bissett, Director of Development Services, stated this item was for Council to consider options for creating a valet parking policy. In 2013, Economic Development was approached by Queenie's Steakhouse at 115 E. Hickory to request a permit to valet park cars for their patrons. Staff granted a temporary permit to Queenie's to allow them to offer this service to their patrons.

The restaurant was currently operating under the following guidelines. The valet stand could be placed on the sidewalk. It could use one or two public parking spaces if the spaces were available. The service could politely ask a citizen to move to accommodate the valet parking. They could not request a citizen to move their vehicle. They could not block public parking spaces.

Staff researched other cities to see what valet parking policies existed and discovered the following commonalities: most required a permit if operating the valet in public right-of-way; required to show the location of the valet box on a map; know the name of the valet company; insurance would name the City as an "additional insured"; know the hours of operation; know where vehicles would be parked; show that valet had a parking arrangement; and the valet stand had to be moveable.

Bissett stated that staff had drafted a policy and could bring it back for approval if Council desired.

General consensus of the Council was to move forward with the policy.

- D. ID 15-1235 Receive a report, hold a discussion, and give staff direction regarding a proposed ordinance of the City of Denton, Texas, setting Planning and Development Fees

as it concerns gas well drilling and production in the City of Denton and its extraterritorial jurisdiction.

Anita Burgess, City Attorney, stated that the City had adopted an ordinance with changes to the Gas Well Drilling and Production Ordinance in order to comply with HB 40. A corresponding fee schedule modification was proposed but Council had requested a consultant review the fee schedule. Burgess introduced Connie Cannady with NewGen Strategies & Solutions.

Cannady stated that they had begun an analysis of the 2013 Gas Well Fee Study to incorporate changes resulting from the passage of Ordinance No. 2015-233. The following were findings from the Gas Well Fee Analysis and included updated personnel costs and overhead using 2015-16 budget and indirect cost study; updated time requirements based on anticipated activities required pursuant to Ordinance No. 2015-233; and expanded fee schedule to include charges by gas well pad sites to encourage co-location of wells.

Cannady reviewed – Updates to the SUP Review Fees related to gas wells. A SUP would only be required if a Watershed Protection Permit was required. Updates to Site Plan Review Fees related to gas wells. It was anticipated that there would be a number of gas well development site plans filed in the first two years, with a significant reduction in filings thereafter. Updates to Plat Review Fees related to gas wells. Based on changes in activities per discussions with City staff and an increased number of anticipated filings, the proposed fee for Gas Well Development Plat Reviews had been significantly reduced. Updates to Annual Inspection Fees related to gas wells. Annual inspections and administration fees had been updated to provide for a tiered approach based on the number of gas wells at a gas well site. Updates to all other fees related to gas well operations.

Council discussion included recovering the City's costs, reducing the number of pad sites, fees that were consistent with the work being performed.

Council direction was to have a meeting to discuss the policy of the reduction and the fees associated with that, bring the ordinance back as an action item, hold a courtesy public hearing on the ordinance before Council votes on it.

E. ID 15-1258 Receive a report and hold a discussion regarding the recall petition as against Joey Hawkins, Council Member for District 4, and the reasons therefor; and regarding the insufficiency of the recall petition and the City Secretary's declination of certification to the City Council.

Jane Richardson, Assistant City Secretary, stated that the City Secretary received the petition on November 12 and had deemed it insufficient. The City Charter prohibited a recall petition be submitted before a council member had served six months. Although the election was held May 9, Hawkins was not sworn in for his second term until May 19.

Following the completion of the Work Session, the City Council convened in a Closed Meeting to consider the specific items listed below under the Closed Meeting Section of this agenda.

1. Closed Meeting:

This item was not considered.

- A. ID 15-554 Deliberations regarding Real Property - Under Texas Government Code Section 551.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff, discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests generally located in Denton, Denton County, Texas, for the construction, expansion and use of electric power transmission lines, beginning at the North Lakes Substation of Denton Municipal Electric and proceeding east along Riney Rd, then turning north along Nicosia St., then east along W. Hercules Lane and terminating at the Denton North Substation of Denton Municipal Electric. Consultation with the City's attorneys regarding legal issues associated with the acquisition of the real property interests described above where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceeding or potential litigation. [North Lakes to Denton North transmission route]

This item was not considered.

- B. ID 15-1106 Deliberations Regarding Certain Public Power Utilities: Competitive Matters - Under Texas Government Code Section 551.086.

Receive a presentation from Denton Municipal Electric staff ("DME") regarding public power competitive and financial matters pertaining to plans, strategies, opportunities, and developments for generation improvements to the DME system; discuss and deliberate strategies regarding same; discuss and deliberate opportunities and strategies for the City to acquire purchased power and enter into agreements regarding the same, in order to meet its future energy needs. Discuss, deliberate and provide Staff with direction.

This item was not considered.

- C. ID 15-1242 Deliberations Regarding Real Property - Under Texas Government Code Section 551.072; Deliberations Regarding Economic Development Negotiations - Under Texas Code Section 551.087; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff, discuss, deliberate and provide staff with direction regarding the potential acquisition, exchange, lease or value of real property located generally in the 200 block of West Hickory in the City of Denton, Denton County, Texas. Consultation with the City's attorneys regarding legal issues associated with the potential real property matter where a public discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceeding or potential litigation.

- D. ID 15-1244 Deliberations regarding Economic Development Negotiations - Under Texas Government Code Section 551.087.

Receive a report and hold a discussion regarding a proposed economic development program grant agreement between the City of Denton and BUC-EE's, LTD. This discussion shall include commercial and financial information the City Council has received from BUC-EE's, LTD, a business prospect which the City Council seeks to have locate, stay, or expand in or near the territory of the city, and with which the City Council is conducting economic development negotiations; deliberate the economic development program grant agreement between the City of Denton and BUC-EE's, LTD.

This item was not considered.

- E. ID 15-1248 Deliberations regarding Real Property - Under Texas Government Code Section 551.072; Consultation with Attorneys - Under Texas Government Code Section 551.071.

Receive information from staff, discuss, deliberate, and provide staff with direction regarding the potential acquisition of real property interests located along the east side of Bernard St. between Eagle Drive to the north and Collins Street to the south, in the City of Denton, Texas; where discussions had, deliberation, and direction given in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. Consultation with the City's attorneys regarding legal issues associated with the acquisition of the real property interests described above; where discussion of these legal matters would conflict with the duty of the City's attorneys to the City of Denton and the Denton City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, or would jeopardize the City's legal position in any administrative proceeding or potential litigation. [Eagle Substation]

This item was not considered.

- F. ID 15-1274 Consultation with Attorneys - Under Texas Government Code Section 551.071.

Consult with City's attorneys regarding ID 15-1235 of the December 1, 2015 Work Session Agenda, as it concerns legal issues associated with that item where a public discussion of this legal matter would conflict with the duty of the City's attorneys under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas.

Regular Meeting of the City of Denton City Council at 6:30 p.m. in the Council Chambers at City Hall.

1. PLEDGE OF ALLEGIANCE

The Council and members of the audience recited the Pledge of Allegiance to the U.S. and Texas flags.

2. PROCLAMATIONS/PRESENTATIONS

A. ID 15-1278 Police Appreciation Day

Mayor Watts presented the proclamation for Police Appreciation Day.

3. PRESENTATION FROM MEMBERS OF THE PUBLIC

A. ID 15-1247 William Jones regarding various issues concerning the City of Denton.

Mr. Jones stated that his home at 2500 Ft. Worth Drive was torn down illegally.

B. ID 15-1275 Kim McKibben regarding a proposed building in the Fry Street Overlay District.

Ms. McKibben stated that she owned Big Mike's Coffee on W. Hickory Street. She stated that with the building proposed for the Fry Street area there would be multiple traffic concerns on Oak and Hickory Streets.

C. Additional Citizen Reports.

Deborah Armitor, 2003 Mistywood Lane, spoke regarding Planning and Development Fees. She stated that citizens would like more explanation about why there was a need to reduce the fees per gas well.

Marc Moffitt, 2708 Crater Lake Lane, thanked the council for their support of National Night Out.

4. CONSENT AGENDA

Council Member Hawkins motioned, Mayor Pro Tem Gregory seconded to adopt the Consent Agenda and accompanying ordinances and resolutions. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs "aye", Mayor Pro Tem Gregory "aye", and Council Member Wazny "aye". Motion carried unanimously.

Resolution R2015-042

A. ID 15-967 Consider approval of a resolution of the City Council of the City of Denton, Texas approving a policy for aircraft tax abatement for the City of Denton to establish guidelines and criteria governing aircraft incentive agreements and aircraft tax abatement agreements; and declaring an effective date.

Ordinance No. 2015-370

B. ID 15-1064 Consider adoption of an ordinance amending Ordinance No. 2012-366, as amended by Ordinance 2014-039, relating to Tax Increment Reinvestment Zone (TIRZ) Number Two, to add to the membership of the Board of Directors; repealing all conflicting ordinances and portions thereof; and providing an effective date.

Approved appointment

- C. ID 15-1065 Consider appointments to the Tax Increment Reinvestment Zone (TIRZ) Number Two Board of Directors.

Ordinance No. 2015-371

- D. ID 15-1199 Consider adoption of an ordinance approving a City sponsorship in an amount not to exceed \$6,000 of in-kind services and supplies for the 27th Annual Denton Holiday Lighting Festival to be held on the Downtown Square on December 4, 2015; and providing an effective date.

Resolution No. R2015-043

- E. ID 15-1225 Consider approval of a resolution reviewing and adopting revisions to the Investment Policy regarding funds for the City of Denton; and providing an effective date. The Audit/Finance Committee recommends approval (2-0).

Resolution No. R2015-044

- F. ID 15-1226 Consider approval of a resolution revising Administrative Policy No. 403.07 "Debt Service Management" and providing for an effective date. The Audit/Finance Committee recommends approval (2-0).

Ordinance No. 2015-372

- G. ID 15-1227 Consider adoption of an ordinance authorizing the City Manager to execute an agreement between the City of Denton and Music Theater of Denton (PY2016) for the payment and use of hotel tax revenue; and providing an effective date. (\$5,250 - Hotel Occupancy Tax Committee recommends approval 3-0)

Ordinance No. 2015-373

- H. ID 15-1228 Consider adoption of an ordinance of the City of Denton authorizing the City Manager or his designee to execute a contract through the Buy Board Cooperative Purchasing Network for the acquisition of an asphalt recycling machine for the City of Denton Street Department; and providing an effective date (File 5995-awarded to Cooper Equipment Company in the amount of \$185,815).

5. ITEMS FOR INDIVIDUAL CONSIDERATION

Resolution No. R2015-045

- A. ID 15-1212 Consider approval of resolution casting votes for membership to the Board of Directors of the Denton Central Appraisal District; and declaring an effective date.

Willie Hudspeth, 623 Newton, stated that he was disappointed in the way he was treated at the Appraisal District and did not feel the appointees to the board were very helpful in looking out for the homeowners.

Bryan Langley, Assistant City Manager, stated that the Denton Central Appraisal District Board of Directors terms would expire on December 31, 2015. The Board of Directors served a two year term. In October, the City Council nominated Charles Stafford and David Terre to the

Board of Directors. DCAD received seventeen nominations and they were now requesting the City cast its votes. This year the City had 192 votes and the purpose of this item was for the Council to cast the votes for their candidate(s).

Mayor Pro Tem Gregory motioned that 115 votes be cast for Charles Stafford and 77 votes be cast for David Terre. The motion died for lack of a second.

Council Member Johnson suggested that all of the City's votes be cast for one person.

Mayor Pro Tem Gregory motioned, Council Member Johnson seconded to approve the resolution with 192 votes being cast for Charles Stafford. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs "aye", Mayor Pro Tem Gregory "aye", and Council Member Wazny "aye". Motion carried unanimously.

Ordinance No. 2015-374

B.ID 15-1222 Consider adoption of an ordinance approving an Economic Development Agreement under Chapter 380 of the Local Government Code to promote economic development and to stimulate business activity in the city of Denton between the City of Denton and BUC-EE's LTD, regarding the development of an approximate 38-acre parcel of land generally located on the west side I-35 E, north of Wind River Lane, in south Denton; authorizing the expenditure of funds therefor; and providing an effective date.

Aimee Bissett, Director of Development Services, stated that this item was to consider a grant agreement for an incentive for an approximately 40-acre retail development that was anchored by a Buc-ee's Travel Center. The proposed location was just north of Unicorn Lake along I-35 across from Brinker Road. The development included a 53,000 square foot retail store, fuel sales, and a car wash. It also included additional development on pad sites along I-35E, the proposed development was not a truck stop. It was a travel center that was intended for families to stop while traveling.

The current zoning was Regional Center Commercial Downtown (RCC-D) with overlay conditions. The subject property was rezoned in 2008 from Regional Center Residential 1 (RCR-1) District to Regional Center Commercial Downtown (RCC-D) District with overlay conditions to provide additional buffering between the commercially zoned property and the adjacent residential neighborhoods. The current zoning designation permits all of the proposed uses, including retail sales and service, quick vehicle servicing and drive-through facility. The purpose of Regional Center Commercial Downtown (RCC-D) District was to create high density centers of activity including shopping, services, recreation, employment and institutional facilities supported by and serving an entire region.

Per the Denton Plan 2030, the future land use designation was regional mixed use which included moderate and high density residential, commercial, office, entertainment and other uses except industrial. It was considered to be the highest level of scale and density within the city. It was located along the I-35 interchanges and primary arterials. The overlay conditions that existed included a 50-foot landscaping buffer; no building within 100-feet of residential

developments may exceed 40 feet in height; existing pond to remain; and an 8-foot wrought iron fence.

Bissett showed the proposed site plan. The total open space on Lot 1 was 11.67 acres. Fifty percent of the acreage would remain greenspace. The pond amenity included \$1,394,766 in land costs. She presented renderings of what the project would look like. Access Improvements – the developer was willing to contribute \$2 million in matching funds up front to expedite access improvements along I-35E. As a result, TxDOT had approved an additional \$28 million in improvements in order to help with traffic and congestion in the area. Three areas along I-35E were slated for improvements in association with the construction of the Buc-ee's Travel Center: Loop 288/Lillian Miller and I-35E – plans for the intersection of Loop 288/Lillian Miller and I-35E would include four lanes in each direction (two through lanes and two left-turn lanes), U-turns on each side of the intersection and pedestrian improvements. Brinker Road and I-35E - Brinker Road would be extended under I-35E and included two lanes in each direction, one turn lane, and U-turns. South Mayhill Road and I-35E – Mayhill Road and I-35E would be modified to include a U-turn on the western side of Mayhill Road. These improvements were scheduled to be completed in Spring of 2018.

The developer would incur approximately \$5.2 million in public infrastructure costs, including wastewater improvements, water improvements, storm sewer, paving, city street ROW dedication, and miscellaneous street lights and landscaping.

Two neighborhood meetings were held on the evening of November 11, 2015. Notification was sent out to property owners within 500 feet of the subject property (122 notifications). Seventy-nine properties were represented – 40% within 500 feet, 30% in neighborhoods, and 30% community. Topics of discussion included the hours of operation, buffer requirements, traffic visual impacts, lighting, tax incentives, and crime.

The Grant Agreement would require the developer to take the following measures to protect the neighborhood and minimize impact: Design and construct Buc-ee's substantially conforming to the Concept Site Plan. Maintain an average setback from all residential properties of at least 400 feet and a minimum setback of 200 feet. Photometric design would be used to mitigate the light impact to the neighborhood. Retain and amenitize the pond area with walking trails and seating. Provide an opportunity for the adjacent neighbors whose property lines directly border the development to provide input regarding the landscaping buffer and the masonry and wrought iron walls.

Bissett stated that an incentive was the Council's only opportunity to require any developer to mitigate the concerns of the neighborhood. This project was zoned by right and this was an opportunity should you choose to incentivize the project to put these requirements on the developer to take as much care and consideration for the neighborhood as possible. It was a rebate of a percentage of local sales tax revenue only which means that it's performance-based. If they did not sell anything, they get no rebate. It was new revenue only. It was dollars spent in Denton that were not being spent in Denton today. The developer has indicated that as of his most recent study 96% of the people that set foot in a Buc-ee's store were not from the zip code where the store was located. It was a destination, a visitor attraction. The City would retain at least half of the sales tax revenue (net new revenue of approximately \$400,000 per year to the City). The City would retain all of the property tax revenue (approximately \$350,000 per year

including all developed parcels). The net benefit to the City was the equivalent of a 1 cent property tax increase without raising taxes. This project was the impetus for an additional \$50 million value of TxDOT improvements that were now going to be constructed by 2018. The incentive would reimburse the actual infrastructure costs of \$5.2 million. It would reimburse all or part of the TxDOT match up to \$2 million. It would be incentive for Buc-ee's to take certain measures to protect the neighborhood, including maintaining setbacks, minimizing light impact – photometric engineer, retaining and amenitizing the pond area with access, walking trails, and seating; provide an opportunity for the homeowners whose property lines directly border the development to give input regarding the landscape buffer and the masonry and wrought iron walls to be constructed.

In summary, the Economic Development Partnership had recommended approval unanimously. It included a Reimbursement Grant which included 50% sales tax rebate on all parcels for 3 years to reimburse \$1 million for TxDOT local match. In addition it would be an Infrastructure Grant which would be a varying sales tax rebate for 20 years to reimburse \$5.2 million for public infrastructure improvements. They would receive a 50% rebate on Buc-ee's anchor, sit-down restaurants, and retail establishments. They would receive a 25% rebate on other uses which would include commercial, drive thru, fast food, and service. The incentive would require neighborhood considerations which covered partial carrying costs on the infrastructure. In summary \$1 million TxDOT reimbursement, \$5.2 million public infrastructure, \$1.9 million neighborhood considerations, interest, greenspace alone was \$2.1 million. Total Rebate – estimated \$8.1 million. Total Return on Investment to the City - \$15.9 million. That was a 200% return – equivalent to 1 cent property tax increase at no cost to taxpayers. It was the only opportunity that required neighborhood considerations.

Council discussion included tree preservation on the property, the site plan, underground storage units for gasoline, number of vehicles in a 24-hour period, traffic impact analysis, and a buffer.

The following individuals spoke regarding this item.

Brandon Roper, 2505 Cape Hatteras Court, spoke in opposition

Sarah Cruz, 3113 Widgeon Lane, spoke in opposition

Pati Haworth, 1506 Highland Park Road, spoke in opposition

Curtis Loveless, 218 N. Elm Street, spoke in opposition

Marc Moffitt, 2708 Crater Lake Lane, spoke in opposition

Willie Hudspeth, 623 Newton, spoke in opposition

Earl Harrington, 3010 Santa Monica Drive, spoke in support

Sparky Pearson - 309 Mosswood, Argyle, owner of the land, spoke in support

Ken Gold, 2512 Natchez Trace, spoke in opposition

Matt Battaglia, 114 Industrial Street, spoke in support

Brent Camp, 1408 Teasley Lane, spoke in support

Kacie Rice, 1408 Teasley Lane, Apt. 811, spoke in support

David Zoltner, 2501 Timber Trail, spoke in opposition

Chuck Carpenter, 1112 Pennsylvania, spoke in support

Jeremy Moon, 2805 Valencia Lane, spoke in support

Deborah Armitor, 2002 Mistywood Lane, expressed concerns about Buc-ee's but was not really in a position to make a decision in support or opposition

Dan Hammond, Jr., 2002 W. Hickory Street, spoke in opposition

Chris Rosprim, 2113 Emerson Lane, spoke in support
Narciso Tovar, 1925 Willowcrest Loop, spoke in support
Ralph Ramsey, 4350 Indian Paint Trail, Aubrey, spoke in support
Greg Price, 2216 Great Bear Lane, spoke in support
Jennifer Lane, 1526 Willowwood Street, spoke in opposition
Steve Watkins, 12 Hidden Valley, spoke in support
Kjell Knutson, 16209 Dalmulley Lane, Dallas, spoke in support

The following individuals submitted comment cards.

Rick Wick, 4984 S. I-35E, support
Kim Phillips, 414 Parkway, support
Patrick Lenaburg, 122 Industrial Street, support
Adam Gauarecki, 2931 Lipizan Court, support
Jerry Mohelnitzky, 3005 Destin Drive, support
Jason Ramsay, 113 W. Hickory, support
Cierra Parker, 113 W. Hickory, support
Kristin Allen, 113 W. Hickory, support
Blake Dunham, 103 Burghley Court, support
Zach Steward, 1515 Shadow Crest Drive, support
Pam Spillman, support
Jacob Garza, 806 W. Collins Street, support
Christopher Rodgers, 5057 Golden Circle, support
Nicholas Battaglia, 1030 Dallas Drive #1138, support
Levi Smith, 114 Industrial Street, support
Victoria Serrcuno, 919 Eagle Drive, support
Tate, 210 S. Locust, support
William Hutsell, 210 S. Locust Street, support
Kelby Frederick, 3008 S. I-35E, support
Kristi Frederick, 3008 I-35E, support
Luis Sosa, 201 Inman Street, Apt. 10307, support
Rhonda Tovar, 1925 Willowcrest Loop, support
Monique Van Houten, 524 S. Carroll Blvd. #225, support
Travis Allen, 2010 Jacqueline Drive, support
Sandy Swan, 1413 Cambridge, opposition
Misty Gold, 2512 Natchez Trace, opposition
Margo Ellis, 2007 Stonegate, opposition
Anne Sullivan, 2225 Pembroke Place, opposition
Jerry Drake, 2504 Shiloh Road, opposition

Beaver Aplin, Jackson, Texas, the developer, spoke in support of the development. He stated that he had been in business for 33 years. He had never closed a store, never abandoned a store, and never intended to close a store. He stated that he had received a 380 Agreement in every community he had built a store in. It was a wonderful way to bring exceptional businesses to a community.

Hawkins motioned, Briggs seconded to postpone this item to the December 15 Council meeting. On roll call vote, Council Member Hawkins "aye", and Council Member Briggs "aye", Council

Member Roden "nay", Council Member Johnson "nay", Mayor Watts "nay", Mayor Pro Tem Gregory "nay", and Council Member Wazny "nay". Motion failed 2-5.

Johnson motioned, Roden seconded to approve the agreement with the applicant paying \$2 million for the local match with the 5-year re-payment plan.

Gregory offered a friendly amendment to the motion in Section 2 – Grant Conditions – paragraph D – light restrictions – changing the word “more” to twice as restrictive as the Denton Development Code.

Aplin was agreeable to the change and suggested changing the wording to .25-foot candles.

Gregory offered an additional amendment to Section 6 – Other Grantee Obligations – add Paragraph C – the site plan would be substantially the same as presented here including preservation of the trees along the back property line abutting single-family properties.

On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", and Mayor Pro Tem Gregory "aye", Council Member Briggs "nay", and Council Member Wazny "nay". Motion carried 5-2.

- C. ID 15-1269 Consider nominations/appointments to the City’s Boards and Commissions: Community Development Advisory Committee and Traffic Safety Commission.

Willie Hudspeth, 623 Newton, spoke regarding this item.

Council Member Briggs nominated Jodi Vicars-Nance to the Community Development Advisory Committee.

Council Member Briggs motioned, Mayor Pro Tem Gregory seconded to approve the nomination. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs "aye", Dalton Gregory "aye", and Kathleen Wazny "aye". Motion carried unanimously.

6. PUBLIC HEARINGS

Ordinance No. 2015-375

- A. S15-0009a Hold a public hearing and consider an ordinance regarding a Specific Use Permit to allow a multi-family development on an approximately 16.061 acre property generally located on the south side of East McKinney Street (FM 426), approximately 1,500 feet east of Woodrow Lane. The Planning and Zoning Commission recommends approval of this request (6-0), subject to conditions. Due to written opposition from property owners of at least 20% of the area immediately adjoining and within 200 feet of the subject property, a supermajority vote of all members of the City Council is necessary to approve the request.

Aimee Bissett, Director of Development Services, stated the request was for a Specific Use Permit to allow a multi-family development on an approximately 16.061 acre property located on

the south side of East McKinney Street, approximately 1,500 feet east of Woodrow Lane. The proposed development included 322 multi-family units with supplementary amenities, including a business center, fitness center, swimming pool, two community centers, and an after school program. The project was proposed in cooperation with the Denton Housing Authority and all units would be subsidized by Low-Income Housing Tax Credits. No market rate apartments would be offered.

Public notifications were mailed out to seven property owners within 200 feet of the property. Twenty-one courtesy notices were sent to addresses within 500 feet of the property. A notice was published in the Denton Record-Chronicle and signs were placed on the property. The applicant also hosted a neighborhood meeting in October at the American Legion Senior Center. Staff received written opposition from an owner of approximately 40.55% of the 200 feet area surrounding the property. Therefore, a supermajority vote of all members of the Council was required to approve the SUP request.

The Planning and Zoning Commission recommended approval (6-0) subject to the following conditions: Development of the site should comply with the site plan and landscape plan provided in the backup. The maximum number of units of the development should be 322 units. The western access should be emergency access only until McKinney Street was widened and a median was installed. Building facades facing McKinney Street should have a minimum of 60% masonry building materials. Gables, windows, doors, and related trim might be excluded from the percentage calculation. Staff recommended approval with these conditions as well.

Lance Van Zandt, 512 W. Hickory, spoke on behalf of the applicant in support of the project.

The Mayor opened the public hearing.

The following individuals spoke during the public hearing.

Dick Kelsey, 206 Ridgecrest Circle, owns the property directly across from the property. Kelsey stated that he was in favor of the project, but the problem was the traffic on East McKinney Street.

Michael Whitten, 218 N. Elm, representing adjacent property owner, Terrano Inc., spoke in opposition.

Daniel McCormack, 1303 Campbell Road, spoke in opposition

Rob Rayner, 607 S. Locust Street, Suite 101, spoke in opposition

Willie Hudspeth, 623 Newton, spoke in support

Roland Vela, 739 Ridgecrest Circle, not going to find many places in Denton that you do not find traffic, backed up to a single family property.

Mike Hampton, 4311 Oak Lawn Avenue #50, Dallas, spoke in support

The Mayor closed the public hearing.

Mayor Pro Tem Gregory motioned, Council Member Briggs seconded to approve the SUP with the conditions as presented. On roll call vote, Council Member Roden "aye", Council Member Johnson "aye", Mayor Watts "aye", Council Member Hawkins "aye", Council Member Briggs

"aye", Mayor Pro Tem Gregory "aye", and Council Member Wazny "aye". Motion carried unanimously.

7. PRESENTATION FROM MEMBERS OF THE PUBLIC

A. ID 15-1251 Willie Hudspeth regarding City Hall.

Willie Hudspeth, 623 Newton, protested citizen reports being moved to the end of the agenda. He stated that the IOOF Cemetery that was maintained by the City had deed restrictions that said if a black man was buried there the City would lose the property rights. He stated that Buc-ee's did not hire blacks and there would not be any blacks in management.

8. CONCLUDING ITEMS

A. Under Section 551.042 of the Texas Open Meetings Act, respond to inquiries from the City Council or the public with specific factual information or recitation of policy, or accept a proposal to place the matter on the agenda for an upcoming meeting AND Under Section 551.0415 of the Texas Open Meetings Act, provide reports about items of community interest regarding which no action will be taken, to include: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the governing body; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; or an announcement involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda. B. Possible Continuation of Closed Meeting topics, above posted.

Council Member Hawkins stated that Lake Forest Good Samaritan Village needed access to high speed internet and wanted staff to check into it.

Mayor Pro Tem Gregory request a report from staff regarding the agreement with the Denton Festival Foundation regarding the use of Quakertown Park and the damage to the park during the Arts & Jazz Festival.

Council Member Briggs requested a work session on economic development incentives.

Council Member Briggs asked who she should contact regarding a significant amount of trash on Mingo Road right off 380 to get it taken care of.

Council Member Roden stated that the first official turkey trot had 1600 runners.

Council Member Roden reminded everyone that this Friday was the Holiday Lighting Festival.

With no further business, the meeting was adjourned at 12:19 a.m.

CHRIS WATTS
MAYOR
CITY OF DENTON, TEXAS

JANE RICHARDSON
ASSISTANT CITY SECRETARY
CITY OF DENTON, TEXAS