

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
JANUARY 8, 2024**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, JANUARY 8, 2024, AT 5:30 P.M. IN THE COUNCIL CHAMBERS, FRIENDSWOOD CITY HALL, LOCATED AT 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

Trish Hanks	Councilmember
Steve Rockey	Mayor Pro Tem
Sally Branson	Councilmember
Joe Matranga	Councilmember
Brent Erenwert	Councilmember
Mike Foreman	Mayor
Morad Kabiri	City Manager
Karen Horner	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor ProTem Rockey called the meeting to order with a quorum present at 5:30 P.M.; all members were present, with the exception of Mayor Foreman who was absent.

2. INVOCATION

The invocation was led by the Friendswood Police Department Chaplain Moe Mays. Chaplain Mays offered words of comfort to the community and stated the following:

Father God, we come to you today with so many feelings and hurts and emotions swirling around here, swirling around us. I pray that you would calm spirits and spread compassion and grace over our people. Father, comfort them in the time of loss, the time of brokenness, the time of confusion. Father, take them in your arms and help them feel your presence each day as they walk through the journey. Father, help heal this city. Help us be more like Jesus each day as we walk through this journey with our friends and family. Father, be among us and lead God, and direct us that we may do your will each day, in Jesus' name we pray. Amen.

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

Mayor Pro Tem Rockey led the Pledge of Allegiance of the United States and the Pledge to the State of Texas.

4. COUNCIL COMMENTS AND REPORTS

Mayor Pro Tem Rockey began his comments by following up on Chaplain Mays' words and gave the following statement:

Friendswood has suffered sorrow from one outwardly capricious act of violence. We'd all hope that we would be spared this horror of our age, but unfortunately, its specter has visited us and now one child is gone, and another is gravely injured.

One of our own, City of Friendswood staff member and his family were marked by the shattering loss. This has been a gut punch to every family in our city. I've had the great fortune to have gotten to know Matt Riley really well. Matt has a poet's heart. He's one of the kindest, most gentle man I've ever known. He manages the Library with equity and composure. The Library staff loves him, and the patrons respect him. He encourages innovation from his staff and as a result, Library is an award-winning facility and widely used by the community. Matt stood up, supported by his family, and spoke the eulogy for his son, Ethan, at his funeral. No parent ever wants to be faced with having to do this. Matt's words gave us all insight into what kind of person Ethan was and the kind of man he could have been. It was a painful, poignant, and sublime testimony.

At the service, it was a group of high school-aged boys, friends of Ethan's, dressed in black, sitting in a pew reserved for the pallbearers. Prior to the start of the service, they, one by one, crossed the aisle to hug Ethan's family. The ache and solemnity etched on their young faces broke my heart, and it brought home the wide, rippling effect of this tragedy on our community. These boys should have been out horsing around, dreading the start of school after the holiday break instead of carrying their friend to his final rest.

I've searched for the right words that may allay the pain of the Riley family and maybe help us understand, and I have none. There's a branch of philosophy that reasons that as concepts enter a culture and are universally understood, words are created to express the notion clearly as a form of shorthand. This is why there are no words. I can find that because we don't ever want these situations to be explained. So, I'd like to ask for a moment of silence.

The Council, staff and attendees participated in a moment of silence.

Councilmember Branson further stated that Mayor Pro Tem Rockey's words were beautiful and there was nothing more to add, except for that her prayers are for peace and comfort that surpasses all understanding because there is no way to understand this tragedy.

Councilmember Hanks announced that she would be seeking another term as councilmember in the upcoming election.

5. PUBLIC COMMENT

Mr. John Ellisor requested to speak before Council regarding to announce his candidacy for the position of Councilmember Position 1 in the upcoming May election.

6. SPECIAL RECOGNITIONS AND ACKNOWLEDGEMENTS

A. Present the City of Friendswood Five Star Spirit Award for the Third Quarter of 2023 to Sergeant Jeffery Kimberly in the Police Department.

City Manager Morad Kabiri presented the item and stated that four times a year he gets the distinct pleasure of recognizing one outstanding employee for the Five Star Spirit Award. Mr. Kabiri noted that several months back, a parent of one of the Bales Intermediate students contacted the City because the

Bales Westwood campus was undergoing a lockdown drill. The parent noted that her young child is autistic and unfortunately was found in the hallway when the drill started, which was very jarring and traumatizing for the young man. Sergeant Jeff Kimberly located the child, stayed with him, and walked him through drill to ensure his safety and well-being. The parent in question was incredibly grateful and noted that her son could not stop talking about him. Mr. Kabiri recognized Sergeant Kimberly for his service. Sergeant Kimberly thanked the Council for the recognition and introduced his family in attendance, which included his wife Crystal and his parents.

7. WORK SESSION TOPICS

A. Presentation and discussion regarding updated Community Economic Development Committee messaging.

Assistant City Manager Steven Rhea initiated the item by introducing Ms. Susan Asimakis who is the Chair of the Community and Economic Development Committee also known as CEDC.

Chair Asimakis thanked the Council for the opportunity to speak to them about what the CEDC was doing in regard to its messaging. She stated that she was very proud to be a part of this seven-member volunteer group that is focused on ensuring that Friendswood continues to be such a prosperous city, and obviously on helping the business community accomplish their goals of prosperity.

Chair Asimakis noted that the CEDC spent most of 2022 developing a strategic plan that helped them create a very bold and well thought out vision with seven initiatives. With this in mind, the CEDC spent most of 2023 looking at how to prioritize those initiatives and take action on the first prioritized item, which is that of collaboration.

The CEDC feels that this priority was critical because they are not an island and they wanted to continue to garner support within the community and other local organizations. Therefore, the CEDC collaborated with the Friendswood Downtown Economic Development Corporation (FDEDC) and the Friends of Downtown Friendswood (FDFA) to organize a uniform messaging for the program. One that captured a contemporary message about Friendswood's business community, its climate, and how to help retain the companies that are already operational, while attracting others.

Chair Asimakis stated that the group met with twenty-five local businesses to learn more about why they chose to establish their businesses in Friendswood, what are their challenges and what they would like to see moving forward.

The group took all of this data and created a final messaging and program for all of the participating groups to use in order to promote businesses in the community. The messaging and program are composed of the following:

The overarching story for Friendswood is that it is a forward-thinking community with a proud past, strong traditions, and space to grow dreams. This message can then be expanded upon in conversation with the following concepts:

- Friendswood is a proud city that values family ties, educational excellence, a sense of belonging, safe neighborhoods, and an environment where residents support and care for one another.

- Friendswood is a welcoming city with a collaborative business community, loyal consumers which contributes to the prosperous economy, a talented and capable workforce, an encouraging entrepreneurial spirit and is touted as a city on the move.
- Friendswood is a community with a big heart and a strong backbone, longstanding traditions, active charitable and civic organizations, and an exceptional quality of place to live, work and play.

Chair Asimakis thanked the Council for their attention to the presentation and asked for comments or suggestions related to the messaging.

Councilmember Branson stated that she wanted to note that this group has worked really hard from the ground up in trying to get one cohesive, consistent message out to the community, so, no matter where anyone looks in Friendswood or who they speak to, everyone is kind of singing the same song. Councilmember Branson thanked Chair Asimakis for her leadership over the last year and noted that the CEDC and city staff in the form of Steven Rhea and Aubrey Harbin had done an exceptional job on this item.

Mayor Pro Tem Rockey asked what the next steps for this program entailed. Chair Asimakis noted that they wanted to go back out to the interviewees to go over the results. They wanted to update the website, touching base with their collaborative organizations, ensuring that everyone is armed with the same information and resources that they can then use when making remarks and presentations. Lastly, she noted that they wanted to create and distribute a nice packet of information for the local business community and the partnering organizations.

Mayor Pro Tem Rockey thanked Chair Asimakis and the CEDC for their hard work on this item.

8. ZONE CLASSIFICATION CHANGE FROM NEIGHBORHOOD COMMERCIAL (NC) TO DOWNTOWN DISTRICT (DD).

- A. Conduct a public hearing regarding a request for a zone classification change located at 903 S. Friendswood Drive, 0.34 acres being Lot Two (2) of Southern Breeze, a subdivision in Galveston County, Texas, according to the map or plat thereof, recorded in Volume 18, Page 353, of the Map Records of Galveston County, Texas, to change from Neighborhood Commercial (NC) to Downtown District (DD).**

At 5:55 P.M., Mayor Pro Tem Rockey opened the hearing and requested staff to give an overview of the item.

Community Development Director Aubrey Harbin summarized the subject matter of the public hearing and stated that staff received a request last month from the next-door neighbor of 901 South Friendswood, after he received the notice from the city that his neighbor was changing his zoning designation. The applicant hopped on board as well. Ms. Harbin stated that the rezoning in question is for 903 South Friendswood, which is located within the Downtown District boundaries. Ms. Harbin reminded the Council that one of staff's goals is to get all of the properties within this boundary changed to its appropriate designation of Downtown District. Ms. Harbin noted that there are approximately twenty

properties left, so they hope that staff can bring them all into the correct zone and in compliance with the city's Future Land Use Map.

Ms. Harbin stated that all the required notices were sent and published, and the Planning and Zoning Commission gave a positive recommendation following their public hearing on December 18th.

There being no one signed up to speak on the item, Mayor Pro Tem Rockey closed the public hearing at 5:57 P.M.

B. Consider an ordinance regarding a proposed zone change located at 903 S. Friendswood Drive, 0.34 acres being Lot Two (2) of Southern Breeze, a subdivision in Galveston County, Texas, according to the map or plat thereof, recorded in Volume 18, Page 353, of the Map Records of Galveston County, Texas, to change from Neighborhood Commercial (NC) to Downtown District (DD).

A motion was made by Councilmember Matranga and seconded by Councilmember Griffon to approve Ordinance No. 2024-01, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

ORDINANCE NO. 2024-01

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRIENDSWOOD TO CHANGE THE CLASSIFICATION OF THE PROPERTY LOCATED AT 903 S. FRIENDSWOOD DRIVE, MORE PARTICULARLY DESCRIBED AS A 0.34-ACRE TRACT OF LAND BEING LOT TWO (2), OF SOUTHERN BREEZE, A SUBDIVISION IN GALVESTON COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF, RECORDED IN VOLUME 18, PAGE 353, OF THE MAP RECORDS OF GALVESTON COUNTY, TEXAS, FROM NEIGHBORHOOD COMMERCIAL (NC) TO DOWNTOWN DISTRICT (DD); PROVIDING A MAXIMUM PENALTY OF TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00); REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY, PUBLICATION AND AN EFFECTIVE DATE.

9. IMPACT FEE UPDATE

A. Conduct a public hearing regarding amendments to the land use assumptions, the Capital Improvements Plan, and the maximum allowable water and wastewater impact fees.

At 5:59 P.M., Mayor Pro Tem Rockey opened the hearing and requested staff to give an overview of the item.

City Engineer Jil Arias presented the item and summarized the subject matter of the public hearing for Council noting that the Planning and Zoning Commission met on November 16, 2023, and acting in its capacity as the Capital Improvements Advisory Committee, filed a written comment related to proposed amendments to the land use assumptions, the capital improvements plan, and the maximum allowable water and wastewater impact fees. The Committee received an update and after reviewing the information voted 5-0 in favor of recommending that the City Council adoption of the maximum rate allowed of \$3,721 for water and \$1,675 for wastewater for a total of \$5,396.

There being no one signed up to speak on the item, Mayor Pro Tem Rockey closed the public hearing at 6:00 P.M.

B. Consider an ordinance approving amendments to the land use assumptions, the Capital Improvements Plan, and the maximum allowable water and wastewater impact fees.

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to approve Ordinance No. 2024-02, with an exemption to waive all impact fees for infill development lots that are three-acres or more that can be subdivided into four lots or less.

Councilmember Griffon stated that Friendswood is rapidly approaching build-out and in an attempt to incentivize the development of these infill development lots that are large, the City should not penalize them by forcing them to pay impact fees twice or more. He noted that he had spoken to developers about this issue, Brett Banfield being one of them, and he was told that a lot of young people don't want to live on these big lots and prefer smaller lots that they can build a nice house on. Councilmember Griffon further noted that the lots that are left in Friendswood are solely large lots that can be divided into smaller lots and developed, and he believed that the City should incentivize this type of development via the waiving of associated impact fees as the needed infrastructure is probably already in place.

Councilmember Griffon stated that the properties impacted by his proposal could be identified in the map that was included in the agenda backup information as Infill; i.e., labeled on the map by the color purple. He further noted he knew people who also fit into this category, like his friend, David Gautreaux, who bought a three-acre tract of land behind his home and wanted to subdivide the large lot to build a house for his son, but he was looking at upwards of \$10,000 just to replat the lots, and that is not including the additional impact fees being considered, so that is another \$10,000 per lot/per connection. He noted that these high costs and fees are the reason that city employees can't afford to live in Friendswood.

Councilmember Matranga clarified that the motion on the table for said fee exemption is for three-acre lots that can be subdivided into no more than four homes. Councilmember Griffon concurred that his description was accurate.

Councilmember Matranga posed the question to staff about the impacts on the City's water and sewer system when one lot has one home versus four. City Manager Morad Kabiri noted that the impact fee charge looks at a 10-year window, 5-years back from today's date, and then 5-years forward, and accounts for all capital improvements that provide capacity, and capabilities for the City's infrastructure. This includes the capacity at the wastewater treatment plant, the surface water treatment plant, and the City's ability to provide healthy drinking water and sanitary sewage services. He noted that these costs are what they are and when the City is a part of regional agreements, as is the case with the City of Houston for the City's surface water treatment plant and the Gulf Coast Development or Gulf Coast Water Authority for the wastewater treatment plant, there are massive facilities that we share a cost in, which could change depending on circumstances that are out of the City's control. However, whatever those costs are, they are still less expensive than the City building its own facilities.

Mr. Kabiri noted that it is difficult to answer the Council's questions on the impact of waiving impact fees to certain locations because theoretically, of the City's 14,000 active connections today, 12,000 or thereabouts, are residential and if lots are subdivided into even by two, that doubles the demand on the system and the City does not have the financial resources to subsidize these services for all of them. Now granted, there's nothing to say that everybody can divide their lot into two, but staff would need something more definitive in the ordinance in order to waive those fees without having unintended consequences.

Mr. Kabiri noted that any new development that is not paid for by impact fees is going to be paid for by the City's utility rates, and the water and sewer bills that are paid every other month, so if the City does not raise enough money from impact fees to offset the demand on growth, then the water and wastewater bills would have to go up to cover that development.

Councilmember Matranga asked if by waiving impact fees, the costs would be moving from the person that is subdividing and building the homes to the general population of Friendswood. Mr. Kabiri stated that his assessment was correct.

Councilmember Griffon stated that developers don't pay impact fees because they give that expense over to the homebuyer. He noted that what he is targeting are not very many properties, so the costs would be negligible to any impact to the City's water and sewer rates that are already high enough. He further noted that the City's water and sewer reserves are 2 or 3 times what they should be, so there is plenty of money in the Public Works and Sewer Department to negligibly waive these fees to very few properties.

Councilmember Branson asked if staff had an idea of how many situations this would apply to, ballpark. Mr. Kabiri stated that at this point he could not give an accurate assessment because it had a lot of different factors, to include current zoning as well as the ability of the property owner to request rezoning which could increase their ability to build on the property and have a bigger impact on the City's water and sewer system and capacity. An example would be a three-acre lot that is rezoned to allow for multi-family or garden homes, this could potentially get conservatively about 30 homes on 3 acres or more, so he would again request more time to bring the Council something at the next meeting which could outline options for the waiving of the impact fees for certain properties.

The Council discussed various requirements for buildings, rezoning, the sub-division of lots, etc. After a brief discussion, Councilmember Matranga recommended that the Council consider approving the proposed impact fees, and have the staff come back at the next meeting with more information on the proposed waiving of the fees, the properties it would impact, and the logistics of what is being proposed. After a brief discussion on the motions and Robert's Rules, the motion on the table was amended.

A motion was made by Councilmember Hanks and seconded by Councilmember Matranga to amend the motion on the table to approve Ordinance No. 2024-02, as submitted originally. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

The original motion as amended was then considered. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

ORDINANCE NO. 2024-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, APPROVING THE AMENDMENTS OF THE LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN AND AMENDING CHAPTER 74 "TAXATION," ARTICLE III "IMPACT FEES," SECTION 74-52 "IMPACT FEES FOR NEW CONSTRUCTION," SUBSECTION (D) "FEES" OF THE FRIENDSWOOD CITY CODE, TO AMEND THE MAXIMUM IMPACT FEE PER SERVICE UNIT THAT CAN BE ASSESSED AGAINST NEW DEVELOPMENT FOR WATER AND WASTEWATER IMPROVEMENTS AND FACILITIES ATTRIBUTABLE TO THE DEVELOPMENT PURSUANT TO CHAPTER 395 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING A REPEALING CLAUSE; CONTAINING A SAVINGS CLAUSE; AND PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE THEREOF.

10. FRIENDSWOOD CITY CENTER DEVELOPMENT

- A. Consider authorizing the Professional Services Payment Agreement with Madison Development Corp., LLC, regarding the assumption of the costs associated with the creation of the Friendswood City Center Public Improvement District and the establishment of the Reinvestment Zone Number One, Friendswood, Texas.

City Manager Morad Kabiri presented the item and stated that they have been talking about the creation of a Public Improvement District (PID) and a Tax Increment Reinvestment Zone (TIRZ) on the Whitcomb property for quite a while now. He further noted that the proposed project known as the Friendswood City Center has a lot of costs associated with its administration including those related to its creation and the management of the Public Improvement Districts and Tax Increment Reinvestment Zones for both the developer and the City. Mr. Kabiri noted that this item is necessary in order to recoup the city's cost and in order to live by what was promised that the cost for the operation, creation, and maintenance of these districts would be solely on the owners within the development and not on the rest of the City's taxpayers. Therefore, the proposed agreement would have the developer reimburse the City for costs associated with its consulting services for attorneys, consulting services for PID and TIRZ administration, and any other consulting services and costs that the city incur.

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to authorize a Professional Services Payment Agreement with Madison Development Corp., LLC, regarding the assumption of the costs associated with the creation of the Friendswood City Center Public Improvement District and the establishment of the Reinvestment Zone Number One, Friendswood, Texas. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

B. Consider a resolution authorizing the creation of the Friendswood City Center Public Improvement District, which includes approximately 106.472 acres of land situated in the Sarah McKissick League, Abstract Number 549, Friendswood, Harris County, Texas, which property is generally located south of FM 528, east of Bay Area Boulevard, north of Oak Drive and west of Clear Creek and includes the portions of the rights-of-way of Townes Road, Blackhawk Blvd, and W. Bay Area Blvd.

City Manager Morad Kabiri presented the item and stated that this item was a continuation of the Friendswood City Center, in that it created the Public Improvement District (PID) itself. He noted that in December, the Council created the Tax Income Reinvestment Zone (TIRZ), which established the lion's share funding source for paying for the public infrastructure at the site. Mr. Kabiri noted that the other component of that financial matrix was the creation of a Public Improvement District, which is an assessment that is applied to the private properties held within that 106-acre district.

Mr. Kabiri further stated that each of the current and future landowners in that district will be assessed an additional charge similar to the West Ranch Management District, but it will instead be a flat assessment fee that will go towards paying the public infrastructure, the water and sewer, roadways, parkland, and a portion of the fire station for this site. He noted that the remaining portion of the fire station will be paid for by the TIRZ revenue whose increments will be generated for that site.

Councilmember Griffon asked if the financial plan for the PID was included in the agenda backup material, and asked what was the amount of the fee that was going to be levied. Mr. Kabiri noted that this information was included in the next item on the agenda related to the development agreement and noted that what they are looking at is a tax stack. As an example, a Friendswood resident will have a total tax rate that includes not just the City of Friendswood, but also the Drainage District, Galveston County, FISD, etc. For those within the PID, there will be an additional assessment for the private property owners that are on the Whitcomb property. Mr. Kabiri stated that this estimated tax or assessment will be about \$2.77; however, there are some discussions happening with the developer in which said assessment could possibly go up as high as \$3.05. Mr. Kabiri noted that the PID assessment is not a function of valuation but is instead these property owners will pay their taxes with their valuation and tax rate applied to it, plus a separate assessment that would be the equivalent of either \$2.77 or \$3.05.

Councilmember Matranga asked for purposes of clarity what the estimated costs of the project. Mr. Kabiri stated that as part of the creation of the TIRZ in December, there was a preliminary financing plan that was included in the packet. He noted that said plan estimated that the total cost of public infrastructure; i.e., water, streets, the Blackhawk Boulevard extension, the Townes Road extension, the creation of detention, and construction of a fire station, had an estimated total cost of \$58 million. Mr. Kabiri noted that this is only a preliminary finance plan because until the developer bids these improvements, there really is no way of knowing what the total costs is going to be, as such, these agreements have a cap on costs in the amount of \$100 million. So, while the agreement has a do-not-exceed amount of \$100 million, realistically, staff anticipates that the cost will come in at less than the \$58 million, or at least the developer is fairly confident they'll get those numbers in at a lot less than the \$100 million.

Mr. Kabiri further stated that the agreement being considered (1) establishes a cap on the cost at \$100 million, and (2) establishes a cap at 70% participation. He noted that in the tax increment that's created based on the value that was on the ground at the end of 2023 versus the value that's going to be on the ground in 2025 and 2026, whatever that delta is, which is going to be considerable, if it's valued at the project completion, which is estimated to be a total valuation of \$757 million. The City is currently getting \$8,900 a year off that property, at a value of \$757 million, the City will receive about \$4 million a year off that property, and 70% of that \$4 million will be set aside to pay back the debt service for this public infrastructure should the project not reach that valuation, they will still be capped at 70% of whatever that increment is. So, if they are only generating \$2 million a year for that property, then they can't squeeze out a penny more than whatever 70% of that \$2 million increment is.

A motion was made by Councilmember Branson and seconded by Councilmember Erenwert to approve Resolution No. R2024-01, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks; Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

RESOLUTION NO. R2024-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AUTHORIZING AND CREATING A PUBLIC IMPROVEMENT DISTRICT IN THE CITY OF FRIENDSWOOD IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; PROVIDING FOR RELATED MATTERS; AND PROVIDING AN EFFECTIVE DATE.

C. Consider a resolution authorizing a Development Agreement with Madison Development Corp., LLC, for the Friendswood City Center Development.

Councilmember Matranga asked that if this agreement has a lien-to-debt ratio or value-to-lien ratio of two to one, and also has a mechanism by which said ratio can be modified at a later date by city manager, under what circumstances would that ever happen. City Manager Morad Kabiri responded by stating that the City's initial lean-to-value ratio is going to 3:1, and so in order to make sure that the City has three times the collateral and also that in exchange for the debt that is going to be issued by the Public Improvement District, it can pay for the public infrastructure. When the City's financial advisors ran the metric, the data showed that the City would not be able to achieve this project within a two-year window at 3:1, but instead would take five or seven years to get the full development of this project done. Mr. Kabiri noted that the beauty of this project is that just trying to get this one project alone represents seven times the City's annual growth. He noted that in the last couple of years, the City has been getting about \$100 million worth of new construction, this single project represents seven times that amount. He further noted that they agreed on a lower lean-to-value ratio of 2:1, which still allows the City to have two times the collateral for the exposure that is being put out there for the public infrastructure. The statement in the agreement that authorizes the city manager to finalize this negotiation has nothing to do with the lien-to-value ratio. Instead, what staff is requesting is for the Council to authorize the city manager to finalize this agreement in predominantly the same fashion that it is now in the exhibits, small things here and there, but any change of any significance would be required to be brought back for City Council approval.

Councilmember Matranga also asked if the fire station in the development is going to be turned over as city-owned property and would the developer have any obligation into any of the payments for the TIRZ, or any other form of taxation, such as: any tax obligations, or infrastructure, or HOA kind of requirements. Mr. Kabiri responded that from a property owner standpoint, the city being the property owner, it does not have any obligations to property associations or homeowners associations; however, the city will have maintenance and operational costs of the fire station, the public parklands, the roads, etc., which is where the City's 30% of that TIRZ increment comes into play in order to pay for the City's operational cost for keeping the fire station operational and ongoing, as well as, to make sure the park is properly maintained and that the area is provided with the appropriate Police, Fire and EMS services.

Councilmember Matranga asked what kind of impact this development will have on the Police Department and its staffing. Mr. Kabiri noted that in November of 2021, the Council agreed to a police-to-population ratio of 1.56 officers per 1,000 residents, so for the number of units being proposed in this development, the City is looking at the additional of probably one and a half to two officers.

A motion was made by Councilmember Hanks and seconded by Councilmember Griffon to approve Resolution No. R2024-02, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

RESOLUTION NO. R2024-02

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AUTHORIZING A DEVELOPMENT AGREEMENT WITH MADISON DEVELOPMENT CORP., LLC, RELATING TO THE FRIENDSWOOD CITY CENTER DEVELOPMENT AND THE FRIENDSWOOD CITY CENTER PUBLIC IMPROVEMENT DISTRICT; ENACTING OTHER PROVISIONS RELATING THERETO; AND PROVIDING AN EFFECTIVE DATE.

11. CITY MANAGER'S REPORT

A. Present an update regarding the Friendswood Arbor Day Event.

City Manager Morad Kabiri presented the item and stated that the Friendswood Annual Arbor Day Event is scheduled for Saturday, January 20th, at Centennial Park starting at 8:00 a.m., in which over 100 plus trees will be given away on a first-come, first-serve basis.

B. Present an update regarding the City receiving our 35th GFOA Award for Excellence in Financial Reporting for our fiscal year 2022 Annual Comprehensive Financial Report.

City Manager Morad Kabiri presented the item and stated that he wanted to highlight the City's outstanding Administrative Services Office who again received a Certificate of Achievement in Financial Reporting, which is related to the City's annual CAFR and audit report. Mr. Kabiri noted that this recognition is for the fiscal year 2022. The ASO team has received this award for 35 consecutive years, which is an outstanding accomplishment.

C. Present an update regarding a \$10 million Texas Water Development Board Grant for the Whitcomb Drainage Project.

City Manager Morad Kabiri presented the item and stated that the State of Texas had been working with some members of the City Council and City Staff on getting some much-needed drainage dollars to lower Clear Creek. The \$10 million grant is part of the interlocal agreement that the City has with Harris County Flood Control District, Galveston County, and Galveston County Consolidated for the Whitcomb Project. The City has that plus its bond drainage dollars that were authorized in 2019 for this project which will include the terracing and detention at the Whitcomb property.

Present an update regarding the 2023 Employee Service Award recipients.

City Manager Morad Kabiri stated that the city held its annual Christmas dinner back on December 8th and recognized employees for their years of service as follows:

5-years of service:

- Information Technology, James Anderson
- Emergency Services, Sharell Grant
- Public Works, Matthew Traubeneck
- Parks, Mauricio Figueroa
- Public Works, Michelle Cantu and Myra Rangel
- City Manager's Office, Steven Rhea
- Public Works, Carlos Larios
- Public Works, Jorge Rinderos
- Library, Drew Watkins
- Police Department, Clifton Lyles.

10-years of service:

- Police Department, Ashley Hempel
- Municipal Court, Ethan Baker and Don Quintanilla.
- Police Department, Corey McCombs
- Parks, Caleb Mull
- Police-Animal Control, Robert Lee
- Public Works, Jose Sanchez
- Emergency Services, Steven Simmons
- Parks and Rec., Robert Voss
- Police Department, Christina Duseck.

15-years of service:

- Police Department, Jackie Ingrosso, Quinn Pearson and Jose Lobo
- Library, Lisa Wilkins

20-years of service:

- Public Works, Seth Castillo and Myrese Woodward
- Municipal Court, Kathleen McCumber
- Police Department, Kevin Crouch
- Parks and Rec., Genie Balderas

25-years of service:

- Police Department, Terrie Doyle and Ron Pallage
- Information Technology, Roger Speed

40-years of service:

- Municipal Court, Judge Jim Woltz

45-years of service:

- Public Works, Mack Mosqueda

D. Present the Salt Grass Chapter TMCA – Delores McKenzie Scholarship to Deputy City Secretary Raquel Martinez.

City Manager Morad Kabiri recognized Deputy City Secretary Raquel Martinez for receiving a \$500 scholarship from the Salt Grass Chapter TMCA for continuing education costs associated with the TMCA certification program.

E. Present an update regarding Jennifer Hale, Senior Clerk in the City's Municipal Court receiving the Distinguished Service Award from the Texas Court Clerks Association.

City Manager Morad Kabiri recognized Jennifer Hale, Senior Clerk, for receiving the Distinguished Service Award from Texas Court Clerks Association. She was recognized for her outstanding service, not only to the organization, but also to the continuing education that she lectures within the Municipal Courts industry.

F. Present an update regarding a Santa Rides Route Tracker & Interactive Map.

City Manager Morad highlighted a joint effort by the Friendswood Volunteer Fire Department and the Community Development, GIS Division in creating a tracking program to let the public know in real time the route and location of Santa on the fire truck, so residents can make sure they don't miss him when he drives around the city next December.

12. BUSINESS ITEMS

A. Consider authorizing a professional services agreement with Stantec Consulting Services, Inc., complete a pavement condition assessment on City-maintained paved roads and to implement a pavement management system.

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to authorize the professional services agreement with Stantec Consulting Services, for pavement condition assessment for City-maintained paved roads. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

13. PROPOSED RESOLUTIONS & ORDINANCES

- A. Consider an ordinance ordering the City of Friendswood General Election and Special Election to be held on May 4, 2024, for the purpose of (1) electing a Mayor and Councilmembers for Positions Nos. 1 and 3; and (2) voting for or against the reauthorization of sales and use tax for street maintenance for another four years.**

A motion was made by Councilmember Erenwert and seconded by Councilmember Griffon to approve Ordinance No. 2024-03, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

ORDINANCE NO. 2024-03

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, ORDERING THE GENERAL ELECTION TO BE HELD ON THE 4TH DAY OF MAY, 2024, FOR THE PURPOSE OF ELECTING THE MAYOR AND TWO COUNCILMEMBERS FOR POSITIONS ONE (1) AND THREE (3); ORDERING A SPECIAL ELECTION TO BE HELD ON THE 4TH DAY OF MAY 2024, FOR THE PURPOSE OF REAUTHORIZING THE LOCAL SALES AND USE TAX IN THE CITY OF FRIENDSWOOD AT THE RATE OF THREE-EIGHTHS OF ONE PERCENT TO CONTINUE PROVIDING REVENUE FOR MAINTENANCE AND REPAIR OF MUNICIPAL STREETS; MAKING OTHER PROVISIONS RELATED TO SUCH ELECTION; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

- B. Consider an ordinance amending the City's General Budget for Fiscal Year 2022-2023 by approving "Budget Amendment XII" and providing for supplemental appropriation and/or transfer of certain funds.**

A motion was made by Councilmember Branson and seconded by Councilmember Matranga to approve Ordinance No. 2024-04, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

ORDINANCE NO. 2024-04

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2022-19, PASSED AND APPROVED AUGUST 29, 2022, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2022-23, BY APPROVING "BUDGET AMENDMENT XII" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

- C. Consider an ordinance amending the City's General Budget for Fiscal Year 2023-2024 by approving "Budget Amendment II" and providing for supplemental appropriation and/or transfer of certain funds.**

A motion was made by Councilmember Matranga and seconded by Councilmember Erenwert to approve Ordinance No. 2024-05, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

ORDINANCE NO. 2024-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2023-20, PASSED AND APPROVED AUGUST 28, 2023, THE SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2023-24, BY APPROVING "BUDGET AMENDMENT II" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

- D. Consider a resolution directing certifying that certain election precincts in Harris County qualify for an exemption from the certain bilingual requirements of the Voting Rights Acts as well as the Texas Election Code and directing the Mayor to provide a written summary to Harris and Galveston Counties certain information concerning this exemption, including a summary of the official census information, a map of the affected precinct boundaries.**

A motion was made by Councilmember Hanks and seconded by Councilmember Erenwert to approve Resolution No. R2024-03, as submitted. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

RESOLUTION NO. R2024-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, DIRECTING THE MAYOR OF THE CITY OF FRIENDSWOOD TO FILE WITH HARRIS AND GALVESTON COUNTIES (I) A CERTIFICATION THAT CERTAIN PRECINCTS QUALIFY FOR AN EXEMPTION FROM THE BILINGUAL REQUIREMENTS OF THE VOTING RIGHTS ACT AS WELL AS THE TEXAS ELECTION CODE, (II) A WRITTEN SUMMARY OF THE OFFICIAL CENSUS INFORMATION UPON WHICH THE CITY COUNCIL RELIED TO DETERMINE ITS EXEMPTION, (III) A MAP OF THE PRECINCT BOUNDARIES OF THE CENSUS ENUMERATED AREAS, AND (IV) A CERTIFIED COPY OF THIS RESOLUTION; MAKING OTHER FINDINGS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE.

14. CONSENT AGENDA

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to approve the Consent Agenda Items 15.a. through 15.g. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

- A. Consider a resolution authorizing the Agreement for Temporary Road Closure of State-Right-of-Way with the State of Texas, through the Texas Department of Transportation, for the Youth Sports Day Parade on FM 2351**

- B. Consider authoring the City Manager to negotiate and execute an Election Services Contract with Galveston County, Texas, for the City's General and Special Elections to be held on May 4, 2024.**
- C. Consider ratifying a Master Services Agreement with PS Lightwave, Inc., for Ethernet, Internet and related services for the Public Safety Building under TIPS Purchasing Cooperative Contract No. 220105.**
- D. Consider ratifying the sole source agreement with Innovative Interfaces, Inc., for certain library management, discovery, and resource-sharing technologies.**
- E. Consider authoring the final acceptance of the FY21-22 Asphalt Street Maintenance Program.**
- F. Consider approving the ad valorem tax report for November 2023.**
- G. Consider approving the minutes of the Special Council Meeting held on December 11, 2023.**

15. EXECUTIVE SESSION

- A. Recess into and conduct an executive session pursuant to Section 551.071 of the Texas Government Code to seek the advice of the City's attorneys regarding Cause No. 18-CV-0108; Tostado v. City of Friendswood, in the 122nd Judicial District Court, Galveston County, Texas.**
- B. Recess into and conduct an executive session pursuant to Section 551.071 of the Texas Government Code to seek the advice of the City's attorney regarding the Fair Housing Act.**
- C. Recess and convene into an executive session pursuant to Sections 551.071 and 551.087 of the Texas Government Code to deliberate offers of financial or other incentives to business prospects the City seeks to locate, stay or expand in Friendswood and to seek the advice of the City's attorney on legal matters related thereto.**
- D. Recess and convene into an executive session pursuant to Section 551.074 of the Texas Government Code to deliberate the annual performance of the City Attorney.**

At 6:52 P.M., Mayor Pro Tem Rockey recessed and convened into an Executive Session pursuant to the above noted sections of the Texas Government Code:

At 7:34 P.M., Mayor Pro Tem Rockey reconvened and announced that, in accordance with Section 551.102 of the Texas Government Code, no action was taken in executive session.

16. DISCUSSION AND POSSIBLE ACTION

- A. Consider an Economic Development Agreement for the redevelopment of a vacant building in the Downtown District for commercial purposes.**

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to approve an Economic Development Agreement for the redevelopment of a vacant building in the Downtown District for commercial purposes. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

The item passed unanimously.

B. Consider an Economic Development Agreement for certain improvements to an existing building in the Downtown District for commercial purposes.

A motion was made by Councilmember Hanks and seconded by Councilmember Erenwert to approve an Economic Development Agreement for certain improvements to an existing building in the Downtown District for commercial purposes. The vote was as follows:

Ayes: Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None

Other: Mayor Foreman (Absent)

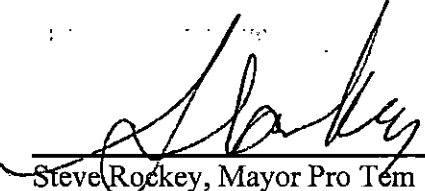
The item passed unanimously.

C. Consider taking appropriate action regarding the City Attorney's annual performance evaluation:

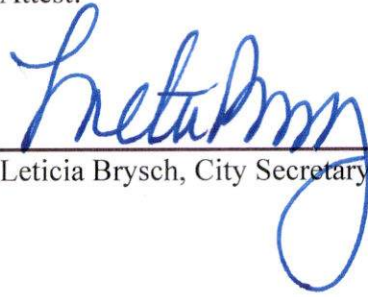
Per the request of the Mayor Foreman, this item was postponed to the next City Council meeting so he could be in attendance.

17. ADJOURNMENT

With there being no further business, Mayor Foreman adjourned the January 8, 2024, City Council Regular Meeting at 7:35 P.M.


Steve Rockey, Mayor Pro Tem

Attest:



Leticia Brysch, City Secretary

