MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL
CITY OF FRIENDSWOOD
APRIL 5, 2021

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN REULAR MEETING ON MONDAY, APRIL 5, 2021, AT FRIENDSWOOD CITY HALL COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING CONSTITUTING A QUORUM

MAYOR MIKE FOREMAN
MAYOR PRO-TEM TRISH HANKS
COUNCILMEMBER STEVE ROCKEY
COUNCILMEMBER SALLY BRANSON
COUNCILMEMBER ROBERT J. GRIFFON
COUNCILMEMBER JOHN SCOTT
COUNCILMEMBER BRENT ERENWERT

CITY MANAGER MORAD KABIRI
CITY ATTORNEY MARY KAY FISCHER
CITY SECRETARY LETICIA BRYSCH

1. CALL TO ORDER

Mayor Foreman called the meeting to order at 5:34 P.M.

2. INVOCATION

The invocation was given by Pastor Ralph Hobratschk with Hope Lutheran Church.

3. PLEDGE OF ALLEGIANCE – United States and State of Texas

Mayor Foreman led the Pledge of Allegiance of the United States and to the State of Texas.

4. PUBLIC COMMUNICATIONS

Mayor Foreman stated that in order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City employee, aside from the City Manager, City Attorney, or Municipal Judge, shall not be discussed and shall be referred to City Management.

Connie Ratisseau, Friendswood resident, addressed Council and stated she is not there to complain about having yet another taxing entity with the Gulf Coast Protection District when she is already committed to paying a $2.1 billion flood mitigation bonds in Harris County and noted that $1.4 billion not enough. Ms. Ratisseau stated she is already committed to paying a $41 Million for a flood mitigation bond in Friendswood and asked if the citizens are not already taxed enough. She further stated that she was at the meeting to speak regarding the resolution on the agenda to oppose a bond on the taxpayer-funded lobbyists and asked Council to vote to remove the resolution from the agenda.

Ms. Ratisseau stated that the people of Texas want to ban this type of lobbying and in February 2020, during the Republican primary, the proposition to oppose tax-payer funded lobbying had the support of almost 95% of the primary voters. At the last two state conventions, the Republican Party of Texas voted this as one of its priorities; however, she noted that this is not a partisan issue and stated that in a recent poll conducted by the University of Houston showed that 64% of Democrats also support a ban on taxpayer-funded lobbying. Ms. Ratisseau asked the Council to follow the will of the people and remove the resolution to oppose this from the agenda.

Don Johnson, Friendswood resident, addressed Council and spoke in regards to House Bill 3029, the Coastal Protection Zone. Mr. Johnson stated the bill that has been offered to the house needs to set up an organization that can work with the Army Corps of Engineers and move the Coastal Protection Project forward. He further notes that if this organization is not put in place it will be difficult for Friendswood to move forward. He further stated that there remain many unanswered questions; however, there will be ample opportunity to talk about tax rates, as the voters and officials will be given the opportunity to move forward on this item or shoot it down. Mr. Johnson stated that if this structure is not put in place there will be a delay of at least two years and this is a project that may take 20 years to develop. Mr. Johnson asked Council to support the bill to help move it forward so it can get to the design phase and know exactly what it will cost and how much it will help Friendswood.

Cheryl Johnson, Friendswood resident, addressed Council and stated she is in support of House Bill 749 which is diametrically the opposite of Council's agenda item. She noted that this legislation is sponsored by State Representatives Mayes Middleton and Dr. Greg Bonnen of Galveston County. She stated that there are two primary reasons why she is opposed to taxpayer-funded lobbying: (1) is Texas Municipal League (TML), TML and Texas Association of Counties opposed tax relief and reform for many years. In particular, appraisal caps, revenue caps and disaster reappraisal and (2) Council is being presented a false picture because this bill will not stop the City from being a member of TML, and benefitting from the education in rich schools and other good things that they do. She further noted that TML can continue to perform the research and provide the information the City needs in order to respond according to the needs of the community and the city. Ms. Johnson asked the Council to reject this resolution or minimally just kill it

5. WORK SESSION

A. Receive and discuss a presentation regarding the City of Friendswood Multi-Year Financial Plan.

Director of Administrative Services Katina Hampton presented the item and stated that she was present to give the Council with the City's Multi-Year Financial Plan that covers the next 5 years, upcoming budget year, as well as four others Ms. Hampton stated that the her goal was to provide a 5-year financial overview focused on the General Fund, as well as, the City's Debt Service Fund.

Ms. Hampton presented the Council with a PowerPoint presentation and began with a brief overview of the plan that included revenue projections, expenditure projections, decision package impacts, Fiscal Year (FY) 2022 projected operating budget and fund balance. Ms. Hampton noted that as it relates to the planning assumptions relating to revenue, so much of the budget is related to property tax revenue, and staff is projecting that the net taxable value will grow by an estimated 4.2% tax base growth in year one of the plan, and 3% in years three through five; this is impacted by the new construction on the residential side, as well as, the commercial side for property values. She noted that the other revenue sources show an increase of 2% per year, and these are primarily building permits, as well as, grants that are awarded to City, but for the most part Friendswood's franchise fees are based on that 2% growth on the expected population.

Ms. Hampton noted that the City's sales tax projections in the plan are about 3% and that is just based on current trends. City Manager Morad Kabiri stated the City has seen greater sales tax fluctuations in revenue over the last five years, sometimes as high as 8%. He noted that what that value does, will reflect the adjusted tax rate, so even though staff is planning for 4.2%, if it comes in at 8% this next year, the tax rate will go down accordingly.

Ms. Hampton stated in regards to the revenue planning data that the City's residential and commercial growth projections are in the plan and the city expects about 125 new homes to come in over the next two years, approximately a hundred homes after that, and the staff will adjust this annually through their review of the plan.

Ms. Hampton noted that the current property values are reviewed in order to estimate the tax base to identify where the base will begin, while also looking at the current and historical trends in the city's revenues, as well as, taking into consideration any legislative or policy changes that needs to be incorporated Ms. Hampton noted that the plan allows for the ability to look at the following:

- alternative revenue sources;

- a flat tax rate (1.5 cents over No New Revenue Rate (NNRR));
- General Revenue Fund is $30,380,187, and will spend a little bit of time going through all of the revenues in the General Fund;
- An estimated 84% of the total General Fund revenue is related to taxes: 52% ($15,714,273) is property taxes, 25% ($7,538,623) is sales tax revenues;
- Keeping in mind that the additional sales tax for the street's improvement, as well as, Friendswood Downtown Economic Development Corporation are reflected in a separate fund;
- 7% ($2,413,214) is franchise taxes and these are related to utilities that are operated within the city.
- 16% ($4,984,077) is non-tax revenue sources; such as, intergovernmental funds, building permits, fees for parks and recreation.
- Property Tax Revenue Components are gross appraised value approximates market (10% increase cap), Taxable value (appraised value less exemptions and freeze ceilings), Tax Levy (taxable value x tax rate), and Tax Revenue (tax levy x collection rate); and
- The tax rate includes debt service and operations & maintenance (O&M).

Ms. Hampton noted that in 2019, Senate Bill 2 (SB2) was adopted by the State Legislature as the Texas Property Tax Reform and Transparency Act and impacts the City's tax rate adoption deadline and the unused increment rate. Ms. Hampton stated that hat this means going forward is that the tax rate adoption deadlines are impacted by SB2 on when the City has to adopt, and what is required to adopt; therefore, if Friendswood were to adopt the tax rate that is above the no new revenue rate that requires an addition publication, as well as, a public hearing on the proposed tax rate. The bill will also allow for an unused incremental rate that will impact the City going forward because in the 2020 tax year, the no new revenue rate was adopted that was not as high as the voter-approved rate, so that incremental is the difference between the voter-approved rate that the City would have had to go out for voter approval to adopt versus the no new revenue; this increment is about four and a half cents.

Councilmember Griffon asked if that increment could be added without going to the public, to which Ms. Hampton responded yes. Mr. Kabiri stated that staff is not proposing to do that, but instead is just letting the Council know what the bill says and its impacts to the City. Ms. Hampton noted that it is a 3-year unused increment and if this year the City were to adopt less than the voter-approved rate, it could add that to the four and a half cents that was saved last year in its 3-year increase.

Ms. Hampton noted that as it relates to the Property Tax Rate drivers for this coming year, which are driving the City's tax rate or that could impact the tax rate that is adopted for this coming fiscal year are as follows:

(1) The reevaluation of existing properties because there are some changes each year as property appraisals happen; i.e., the values increase or decrease;
(2) Any new construction for both residential and commercial structures. The City does anticipate new construction for this year to be about half of what the City had in new construction for this current year, and that is just based on the slowdown in building probably related to COVID and different factors; and
(3) Another impact is about a penny of the City's tax rate going over to debt service to cover the principal and interest payments related to those bonds approved by the voters in 2019.

Ms. Hampton noted that the need for the tax rate increase is due to (1) the General Obligation Bond Issuance(s) -$0.01 ($408K) from O&M to Interest & Sinking (I&S), (2) the restoration of 66 police officers, (3) the impact of bond projects operating costs, and (4) the deferred maintenance of facilities & equipment - $617K in FY2022.

Councilmember Hanks asked if the $617K was in the proposal, to which Ms. Hampton responded that it was not. Mr. Kabiri stated that the debt service component of the tax rate went up by a penny based upon the debt that was issued as approved by the voters in November 2019. He further noted that since the City adopted the no new revenue rate, that increase in debt service was taken out of operations and maintenance, so the City had to respond by reducing services this last year, leaving some positions vacant, cutting existing positions, cutting some salaries, and some training. Mr. Kabiri noted that staff is anticipating another increase by a penny this upcoming FY2022 and if the same situation happens again, that will be two pennies that the City would have to cut from existing services, in order to continue operations.

Ms. Hampton stated that a penny on the tax rate is believed to be about $408,000 and as far as planning assumptions related to expenditures, there is a 3% increase on existing personnel cost for wages and benefits; however, this is not factoring in any new employees, and is based on the merit increase that would be allowed in the budget. Ms. Hampton further noted that non-personnel cost are estimated to be an increase of 2% over each year (based on a 5-year historical average); which is population-driven, and keeping up with the City's existing services.

Another planning assumptions is that of fund balance, which for operating reserves the City's financial policy requires a 90-day operating reserve; which is factored into the Multi-Year Financial Plan. Ms Hampton noted that following allowable uses of that fund balance based on the financial policy and include: (1) emergencies, (2) one-time expenditures without operating costs increase, (3) major capital purchases and (4) start-up expenditures for new programs.

Ms. Hampton reported on noted changes in Fund Balance from year over year, as well as, the revenues and expenditures for each year for the past 5 Fiscal Years. She stated that in 2016, the Fund Balance grew by $199,000 and then the next year it decreased by $200,000; this varies depending on how revenues come in based on what staff budgets versus what actually happens and how expenditures come in, so it can change from one year to the next. Mr. Kabiri stated that the yellow line on the graph represents the fluctuation in Fund Balance; i.e. what funds are available above the 90-day emergency reserve. He noted that in FY20 there was an increase of close to $2M, that are earmarked COVID-19 dollars that are expected to be reimbursed to the City, but the City has yet to receive the check, so the money is not in the bank yet. Councilmember Hanks asked if the chart is reflecting those monies as being part of the Fund Balance, but they are not actually there because the monies have not been received yet and is actually an accounting of the money the City is set to receive. Ms. Hampton stated that Councilmember Hank's assessment was correct.

Councilmember Griffon asked if there is any limitations on this COVID-19 money as there was with CARES Act; i.e. is this unlimited or can it be used in a more versatile ways. Mr. Kabiri responded that this is the CARES Act and it is limited in use. The COVID-19 funds Councilmember Griffon was referring to is the Stimulus Package signed about a month ago, and is approximately $8M. Mr. Kabiri noted that the City has not yet received word from the Treasury Department on what the funds can be used for, but hope to know more soon.

Ms. Hampton reported on the General Fund slide which are the baseline revenues & expenditures (flat tax rate), and the Multi-Year Financial plan assumptions that the City has now. She stated that due to the shift in the penny going to the debt service fund, and also bringing the funding required to meet the required recommendation for the policing staff, the shortfall for this coming year could be around $560,000.

Ms Hampton stated that the $500,000 for street improvements that the City has had in the operating budget in the past is not reflected and the sales tax revenue for street improvement did pass in the last election and staff expects to continue to get that, which how the City will be funding future years for street improvement.

Ms. Hampton also noted that there is an unencumbered fund balance, by which $500,000 have been rolling over for the past couple of years, and have not been utilized as of yet. She noted that the City would be able to fund street improvements from that in the coming year and then use sales tax going forward Councilmember Scott stated that to be clear, the City is not going to have the $500,000 in the upcoming year's budget for roads, to which Mr. Kabiri noted that it would not come out of operations and maintenance and would have to be a one-time use of fund balance, which the City has done in the last 3 years.

Ms. Hampton gave a summary of the Multi-year Financial Plan stating the 90-day operating reserve is maintained, the flat tax rate is maintained through FY2025 if adopted, and no decision packages are funded in the 5-year planning window with current projections and assumptions. Other FY2022 budget impacts include (1) COVID relief in the form of additional funding estimated at $8 Million, with an allowable use for those funds that are still to be determined; (2) automated water meters from the Water and Sewer budget with roughly 14,000 water meters needed, and (3) transmission source sites needed for new or existing towers at an estimated cost of $8M-$12M.

Ms. Hampton stated that the Council's role in this process if to provide the staff with guidance on how to move forward on the tax rate, provide input on existing and alternative revenues, programmatic changes, and participation in budget development.

Councilmember Branson asked about the merit increase, to which Ms. Hampton responded that merit increases are factored into personnel cost at a 3% increase for each year.

Councilmember Scott asked how much funds has rolled over in the roads. Mr. Kabiri stated that right now there is a little over a million dollars with some of it being spent on existing street projects; thus, supplementing the street sales tax. He further noted that the staff is trying to hold off on using those funds until a project has been identified where they make the most sense; inevitably, there will be projects that fall outside the use of the sales tax funds.

Councilmember Scott requested that in the proposed budget that staff reflect an option with the tax rate's $500,000 in it, and one without. Mr. Kabiri stated that staff would do so and noted that roughly the difference will be of a little over a penny, based upon what is currently anticipated in the values right.

Mr. Kabiri stated that as it relates to the impacts of debt service, there is an operations and maintenance impact as well, for instance, when the Public Safety Building is expanded or Fire Station No. 2 is built, both those facilities are increasing square footage, which is going to increase janitorial services, electricity cost, etc. Mr. Kabiri further noted that the bonds that were approved in 2019 did not include furniture, fixtures and equipment as typically those items are not included in the bond figures because staff does not want to amortize the cost of a desk over a thirty-year life span; therefore, those costs will come out of operations and maintenance. Additionally, since the mortgage payment goes up when you issue debt, there is an impact to operations and maintenance and without adjusting the tax rate accordingly, the results would be a reduction in services.

Councilmember Erenwert asked when will the City goes to the automated water meters, how much will it take to ever break even on the labor side in going to automated from the manual. Mr. Kabiri stated that staff would have a presentation for council on this item with all of those details as it gets closer to scoping that project, and it will show the rate of return and the rate of investment on those meters.

Councilmember Rockey asked when council can give staff input on the decision packages. Ms. Hampton stated that the departments have been working on the details for the decision packages, and at the end of the month is when the departments are to submit that information to finance.

Councilmember Hanks asked if the cost associated with the new property for the bonds had been included in the increased cost of the project. Ms. Hampton stated that part of it would be because there is no increase for non-personnel related items.

Councilmember Hanks asked if the revenue projections included increased revenues to pay specifically for the cost of the bonds. Mr. Kabiri stated the debt associated with the 2021 bonds that is going to be talked about tonight are reflected in the FY22 and budgets moving forward He further noted that the plan for next year is to issue debt associated with the November 2019 program, which is not included.

Councilmember Griffon asked if the debt that is on the agenda tonight relates to refinancing existing debt. Mr. Kabiri stated the topic being discussed tonight relates to the issuance of General Obligation debt for Fire Station No. 2 and the Public Safety Building expansion, as well as, the refunding of 2012 debt that will save the City $200,000 over a 5-year period.

The Mayor and Council expressed their gratitude for the presentation to Ms. Hampton and her staff.

B. Receive and discuss a presentation regarding (i) the PSB Expansion Project and (ii) Fire Station No. 2 Reconstruction Project.

Director of Engineering Jil Arias addressed Council and introduced Ryan Bass, Project Manager, and Paul Bonnette with PGAL architectural firm. He noted that they have been the City's architects working on both the Public Safety Building (PSB) Expansion and Fire Station No 2 for the past couple of months.

Mr. Bonnette stated that since they last saw Council on these projects, they have gone through the entire initial design phase with the programming. He noted that they have worked closely with the Fire Station, firefighters, Fire Department, Police Department, and the Fire Marshal's Office to plan their spaces and come up with these proposed plans that will be shown today. Mr. Bonnette noted that the City has selected Construction Managers at Risk (CMAR) for both of these projects and PGAL has started the process of working with them to move these projects forward.

Mr. Bass presented a PowerPoint of the project plans beginning with the Public Safety Building and noted that they have broken the Public Safety Building (PSB) components down by color and identified the different spaces by their color: evidence in orange, Municipal Court in blue, Fire Marshal's Office in red, etc. Mr. Bass then showed the Council an overview of each space and the overall plans for each. He noted that the existing building is roughly twenty-eight thousand square foot and is looking at an expansion in the nine thousand square foot range. He noted that they would like to reutilize the same color palette on the inside and the same type of brick on the outside that is already in existence to make the addition look like it has always belonged.

Mr. Bonnette stated they will be following the project all the way through and assisting the CMAR as questions come up during construction. He noted that there is about a five-month design process that could change the details a little bit because they will work with the CMAR, but those changes would be minimal. He further noted that they understand when they will need final drawings and when they are going to go out for guaranteed maximum price. Mr. Bonnette noted that they are projecting construction to be 9 -10 months for both projects; with a projected completion date around August or September of 2022.

Mr. Kabiri stated there are three additional action items associated with these projects for tonight: (1) the architectural and engineering contract for both projects, Public Safety Building and Fire Station No. 2 to award to PGAL and (2) adopting the schedule of events to issue the debt in order to accomplish these projects.

Mr. Bass presented a PowerPoint slide for Fire Station No. 2 and its overall floor and site plan. He noted that the plan includes the demo the existing facility and build a new one in its place. He presented the overall conceptual plan and stated that the new building will be located where the existing building is now and will still maintain the existing entry drive and they will try to preserve as much of the concrete as possible, while being conscious of the budget.

Mr. Bass noted that in the front there will be a few public parking spaces that will then allow for staff to proceed through a secure, perimeter gate to get back to the secure parking side. He noted that the idea is to allow the access drive to continue to the back portion of the property which could then be utilized for different apparatus training scenarios. He further noted that the floor plan of the building has three apparatus bays with one of those bays being a drive through bay. The building will have a secure public, restrooms with showers, a small watch office, a day room area, kitchen area, pantry, dorms, bunker gears, storage, shop tool room, and all the different things that are needed to carry out the job, along with a nice outdoor patio space around the back

Mr. Bass showed the Council the exterior elevations and stated that the main idea was to have a building that fits Friendswood with many of the materials, if not all the materials, being used matching that of other facilities Mr. Bonnette stated the timeline for both projects are about the same and they are hoping to develop and draw these, and get them to CMAR and out to bid at about roughly the same time.

Councilmember Griffon stated that the residents of Friendswood had entrusted them with these bond dollars and just wanted to make sure that their dreams for the building were not bigger than the City's pocketbook. He asked if staff was comfortable with the bond dollars that were allotted for the Police Station and the Public Safety Building and if they were in line with what the citizens of Friendswood had voted. Mr. Kabiri responded that staff was comfortable that the projects were in line with the voter approved bond monies and noted that they cannot issue a penny more in debt than what they have been authorized by the voters. Hence, that is why the architect and the construction manager at risk were brought in early in the process in order for them to work together with staff to ensure that the designs were in-line with the allotted monies. Mr. Bonnette stated that one of the strategies they used in order to keep control of the costs was to develop some alternates, so that on bid day, if the prices come in good and they can afford some extra things, the City has that options.

With concurrence of Council, Mayor Foreman moved the agenda out of order and considered agenda items 11C, 11D, 11A, and 11E.

11. DISCUSSION AND POSSIBLE ACTION

C. Discuss and take possible action on the architectural and engineering design services for the Fire Station No. 2 Reconstruction Project.

A motion was made by Councilmember Scott and seconded by Councilmember Griffon to to approve the architectural and engineering design services for the Fire Station No. 2 Reconstruction Project.

The motion was approved unanimously.

D. Discuss and take possible action on the architectural and engineering design services for the Public Safety Building Expansion Project.

A motion was made by Councilmember Griffon and seconded by Councilmember Rockey to approve the architectural and engineering design services for the Public Safety Building Expansion Project.

The motion was approved unanimously.

A. Discuss and take possible action on RFQ 2021-02 regarding architecture and engineering services for the Blackhawk Emergency Shelter Project.

A motion was made by Councilmember Griffon and seconded by Councilmember Rockey to approve RFQ 2021-02 regarding the architecture and engineering services for the Blackhawk Emergency Shelter Project.

The motion was approved unanimously.

E. Discuss and take possible action regarding approval of the schedule for the City's General Obligation Improvement and Refunding Bonds, Series 2021.

A motion was made by Councilmember Hanks and seconded by Councilmember Branson to approve the schedule for the City's General Obligation Improvement and Refunding Bonds, Series 2021.

The motion was approved unanimously.

6. SPECIAL RECOGNITION AND ACKNOWLEDGEMENTS

A. Recognize the Friendswood Library for receiving the Texas Municipal Library Directors (TMLDA) 2020 Achievement of Library Excellence Award.

Director of the Library Mathew Riley presented the item and presented a video by TMLDA giving an outline of the categories that were recognized this past year, which included providing services to understand populations, demonstrating enhanced service, using effective marketing materials, conducting cultural, topical and educational support, providing literacy support for all ages, conducting summer reading program, investing in collaborative efforts with community organizations, supporting workforce development, supporting digital inclusion, and establishing professional staff training. Mr. Riley thanked Karen Hart, Assistant Director and the library staff on the amazing job they did over the past year that has required some extra ingenuity and dedication to achieve this recognition with everything that has gone on this past year.

B. Receive a presentation of the 2020 Annual Comprehensive Financial Report.

Mr. Lupe Garcia, Audit Partner with Whitleypenn addressed council and presented a PowerPoint presentation to cover financial statement highlights. Mr. Garcia explained the audit process that consist of 1. Planning - risk assessment, 2. Internal controls – determine if can rely on controls and reduce risk of material misstatement, 3. Substantive testing – sufficient audit evidence. and 4. Opinion – unmodified, modified, and disclaimer.

He noted that as external auditors, they can issue one of three opinions on the financial statements which are (1) disclaimer - a situation where the records did not exist or were in such poor condition the audit could not be completed, (2) qualification - a type of modified opinion where would state that everything was fairly stated except for the areas noted in the report and (3) unmodified - a clean opinion. Mr. Garcia noted that he was happy to state that the City's annual financial report indicate an unmodified opinion, which means that the financial statements are presented fairly, in all material respects. He noted that no instances of noncompliance material to the financial statements were noted. Finally, he noted that because the City does receive and expend federal awards that exceed $750,000, they also performed a compliance audit referred to as a Federal Single Audit. The federal programs were CARES Act – Coronavirus Relief Fund (CRF) and Hazard Mitigation Grant Program (HMPG) Acquisition and Demolition Project. They fund no internal control findings related to each major program and gave the City an unmodified opinion on compliance.

With concurrence of Council, Mayor Foreman recessed the meeting at 6:52 P.M.

Mayor Foreman reconvened the City Council meeting at 7:04 P.M.

7. PUBLIC HEARING

A. Conduct a public hearing to receive comments both oral and written regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34.3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159.8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres).

Mayor Foreman called a Public Hearing to order at 7:04 P.M.

Director of Community Development Aubrey Harbin presented the item and stated that the proposed Planned Unit Development. (PUD) is about 34 acres, and currently a mix of developed and undeveloped land with Industry Park One having already been platted and two other sites have also been developed with then the remaining tracks being vacant.

She further stated that in the current zoning, the property has zoned a mix of the community shopping center and the industrial; the applicant is requesting that the proposed zoning be a Planned Unit Development. Ms. Harbin stated that this is also a conceptual Planned Unit Development, meaning that it is all conceptual, so the applicant will have to come back to the Planning and Zoning Commission for a specific site plan as they have to plat with the Commission, and then also get site plan approvals for each section that is developed.

Ms. Harbin noted that was is being presented to the Council is just the proposed site plan and the building layout that includes type A buildings, type B buildings and type C buildings; the applicant has provided examples of what those different buildings might look like She also noted that along the front of FM2351, there are some buildings that are going to be like retail-type buildings.
Ms. Harbin stated that there were a few things that she wanted to point out in the application:

(1) One of the requests is to reduce the Community Overlay District from 300 feet to 150 feet. She noted that the City's current ordinance says that, if any property, any track falls within 300 feet of FM2351, the entire track is subject to the COD requirements. She noted that the applicant is proposing to just do the 150 feet, which can be doubled.
(2) Some of the landscaping and screening alternatives that are being proposed; the applicant has some screening proposals that mainly affect the backs of these buildings and the screening for some of the adjacent properties, so with the types of buildings that they are proposing, they want to basically have blank walls for the backs of their buildings and some trees and landscaping as opposed to the typical landscaping or screening requirement for the COD, which is an eight-foot opaque fence, a 15-foot landscape buffer, and a tree every 25 feet.

Ms. Harbin showed pictures of what a type A building would look like, with its office / warehouse combination, having the office look on the front, and warehouse access in the back. She then showed pictures of the Type B buildings which are open vehicle storage, so the ends of the buildings would be enclosed, and then open on the front and the back for vehicle storage. Ms. Harbin then showed pictures of the proposed Type C buildings, which are enclosed storage; i.e. they have the roll-up doors for storage. Ms. Harbin also showed the Council some examples of what the retail buildings on FM2351 might look like.

Ms. Harbin stated that the PUD also has a regulation matrix, so rather than using the City's regulation matrix for Industrial or CSC, the applicant is proposing different setbacks that are minimum lot areas and the interior setbacks being probably the biggest changes. Staff requested that the applicant provide an exhibit to kind of show how they interpreted these setbacks and how it would affect their development, which they have done, and so the red lines define their setbacks for the whole development, minus Industry Park One because it is already platted. She stated that they are also adding two parking categories, for parking categories that were not well defined in the City's table; i.e , for buildings with combined office and warehouse storage, warehouse and storage use, and then vehicle storage, and as it relates to the uses, so the Planning and Development is proposing that in the Industry Park One and in Industry Park Two, to allow the uses that the City allows in Industrial and Light Industrial on these tracks, and then for this track, that is going to be known as the Commons at Timber Creek, they want to allow uses that would be allowed in CSC and Light Industrial on these tracks They did not include a specific table in their PUD because if the City changes its uses then, they want the uses to change as well. So if the City requires a SUP, they want to also require a SUP, and if it is an office use only; therefore, if one district requires a SUP and one district requires an office, then they would most likely go for the SUP.

Ms. Harbin noted that property owner notices were sent out, newspaper notices were published, and signs were posted on the property advertising at this public hearing here tonight Additionally, she noted that an onsite detention will be required for the development as it is located in Harris County, so there are no regional detention options like Galveston County.

Ms Harbin stated that following the Planning and Zoning public hearing, the original application did include three phases of development, so there is a PH One, Two, and Three, and so, there was a lot of concern. Councilmember Griffon stated that to his understanding, they were not phases but instead were noted as Panhandle One, Panhandle Two, and Panhandle Three, and there are three phases in Panhandle Two; Ms. Harbin responded that Councilmember Griffon was correct and so yes, PH Two is the remaining piece; PH One and PH Three were removed from the application, which is how the application got from the 150 acres to the 34.

Ms. Harbin further stated that although the revised PUD only included PH Two and did include more development details; such as the site plan, and building elevations, and the applicant had reduced the number of ordinance and permitted use revisions, the majority of the Commission concluded that current City ordinances and processes would allow the property to be reasonably developed as the applicant wanted with a PUD. She further noted that the primary concerns with granting the PUD or that this development·

(1) did not sufficiently meet the general purposes of a PUD;
(2) the large number of exceptions and changes to the Zoning Ordinances could lead to unintended and undesirable consequences in the development;
(3) the positive possible negative impacts to neighboring landowners; and
(4) eliminating or changing of so many zoning ordinances that have been developed over many years using national standards, studies, and experience.

Finally, upon discussing the PUD with the applicant's representative during the Commission's meeting, it recently appeared that the applicant's development needs for PH Two could be addressed without a PUD.

Those in favor of the PUD appreciated the blend of the commercial and industrial uses being planned and the complexity of developing a large industrial site on land historically used for oil productions on the outskirts of Friendswood The Panhandle property (PH), although within Friendswood City limits, is uniquely situated by being surrounded on three sides by either the City of Houston or unincorporated Harris County   She stated that there was some merit found in the applicant's desire to have this uniquely located in purpose property treated uniquely to foster easier development. Ms. Harbin noted that the vote for the Commission on this item was two to five, which results in a negative recommendation, and staff just asks that if this ordinance is going to be considered for approval, that the Council consider including the setback exhibit and the screening proposal in the ordinance, just for clarification purposes in the future. Ms. Harbin stated that this concluded her formal presentation; however, the applicant was present and wanted to present the Council with a presentation as well, and she was available to answer any questions.

Mayor Foreman asked any members of the public that desired to speak on this item to come forward.

Phil Radisso stated that he is the Chairman of ZBOA, and noted that they have to deal with so many things related to zoning and deployment, so they have to be cognizant of setting precedents and everything that come with them. He noted that if we allow all these variances to the ordinances that we have, then what happens the next time somebody comes in and wants a PUD and wants special things to and with it? Mr. Radisso also noted that as the P&Z has stated, they can do what they want to do with the current zoning in those parcels of land, so there is really no need for a PUD, and so he would hate to see a PUD be granted with all these exceptions because it will impact the next guy that comes along and wants the same thing, which then leads to having to ask yourselves why do we have all of these zoning ordinances and requirements in place as all.

With there being no other speaker, Mayor Foreman asked the developer/applicant to move forward with his presentation.

Dan Rucker, Representative for Coastal Bend Property Development, stated that he appreciated the comments, as well as, the interaction that he and his partners have had with the Planning and Zoning Commission, and while he was not able to make the last meeting, he did watch it on TV.

Mr. Rucker noted that he has some prepared remarks and he would then turn the presentation over to Ms. Stephanie Kennedy who is really the brains of the operation, to go over with the nuts and bolts and the reasoning behind the request for this application.

Mr. Rucker noted that his remarks are going to be framed by a 20-year history out there, as well as, reflecting on the City's 50-year history prior to that in the Panhandle, because it is a unique animal First of all, he acknowledged and appreciated, that the original application was too large, too broad, and contained some of our neighbor's properties that are no longer applicant owned. He noted that this reduced and revised PUD boils down, and takes most of the aches and concern of the Commissioners out of the equation.

Mr. Rucker stated that he thought, understandably, that the ensuing concern, some might have called it panic may have tempered the Planning and Zoning's objectivity in considering the application when it has had. Regardless, he states that it caused him to realize and helped him understand that, honestly, Planning and Zoning has been given the impression by the City that this area, the Panhandle, has been scrutinized, and there has been extensive studies conducted within the Panhandle like has happened in other areas, primarily residential areas of the city, and that is just simply not the case.

Mr. Rucker state that when the City incorporated the Panhandle, Exxon was at full production with numerous active wells and Central Trading was still treating millions of gallons of oil a day. He further noted that they had a 450,000-gallon ground storage tank at Central Treating dedicated specifically for fire protection purposes out there, there were ground storage tanks, separator units, and flaring sites out there when the City incorporated this area and all of this area, is what is now contained within and immediately around Timbercreek Golf Club. Therefore, when the City incorporated that area, there was this producing oilfield with flares going off at night and God knows what the expense of production purposes may end up being because they had then, and still then very still, has the dominant surface rights within the Webster units, which it still controls all those. Mr. Rucker stated that the big difference today is that there are only 2 active wells left out there now, and all of the accommodating processes for those 2 active wells are taking place outside of the City's limits so none of that is happening out there anymore now.

However, when the City incorporated the Panhandle, the City knew that the overwhelming majority of the Panhandle was owned and undivided interest owners, mostly, primarily, mineral interest's estate owners, and that there was, at least for the foreseeable future, there was no possible change in use or in ownership that could be discerned at the time, which was totally understandable. He further noted that the obvious designation when incorporating that piece of property would have been industrial, and with that, also came the guarded fear, the concern, and what might happen in the future, it was bringing the black sheep or the stepchild into the fold under guarded conditions.

Mr Rucker also noted that when Timbercreek Golf Club showed up out of the blue, they took down over 300 acres out in the middle of the Panhandle and it removed and did away with the improbable refining facility or something happened that was going to facilitate that type of use at the core of the Panhandle. Mr. Rucker noted that since Timbercreek's establishment in 2001, its owner and several of its neighbors have purchased the overwhelming majority of the remaining undivided interest property within the entire panhandle, so the circumstance that were in place when the City incorporated and designated in this zone is not the same and does not represent in any fashion what was happening back then, the circumstances, or now. In fact, he noted, the City has done an amazing job of not just a beautiful median treatment out there, but on the infrastructure and regional water treatment plant facility. So, since incorporation, the Panhandle has had only cursory studies done primarily for drainage, and that drainage study was, he believed, done by Castello, and was an adjunct to the total City's drainage studies, and the Panhandle region had a portion that study incorporated in it, but other than that cursory drainage study for the Panhandle, he did not know of any study conducted for the Panhandle.

Mr. Rucker noted that he was not present to find fault, or to raise anything in particular about what has been done out in the area, but was instead trying to make sure that everyone understands that CSC and COD overlay districts and those kinds of things that are critically important to Friendswood, which have been heavily studied and taken into consideration and adopted primarily for the FM518 and the FM528 corridors where the City owns both sides of those major thoroughfares and behind those frontages are lots of homes, but neither is the case in the Panhandle, and he felt that the same CSC and COD requirement was laid on the Panhandle, and this is a mistake; a misapplication that needs to be undone.

Mr. Rucker noted that this PUD is not for that purpose, but what this part has successfully done, and no matter what happens tonight, it is good because it has given everyone an opportunity to come back and recognize that the term he heard over and over again, was amending or changing rules and ending up with unintended consequences, but he too felt that he was dealing with unintended consequences.

Stephanie Kennedy stated that she is with Coastal Bend Engineering and is representing Coastal Bend on this PUD and noted that after talking with Planning and Zoning Commission this past month, they have been able to have some really good conversations about this development and how to make it a reality. Ms. Kennedy stated that there are six main issues that they see as the impediments to the development that was presented to the P&Z.

Ms. Kennedy noted that the first issue is zoning, and they had previously presented the blending of uses from the back to the front, with the more industrial uses in the back by the city water plant, and the least industrial uses in the front on FM2351. Ms. Kennedy noted that in starting with the Industry Park in the back, the zoning would change from Industrial to both Industrial and Light Industrial uses, and then moving down to the Commons at Timbercreek, which is on FM2351, the uses were changed from CSC to allow for a combination of Light Industrial and CSC uses in the front The plan includes using this Type A concept building, to tie all of these together by providing a good screening front with an industrial back, in order to, allow for greater flexibility for the industrial mixed uses that they are seeking.

Ms. Kennedy stated that while doing this, they are still trying to maintain the COD that was adopted in order to accomplish that look. She noted that they suggested revising it to 150 feet, which is the red dotted line that was shown on the exhibit. She noted that they presented what they believe is a less than highest and best scenario for this conceptual layout for the Commons at Timbercreek in order to show a small amount of retail, medical, and gas fast food with the Type A buffer in the back, and more storage in the front. She noted that for the best-case scenario, they imagined more commercial retail on FM2351, and perhaps, after there has been some distance from COVID, there will be some more retail come back online and there will be less empty spaces than there are right now on FM2351. Ms. Kennedy state that they believe the proximity to the high school and the proposed the expanded signal intersection at Hope Village, may allow for a really good marketable position for the use of retail.

Ms. Kennedy stated that while, some members of P&Z like this approach, the concern that arose from many of their members was allowing all these dissimilar uses next to each other. They felt that the zoning should stay zoning, what they had already planned for it to be, and while the developers believe market conditions in concert with the already recorded covenants that are in Industry Park would not allow many of the examples that were brought up by the Commission, they identified a specific example of what they believe needed to be changed. Ms. Kennedy noted that staff and P&Z seemed to be open to changing the current permitted use table in order to accommodate the previously noted situation, and if they are allowed to at least table the approval of this PUD, she felt that the applicants were also open to recommendations from staff as it related to the suggested uses for Industry Park and the Commons at Timbercreek; specifically, based on this mixed-use industrial development that they are trying to accomplish.

Ms. Kennedy stated that the fact remained that the current zoning designations did not adequately address what they are trying to accomplish, and if the PUD is not approved, then they will just have to have a separate rezoning application and hope that the uses, the Planning and Zoning designates, apply to this development, which puts a large amount of uncertainty into getting tenants into the development because as those in real estate know, if people do not know what the rules are, it is hard to abide by them.

Ms. Kennedy then noted that the second issue for the PUD is parking, and they were addressing some of the evolving parking trends that they are seeing across the industry. She stated that in response, they created a new category that was not covered in the current parking table and they have noted that there are several factors pushing towards emptier parking lots because of self-driving cars, Uber and Lyft transportation force, and people working from home permanently. She noted that the current rules require a building's minimum parking at the time of construction to be determined by the use, which can be problematic in a mixed-use development.

Ms. Kennedy noted that the PUD calls for less parking upfront with the ability to add more parking at a later time as controlled by the property owner's association, and if this PUD is not approved, each development in the PUD is going to basically ask for a variance from the parking requirements every time a site plan is submitted and the applicant will not have the ability to be certain of how many parking spots will be needed until the review process is complete. Ms. Kennedy stated that the new parking category that was created is that of boat and RV storage which will not be treated as typical storage, which is a number in the hundreds that is different; it is not just like 10 or 20, which brings me to the next issue, which is the COD.

Ms. Kennedy stated that the third issue related to the COD, which is a tool that conflicts with and is abutting the largest industrial zone of the city, so staff and the Commission at the previous meeting discussed how this district could be limited or adjusted to better attend to the needs of the industrial zone. She noted that there seems to be a lot of common ground here, and they would like to see the rules take into consideration just the reality of the area as the current rules do not allow for any variance from the district. She stated that an applicant could not get out of the COD through a variance or shrink it by a variance and she thought that the only tool that was talked about was a PUD, so that is part of the reason that they are standing before the Council.

Ms. Kennedy noted that their proposal in this PUD was to limit the setbacks from 300 feet down to 150 feet and ensure the property beyond that was not limited and labored by the requirements. The result is that they are having to play a plot trick on the property just to get that strip out of the COD District because it is better to do things upfront instead of just having to use a trick to get out of something.

Ms. Kennedy noted that the fourth issue the PUD related to the screening requirements between uses and existing developments. She noted that an 8-foot-tall opaque fence, and 10 to 15-foot mandatory setback are required when you have an industrial use next to commercial use, and again, for a mixed-use industrial development, it causes barriers when trying to create a cohesive development; the PUD was the mechanism by which they were trying to remedy this issue.

Ms. Kennedy noted that during their meetings with P&Z, they were also able to gain some clarity regarding some of the setback requirements that were requested in the PUD. The main purpose, and the requested changes was to allow for a zero allowance, in order to be able to carve out a building or parking area within the development and to sell and to reduce the front and rear setbacks She noted that the designations for front and rear setbacks is difficult because their proposed development have surrounding buildings, easements, and accesses, and it makes it easier to just say this is the best number to use instead of arbitrarily assigning a front or rear to something that is bordered on all sides.

Ms. Kennedy noted that they had been given much greater clarification in the last meeting on the setbacks for plugged and abandoned wells that were affecting the land plan, as well as, the interior side setbacks. She noted that this has been an issue that they have been going back and forth with staff on for several months, and while most of these issues have been ironed out, especially at the last meeting, they would probably still have to have another variance to remedy one of the setback requirements in front of the car condo development, or the garage ultimate.

Ms. Kennedy noted that the fifth issue that is not on the table, should the PUD not be approved, is the ability to do zero lot lines, which is something again that we are interested in using in for this development.

Ms. Kennedy then noted that the last main issue related to this PUD is the lighting. She stated that the current rules state that from the property line, one can only have a 1-foot-candle and in the industrial area, people like to use security lighting, which is not a 1-foot-candle; therefore, the language needs to be increased the limit from 1- foot-candle to 5- foot-candle at the interior property lines, in order to allow developments to share security lining when it makes sense.

Ms. Kennedy stated that she would say that they looked at what was written in black and white in the regulations, and their intent for this PUD was to address what they saw as unintended consequences that were created by the City's existing regulations. She noted that at this point in time, the Council can either deny the table or approve the PUD, and they would appreciate the chance to move forward with the project in any way that is allowed by statute. Ms. Kennedy noted that they are currently seeking approval of the PUD or for Council to table the measure, and directing staff specifically, on what amendments should be made, in order for this item to be approvable.

Mayor Foreman opened the hearing to questions.

Connie Ratisseau, Friendswood resident addressed Council and stated Ms. Harbin mentioned that Harris County requires retention ponds or detention ponds, but did not see them identified The Lower Clear Creek study talks about all of that Timbercreek Park part possibly becoming detention and asked how that would fit in with the new development

After hearing comments from the public, Mayor Foreman closed this portion of the Public Hearing at 7:39 P.M.

With concurrence of Council, Mayor Foreman took the agenda out of order and moved to agenda item 13D.

D. Consideration and possible action regarding Ordinance No. T2021-14: the first reading of an ordinance regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34.3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159.8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres).

A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to approve the item for purposes of discussion.

Mayor Foreman opened the item for comments and questions from the Council.

Councilmember Rockey stated that he had couple of questions, the first one related to detention, as the development looks like it has a huge amount of concrete, and wanted to know what the plans were for detention ponds.

Mr. Rucker responded that about 18-months ago, they, at their own expense, spent the money to amend and update the previously mentioned Costello study incorporating the here and now. He noted that the original Castello plan showed two large detention areas, basically on the lower panhandle area from Frankie Carter Park around to Turkey Creek, where those regional ponds would gather all of the developed waters, and then hold them back before they enter those respective watersheds.

Mr. Rucker noted that the revised updated regional plan that they shared with the City took into account the tracks that had developed out of that prior regional plan and how they had installed their own individual detention systems at the required criteria and requirements at the time, and so, bottom line, is that what they are doing, is liaising with Harris County Flood Control regularly for the Turkey Creek Project, and they continue to deal with the core Harris County Flood Control in the city, as much as they can on the Clear Creek Project. Mr. Rucker stated that they continue to design systems that, impact not just themselves, but the surrounding neighbors, because they will be able to have the most direct access to those respective creeks either joined in a shared detention facility, but yes, at the first of the year, all the detention requirements and whatever impacts would have to be accommodated to satisfy both permitting entities are accounted for and will be accounted for before anything touches the ground.

Councilmember Rockey stated that he wanted to preface his comments by noting that he thinks it is wonderful that Mr. Rucker is going to try to develop this property, and that we, as a city, wanted to see it developed and we want to do the right thing, and that it is fabulous that so much energy is going into this development. However, he did have a concern because in the past, there was a piece of property on FM528 where somebody came in, it is 25 acres, and they said, they wanted to put 20 little boutique stores on there, and would require approval to rezone the area from residential to commercial, which Council did, and the next thing they knew, the developers were entertaining offers from big rack stores. So what he wanted to see from the applicant was some guarantee that these are going to be individual facilities, and that Council is not going to see somebody come in with a Home Depot or something like that after it has been rezoned. However, he noted that he wanted to see the area develop, but remained very concerned about changing all these rules.

Mr. Rucker responded that he understand Councilmember Rockey's concerns which have been shared with him more than a few times by many different people; but, he noted that currently, this is an industrial-zoned area, which could bring a whole different type of development to this area than what he is proposing. Mr. Rucker stated that he was not going to give the Council any guarantees because he would not lie to them, by issuing this type of guarantee because it is ultimately the market, that decides what goes in there, and willing something to happen does not make the market do what one wants it to do. Mr. Rucker noted that for this development, he does not want industrial, flares, or refineries and ultimately does not want to exercise the industrial end of this property, but instead wants to take it up to much higher and better use. He then noted that they cannot abandon the industrial use that is already there, so they have to migrate from it. Mr. Rucker asked what does someone build next to a regional water treatment plant and a driving range, and noted that he does not want to be stuck in a four and five-dollar light industrial development per square foot when he might have the opportunity for a $15 or $20 fast-food pad on the front. Again, the market is going to dictate that, and all he wants to do it take it up to the highest and best possible use.

Ms. Kennedy stated that she wanted to speak a little bit about the drainage and noted that they had submitted a revised plan to staff showing their updated retention showing where Timber Creek Golf Club serves as a huge detention basin and the development is planning to use the existing detention that has sort of developed in Timbercreek, in addition to a large detention pond that is being planned on the property between Service Areas A and B, and that is where the detention will be going from the development being discussed, as well as, from the resulting development in the Panhandle area.

Councilmember Griffon stated that he was a little surprised when he heard that on the Freese and Nichols study, that they were thinking about using the Timber Creek Golf Course as a detention pond, along with the new Friendswood detention pond, and getting some 5000 acre-feet well. He noted that he believed the prices for the purchase of the

Timber Creek Golf Course, is going to be out of the reach of any municipality that is going to and try to buy a golf course, so it does not seem feasible.

Councilmember Griffon also noted that this area is particularly interesting to him because there are the two oxbows that are along Clear Creek, then Turkey Creek that is coming along into that tip of that oxbow, and then there is Mud Gully and the Mud Gully projects that are happening. He noted that this particular developer was the same developer who developed Timber Creek Golf Club, and he was proactive in his efforts with drainage in that along those two oxbows, he granted dedicated easements of 150 feet, all the way across all the property that he owned, to cut off and make a straight line and cut those two oxbows off. He then went ahead on Turkey Creek, and he dedicated 240 feet of dedicated drainage for future drainage. He did that when he developed Timber Creek in 2001, so he was pretty proactive. Now it is not the developer's fault if he grants and dedicates easements to the municipalities and the respective flood control district, and they do nothing with them; that is not his fault, he gave it to them. But if they are not willing to go out there, and clean up and convey the water, there will be subdivisions that will become inundated.

Councilmember Griffon noted that he would like to see, if this project is going to get developed in the panhandle, and Mr. Rucker it is going to get developed, that we make drainage a high priority by having the City of Friendswood and the Galveston Consolidated Drainage District working with the Harris County Drainage District, to deal with the drainage issues but using the easements that are already there.

He further noted that there is Panhandle One, Panhandle Two, and Panhandle Three, and a PUD that is a very unique classification, which shall only be granted when the applicant has submitted a complete application with sufficient detail. He noted that the applicant has a problem with the COD, the permitted uses within the zoning CSC is defined, and all light industrial permitted uses can go into an industrial zone building, is that not correct. City Manager Morad Kabiri answered the question and noted that the change staff made last month or two months was with respect to the residential zoning and not with the commercial or industrial zoning category.

Councilmember Griffons then asked that if the developer was choosing the option plan to approve a PUD without a site plan, so there are no site plans; therefore, what Council is looking at here is multiple site plans that are going to be brought before P&Z before they can go forward. Director of Community Development Aubrey Harbin responded that what is before the Council is a conceptual site plan that will be part of the ordinance and each individual tract when it actually comes down to the details, will have to go to the Planning and Zoning Commission

Councilmember Griffon then stated that the City Council right now is looking at CSC, to include at the retail component, as well as, A and C, which is light industrial, can the site plan deviate from the approved PUD or the site plan as it is presented today. Ms. Harbin noted that there are minor deviations on 25% or less, but there are restrictions on PUD modifications and they cannot change traffic patterns or increase the number of buildings, so basically, they are tied to this site plan.

Councilmember Griffon asked if the developer could put light industrial in a CSC building and not retail like Council thinks he is going to, but instead he could put light industrial in the CSC building. Ms. Harbin noted that yes, her could because light industrial and CSC uses would be allowed in the Commons at Timber Creek, which would include all the buildings on the nine acres. He further inquired if they could have an Industrial Light and could have a light industrial building right by the retail shop or anything like that and that would not be against the PUD and/or against what the Council approves as the plan. Mr. Kabiri responded not if the PUD is approved; however, if the PUD is not approved, they could not mix the light industrial and CSCs.

Councilmember Griffon stated that personally, he liked the blending idea; the industrial to light, and then industrial to the retail, but he did not like the thought of the possibility of light industrial coming into the retail space, especially if this reduces the CSC to 150 feet and then exclude the nine acres and instead makes the nine acres into light industrial. He noted that he wanted to make sure that something does not go in that is an unintended consequence because that is not what Council wants to see happened.

Councilmember Griffon then he believed that industrial permitted uses can be right next to CSC and Industrial permitted uses are allowed in Light Industrial, but what he did understand in the industrial park are is that they might want to lease this office space maybe to an engineering company, or maybe someone who really does not mind an industrial complex so can he actually do that in an industrial park under the existing industrial zoning. Ms. Harbin responded that currently the code does not allow for professional offices in industrial, but it would be allowed with a PUD that had the combination of the light industrial.

Councilmember Griffon asked if this could be accomplished without changing zoning in the PUD. Ms Harbin noted that staff had a conversation with Planning and Zoning Commission and it would be an ordinance change, to change the permitted use table; however, the Commission was open to considering some of those options.

Councilmember Griffon if this PUD has to be tied to this plan to the extent of 25%. Ms. Harbin noted that modifications are limited to 25% with some caveats

Councilmember Griffon then stated that as it related to continuity of ownership. And asked if this PUD is actually going to be owned by another individual or group. Mr. Kabiri answered that no, and that the previous application was owned by multiple owners/partnerships; however, the reduced PUD boundaries are all owned by Coastal Bend and the two that are owned by other owners are tracks that have already been developed.

Councilmember Griffon stated that as far as the parking was concerned, he really thought that the parking can be handled without changing the ordinance and stated that what bothers him is that someone has to automatically have so many parking spaces per 1000 square feet and he is hoping that the P&Z can work with the applicants on the parking issue. He also noted that he is pretty lenient on the setbacks. He further stated that this is a unique piece of property and. I agree with the developer and asked that the P&Z work with the applicant in regards to terms of the zoning ordinance.

Councilmember Griffon stated that the drainage is a big, big issue for him and before he could really get fired up about doing Panhandle One, Panhandle Tow and Panhandle Three, he had to have some commitments from the Galveston County Consolidated Drainage District, Harris County Drainage District, and Ms. Kennedy and Director of Engineering Jil Arias that this is a mission priority in the study that was done by Freese and Nichols Mr. Kabiri noted that as previously mentioned, the staff will engage the drainage district to ensure that they are fulfilling their duties along Clear Creek within the segments that they have easements. Mr. Kabiri assured the Council that those communications have already started in reference to the lower Clear Creek study; however, at this time, the study in question has not been adopted by any agency. He noted that the findings of Freese and Nichols were presented to the public this past Wednesday and additional work still needed, and like any other project, when staff identifies solutions, their properties will have to be acquired in order to fulfill the recommendation, so this is long-term process.

Mayor Foreman asked Ms. Harbin if the motion for approval of the proposed ordinance required the inclusion of some exhibits to which she responded in the affirmative and noted that the exhibits that needed to be included were (1) the setback exhibit and (2) the screening exhibit.

Mayor Foreman requested that Councilmember Rockey restate his motion to include the additional exhibits. A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to amend the original motion to include the approval of the proposed ordinance with the addition of the (1) the setback exhibit and (2) the screening exhibit.

Mayor Foreman stated that he was not in favor of approving this PUD and that he too wanted to see this area of town developed; however, this particular PUD just reaches too far and the City has zoning ordinances that have been in place for a long time that are there to protect the community and its residents. He noted that he had listened to Ms. Kennedy's great oratory with P&Z, which had been very educational and at the end of it all, it came down to identifying the issues to see if any of these can be handled without a PUD and the answer was yes, but they have to go through the normal P&Z request process.

Mayor Foreman started that he agreed with other members of Council on the COD out there and he could go to the 150 feet, but ultimately, all of these things could be addressed, parking could be addressed individually, and this development could get where it needed to be; Ms. Harbin agrees with the Mayor's assessment from the audience in the form of an affirmative head nod.

Councilmember Rockey stated that maybe the Council should table the item with the proposed amendments, and have staff convey to the Planning and Zoning Commission that the Council would like to see this land developed, and to come back with a plan that satisfies the City's zoning and requirements.

Mr. Kabiri stated that staff's concern is that they need some clear direction from the Council in order to ensure that headed towards the right direction as it relates to this development. He noted that Councilmember Griffon highlighted the mixture of industrial or light industrial and CSC uses, which the current permitted use table does not allow for, so that would have to be spelled out in this PUD, but there remains a concern because of the uncertainty with regard to screening and the COD because it is not reflective in the application as it is submitted today, so that would have to be tweaked.

Councilmember Griffon noted that as a point of order if there is a motion on the table and it is not seconded then the motion fail.

Mayor Foreman stated in response to Councilmember Scott's question to the developer, if they wanted to see the item voted on or tabled, that if this item is voted down, the Council cannot reconsider this exact same thing for 90 days, but his point was that the Council does not want to see the same thing, so he would instead like to give this item over to the staff in order to hammer out the details, along with the Planning and Zoning Commission to make this development work.

A motion was made by Councilmember Scott and seconded by Councilmember Rockey to **table** the first reading of **Ordinance No. 2021-14** – An ordinance regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34 3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159 8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres). The vote was as follows:

Ayes:	Councilmembers Erenwert, Scott, Hanks, Branson, and Rockey
Nays	Councilmember Griffon and Mayor Foreman

The item passed.

Mr. Kabiri stated that staff will meet with the applicant and P&Z and bring the item back in the future.

8. PUBLIC COMMUNICATIONS

Mayor Foreman stated that in order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City employee, aside from the City Manager, City Attorney, or Municipal Judge, shall not be discussed and shall be referred to City Management.

David Allen, Friendswood resident, stated that the new President signed the U.S. on to the United Nations (UN) plan for migration, population replacement in the United States. He stated that the plan is that by 2050 the U.S. will have 600 million people walk across the border, there are only 300 Million now. Everybody is running across the border and being shipped to all points of the United States and in his opinion, the country is under attack in many ways.

Phil Ratisseau, Friendswood resident, reminded Morad Kabiri, City Manager, that he had noted when the bond money ran out for Blackhawk that in 2023 would use the street fund to finish Blackhawk. Hopefully, the City will keep that $500,000 in the budget and will continue to grow that fund. He further noted that he attended a meeting regarding the lower Clear Creek study and there were things in there that were not beneficial to the City of Friendswood. He stated that their plan was to get a billion dollars funded from somebody to put in all these tunnels that they can lower the level of Clear Creek by 3 feet. He stated that he felt it was improbable that someone would give a billion dollars to do that project, but noted that Friendswood has to step up, and do something to support its detention, flooding and infrastructure issues.

9. CITY MANAGER'S REPORT

A. Present an update regarding Hurricane Harvey.

City Manager Morad Kabiri reported on a Hurricane Harvey update regarding property Hazard Mitigation Grant Program - Buyouts/Acquisitions and noted that under the Texas Water Development Board - Flood Mitigation Assistance Grant, 24 properties included in the initial application, 4 properties have closed, settlement on 3 remaining properties have been reached, 17 properties have declined offers, and demolition services are completed for 3 of the 4 properties.

He further noted that under the Community Development Block Grant (CDBG) -Disaster Recovery (Harris County), 4 properties included in the initial application, 3 properties have closed, 1 property has declined the offer, and demolition services are complete.

Under the CDBG-Disaster Recovery (Galveston County), Blackhawk Facility (old Food Lion) has been closed upon and reimbursement received, staff is in the process of soliciting services for emergency shelter renovations; engineering services contract being awarded, and Engineering and environmental services continue for the Forest Bend Detention Project.

Under the Federal Emergency Management Agency (FEMA) Disaster Assistance, engineering services continue for the utility line burial, and Internal project management acquisition services continue (Deepwood and Frenchman's Creek); appraisals being scheduled. The CDBG Mitigation Applications are complete and awaiting final reimbursement. On Property Acquisition, staff is awaiting response from the General Land Office (GLO) on the City's application submitted last October. Lastly, engineering staff is working on the acquisition of property currently along Clear Creek that were not eligible for federal dollars.

B. Present an update regarding the Coronavirus Disease 2019 (COVID-19).

City Manager Morad Kabiri presented the item and stated that as a result of the coronavirus, staff has implemented and continues to follow the Continuity of Operations and Pandemic Plans to monitor the pandemic. He stated that City facilities are open to the public, no businesses have been closed by the City of Friendswood due to COVID-19, no citations have been issued by the City of Friendswood relative to compliance with Governor Abbott's Executive Orders, and staff continues the disinfecting of workspaces and vehicles. Mr. Kabiri also noted that the extended screening protocols for public meetings, previously applicable only to staff, are now for all participants. He also stated that staff has submitted for the reimbursement of eligible expenditures under the CARES Act; Harris County Coronavirus Relief Fund (CRF) reimbursements have been received, and the City received notice of additional COVID fund allocation, but is awaiting details on the $8.78M.

10. COMMUNICATIONS FROM COMMITTEES AND SPECIAL REPORTS

A. Receive the annual report from Keep Friendswood Beautiful.

Keep Friendswood Beautiful (KFB) Chair Natasha McAdoo presented the annual report. Thanked Mayor Foreman and City council, and KFB liaison Trish Hanks.

City Manager Morad Kabiri thanked Ms. McAdoo for her support, leadership and the funding McAdoo entrust Friendswood with to invest back to the community to keep Friendswood beautiful.

B. Receive the annual report from the 4th of July Steering Committee.

4th of July Steering Committee Vice Chair Barbara Blanchard presented the annual report. Ms. Blanchard thanked James Toney, Parks and Recreation Director, Michael Boyett, Assistant Director, Kimberly Ramirez, Administrative Assistant to the Director, Catherine Wood, Recreation Manager, Garrett Normoyle, Recreation Specialist, Meg Donelson, Recreation Assistant, Gary Williams, Parks Assistant Director and all his parks staff for all their help and dedication to this event every year. Also thanked committee members Tommy McDonald, Chair, Tony Scarpa, Christine Scarpa, Stacy Scarpa, Michelle Bjacek, Stephanie Karacostas, Darrell Fales, Rufino Ramirez, Terri Corbett, Kathy Molinaro, Terry McKee, Renae Rives, Nancy Sims, Larry Sims, and herself.

11. DISCUSSION AND POSSIBLE ACTION

B. Discuss and take possible action on the appointment of the City Secretary.

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to approve the appointment of the City Secretary, Leticia Brysch.

The motion was approved unanimously.

F. Discuss and take possible action regarding the 2020-2021 Concrete Street Maintenance Program.

A motion was made by Councilmember Griffon and seconded by Councilmember Scott to approve the 2020-2021 Concrete Street Maintenance Program. The motion was approved unanimously.

G. Discuss and take possible action regarding the approval of the Esri Small Municipal and County Government Enterprise Agreement (SGEA).

A motion was made by Councilmember Branson and seconded by Councilmember Griffon to approve the approval of the Esri Small Municipal and County Government Enterprise Agreement (SGEA).

The motion was approved unanimously.

H. Consider and take possible action on two appointments to the Library Board; specifically that of Kathy Molinaro to complete the unexpired three-year term of Ruth Lay and Brett Stephen to complete the unexpired three-year term of Ted Thomas.

City Secretary Leticia Brysch stated that there was a clerical error in the agenda item in that the incorrect person listed for Ms. Molinaro's appointment. She stated that staff recommends approval of the appointment as corrected and noted that this particular appointment will be placed on the next agenda just to reaffirm said appointment.

A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to approve two appointments to the Library Board; specifically that of Kathy Molinaro to complete the unexpired three-year term of Ruth Lay and Brett Stephen to complete the unexpired three-year term of Ted Thomas.

The motion was approved unanimously.

I. **Discuss and take possible action regarding the ratifying of the City Manager's signature on a contract to purchase Lot 30 and Park Area of the Empere Chateau Subdivision, Section Two, 5.6405 acres of unimproved property situated in the Sarah McKissick Survey, Abstract-151, Friendswood, Galveston County, Texas, as shown on plat recorded in Map Record Book No. 254-A, Page 89, and transferred to Volume 7, Page 18 of the Official Records of Galveston County, Texas; and, authorize the City Manager to close on said property.**

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to approve the ratification of the City Manager's signature on a contract to purchase Lot 30 and Park Area of the Empere Chateau Subdivision, Section Two, 5.6405 acres of unimproved property situated in the Sarah McKissick Survey, Abstract-151, Friendswood, Galveston County, Texas, as shown on plat recorded in Map Record Book No. 254-A, Page 89, and transferred to Volume 7, Page 18 of the Official Records of Galveston County, Texas; and, authorize the City Manager to close on said property.

The motion was approved unanimously.

12. RESOLUTIONS

A. **Consideration and possible action regarding Resolution No. R2021-08: a resolution of the City Council of the City of Friendswood, Texas, adopting Galveston County and Harris County's use of Hart Intercivic's Verity 2.4 voting system and equipment in conducting any future elections for the City of Friendswood.**

A motion was made by Councilmember Hanks and seconded by Councilmember Branson moved to approve **Resolution No. R2021-08,** regarding a resolution of the City Council of the City of Friendswood, Texas, adopting Galveston County and Harris County's use of Hart Intercivic's Verity 2.4 voting system and equipment in conducting any future elections for the City of Friendswood.

The motion was approved unanimously.

B. Consideration and possible action regarding Resolution No. R2021-09: a resolution of the City Council of the City of Friendswood, Texas, opposing 87 - SB 234 and HB 749, relating to the use by a political subdivision of public funds for lobbyist activities.

A motion was made by Councilmember Rockey and seconded by Councilmember Hanks moved to approve **Resolution No. R2021-09,** regarding a resolution of the City Council of the City of Friendswood, Texas, opposing 87 - SB 234 and HB 749, relating to the use by a political subdivision of public funds for lobbyist activities. The vote was as follows:

Ayes: Councilmembers Hanks, Rockey, Branson, Griffon, and Mayor Foreman
Nays: Councilmembers Erenwert and Scott

The item passed.

C. Consideration and possible action regarding Resolution No. R2021-10: a resolution of the City Council of the City of Friendswood, Texas, supporting 87 - HB 3029, an act relating to the creation of the Gulf Coast Protection District.

A motion was made by Councilmember Rockey and seconded by Mayor Foreman to approve **Resolution No. R2021-10,** regarding a resolution of the City Council of the City of Friendswood, Texas, supporting 87 - HB 3029, an act relating to the creation of the Gulf Coast Protection District. The vote was as follows:

Ayes: Councilmembers Hanks, Rockey, Branson, Griffon, Erenwert, and Mayor Foreman
Nays: Councilmember Scott

The item passed.

13. ORDINANCES

A. Consideration and possible action regarding Ordinance No. T2021-11: the first and final reading of an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VI" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

A motion was made by Councilmember Rockey and seconded by Branson to approve the first and final reading of **Ordinance No. 2021-11,** regarding an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VI" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

The motion was approved unanimously.

B. Consideration and possible action regarding Ordinance No. T2021-12: the first reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.

A motion was made by Councilmember Hanks and seconded by Griffon to approve the first reading of an **Ordinance No. 2021-12,** regarding an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest with the staff noted changes; and providing an effective date.

The motion was approved unanimously.

C. Consideration and possible action regarding Ordinance No. T2021-13: the first reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.

A motion was made by Councilmember Hanks and seconded by Councilmember Hanks moved to approve with the noted change in the agreement the first reading of an Ordinance No. 2021-13, regarding an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest with the staff noted changes; and providing an effective date.

The motion was approved unanimously.

14. COMMUNICATIONS FROM MAYOR AND COUNCIL

Members of council made the following comments:

Councilmember Griffon stated that the hospitals are running out of blood and do not have any blood for transfusion and his family has become acutely aware of this. Please consider giving blood. It is the gift of life. If you want to be a hero, save someone's life, give blood.

Councilmember Rockey encouraged everyone to please consider getting vaccinated.

15. CONSENT AGENDA

A motion was made by Councilmember Hanks and seconded by Councilmember Branson to approve the Consent Agenda Items 15A, B and C.

The motion was approved unanimously

A. Consider approving a buyout license agreement for 2 Queens Lane and authorizing the Mayor to execute said agreement.

B. Consider accepting the February 2021 tax report.

C. Consider approving the March 1, 2021, City Council Regular Meeting minutes.

16. EXECUTIVE SESSION

A. Communications from the public regarding Executive Session Topics.

There were no speakers for this item.

B. Recess into and conduct an executive session pursuant to Section 551.074 "Personnel Matters" of the Texas Government Code to deliberate the annual performance of the City Manager.

At 9:1 P.M., Mayor Foremen recessed and convened into Executive Session in accordance with Texas Government Code, session pursuant to Section 551.074 "Personnel Matters" of the Texas Government Code to deliberate the annual performance of the City Manager.

At 9:36 P.M , Mayor Foreman reconvened into the Open Meeting.

17. BUSINESS ITEM

A. Consideration and take possible action regarding the City Manager's annual review.

A motion was made by Councilmember Scott and seconded by Councilmember Griffon to to reinstate the city manager's salary to what it was originally approved for last year and add a 3.5% raise.

The motion was approved unanimously.

18. Adjournment

With there being no further business to discuss, Mayor Foreman adjourned the April 5, 2021, City Council Regular Meeting at 9:38 P.M.

Mike Foreman
Mayor

Attest:

Leticia Brysch
City Secretary