

CITY OF DENTON CITY COUNCIL MINUTES

April 8, 2014

After determining that a quorum was present, the City Council convened in a Work Session on Tuesday, April 8, 2014 at 3:00 p.m. in the Council Work Session Room at City Hall.

PRESENT: Mayor Burroughs, Mayor Pro Tem Kamp, Council Member Engelbrecht, Council Member Gregory, Council Member King, Council Member Roden, and Council Member Hawkins.

ABSENT: None

1. Receive a report, hold a discussion, and give staff direction regarding an application from the Denton County Historical Commission for the Texas Historical Commission Recorded Texas Historic Landmark Marker for City Hall West.

Brian Lockley, Director of Planning and Development, presented the details of the item. His presentation included (1) the effect of historic designation, (2) marketability of City Hall West, (3) opportunities associated with the Recorded Texas Historic Landmark (RTHL) designation, (4) partial designation of City Hall West and (5) proposed capital expenditures.

The request for the historical designation was started by a "request for recommendation" from the Denton County Historical Commission. City Hall West was constructed in 1927 and had served as Denton's City Hall, a Fire Station, Theater, a Police Department and now housed the Planning and Development Department. It was designated as a local historic landmark in 1982.

Effects for historic designation if proceed with State designation – a certificate of appropriateness would involve exterior work only and would also require a building permit. The Recorded Texas Historic Landmark (RTHL) designation was another process and was subject to numerous regulations. The owner of a RTHL-designated structure must give the Texas Historical Commission 60 days notice before any alterations were made to the exterior of the structure. Interior changes, normal maintenance and in-kind replacement did not require a review. The Texas Historical Commission (THC) had no review authority over most interior changes unless the proposed changes had the potential to affect the exterior of the building or structure. Normal maintenance and interior renovation were permissible and did not require THC review. Proposed work which would alter historical or architectural integrity of the exterior did require THC review and permission.

Marketability of CHW - staff reached out to a few developers/investors who noted the designation would be beneficial; however, the timeframes for approval to make exterior improvements would be viewed negatively.

Opportunities associated with RTHL designation included (1) recognition that a property was of local, regional or state significance, (2) protection for up to 90 days from exterior alterations, including demolition or relocation and (3) eligibility for state preservation grant funds.

Mayor Burroughs asked if work done on the interior had to go through the process.

Lockley stated that interior work did not have to go through the process.

State Historic Designation Benefits included (1) inclusion in the Texas Historic Sites Atlas, (2) technical preservation assistance through the Texas Historic Commission, (3) increased property value, and (4) promoted tourism.

Partial designation of CHW- CHW had been modified over the years to meet the needs of the City. The facade on Elm Street had remained intact so consequently staff contacted THC to determine if a partial designation was an option. Partial designation was not permitted by the THC but the City could approve a facade easement to protect the front of the building.

Council Member Gregory stated that one proposal was a citywide study of all of city facilities and determine the needs with growth of staff. He suggested scheduling that first and not do this part until it was known what to do with all facilities

John Cabrales, Assistant City Manager, stated that there was a proposal in the next bond package for a needs assessment study for growth. It was not known if the Bond Committee would recommend that package. Their recommendation would be released sometime in June.

Council Member Roden asked what would be the point of the historical easement as the building was already protected by the city designation.

Lockley stated nothing as it would be just a duplication of the designation already in place.

Proposed Capital Expenditures – Factors included the age of CHW which required continual maintenance; Facilities Maintenance had prepared a maintenance program of required capital and maintenance costs for the next seven years; scheduled improvements included HVAC, flooring and routine maintenance. The Planning Department had also proposed modifications to the interior lobby to create a development assistance center to conduct business and a wait area with kiosk for the public. Total building improvements and modifications would be approximately \$352,155.

Justin Kockritz, Texas Historical Commission, stated that the current legislation for review required the property owner to notify the THC at least 60 days prior to any exterior work. During that period the Commission would assess if the renovations would have any effect on the historical portion of the building. The Commission would be looking at the historical features of the building and would issue a response back to the property owner within 30 days. If there were no concerns or comments needed, the last 30 day period could be waived. If the Commission needed more information it would use all of the extra 30 days. Only in the case of extreme work or demolitions would the process go to the 90 days.

Council Member Gregory asked what would happen if a building had significant damage due to a fire or storm and repairs were needed to restore it to the way it was. He questioned what would be the delay with the THC.

Kockritz stated that the City could take any immediate action needed to protect life and safety issues. The City would let the Commission know of the problem and they would consult with the City on long term end results.

Council Member Roden asked about penalties for not following THC procedures.

Kockritz stated that the legislation only required notification. If there was no notification to the Commission a fine would be levied but if the Commission was notified, there would be no fine. The THC comments were just recommendations and after 60 days an entity could do as it wished.

Council Member Roden stated that the local designation had more legislation than the THC.

Kockritz stated that the THC was merely recommendations and the Commission could not approve or deny the renovations. The biggest opportunity of the RHL designation was the recognition of the property.

Kockritz stated that the State would be starting a state tax credit on business franchise liability with the THC designation in 2015. Properties in the National Register get a 20% federal income tax credit. City Hall West was currently not in that designation.

Council Member Hawkins asked how the fine was enforced.

Kockritz stated that he did not know of a fine done in the last several years. The Commission did not want to go that route if at all possible.

Council Member Gregory felt that the tax credits would enhance the marketability for an outside developer.

Council Member Roden felt there was some miscommunication to the public regarding the designation. The historic designation became the method of how to preserve the building. He questioned that out of all of the properties that had that sort of designation, how many had private owners.

Kockritz stated that there were 3700 in the state and over half were privately owned. Half were individual homes with the remainder small commercial buildings.

Council Member Roden stated that the fear was that if the City lost control of the building and it was in the hands of private citizens, it would be doomed to destruction.

Kockritz stated that depended entirely on whether the building was privately or publicly owned. It depended on finding the right owner for preservation.

Council Member King questioned if public entities had more flexibility for changing alternations to building.

Kockritz stated that the Commission looked the same whether a private or public owner. The review would be the same and would only be looking at exterior changes.

Council Member Engelbrecht felt that the only teeth would be in a local designation.

Kockritz stated that often times the local designation had more teeth than the state designation as the State did not issue permits or approvals.

Council Member Engelbrecht suggested identifying in advance what features could not be altered.

Kockritz stated that the designation required a good historical narrative of the building and included photos. Those were what would get the building designated plus the report would mention portions that were not historical.

Lockley stated that the local designation could define the architectural elements important to preserve.

Mayor Burroughs stated that the designation was not a regulatory role and was more of a marketing tool.

Mayor Pro Tem Kamp felt it was positive to have the designation and would have more teeth than a local designation. Everyone wanted to save the facade of the building but if the City wanted to own the building, it would have to find the money to do maintenance. But, if the building was privately owned, a developer could refurbish the interior of the building to make it useful. She also saw the benefit of someone keeping it historical and loving the building.

Kockritz stated that the City could issue a request for proposal and as an element show that the company had done historical renovations.

Council Member Hawkins left the meeting.

Beth Stribling, Denton County Historical Chairman, stated that a historical marker was also an educational tool for the public.

Lockley asked if Council wanted to proceed with historical marker and the developer negotiations.

Mayor Burroughs suggested a memo to the developer so there would be no misunderstanding on what was going to be considered. The memo should go out before the next meeting so the developer could ask questions before the meeting.

Council Member Engelbrecht stated that the elements of the facade that were important and significant should be discussed with a developer to get a feel on how they saw those features.

Mayor Burroughs felt that was a good point and if that was already defined, it would facilitate discussion.

Council Member Gregory suggested broadening that discussion to include the current owners, the public, so that they had a voice in what happened to the building. The Council should listen to what the public had to say regarding the disposition of the building.

2. 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.

Council did not have any items.

Following the completion of the 2nd Tuesday Session, the City Council convened in a Closed Meeting at 4:10 p.m. to consider the specific item listed below under the Closed Meeting section of this agenda.

1. Closed Meeting:

A. Consultation with Attorneys - Under Texas Government Code Section 551.071.

1. Consult with and provide direction to City's attorneys regarding legal issues and strategies associated with Gas Well Ordinance regulation of gas well drilling and production within the City Limits and the extraterritorial jurisdiction, including Constitutional limitations, statutory limitations upon municipal regulatory authority, statutory preemption and/or impacts of federal and state law and regulations as it concerns municipal regulatory authority and matters relating to enforcement of the ordinance.

The Council returned to the Open Meeting at 5:40 p.m. and reconsidered Item #2.

Council Member Engelbrecht requested a Work Session item regarding Rayzor Ranch at the same time the PID and 380 agreements were discussed.

With no further business, the meeting was adjourned at 5:41 p.m.

MARK A. BURROUGHS
MAYOR
CITY OF DENTON, TEXAS

JENNIFER WALTERS
CITY SECRETARY
CITY OF DENTON, TEXAS