

**CITY OF FREDERICKSBURG
CITY COUNCIL MEETING**

MONDAY, AUGUST 18, 2014 ~ 7:00 p.m.

Law Enforcement Center ~ 1601 East Main Street

Linda Langerhans, Mayor
Graham Pearson, Council Member
Jerry Luckenbach, Council Member

Gary Neffendorf, Council Member
Bobby Watson, Council Member
Kent Myers, City Manager

(REQUEST ALL PAGERS AND PHONES BE TURNED OFF, EXCEPT EMERGENCY ON-CALL PERSONNEL.)

A G E N D A

CALL TO ORDER

PLEDGE OF ALLEGIANCE.

Page Ref

1. **MINUTES** - Consider approval minutes of July 2014 City Council meetings. **1-10**

2. **PUBLIC HEARINGS**
 - A. PUBLIC HEARING - 290 East Annexation. (2nd of two public hearings) **11-17**
 - B. PUBLIC HEARING - FY 2014-2015 Budget. **18**

3. **ORDINANCES - RESOLUTIONS - ACTION ITEMS**
 - A. Consider Resolution Authorizing Cooperative Agreement with Texas Housing Foundation. **19-33**
 - B. Consider Lighting Standards Ordinance. (2nd Reading) **34-50**
 - C. Consider Resolution Addressing the Proposal by the Board of Directors of the Gillespie Central Appraisal District (GCAD) to Purchase Land on Which GCAD Intends to Construct a Building, Located at 515 FM 2093, Fredericksburg, Texas. **51-53**
 - D. Consider Resolution for Proposed Railroad Commission Rules to Minimize/Eliminate City Participation in Rate Cases. **54-59**
 - E. Consider Approval of FCVB 2014/2015 Budget. **60-64**

4. **INDIVIDUAL ITEMS FOR CONSIDERATION AND POSSIBLE ACTION**
 - A. Consider Chamber Request for Light Show Before This Year's Christmas Parade. **65**
 - B. Receive and Accept 2014 Effective and Rollback Tax Rate Calculation. **66-77**
 - C. Discuss Property Tax Rate, Take Record Vote on Proposed Tax Rate, and Schedule Special Public Hearings, if necessary. **78-79**
 - D. Consider Revisions to Property Agreement with Chamber for 306 E. Austin. **80-91**

5. **CITY MANAGER'S REPORT**
 - A. Local Compensation Study
 - B. Comprehensive Plan Issues Update Meeting
 - C. Animal Shelter Architectural Plans
 - D. Employee Recognitions

6. **ITEMS FOR FUTURE AGENDA**

7. **PUBLIC COMMENTS** - This time is for citizens to address the City Council on issues and items of concern not on this agenda. There will be no City Council action at this time.
8. **COUNCIL COMMENTS** - No discussion or action may take place.
9. **EXECUTIVE SESSION** - Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development).

A. Executive Session - Real Estate - Revisions to Property Agreement with Chamber.
B. Executive Session - Consultation with Attorney - LCRA Litigation.
10. **ADJOURN**

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
JULY 7, 2014
7:00 PM

On this the 7th day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
SHELLEY BRITTON - CITY SECRETARY
PAT MCGOWAN - CITY ATTORNEY
BRIAN JORDAN - DIR OF DEVELOPMENT SERVICES
BRAD KOTT - DIRECTOR OF FINANCE
CLINTON BAILEY - D.P.W.U.
STEVE WETZ - CHIEF OF POLICE
RUSSELL IMMEL - IT

The meeting was called to order at 7:00 PM, following the Pledge of Allegiance.

EMPLOYEE RECOGNITIONS – Police Chief Wetz presented Officer Bradley Durst with a Purple Heart award from the American Police Hall of Fame. Officer Durst was shot in the line of duty April 19, 2014. Also recognized as “life savers” for aiding Officer Durst were Hilario Villa, a deputy with the Gillespie County Sheriff’s Office, and Frank Stead, an EMT with Fredericksburg EMS, who received Life Saving Awards from the American Police Hall of Fame.

MINUTES – It was moved by Council Member Luckenbach, seconded by Council Member Pearson, to approve the minutes of the June 2014 meetings as presented and corrected. All voted in favor and the motion carried.

ORDINANCE - LIGHTING STANDARDS (FIRST READING) - Kent Myers briefed Council on the Lighting Standards Ordinance. After a lengthy discussion, it was moved by Council Member Pearson, seconded by Council Member Neffendorf, to direct staff to make the proposed corrections and to proceed to the 2nd reading. The vote was as follows: AYE: Pearson, Neffendorf, Watson, and Luckenbach; NAY: Langerhans. Motion carried.

ORDINANCE - PARKING REGULATIONS (FIRST READING) – Following the first reading of the Parking Regulations Ordinance, it was moved by Council Member Pearson, seconded by Council Member Watson, to direct staff to make the proposed corrections and to proceed to the 2nd reading. The vote was as follows: AYE: Langerhans, Pearson, Neffendorf, Watson, and Luckenbach; NAY: None. Motion carried.

ORDINANCE AMENDMENT- SCHOOL ZONE SPEED LIMITS (FIRST READING) –

Clinton Bailey briefed Council on the School Zone Speed Limits Ordinance Amendment. The primary purpose of the amendment is to:

1. Designate the speed limit in all school zones located within the City Limits.
2. Delineate the physical limits of all school zones within the City Limits.
3. Designate the time(s) that each school zone is active.

No action was taken.

ORDINANCE – SPEED LIMITS CHANGES – RM 1631 (FIRST READING) - Following a speed study by the Texas Department of Transportation, Council held the first reading of the Ordinance concerning proposed speed limit changes on RM 1631. It was moved by Council Member Luckenbach, seconded by Council Member Watson, to request changing the speed limit from Austin St. to 290 to 30 mph, instead of the 35 mph proposed by TxDOT. The vote was as follows: AYE: Langerhans, Pearson, Neffendorf, Watson, and Luckenbach; NAY: None. Motion carried.

ORDINANCE AMENDING FEE ORDINANCE FOR RECLAIMED WATER (FIRST READING) - Kris Kneese addressed Council on an amendment to the Fee Ordinance for Reclaimed Water. It was moved by Council Member Pearson, seconded by Council Member Watson, to forgo the 2nd reading and to adopt an Ordinance amending the Fee Ordinance for Reclaimed Water. All voted in favor and the motion carried.

ORDINANCE NO. 24-009

AN ORDINANCE ESTABLISHING ON DEMAND RECLAIMED AND BULK WATER SERVICE BY THE CITY OF FREDERICKSBURG SETTING THE TERMS OF SERVICE, RATES AND POLICIES OF SUCH SERVICE SETTING AN EFFECTIVE DATE. (Recorded in Ordinance Book)

ADVISORY BOARD APPOINTMENTS – This item was pulled for a future agenda.

SETTING ANNEXATION HEARINGS – 290 EAST AREA – Brian Jordan briefed Council on the proposed annexation of the 290 East area. It was moved by Council Member Neffendorf, seconded by Council Member Luckenbach, to proceed with the annexation hearings on the 290 East area as presented. All voted in favor and the motion carried.

ARCHITECTURAL SERVICES – NEW ANIMAL SHELTER – It was moved by Graham Pearson, seconded by Bobby Watson, to approve Architectural Services for a new animal shelter with Quorum Architects, in the amount of \$17,000. The vote was as follows: AYE: Langerhans, Pearson, Neffendorf, Watson, and Luckenbach; NAY: None. Motion carried.

EARLY RETIREMENT INCENTIVE PROGRAM – Kent Myers briefed Council on the first year of the Early Retirement Incentive Program, recommending extending the program for another two years. It was moved by Council Member Luckenbach, seconded by council Member

Neffendorf, to continue the Early Retirement Incentive Program for another two years. The vote was as follows: AYE: Langerhans, Neffendorf, Pearson, Watson, and Luckenbach. Motion carried.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Workforce Housing Update, (2) City Budget Update, (3) Employee Recognitions (David Schmitzinski Street Dept., and recipients of employee awards at the annual city picnic: Kelli Olfers – Employee of the Year, Clem Castillo – Customer Service Award, Stephen Itz – Johnny Hustle Award, and Lee Stubblefield – Paul Oestreich Supervisor of the Year Award).

PUBLIC COMMENT – Larry Wertz commented on the sidewalk extension project and the need for sidewalks on Milam Street. Russ Rose commented on lighting standards in residential as well as commercial areas and the multi-family utility rates.

COUNCIL COMMENT - No comments.

EXECUTIVE SESSION – At 8:18 PM, Council Member Pearson made a motion to recess the regular session and go into Executive Session. Council Member Neffendorf seconded the motion, and the motion carried. At 9:05 PM, Council Member Luckenbach made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Neffendorf seconded, the motion carried.

Following Executive Session, the following action was taken:

LCRA ELECTRIC RATE INCREASE – No action was taken.

With no further business, Council Member Luckenbach made a motion to adjourn the meeting at 9:10 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

SPECIAL CITY COUNCIL MEETING
JULY 14, 2014
4:00 PM

On this the 14th day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
BRAD KOTT – DIRECTOR OF FINANCE
CLINTON BAILEY – D.P.W.U.

WORKSHOP – Council held a workshop on the following:

- Updated City Manager Performance Goals
- Staffing and Space Study
- Capital Improvement Plan
- FY 2015 Budget Process and Overview
- FY 2015 Proposed Health Insurance Fund Budget
- FY 2015 Proposed General Fund Budget
- FY 2015 Proposed Water Fund Budget
- Proposed Water Rates - Multi-Family Accounts

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 7:10 PM. Council Member Pearson seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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**STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG**

**SPECIAL CITY COUNCIL MEETING
JULY 21, 2014
5:00 PM**

On this the 21st day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in special session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
BRIAN JORDAN – DIR OF DEVELOPMENT SERVICES
BRAD KOTT – DIRECTOR OF FINANCE
CLINTON BAILEY – D.P.W.U.

JOINT MEETING WITH PLANNING & ZONING COMMISSION:

COMPREHENSIVE PLAN ISSUES UPDATE - Council and the Planning & Zoning Commission received a presentation of the draft of the Comprehensive Plan Issues Update from Design Workshop. No action was taken.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 6:00 PM. Council Member Pearson seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

REGULAR CITY COUNCIL MEETING
JULY 21, 2014
7:00 PM

On this the 21st day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in regular session at the Law Enforcement Center, with the following members present to constitute a quorum:

LINDA LANGERHANS – MAYOR
GARY NEFFENDORF – COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
SHELLEY BRITTON – CITY SECRETARY
PAT McGOWAN - CITY ATTORNEY
STEVE WETZ - CHIEF OF POLICE
CLINTON BAILEY – D.P.W.U.
JOHN CULPEPPER – DIR EMERGENCY SERVICES
RUSSELL IMMEL – INFORMATION TECH

The meeting was called to order at 7:00 PM following the Pledge of Allegiance.

ORDINANCE - LIGHTING STANDARDS (SECOND READING) - Kent Myers briefed Council on changes to the Ordinance based on the first reading. After a lengthy discussion, staff was directed to include new residential construction requirements in the ordinance. No action was taken.

ORDINANCE - PARKING REGULATIONS (SECOND READING) – Following a lengthy discussion, it was moved by Council Member Watson, seconded by Council Member Pearson, to

approve the Ordinance as presented. The vote was as follows: AYE: Langerhans, Pearson, Neffendorf, Watson, and Luckenbach; NAY: None. Motion carried.

ORDINANCE NO. 24-010

AN ORDINANCE AMENDING CHAPTER 44, TRAFFIC AND MOTOR VEHICLES, ARTICLE VI, STOPPING, STANDING AND PARKING, SECTION 44-224, DEFINITIONS, ADDING SECTION 44.225 NUISANCE DECLARED, SECTION 44-226 OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG PARKING IN APPROVED SPACES, SECTION 44-227 PARKING ON PUBLIC PROPERTY IN RESIDENTIALLY ZONED AREAS, AND AMENDING CHAPTER 14, ENVIRONMENT, ARTICLE II, UNSIGHTLY OR UNSANITARY ACCUMULATIONS – PUBLIC NUISANCE ADDING SECTION 14-19 (B) TO PROVIDE THAT IT IS A NUISANCE TO USE A VEHICLE FOR THE STORAGE OF TRASH, PROVIDING FOR PENALTIES, AND SETTING AN EFFECTIVE DATE.
(Recorded in Ordinance Book)

ORDINANCE AMENDMENT - SCHOOL ZONE SPEED LIMITS (SECOND READING) – Director of Public Works Clinton Bailey briefed Council on the minor changes to the School Zone Speed Limits Ordinance Amendment based on the first reading. It was moved by Jerry Luckenbach, seconded by Gary Neffendorf, to adopt the School Zone Speed Limits Ordinance, to include wording to exempt non-school days. All voted in favor and the motion carried.

ORDINANCE NO. 24-011

AN ORDINANCE OF THE CITY OF FREDERICKSBURG, TEXAS, SETTING TRAFFIC RATE OF SPEED FOR SCHOOL ZONES WITHIN THE CITY LIMITS OF THE CITY OF FREDERICKSBURG; DEFINING SPEEDING, FIXING A PENALTY THEREFOR; DECLARING WHAT MAY BE A SUFFICIENT COMPLAINT IN PROSECUTIONS HEREUNDER; ADDING A SAVINGS CLAUSE, EFFECTIVE DATE AND REPEALING CONFLICTING LAWS. (Recorded in Ordinance Book)

ORDINANCE – SPEED LIMITS CHANGES – RM 1631 (SECOND READING) – Clinton Bailey addressed the Speed Limit changes on RM 1631. Council Member Watson moved, seconded by Council Member Neffendorf, to approve the Speed Limit Changes on RM 1631 as presented. All voted in favor and the motion carried.

ORDINANCE NO. 24-012

AN ORDINANCE OF THE CITY OF FREDERICKSBURG, TEXAS, SETTING TRAFFIC RATE OF SPEED FOR POSITIONS OF RM 1631 IN THE CITY LIMITS OF THE CITY OF FREDERICKSBURG; DEFINING SPEEDING, FIXING A PENALTY THEREFORE; DECLARING WHAT MAY BE A SUFFICIENT COMPLAINT IN PROSECUTIONS HEREUNDER; ADDING A SAVINGS CLAUSE, EFFECTIVE DATE AND REPEALING CONFLICTING LAWS. (Recorded in Ordinance Book)

AMENDMENT TO UTILITY RATE ORDINANCE REGARDING MULTI-FAMILY ACCOUNTS (FIRST READING) – It was moved by Council Member Pearson, seconded by Council Member Watson, to forgo the second reading and to adopt the Amendment to the Utility

Rate Ordinance regarding Multi-Family Accounts, effective July 1. The vote was as follows: AYE: Langerhans, Watson, Neffendorf, Pearson, and Luckenbach. NAY: None. Motion carried.

ORDINANCE NO. 24-013

AN ORDINANCE AMENDING APPENDIX A FEE SCHEDULE ARTICLE 16.000 WATER AND SEWER RATES FEES, SPECIFICALLY, SECTIONS 16.300 WATER DEPARTMENT UTILITY RATES, AND SECTION 16.400 SEWER DEPARTMENT UTILITY RATES, ESTABLISHING AN EFFECTIVE DATE, REPEALING INCONSISTENT PROVISIONS, AND PROVIDING FOR PARTIAL INVALIDITY. (Recorded in Ordinance Book)

REPORT FROM CHRISTMAS COMMITTEE – Rosemary Estenson presented a request from the Christmas Committee for a Tunnel of Lights on Market Square. No action was taken.

RENAMING TOWN POOL – Jimmy Alexander, Dir of Parks, presented a request to name the Town Pool after Tony Knopp, who was the pool manager for over 50 years. It was moved by Council Member Luckenbach, seconded by Council Member Pearson, to rename the Town Pool after Tony Knopp, with the name to be approved by the Knopp family. The vote was as follows: AYE: Langerhans, Watson, Neffendorf, Pearson, and Luckenbach. NAY: None. Motion carried.

CITY MANAGER REVISED PERFORMANCE GOALS – It was moved by Council Member Pearson, seconded by Council Member Neffendorf, to approve the Revised City Manager Performance Goals as follows:

City Manager Performance Goals
City of Fredericksburg
Updated-July 21, 2014

1. Develop education campaign for fully informing local voters about the impact of the proposed Charter amendment prior to the May election. (Completed)
2. Develop future plan for future city office space including consideration of use of the Security Bank property at the corner of Crockett and Austin Streets.
3. Develop future staffing plan for the City Council's review and consideration. (Completed)
4. Continue to explore possible future expansion of City recycling services including the possibility of curbside recycling and glass recycling.
5. Work with Finance Director to develop a five-year financial plan.
6. Present options for expansion of Visitor's Center and effectively coordinate any expansion of the Visitor's Center. (Completed)
7. Continue to work with EDC, Chamber and other local entities on expanding our local labor force to fill current and future job positions in community.

8. Work closely with Relief Route Task Force to support their efforts and insure that they progress with their analysis of a future relief route.
9. Complete report and recommendations on areas proposed for annexation into the City Limits. (Completed)
10. Keep bond projects such as the Park Pool and utility improvements on schedule and within budget.
11. Prepare report explaining the options for future management and/or lease of the Golf Course including the pros and cons of each option.
12. Address local workforce housing issues by facilitating the development of additional affordable owner-occupied single-family housing in the community.
13. Address local workforce housing issues by facilitating the development of additional affordable rental units in the community.
14. Provide more quality control of the City Council agenda packets (and all official publications and press releases) to insure that all materials included in the packets are accurate and complete.

The vote was as follows: AYE: Langerhans, Watson, Neffendorf, Pearson, and Luckenbach. NAY: None. Motion carried.

CITY MANAGER'S REPORT – City Manager Kent Myers reported on (1) Budget Update, (2) Affordable Housing, (3) Local Building Activity, and (4) Proposed Skateboard Park.

FUTURE AGENDA ITEMS – The Lighting Ordinance and an executive session on real estate will be on the next agenda.

PUBLIC COMMENT – Russ Rose thanked the council for the Amendment to the Utility Rate Ordinance regarding Multi-Family Accounts.

COUNCIL COMMENT – No comments.

EXECUTIVE SESSION – At 8:55 PM, Council Member Watson made a motion to recess the regular session and go into Executive Session. Council Member Luckenbach seconded, and the motion carried. At 9:42 PM, Council Member Luckenbach made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Watson seconded, the motion carried.

Following Executive Session, the following action was taken:

EXECUTIVE SESSION – PERSONNEL – ADVISORY BOARD APPOINTMENTS - it was moved by Council Member Watson, seconded by Council Member Neffendorf, to appoint the following board members:

BOARD OF ADJUSTMENT:

Reappointments: Robert Deming and Gesena Houy

New Appointment: Donnie Finn (alternate)

PLANNING & ZONING COMMISSION

Reappointments: Chris Kaiser, Daryl Whitworth, and Brenda Segner

New Appointment: Joe Cloud

HISTORIC REVIEW BOARD

Reappointments: Sharon Joseph, Charles Schmidt, Eric Parker (moved from alternate to regular)

New Appointment: John Maraglia (alternate)

The vote was as follows: AYE: Langerhans, Watson, Pearson, Neffendorf, and Luckenbach. NAY: None. Motion carried.

With no further business, Council Member Watson made a motion to adjourn the meeting at 9:58 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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**STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG**

**SPECIAL CITY COUNCIL MEETING
JULY 28, 2014
6:00 PM**

On this the 28th day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
BRAD KOTT - DIRECTOR OF FINANCE
CLINTON BAILEY - D.P.W.U.

WORKSHOP – Council held a workshop on the FY 2014-2015 Budget.

With no further discussion, Council Member Watson made a motion to adjourn the meeting at 8:10 PM. Council Member Pearson seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR

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**STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG**

**SPECIAL CITY COUNCIL MEETING
JULY 31, 2014
6:00 PM**

On this the 31st day of July, 2014, the City Council of the CITY OF FREDERICKSBURG convened in special session at City Hall, with the following members present to constitute a quorum:

LINDA LANGERHANS - MAYOR
JERRY LUCKENBACH - COUNCIL MEMBER
BOBBY WATSON - COUNCIL MEMBER
GRAHAM PEARSON - COUNCIL MEMBER
GARY NEFFENDORF - COUNCIL MEMBER

ABSENT: NONE

ALSO PRESENT: KENT MYERS - CITY MANAGER
BRAD KOTT - DIRECTOR OF FINANCE
CLINTON BAILEY - D.P.W.U.

WORKSHOP – Council held a workshop on the FY 2014-2015 Budget.

With no further discussion, Council Member Pearson made a motion to adjourn the meeting at 8:50 PM. Council Member Neffendorf seconded the motion. Motion carried.

PASSED AND APPROVED this the 18th day of August, 2014.

SHELLEY BRITTON, CITY SECRETARY

LINDA LANGERHANS, MAYOR



CITY COUNCIL MEMO

DATE: August 13, 2014

TO: Mayor and City Council

FROM: Brian Jordan

SUBJECT: US Highway 290 E. Annexation (2nd of two Public Hearings)

Summary:

Prior to the City Council Retreat in February, 2014, the staff evaluated a number of areas around the city for consideration for annexation. It was determined at the retreat that we would focus on the area along US Highway 290 E. from the existing City Limit line near the Hill Country University Center eastward. The attached map shows the area we are proposing for annexation, consisting of approximately 145 acres of land.

The second map distinguishes between those properties with an Agricultural Exemption and those properties without. A list of property owners is attached. This is important because we are required by law to offer those properties with an Ag exemption an agreement not to be annexed under certain conditions. Revised letters were sent out to property owners on August 7, 2014, to extend the deadline to August 20, 2014. Following the two public hearings, the next step in the process is to institute the annexation proceedings, which means to start the 90 clock the city has to decide on the annexation. This meeting will need to be held the week of September 8 in a special meeting. We would anticipate that the final annexation, including establishing the zoning, could be considered in October.



The City of Fredericksburg

Recommendation:

We recommend conducting the public hearing and considering any comments presented.

Background / Analysis:

The Planning and Zoning Commission discussed the zoning of property being considered at their meeting on August 6, 2014, and will consider making a recommendation at their September meeting. Assuming the Planning and Zoning Commission makes a recommendation in September, we would anticipate the Council considering the zoning in October.

A draft Service Plan was provided at the first public hearing. Items to be provided immediately on the effective date of the annexation are: police protection, fire protection, emergency medical services, solid waste collection, operation and maintenance of water and wastewater facilities, operation and maintenance of roads and streets, including road and street lighting, operation and maintenance of parks, playgrounds and swimming pools, and operation and maintenance of any other publicly owned facility, building or service. Since there are no municipal water and sanitary sewer facilities currently serving the tracts being considered, the City is required to provide for these services within 2 1/2 years after the annexation.

City of Fredericksburg

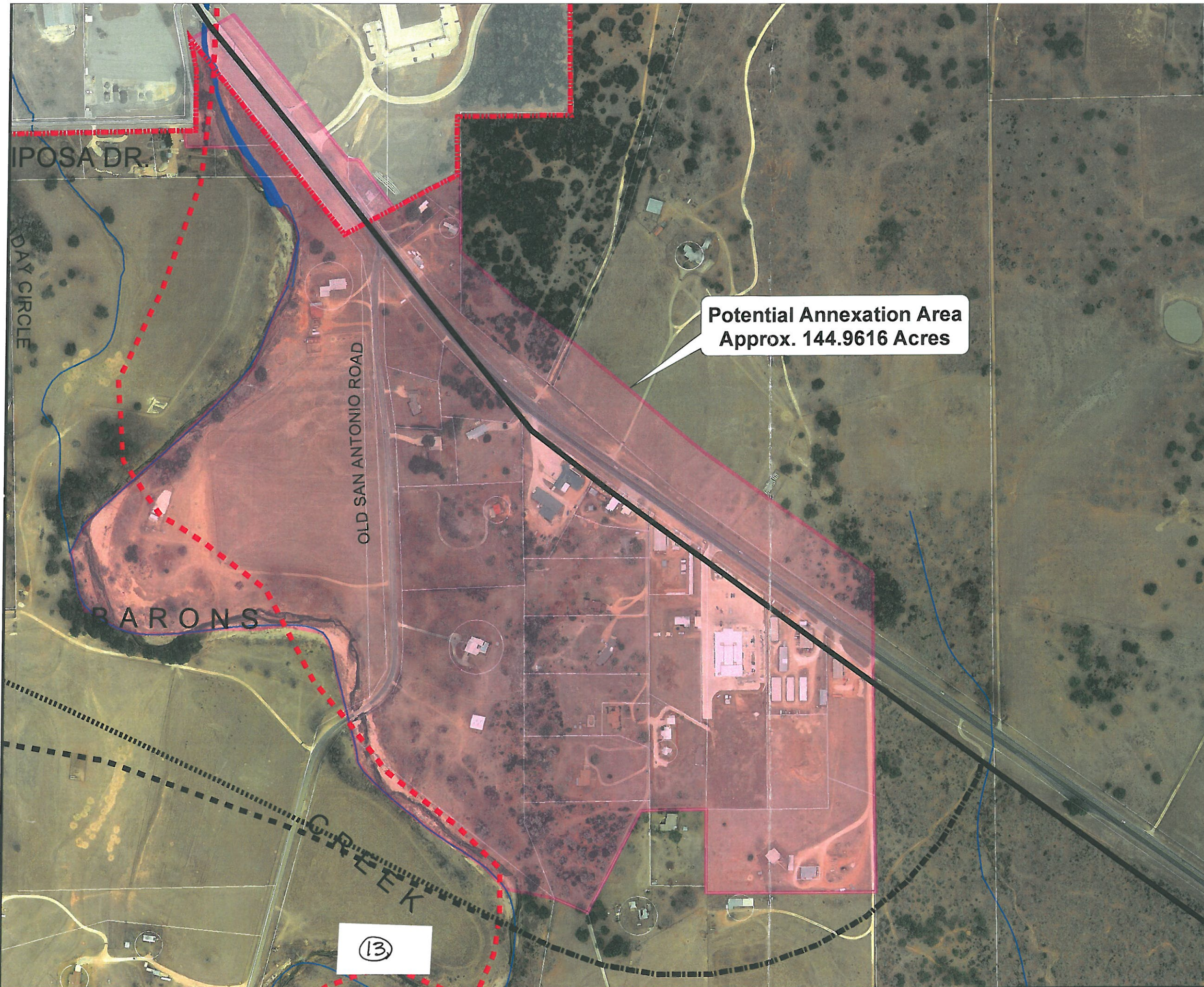
2014 Potential Annexation

-  City Limit Boundary
-  Potential Annexation Area
-  ROW
-  1-Mile ETJ Boundary

Thoroughfare Plan

-  Civic Streets
-  Major Arterial
-  Future Major Arterial
-  Collector
-  Future Collector
-  Outer Loop Alternate 6
-  Outer Loop Alternate 9
-  Southwest Hill Country Dr.
-  Future Hard Surface Trail
-  Alternate Trail

Potential Annexation Area
Approx. 144.9616 Acres



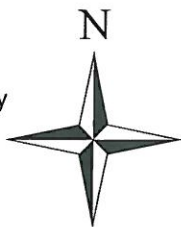
**City of Fredericksburg
Proposed Annexation**

- Civic Streets
 - Major Arterial
 - Future Major Arterial
 - Collector
 - Future Collector
 - Outer Loop Alternate 6
 - Outer Loop Alternate 9
 - Southwest Hill Country Dr.
 - Future Hard Surface Trail
 - Alternate Trail
 - City Limit Boundary
 - Potential Annexation Area
- Ag Use According to GCAD Tax Role**
- Non-Ag Use
 - Ag Use
 - ROW
 - 1-Mile ETJ Boundary

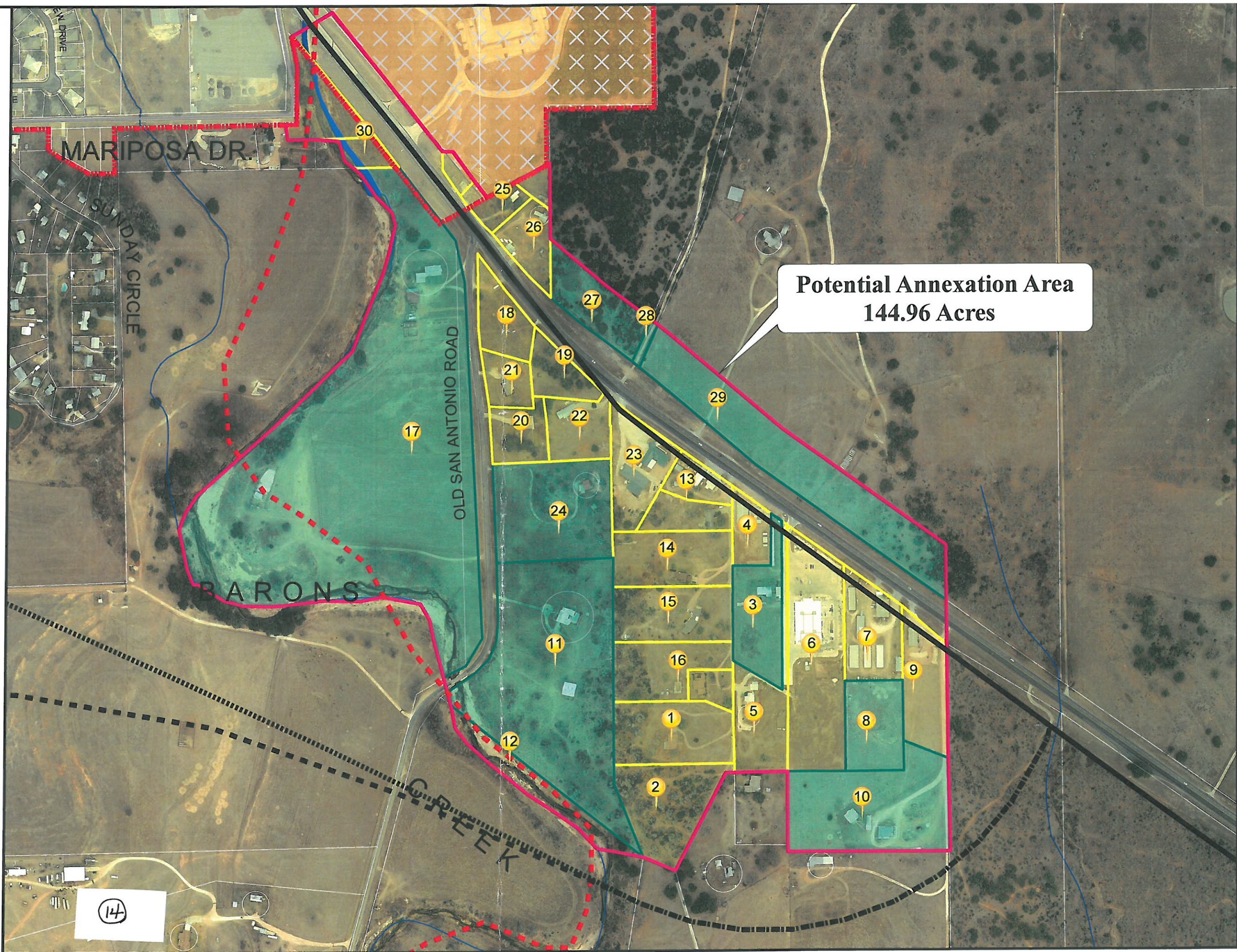
- Annexations**
- INVOLUNTARY**
- Involuntary Annexations

- Annexations**
- YEAR**
- 1999 - 943.07 Acres
 - 2000 - 2.26 Acres
 - 2001 - 5.86 Acres
 - 2002 - 1058.93 Acres
 - 2003 - 18.95 Acres
 - 2004 - 16.14 Acres
 - 2005 - 27.94 Acres
 - 2006 - 14.37 Acres
 - 2007 - 85.11 Acres
 - 2010 - 13.74 Acres

*NOTE: City Limit Boundary currently contains approximately 5,541.48 acres.



June 23, 2014



1. Alysha Lynn Behrends
202 Danz Ln
Fredericksburg, Texas 78624
2. Cade and Kimberly Emerson
264 Danz Lane
Fredericksburg, Texas 78624
3. Vernon P. Weber
202 Weber Lane
Fredericksburg, Texas 78624
4. Vernon P. Weber
202 Weber Lane
Fredericksburg, Texas 78624
5. John Hamilton Shibe Separate Property Trust and Ilda Remus Separate Property Trust
181 Danz Lane
Fredericksburg, Texas 78624
6. Spirit TS Fredericksburg TX LLC
16767 N. Perimeter Dr Ste 210
Scottsdale, AZ 85260
7. William H. Haley, III and Colleen Haley
3411 E. US Highway 290, Unit 1
Fredericksburg, Texas 78624
8. William H. Haley, III and Colleen Haley
3411 E. US Hwy 290, Unit #1
Fredericksburg, Texas 78624
9. P.A Morales
3443 E. US Hwy 290
Fredericksburg, Texas 78624
10. Pete and Cathryn Morales
126 Morales Duecker Rd.
Fredericksburg, Texas 78624
11. Mike M. and Doris J. Eckert
309 Old San Antonio Rd
Fredericksburg, Texas 78624
12. Mike M. and Doris J. Eckert
309 Old San Antonio Rd
Fredericksburg, Texas 78624

13. William V. & Susan Johnson Living Trust
P.O. Box 2288
Fredericksburg, Texas 78624
14. John R. and Marilyn M. Thomas Living Trust
80 Danz Lane
Fredericksburg, Texas 78624
15. Wayne & Allison Turrentine
P.O. Box 5
Fredericksburg, Texas 78624
16. Patrick and Avalon Crane Life Estate
D/O Patrice Crane Hall
150 Danz Ln
Fredericksburg, Texas 78624
17. Sharon Hodges
26 Old San Antonio Rd.
Fredericksburg, Texas 78624
18. Bill C. Wiemers
P.O. Box 589
Fredericksburg, Texas 78624
19. Daniel Patrick and Amy Oneil
261 Blue Jay Way
Fredericksburg, Texas 78624
20. Derek & Ashley Seelig
157 Old San Antonio Rd.
Fredericksburg, Texas 78624
21. John C. & Kay L. Milinowicz
119 Old San Antonio Rd
Fredericksburg, Texas 78624
22. Timothy James Woodburn and Kay Frances Woodburn
3131 E. US Hwy 290
Fredericksburg, Texas 78624
23. Daniel Patrick and Amy Oneil
261 Blue Jay Way
Fredericksburg, Texas 78624
24. Vernon P. and Gloria Playton
200 Violet St. Ste 140
Golden, CO 80401

25. Gilbert and Betty Esensee
2948 E. US Hwy 290
Fredericksburg, Texas 78624
26. Chere Durst, et al
225 Durst-Maurer Rd
Fredericksburg, Texas 78624
27. Donald and Marcia Dietz
3132 E. US Highway 290
Fredericksburg, Texas 78624
28. Catharine Cameron Sledge
267 Rockhill Dr.
San Antonio, TX 78209
29. Curtis and Katharine Cameron
111 Cameron Rd.
Fredericksburg, Texas 78624
30. Kenneth J. Schindler
105 Mariposa Dr.
Fredericksburg, Texas 78624



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers *KM*

SUBJECT: Public Hearing-Proposed FY 2015 City Budget

Summary:

A public hearing is scheduled at Monday's City Council meeting on the proposed FY 2015 City Budget.

Recommendation:

Following a presentation on the proposed Budget, it is recommended that the City Council consider comments from local citizens on the Budget.

Background / Analysis:

The proposed FY 2015 City Budget was initially presented to the City Council on July 11. Since that time we have held six work sessions with the Council including the joint meeting with the County Commissioners on August 8. During these work sessions a number of changes have been made to the Budget that was proposed last month. We have attached a copy of the revised budget that includes all of these changes. Following the public hearing at Monday's Council meeting, the Council may want to make additional changes prior to the adoption of the Budget on September 2.

(18)

The City of Fredericksburg



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers, City Manager *KM*

SUBJECT: Cooperation Agreement-Texas Housing Foundation

Summary:

The attached resolution authorizes the Texas Housing Foundation to assume the cooperation agreement that the City currently has with the Housing Authority of the City of Marble Falls for the management and operation of the Towne Park Apartments. It also authorizes the Texas Housing Foundation to pursue additional housing for low income residents subject to further approval by the City Council.

Recommendation:

It is recommended that the attached resolution be approved so that the City can work closely with the Texas Housing Foundation to facilitate the development of additional multi-family housing in the community to serve our diversified workforce.

Background / Analysis:

(19)

The City of Fredericksburg

On February 16, 2004 the City Council approved the attached resolution authorizing the City of Marble Falls Housing Authority to provide housing of lower income residents with regard to the Towne Park Housing Project. Since that time, the TownePark apartments have been operating in our community to serve a need related to senior housing. This has been a well-managed and well-maintained project since that time.

Recently, the City and EDC have been involved in efforts to facilitate the development of workforce housing in our community. We contacted Mark Mayfield, Executive Director of the Texas Housing Foundation. This Foundation is a regional housing agency that provides workforce multi-family housing projects throughout the State. The Foundation has recently received approval from the Housing Authority of the City of Marble Falls to take over the ownership and management of the Towne Park Apartments and I have attached a copy of the document authorizing this transfer of ownership and management. The property is owned by a partnership of private investors under a program which grants tax credits in return for occupant and rent restrictions for a period of 15 years of operation. The partnership has agreed to maintain and operate the project as low income for another 15 years. It is anticipated that any new project would be structured in the same manner.

The attached resolution approving a cooperation agreement with the Texas Housing Foundation accomplishes two purposes. First of all, it authorizes the Foundation to take over the responsibility of the Housing Authority for the City of Marble Falls to own and operate the existing TownePark 1 and TownePark II Apartments. Second, the agreement (Section 2) authorizes the Authority to pursue additional workforce housing in our community subject to approval by the City Council for any such project.

Mark Mayfield will attend Monday's Council meeting to respond to any questions regarding his agency or this agreement.



The City of Fredericksburg

**COOPERATION AGREEMENT
BETWEEN
THE CITY OF FREDERICKSBURG
AND
THE TEXAS HOUSING FOUNDATION, A TEXAS REGIONAL HOUSING
AUTHORITY**

EFFECTIVE _____

WHEREAS, on, _____, pursuant to the provisions of the Texas Local Government Code, Section 392.017, the City of Fredericksburg (the City) declared that there is, in addition to the existing housing operated by the Texas Housing Foundation which is known as the TownePark I and TownePark II developments, a need for a Housing Authority to exercise its powers within the territorial boundaries of the City of Fredericksburg because there exists in the City a shortage of safe and sanitary housing available to lower income persons at rental rates they can afford;

WHEREAS, Texas Local Government Code, Section 392.017(d) requires that the City Council adopt a resolution authorizing a Housing Authority that is not established by the City of Fredericksburg to exercise its powers in the City, and authorizing a cooperation agreement under Section 392.059(a);

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Marble Falls formerly adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a). The Board of Commissioners of the Texas Housing Foundation, a Texas Regional Housing Authority (the Authority), has adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a) and will take the place of the Housing Authority of the City of Marble Falls and requests that the Authority be authorized to:

1. Own and operate the existing TownePark I and TownePark II developments, and
2. To establish, own and operate another development for rental housing for lower income persons at rental rates they can afford subject to the further approval of the City Council of the City of Fredericksburg.

The City Council of the City of Fredericksburg agrees that there is a need for the housing project described herein and agrees that the Authority should construct and operate the same.

NOW, THEREFORE, the parties hereto, the City of Fredericksburg and the Authority, agree as follows:

Section 1: Cooperation Agreement. City of Fredericksburg and the Texas Housing Foundation, a Texas Regional Housing Authority agree to cooperate to allow the Authority to provide and operate the TownePark I and II housing projects and one additional housing project for lower income persons in the City of Fredericksburg as described in Section 4 below, consistent with the provisions below.

Section 2: Additional Housing Project Authorization. The Authority is authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to acquire land, develop site improvements, finance, plan, undertake, construct and operate an additional housing project in the City of Fredericksburg subject to approval of the specific project by the City Council of the City of Fredericksburg.

Section 3: TownePark Fredericksburg. The Authority is authorized to maintain, manage and operate the ninety two (92) unit seniors housing development, currently known as TownePark I and TownePark II Fredericksburg, located at 1125 South Adams, within the territorial boundaries of the City of Fredericksburg in place and instead of the City of Marble Falls Housing Authority and to operate and manage such projects for the benefit of lower income residents of the City of Fredericksburg.

Section 4: Annual Reports. The Authority shall submit, within 120 days after the end of its fiscal year, a report to the Mayor of the City of Fredericksburg describing the operation of TownePark Fredericksburg and any other properties operated by the Authority for the benefit of lower income residents of the City of Fredericksburg, and in the event the City Council determines that the developments constructed and operated pursuant to the authority granted herein are not being operated in a safe and effective manner for the benefit of the lower income residents of the City of Fredericksburg the City Council of the City of the City of Fredericksburg may terminate the authority granted herein. In making such determination, the City Council may require, and the Authority shall supply, all information it deems to be necessary.

Section 5: Preservation of Authority. No applicable provision or intention in this cooperation agreement limits the authority or power of the City of Fredericksburg to exercise its powers under any law nor under any other provisions of Chapter 392 of the Texas Local Government Code, it being intended that the authority herein granted is with regard to the TownePark project and any other project contemplated herein and does not grant general housing authority within the City of Fredericksburg other than those contemplated herein. No provision or intention in this cooperation agreement limits the authority or power of the Authority to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to finance, plan, undertake, construct, or operate the TownePark housing project or any other project contemplated herein under this Cooperation Agreement or in the area of operation of the Authority defined in Texas Local Government Code 392.016 subject to the prior approval of an additional specific project by the City Council of the City of Fredericksburg.

Section 6: Implementation. The City Manager of the City of Fredericksburg and the President of the Authority are authorized to take any reasonable and necessary action to effectuate and implement the direction and intention of this cooperation agreement and the authorizing resolutions.

Section 7: Amendment or Termination. This cooperation agreement may be amended or terminated for any reason by resolution of the City Council or Board of Commissioners of either party. The party desiring to amend or terminate the agreement must give at least thirty (30) days written notice to the other party prior to considering for approval a resolution or action to amend or terminate the cooperation agreement. However, the TownePark I and II Housing Projects already exist and may continue to operate under authority of this cooperation agreement.

PASSED AND APPROVED this ____ day of July, 2014.

CITY OF FREDERICKSBURG

**By: Kent Myers, City Manager,
City of Fredericksburg**

ATTEST:

**Shelley Britton, City Secretary,
City of Fredericksburg**

[ADDITIONAL SIGNATURE PAGE TO FOLLOW]

**TEXAS HOUSING FOUNDATION,
A Texas regional housing authority**

By: Mark Mayfield, President

Feb. 16, 2004

Agreement (Recorded in Contract Book) and Resolution between the City of Fredericksburg and Housing Authority of the City of Marble Falls. The vote was as follows: AYE: Crenwelge, Dooley, and Mittel. NAY: None. Council Member Brey abstained from the vote. Motion carried.

RESOLUTION

A RESOLUTION AUTHORIZING THE HOUSING AUTHORITY OF THE CITY OF MARBLE FALLS, TEXAS TO EXERCISE ITS POWERS WITHIN THE TERRITORIAL BOUNDARIES OF THE CITY OF FREDERICKSBURG WITH REGARD TO THE TOWNEPARK HOUSING PROJECT; AND AUTHORIZING A COOPERATION AGREEMENT.

WHEREAS, there exists in the City of Fredericksburg a shortage of safe and sanitary housing available to lower income elderly residents at rents they can afford; and

WHEREAS, there is no other housing authority authorized to exercise its powers in the City of Fredericksburg; and

WHEREAS, the Housing Authority of the City of Marble Falls, Texas ("Housing Authority") has requested that it be permitted to establish an elderly housing project known as TownePark and located generally at 1125 South Adams Street in the City of Fredericksburg, and the City has agreed;

WHEREAS, Texas Local Government Code, Section 392.017(b) requires that the governing body of a municipality adopt a resolution declaring a need for a municipal housing authority to exercise its powers in another jurisdiction, and authorizing a cooperation agreement under Section 392.059;

NOW, THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG:

Section 1. The City Council is the governing body of the City of Fredericksburg.

Section 2. Pursuant to Texas Local Government Code, Section 392.017(b)(1), the City Council declares that there is a need for the Housing Authority to exercise its powers in the territorial boundaries of the City of Fredericksburg to provide decent, safe and sanitary housing that is affordable for lower income residents of Fredericksburg. The Housing Authority is hereby authorized to exercise its powers in the territorial boundaries of the City of Fredericksburg to establish the TownePark housing project as more fully described in the Cooperation Agreement hereby authorized.

Section 3. Pursuant to Texas Local Government Code, Section 392.017(b)(2) and the Cooperation Agreement attached hereto and incorporated herein between the Housing Authority and the City of Fredericksburg, the Housing Authority is hereby authorized under

Texas Local Government Code Section 392.059(a) to exercise its powers within the City of Fredericksburg with regard to said project. The City of Fredericksburg agrees to cooperate with the Housing Authority to allow the Housing Authority to provide housing for lower income residents in the territorial boundaries of the City of Fredericksburg at said project site consistent with the terms of the Cooperation Agreement. The Housing Authority is authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code Chapter 392, to finance, plan, undertake, construct, or operate said housing project in the City of Fredericksburg, consistent with the terms of the Cooperation Agreement. The Mayor is hereby authorized to execute the Cooperation Agreement on behalf of the City of Fredericksburg.

Section 4. The Mayor is authorized to take any reasonable and necessary action to effectuate the direction and intention of this resolution and the Cooperation Agreement.

Section 5. The Council hereby specifically approves the development of the second phase of TownePark Fredericksburg, a multi-family development of ninety-two (92) units of low to moderate income housing units, and the Council authorizes the Mayor to execute such documents as shall be necessary or helpful in such development.

PASSED AND APPROVED this 16th day of February, 2004.

CITY OF FREDERICKSBURG

/s/ Tim Crenwelge, Mayor

ATTEST:

/s/ Shelley Britton, City Secretary

FOURTH OF JULY PARADE - It was moved by Council Member Brey, seconded by Council Member Dooley, to approve the Fourth of July parade as requested by Fredericksburg July 4th Celebration Committee, to begin at 1:00 pm. The vote was as follows: AYE: Crenwelge, Dooley, Mittel and Brey; NAY: None. Motion carried.

60TH ANNIVERSARY PARADE AND CELEBRATION OF IWO JIMA - It was moved by Council Member Mittel, seconded by Council Member Brey, to grant the request from the Admiral Nimitz Foundation together with the Admiral Nimitz SHS-National Museum of the Pacific War, for a parade and celebration honoring the 60th Anniversary of Iwo Jima to be held on Saturday February 19, 2005. The vote was as follows: AYE: Crenwelge, Dooley, Mittel and Brey; NAY: None. Motion carried.

ST. BARNABAS 50TH ANNIVERSARY PARADE - It was moved by Council Member Dooley, seconded by Council Member Brey, to grant the request from St. Barnabas Church to have a 50th Anniversary Parade on Sunday June 13th from St. Barnabas Church on Creek St., north on Bowie to

San Antonio, west on San Antonio to Acorn, and south on Acorn to return to St Barnabas. The vote was as follows: AYE: Crenwelge, Dooley, Mittel and Brey; NAY: None. Motion carried.

SPECIAL MEETING DATES - February 24 at 8:30 am (City Hall) was set for a special meeting date.

SALE OF LAND - No action taken.

PURCHASE OF LAND - No action taken.

PUBLIC COMMENT - No comments.

COUNCIL COMMENT - No comments.

EXECUTIVE SESSION - At 8:15 PM, Council Member Brey made a motion to recess the regular session and go into Executive Session. Council Member Mittel seconded the motion, and the motion carried. At 9:50 PM, Council Member Dooley made a motion to adjourn the Executive Session and reconvene the regular session. Council Member Mittel seconded, the motion carried.

Following Executive Session, no action was taken.

With no further discussion, Council Member Dooley made a motion to adjourn the meeting at 9:52 PM. Council Member Mittel seconded the motion. Motion carried.

PASSED AND APPROVED this the 19th of April, 2004.


SHELLEY BRITTON, CITY SECRETARY


TIM CRENWELGE, MAYOR

STATE OF TEXAS
COUNTY OF GILLESPIE
CITY OF FREDERICKSBURG

SPECIAL CITY COUNCIL MEETING
FEBRUARY 25, 2004
1:30 PM

On this the 25th day of February, 2004, the City Council of the CITY OF FREDERICKSBURG convened in regular session at City Hall, with the following members present to constitute a quorum:

TIM CRENWELGE - MAYOR
TIM DOOLEY - COUNCIL MEMBER
DAN MITTEL - COUNCIL MEMBER
ANN BREY - COUNCIL MEMBER
JERRY LUCKENBACH - COUNCIL MEMBER

ABSENT:

NONE

ALSO PRESENT:

GARY NEFFENDORF - CITY MANAGER
JERRY BAIN - D.P.W.U.
BRIAN JORDAN - DIR OF DEVELOPMENT SERVICES

HOUSING AUTHORITY OF THE CITY OF MARBLE FALLS, TEXAS
A Texas Municipal Housing Authority
Resolution No. 2014-0701

Authorizing dissolution of the Cooperation Agreement between the Housing Authority of the City of Marble Falls, Texas and the City of Fredericksburg and acknowledging and, to the extent necessary, authorizing a Cooperation Agreement between the City of Fredericksburg and the Texas Housing Foundation, a Texas regional housing authority

A. Declarations and Premises:

1. Pursuant to the provisions of the Texas Local Government Code, Section 392.017, the City of Fredericksburg ("the City") declared that there is a need for a Housing Authority to exercise its powers within the territorial boundaries of the City of Fredericksburg because there exists in the City a shortage of safe and sanitary housing available to lower income persons at rentals they can afford, as did the Board of Commissioners for the Housing Authority of the City of Marble Falls ("MFHA");
2. Texas Local Government Code, Section 392.017(d) requires that a City Council adopt a resolution authorizing a Housing Authority that is not established by the City to exercise its powers in the City, and authorizing a cooperation agreement under Section 392.059(a);
3. The Board of Commissioners of MFHA formerly adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a) of the Texas local Government Code. The Board of Commissioners of the Texas Housing Foundation, a Texas Regional Housing Authority ("THF"), has adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a) and will take the place of MFHA and requests that THF be authorized to establish a housing project within the City of Fredericksburg, and the City Council of the City of Fredericksburg has agreed that there is a need for THF to exercise its jurisdiction within the City.

B. Resolutions of the Board of Commissioners:

Section 1: Cooperation Agreement. City of Fredericksburg and the THF have agreed to cooperate to allow THF to provide the TownePark housing project for lower income persons in the City of Fredericksburg as described in Section 4 below, consistent with the provisions below and to take the place of MFHA in doing so.

Section 2: Housing Project Authorization. THF is authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to finance, plan, undertake or operate said housing project in the City of Fredericksburg as provided herein.

Section 3: TownePark Fredericksburg. THF is authorized to not only acquire land, develop site improvements, and construct buildings for affordable housing within the territorial boundaries of the City of Fredericksburg, but is also authorized to maintain, manage and operate the ninety two (92) unit seniors housing development, currently known as TownePark Fredericksburg, located at 1125 South Adams, within the territorial boundaries of the City of Fredericksburg and to operate and manage such projects for the benefit of lower income residents of the City of Fredericksburg.

Section 4: Annual Reports. THF, now in the place of MFHA, shall submit, within 120 days after the end of its fiscal year, a report to the Mayor of the City of Fredericksburg describing the operation of TownePark Fredericksburg and any other properties operated by THF for the benefit of lower income residents of the City of Fredericksburg.

Section 5: Preservation of Authority. No applicable provision or intention in this cooperation agreement limits the authority or power of the City of Fredericksburg to exercise its powers under any law nor under any other provisions of Chapter 392 of the Texas Local Government Code, it being intended that the authority herein granted is with regard to the TownePark project and any other project contemplated herein and does not grant general housing authority within the City of Fredericksburg other than those contemplated herein. No provision or intention in this cooperation agreement limits the authority or power of THF to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to finance, plan, undertake, construct, or operate the TownePark housing project or any other project contemplated herein under this Cooperation Agreement or in the area of operation of THF defined in Texas Local Government Code 392.016.

Section 6: Implementation. The Mayor of the City of Fredericksburg and the President of THF are authorized to take any reasonable and necessary action to effectuate and implement the direction and intention of this cooperation agreement and the authorizing resolutions.

Section 7: Amendment or Termination. This cooperation agreement may be amended or terminated for any reason by resolution of the City Council or Board of Commissioners of either party. The party desiring to amend the agreement must give at least thirty (30) days written notice to the other party prior to considering for approval a resolution or action to amend or terminate the cooperation agreement. However, the TownePark Housing Project already exists and may continue to operate under authority of this cooperation agreement.

Section 8: In accordance with the Bylaws and associated organizational documents of MFHA, the Board hereby authorizes Mark Mayfield to execute all documents necessary to effectuate the change in Cooperation Agreement(s) with the City of Fredericksburg from MFHA to THF.

Section 9: The Housing Authority for the City of Marble Falls, Texas Board of Commissioners hereby authorizes Mark Mayfield, to act on its behalf and to terminate the existing Cooperation agreement with the City of Fredericksburg and, to the extent necessary, to approve the Cooperation Agreement with the Texas Housing Foundation.

Section 10: The Chair or President & CEO and the Board, as well as authorized representatives of the The Housing Authority for the City of Marble Falls, Texas' Board shall take any reasonable and necessary action to effectuate the direction and intention of this resolution.

PASSED AND APPROVED this 15 day of July, 2014.

Attest: _____

CHAIR: _____

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE TEXAS HOUSING FOUNDATION TO
EXERCISE ITS POWERS WITHIN THE CITY OF FREDERICKSBURG, TEXAS AND
AUTHORIZING A COOPERATION AGREEMENT.**

WHEREAS, there exists in the City of Fredericksburg, Texas (hereinafter "the City") a shortage of safe and sanitary housing available to lower income residents at rents they can afford; and

WHEREAS, the Housing Authority of the City of Marble Falls, Texas was previously authorized, via a cooperation agreement, to exercise its powers in the City. Resolutions by the Housing Authority of the City of Marble Falls, Texas and the Texas Housing Foundation have been approved that would allow the Texas Housing Foundation to take the place of Housing Authority of the City of Marble Falls, Texas. There is no other housing authority authorized to exercise its powers in the City other than the Housing Authority of the City of Marble Falls, Texas. By this resolution, the City, desires to terminate the existing Cooperation Agreement with the Housing Authority of the City of Marble Falls, Texas and replace it with the attached Cooperation Agreement with the Texas Housing Foundation; and

WHEREAS, the Texas Housing Foundation, a Texas regional housing authority ("THF") has significant experience and expertise in successfully providing, developing, financing and managing housing projects that are affordable to lower income residents and that are assets to the communities they serve; and

WHEREAS, Texas Local Government Code, Section 392.017(d) requires that the governing body of a municipality adopt a resolution declaring a need for a municipal housing authority to exercise its powers in another jurisdiction, and authorizing a cooperation agreement under Section 392.059;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG:

Section 1. The City Council of the City of Fredericksburg, Texas is the governing body of the City. No housing authority other than the Housing Authority of the City of Marble Falls is authorized to exercise its powers in the City.

Section 2. The previously enacted cooperation agreement and authorization for the Housing Authority of the City of Marble Falls is hereby terminated.

Section 3. Pursuant to Texas Local Government Code, Section 392.017(d)(1), the City Council declares that there is a need for THF to exercise its powers within the City to provide decent, safe and sanitary

housing that is affordable for lower income residents of the City. THF is hereby authorized to exercise its powers within the City as to the existing housing developments known as TownePark 1 and TownePark II and as to an additional development which is yet to be determined, subject in all respects to the further approval of the City Council of the City of Fredericksburg.

Section 4. Pursuant to Texas Local Government Code, Section 392.017(d)(2) and the Cooperation Agreement attached hereto and incorporated herein between THF and the City, THF is hereby authorized under Texas Local Government Code Section 392.059(a) to exercise its powers within the City as to the developments therein described. The City agrees to cooperate with THF to allow THF to provide housing for lower income residents in the City consistent with the terms of the Cooperation Agreement. THF is authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code Chapter 392, to finance, plan, undertake, construct, or operate housing projects within the City, consistent with the terms of the Cooperation Agreement. The City Manager is hereby authorized to execute the Cooperation Agreement on behalf of the City.

Section 5. The City Manager of the City of Fredericksburg or a duly appointed representative thereof is authorized to take any reasonable and necessary action to effectuate the direction and intention of this resolution and the attached Cooperation Agreement.

Passed and approved this _____ day of August, 2014.

Linda Langerhans, Mayor City of
Fredericksburg, Texas

Attest:

Shelley Britton, City Secretary
City of Fredericksburg

**COOPERATION AGREEMENT
BETWEEN
THE CITY OF FREDERICKSBURG
AND
THE TEXAS HOUSING FOUNDATION, A TEXAS REGIONAL HOUSING
AUTHORITY**

EFFECTIVE _____

WHEREAS, on, _____, pursuant to the provisions of the Texas Local Government Code, Section 392.017, the City of Fredericksburg (the City) declared that there is, in addition to the existing housing operated by the Texas Housing Foundation which is known as the TownePark I and TownePark II developments, a need for a Housing Authority to exercise its powers within the territorial boundaries of the City of Fredericksburg because there exists in the City a shortage of safe and sanitary housing available to lower income persons at rentals they can afford;

WHEREAS, Texas Local Government Code, Section 392.017(d) requires that the City Council adopt a resolution authorizing a Housing Authority that is not established by the City of Fredericksburg to exercise its powers in the City, and authorizing a cooperation agreement under Section 392.059(a);

WHEREAS, the Board of Commissioners of the Housing Authority of the City of Marble Falls formerly adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a). The Board of Commissioners of the Texas Housing Foundation, a Texas Regional Housing Authority (the Authority), has adopted a resolution to exercise its powers in the City of Fredericksburg and authorized a cooperation agreement under Section 392.059(a) and will take the place of the Housing Authority of the City of Marble Falls and requests that the Authority be authorized to:

1. Own and operate the existing TownePark I and TownePark II developments, and
2. To establish, own and operate another development for rental housing for lower income persons at rentals they can afford subject to the further approval of the City Council of the City of Fredericksburg.

the City Council of the City of Fredericksburg having agreed that there is a need for the housing project described herein and agrees that the Authority should construct and operate the same.

NOW, THEREFORE, the parties hereto, the City of Fredericksburg and the Authority, agree as follows:

Section 1: Cooperation Agreement. City of Fredericksburg and the Texas Housing Foundation, a Texas Regional Housing Authority agree to cooperate to allow the Authority to provide and operate the TownePark I and II housing projects and one additional housing project for lower income persons in the City of Fredericksburg as described in Section 4 below, consistent with the provisions below.

Section 2: Additional Housing Project Authorization. The Authority is authorized to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to acquire land, develop site improvements, finance, plan, undertake, construct and operate an additional housing project in the City of Fredericksburg subject to approval of the specific project by the City Council of the City of Fredericksburg.

Section 3: TownePark Fredericksburg. The Authority is authorized to maintain, manage and operate the ninety two (92) unit seniors housing development, currently known as TownePark I and TownePark II Fredericksburg, located at 1125 South Adams, within the territorial boundaries of the City of Fredericksburg in place and instead of the City of Marble Falls Housing Authority and to operate and manage such projects for the benefit of lower income residents of the City of Fredericksburg.

Section 4: Annual Reports. The Authority shall submit, within 120 days after the end of its fiscal year, a report to the Mayor of the City of Fredericksburg describing the operation of TownePark Fredericksburg and any other properties operated by the Authority for the benefit of lower income residents of the City of Fredericksburg, and in the event the same shows that the developments constructed and operated pursuant to the authority granted herein are not being operated in a safe and effective manner for the benefit of the lower income residents of the City of Fredericksburg the City Council of the City of the City of Fredericksburg may terminate the authority granted herein.

Section 5: Preservation of Authority. No applicable provision or intention in this cooperation agreement limits the authority or power of the City of Fredericksburg to exercise its powers under any law nor under any other provisions of Chapter 392 of the Texas Local Government Code, it being intended that the authority herein granted is with regard to the TownePark project and any other project contemplated herein and does not grant general housing authority within the City of Fredericksburg other than those contemplated herein. No provision or intention in this cooperation agreement limits the authority or power of the Authority to exercise its powers under the Texas Housing Authorities Law, Texas Local Government Code, Chapter 392, to finance, plan, undertake, construct, or operate the TownePark housing project or any other project contemplated herein under this Cooperation Agreement or in the area of operation of the Authority defined in Texas Local Government Code 392.016 subject to the prior approval of an additional specific project by the City Council of the City of Fredericksburg.

Section 6: Implementation. The City Manager of the City of Fredericksburg and the President of the Authority are authorized to take any reasonable and necessary action to effectuate and implement the direction and intention of this cooperation agreement and the authorizing resolutions.

Section 7: Amendment or Termination. This cooperation agreement may be amended or terminated for any reason by resolution of the City Council or Board of Commissioners of either party. The party desiring to amend or terminate the agreement must give at least thirty (30) days written notice to the other party prior to considering for approval a resolution or action to amend or terminate the cooperation agreement. However, the TownePark I and II Housing Projects already exist and may continue to operate under authority of this cooperation agreement.

PASSED AND APPROVED this ____ day of July, 2014.

CITY OF FREDERICKSBURG

By: Kent Myers, City Manager,
City of Fredericksburg

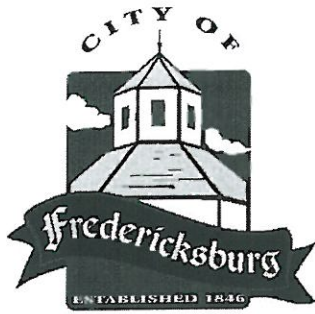
ATTEST:

Shelley Britton, City Secretary,
City of Fredericksburg

[ADDITIONAL SIGNATURE PAGE TO FOLLOW]

TEXAS HOUSING FOUNDATION,
A Texas regional housing authority

By: Mark Mayfield, President



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers *KM*

SUBJECT: Lighting Standards

Summary:

The attached ordinance has been revised based upon comments and recommendations made by the City Council over the past several months.

Recommendation:

it is recommended that the attached ordinance be approved with any changes or additions provided by the Council at Monday's meeting.

Background / Analysis:

At the last City Council meeting, several changes to the lighting standards were suggested that have now been incorporated into the ordinance. This includes a change that requires all new lighting to comply with these standards including new residential lighting.

34

The City of Fredericksburg

8/11/14

AN ORDINANCE ESTABLISHING LIGHTING STANDARDS FOR PROPERTIES WITHIN THE CITY LIMITS OF THE CITY OF FREDERICKSBURG AND FOR SIGNS IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY, AMENDING CHAPTER 5 BUILDINGS AND BUILDING REGULATIONS OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG TO ADD ARTICLE XIV OUTDOOR LIGHTING, SECTIONS 5-500 THROUGH 5-516, SETTING FORTH PURPOSE, JURISDICTION AND SCOPE, DEFINITIONS, USE OF EXISTING LIGHTING, STANDARDS FOR OUTDOOR LIGHTS AND SIGNS, LIGHTING CURFEWS, PROHIBITED LIGHTS, SUBMISSION OF LIGHTING PLANS, EXEMPTIONS, MATERIALS, ENFORCEMENT AUTHORITY OF DIRECTOR OF DEVELOPMENT SERVICES, ILLUSTRATIONS, REPEAL OF INCONSISTENT PROVISIONS, PARTIAL INVALIDITY AND AN EFFECTIVE DATE.

WHEREAS, the City of Fredericksburg is a destination for residents and visitors to move to and visit which promotes its smaller town atmosphere which provides an escape from the larger cities of this nation, and

WHEREAS, an attribute of such atmosphere is the night sky which adds to the scenic natural resources that are attractive to this area, and

WHEREAS, it is important to preserve the ability to see the night sky, and reduce the type of outdoor lighting which inhibits the ability to see it, and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS THAT THE FOLLOWING ORDINANCE BE AND IS HEREBY ENACTED AND THAT SECTION CHAPTER 5 BUILDINGS AND BUILDING REGULATIONS OF THE CODE OF ORDINANCES OF THE CITY OF FREDERICKSBURG BE AMENDED TO ADD ARTICLE XIV OUTDOOR LIGHTING, SECTIONS 5-500 THROUGH 5-516 AS FOLLOWS:

CITY OF FREDERICKSBURG

CODE OF ORDINANCES

CHAPTER 5 BUILDINGS AND BUILDING REGULATIONS

Article XIV OUTDOOR LIGHTING

Sec. 5-500. Purpose

The purpose of these rules and regulations are to provide outdoor lighting standards and regulations to assure public safety, promote efficient and more cost effective lighting, enhance the ability to view the night sky and promote a positive City image reflecting order, harmony and pride.

Sec. 5-501. Jurisdiction and Scope

This Chapter applies to Outdoor lighting on all properties within the City limits and to all signs within the extraterritorial jurisdiction (ETJ) of the City and to all street lighting regardless of where located within the City. The City may apply this Chapter to properties through agreements with property owners, or as a term affixed to a developmental/regulatory approval (such as a variance or site plan), and in such event the provisions of this Chapter will be enforced against such properties and owners thereof as set forth herein. All properties and property owners not required to adhere to these requirements are strongly encouraged to do so.

Sec. 5-502. Definitions

Words and phrases used in this Chapter shall have the meanings set forth in this section. Terms that are not defined below, but are defined elsewhere in the Code of Ordinances, shall be given the meanings set forth therein. Words and phrases not defined in the Code of Ordinances shall be given their common, ordinary meaning unless the context clearly requires otherwise. When not inconsistent with the context, words used in the present tense shall include the future tense; words in the plural number shall include the singular number (and vice versa); and words in the masculine gender shall include the

feminine gender (and vice versa). The word "shall" is mandatory. Headings and captions are for reference purposes only.

Applicant means a person or entity who submits to the City an application for an approval for building or development, including those for signs, required by the Code of Ordinances. Any person or entity must have sufficiently documented legal authority or proprietary interests in the land to commence and maintain proceedings under the Code of Ordinances. Tenants and property owners are both liable for violations of this Chapter.

City means the City of Fredericksburg.

City limits means the incorporated municipal boundary of the City, as may be expanded from time to time by annexation.

ETJ means the extraterritorial jurisdiction of the City. For the purpose of application of this ordinance to signs within the ETJ, or to properties for which a development or non-annexation agreement is made with the City, properties will be determined as Residential or Non-residential (as defined below) according to the use of the property.

Full cut-off fixtures means fixtures, as installed, that are designed or shielded in such a manner that all light rays emitted by the fixture, either directly from the luminaires or indirectly from the fixture, are not permitted to project above a horizontal plane running through the lowest point on the fixture where light is emitted. See **Figures A, D and E** for examples of acceptable lighting fixtures, and **Figures C and F** for examples of unacceptable fixtures.

Holiday lighting means temporary lighting used for a specific celebration or used specifically to illuminate yard art, sidewalks, porches, patios and decks and which consists only of traditional festoon-type low-output lamps.

Lighting means any source of light that does not include natural light emitted from celestial objects or fire. The term includes, without limitation, any type of lighting, fixed or movable,

designed or used for illumination of buildings or homes within non-residentially zoned areas, including lighting for billboards, streetlights, canopies, gasoline station islands, searchlights used for advertising purposes, externally or internally lit advertising signs, area-type lighting and luminous elements or fixtures attached to structures, poles, the earth or any other location.

Light trespass means lighting emitted from fixtures designed or installed that causes light to fall on a property other than the one where the fixture is installed, drivers' eyes of passing motor vehicles, or upwards toward the sky.

Luminaire, or Luminous elements (of a light fixture) means individually or collectively: the lamp (light bulb), any diffusing elements and surfaces intended to reflect or refract light emitted from the lamp.

Non-residential property means property which is located in any area of the City which is not located in any residential zone (R-1 through R-5.) The term non-residential property also includes enhancements or amenities to property such as to subdivisions. Non-residential property also includes multi-family properties wherever located in the City having NINE (9) or more dwelling units located thereon within one tract or lot regardless of the zoning area in which they are located.

Outdoor lighting means lighting that is installed or located outside or on the exterior of any building or part thereof, structure, sign or other improvement or stand or lighting which is installed to project outdoors for the purpose of lighting outdoors. Lighting located under canopies, under building overhangs or under roof eaves are included in the definition of Outdoor lighting.

Person means an individual, corporation, agency, unincorporated association, partnership, sole sale proprietorship, or any other entity.

Residential property means all properties other than non-residential property as defined above.

Temporary lighting means lighting intended for uses which by their nature are of limited duration provided the lights are positioned so they do not shine in the eyes of passing drivers. Examples of Temporary lighting are lighting for: emergencies, holiday decorations, festivals, civic events, construction areas, theatrical, television, or performance areas.

Up lighting means lighting that causes light rays to project above a horizontal plane running through the lowest point on the fixture where light is emitted.

Sec. 5-503. Lighting- offense

(a) All Outdoor lighting shall be installed to comply with the standards, rules and regulations established by this Chapter.

(b) It is an offense for any Person to install, permit the installation or to continue the existence of Outdoor lighting that does not comply with the standards, rules and regulations established by this Chapter.

(c) A violation of this Chapter is hereby declared to be a prohibited public nuisance.

Sec. 5-504. Nonconforming Existing Lighting

All existing Outdoor lighting that was legally installed before the effective date of this Chapter, and that does not comply with the standards, rules and regulations established by this Chapter shall be deemed nonconforming. Nonconforming existing Outdoor lighting shall be brought into compliance with this Chapter as follows:

(a) All existing Outdoor lighting located on a property for which an application for a conditional use permit, subdivision approval, building permit for construction of a new

building or site plan permit, is made shall be brought into compliance with this Chapter before final inspection, issuance of a certificate of occupancy, final plat recordation, or occupancy of the improvement, whichever is applicable.

(b) All maintenance of nonconforming existing Outdoor lighting, such as repairs that do not include replacement of the fixture part of the light, changing bulbs and the like is exempt from the provisions of this ordinance. Any other repairs or replacements are required to comply with the provisions of this Chapter.

Sec. 5-505. Full Cut-off, Shielding and Total Outdoor Light Output Standards

(a) Streetlights installed, repaired, or replaced after the effective date shall be Full cut-off fixtures in order to limit light trespass. (See **Figure A**).

(b) All Outdoor lighting, except streetlights, shall be shielded so that the Luminous elements of the fixture are not visible from any other property. (See **Figures B, D and E** for examples of acceptable light fixtures, **Figures C and F** for examples of those not acceptable and See **Figure B** for shielding illustration.)

(c) Up lighting on or from Non-residential property is prohibited, except in cases where the fixture is shielded by a roof overhang or similar structural shield and a licensed architect or engineer has certified and stamped a prepared lighting plan that ensures that the light fixtures will not cause light to extend beyond the structural shield, except as otherwise specifically permitted by this Chapter.

(d) All outdoor lighting fixtures shall be full cut-off fixtures, except as otherwise specifically permitted by this Chapter.

(e) All outdoor recreation facilities lighting installed or replaced after the effective date of this Chapter shall be shielded so that the Luminous elements of the fixtures are not visible from any other property. Where fully shielded fixtures are not available, lighting

fixtures using external louvers or shields that, in the final installed configuration, extend to within 3 inches on the lowest portion of the light fixture opening are required. Lighting for outdoor recreational facility is allowed only between one hour prior to sunset and 11:00 p.m. It is a defense to prosecution that such lighting is needed to complete a specific organized activity or event already in progress at 11:00 p.m. See **Figure G** for example of acceptable outdoor recreation lighting.

Sec. 5-506. Lighting for Outdoor Signs and Panels

(a) Outdoor internally-illuminated signs shall conform to the Sign Ordinance of the City of Fredericksburg.

(b) Outdoor externally-illuminated signs shall conform to all provisions of this Chapter and the Sign Ordinance of the City of Fredericksburg.

Sec. 5-507. Flag Poles

It is preferred that Governmental flag poles not be illuminated and that the traditional patriotic raising of the flag after dawn and lowering of the flag before sunset be utilized. Lighting of up to two (2) governmental flags per property is permitted with the following restrictions: Flag poles heights shall conform to the requirements of the zone and shall be illuminated with no more than a single spot type fixture utilizing diffusers or hex louvers to reduce glare. The fixture is to be mounted so that the lens is perpendicular to the flag pole.

Sec. 5-508. Lighting Curfews

(a) Lighting for outdoor recreational facilities is allowed between one hour prior to sunset and 11:00 p.m. It is a defense to prosecution that such lighting is needed to complete a specific organized activity or event already in progress at 11:00 p.m.

(b) All Outdoor lighting is encouraged to be turned off when no one is present to use the light.

Sec. 5-509. Prohibitions

(a) The installation of any mercury vapor fixture or lamp for use as Outdoor lighting is prohibited.

(b) The installation of any wall pack style fixture for use as Outdoor lighting is prohibited unless the fixture is rated by the manufacturer as Full cut-off and otherwise complies with the shielding requirements of this chapter. Examples of acceptable wall packs, when mounted with light directed downward only are shown in **Figure D**.

(c) The installation of any barn-light style fixture for use as Outdoor lighting is prohibited unless the fixture includes a full opaque reflector instead of the standard translucent lens and otherwise complies with the shielding requirements of this Chapter. An example of barn-light style with and without the required opaque reflector is shown in **Figure D**.

(d) The operation of searchlights except by governmental authorities is prohibited.

Sec. 5-510. Submission of Plans and Evidence of Compliance

(a) All conditional use permit, site plan, subdivision, building permit or other development applications must include an outdoor lighting plan which includes the following information:

- (1) The location of all existing and proposed light fixtures and
- (2) Specification sheets for all existing and proposed light fixtures.

(b) Verification that a project covered hereby has complied with the provisions of this Chapter shall occur during the final step in the applicable application process, for example, during the final inspection for a certificate of occupancy by the City building inspector.

Sec. 5-511. Exemptions

The following lighting is exempt from this Chapter:

(a) Outdoor lighting fixtures with a maximum output of 300 lumens per fixture, regardless of the number of bulbs, (equals approximately one 25 watt incandescent light), may be left unshielded provided the fixture has an opaque top to prevent light from shining directly up, and the source of the light is not visible from any other property.

(b) Outdoor lighting fixtures with a maximum output of 600 lumens per fixture, regardless of the number of bulbs, (equals approximately one 45 watt incandescent light), that are shielded with a colored lens provided such lens reduces the lumen output approximately in half, the fixture has an opaque top to prevent light from shining directly up and the source of the light is not visible from any other property.

(c) Outdoor lighting for which light is produced directly by the combustion of fossil fuels.

(d) Holiday lighting.

(e) Lighting required by law to be installed on motor vehicles.

(f) Lighting needed during activities of law enforcement, fire and other emergency services.

(g) Lighting employed during repairs of roads and utilities and such lighting may be unshielded provided the lights are positioned so they do not shine in the eyes of passing drivers.

- (h) Lighting required for the safe operation of aircraft.
- (i) Temporary lighting, provided that the exemption applies only during the hours of the event or work.
- (j) Temporary lighting required to save life, limb or property from imminent peril, provided that the exemption applies only during the hours of the peril.

Sec. 5-512. Materials and Methods of Installation

This Chapter is not intended to prohibit the use of any design, material or method of prescribed installation not specifically prescribed by this Chapter, provided such alternative produces the result which would be produced by use of the fixtures and requirements described herein.

Sec. 5-513. Compliance with Building Code

All lighting installations commenced in accordance with this Chapter must otherwise be in compliance the City's Building Codes.

Sec. 5-514. Administrative Guidance

The City's Director of Development Services is authorized to promulgate one or more interpretive documents to aid in the administration of, and compliance with, this Chapter.

Sec. 5.515. Enforcement

(a) General Penalties provided in Section 1-6 of the City of Fredericksburg Code of Ordinances shall apply to violations hereof.

(b) The City shall also have the right to bring a civil action to enforce the provisions of this Chapter and to seek remedies as allowed by law, including, but not limited to the following:

- (1) Injunctive relief,
- (2) Monetary damages, and
- (3) Other relief as directed by a court with jurisdiction over the matter.

Sec. 5.516. Alternative Relief

(a) In lieu of criminal prosecution, a civil penalty up to five hundred dollars (\$500.00) a day, when it is shown that the defendant was actually notified of the provisions of this Chapter and committed acts in violation of this Chapter or failed to take action necessary for compliance with this Chapter; and other available relief.

(b) In the event work is not being performed in accordance with this Chapter, the City may issue a stop work order and all work shall immediately cease on the entire project for which a permit is issued. No further work shall be undertaken on the project as long as a stop work order is in effect.

FIGURES AND ILLUSTRATIONS

Figure A: Full cut-off

Figure B: Shielding

Figure C: Unacceptable fixtures

Figure D: Acceptable fixtures

Figure E: Examples of full cut-off

Figure F: Examples of fixtures not full cut-off

Figure G: Outdoor recreation lighting

-----End of Code Text-----

REPEALER

All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SEVERABILITY OR INVALIDITY

If any provision of this ordinance or the application hereof to any person or circumstance is held invalid, or in any exception to or limitation upon any provision contained herein be held to be unconstitutional, invalid or ineffective, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect, and to this end, the provisions of this ordinance are declared to be severable.

EFFECTIVE FOLLOWING PUBLICATION

This ordinance shall be effective from and after the date of its passage and publication in accordance with the law. The City Secretary of the City of Fredericksburg is hereby directed to publish notice of this Ordinance as required by law to become effective.

PASSED AND APPROVED this the ____ day of August, 2014.

Linda Langerhans, Mayor
City of Fredericksburg, Texas

ATTEST:

Shelley Britton, City Secretary

APPROVED:

Pat McGowan, City Attorney

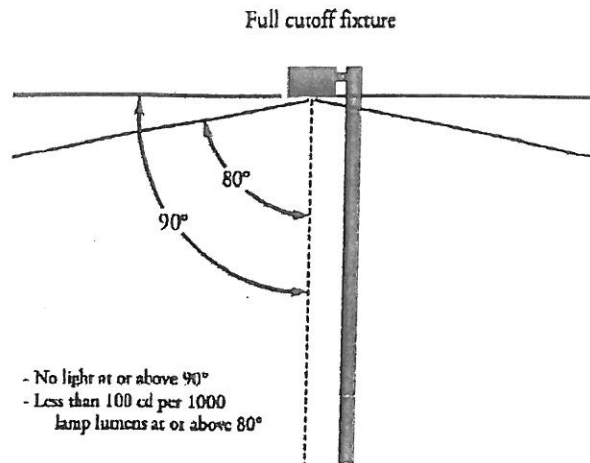


FIGURE A : A full cutoff fixture has a zero uplight component.

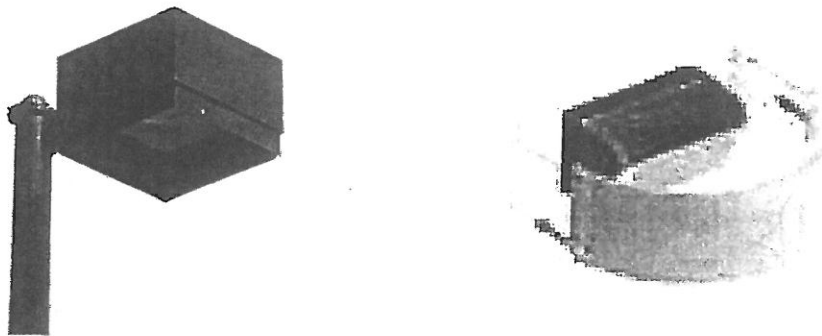


FIGURE B Mounting height or proximity to property lines may cause the luminous elements of a light fixture to require additional shielding. Above are two examples of shielding.

Examples of Acceptable / Unacceptable Lighting Fixtures

FIGURE C

Unacceptable / Discouraged

Fixtures that produce glare and light trespass

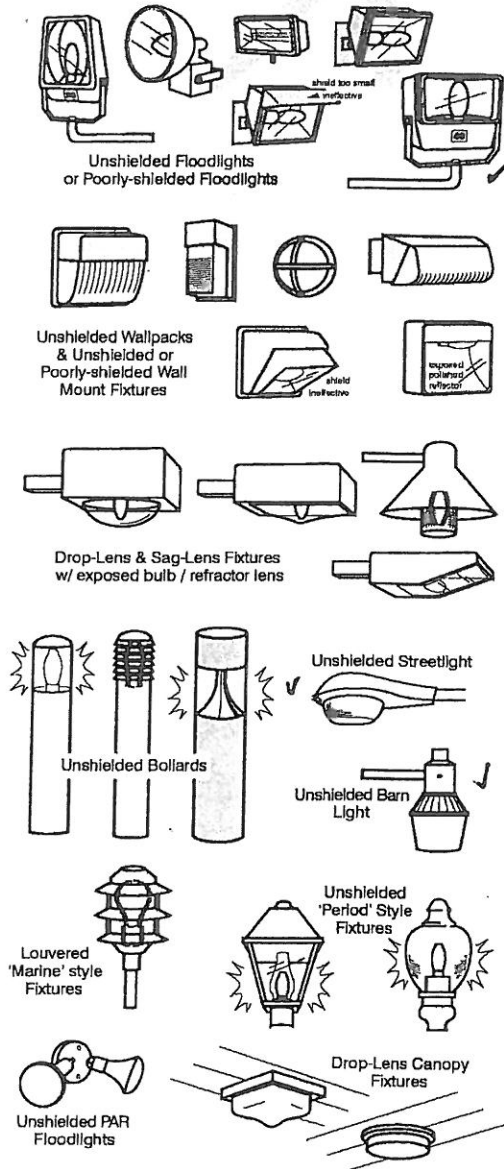


FIGURE D

Acceptable

Fixtures that shield the light source to minimize glare and light trespass and to facilitate better vision at night



The lights on the left are non-conforming due to inadequate shielding. Those on the right can be used in most cases; however, the mounting height and proximity to the property line may require additional shielding to prevent the luminous elements from being visible from any other property.

FIGURE E:

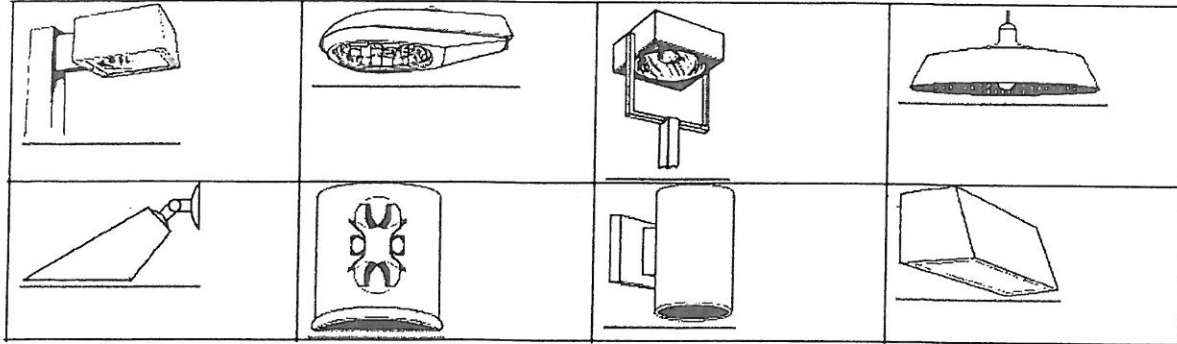


Figure E: This figure shows examples of full cut-off fixtures because they are closed on top and mounted such that the bottom opening is horizontal. Note that the mounting height and proximity to the property line may require additional shielding to prevent the luminous elements from being visible from any other property. A practical way to determine if a light fixture is a full cut-off fixture is that the lamp or tube, any reflective surface or lens cover (clear or prismatic) must NOT be visible when viewed from above or the side.

FIGURE F:

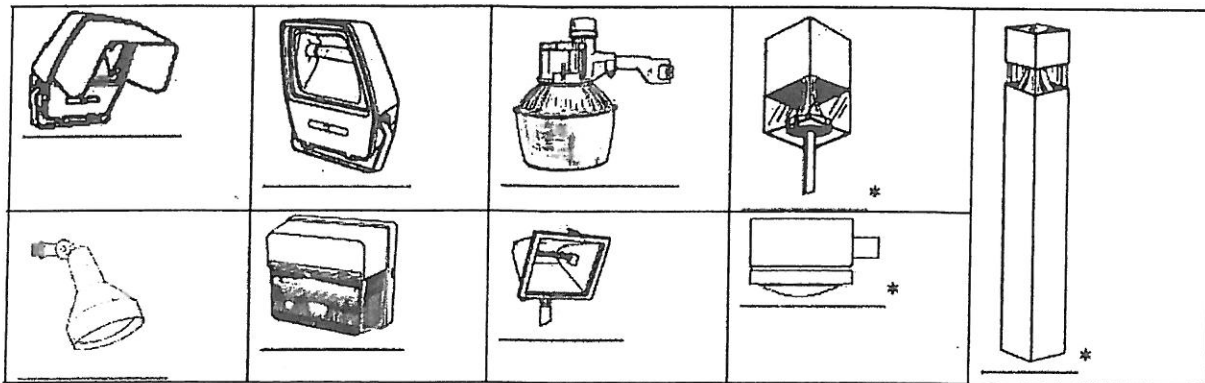


Figure F: This figure illustrates examples of fixtures that are NOT full cut-off fixtures.

*Note: Even though the lamps in these fixtures are shielded from direct view when viewed from the side or above, reflective surfaces within the fixtures and or lens covers *are* directly visible from the side.

FIGURE G:

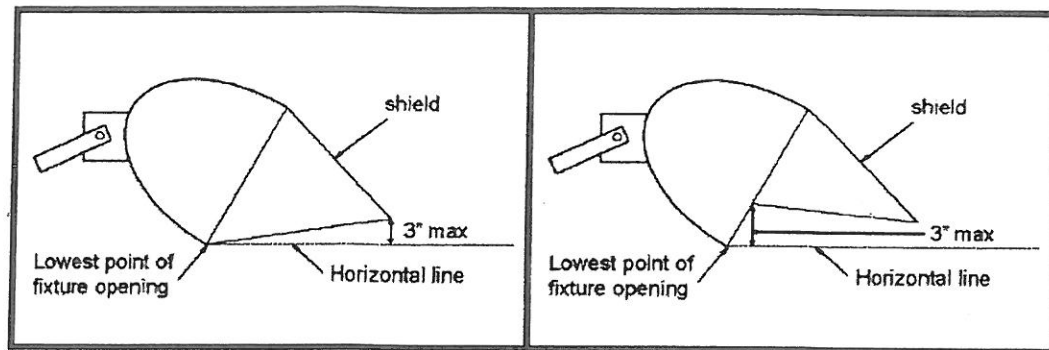


Figure G: Sports lighting where fully shielded fixtures are not available.



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers, City Manager *KM*

SUBJECT: Land Purchase-Gillespie Central Appraisal District

Summary:

The Central Appraisal District proposes to purchase 2.18 acres of land on FM 2093 for construction of a new building serving the District.

Recommendation:

It is recommended that the City Council approve a resolution authorizing the purchase of this land so that the Appraisal District can finalize their building plans and construct their new facilities which will open next year.

Background / Analysis:

The Board of the Central Appraisal District recently approved the purchase of 2.18 acres of land on FM 2093 for \$130,000 from the Gillespie County Fair Board for construction of their new offices. Although this land will be purchased from their reserve funds, it requires approval by 3/4ths of the taxing units in the County. David Oehler, Chief Appraiser with the Appraisal District will attend Monday's Council meeting to make a presentation and respond to any questions. The proposed new building will be on a future Council agenda for your consideration.

(51)
The City of Fredericksburg

RESOLUTION NO. _____

CITY OF FREDERICKSBURG

TAXING UNIT RESOLUTION

WHEREAS, Section 6.051 of the Texas Property Tax Code allows the acquisition of real property by purchase or lease, the conveyance of real property, and the construction or renovation of a building or other improvement by an appraisal district for the purpose of establishing and operating the appraisal office or a branch appraisal office; and

WHEREAS, Section 6.051 requires that the board of directors of an appraisal district must propose the property transaction by resolution which must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of board members; and

WHEREAS, the governing body of the City of Fredericksburg, a taxing unit of the Gillespie County Central Appraisal District received notification of the resolution adopted by the Board of Directors of the Gillespie Central Appraisal District as required by Section 6.051, a copy of which resolution is attached hereto;

NOW THEREFORE BE IT HEREBY RESOLVED that on this date, the City Council of the City of Fredericksburg hereby approves, in accordance with the terms of the attached resolution of the Gillespie County Central Appraisal District, the purchase of the following property:

**2.18 +/- Acres of land located at
515 FM 2093 and being legally described as
Tract 1 AR, a replat of the Alfred and Olivia Weirich Subdivision,
City of Fredericksburg, Gillespie County, Texas**

BE IT FURTHER RESOLVED that this document be filed with the Chief Appraiser of the Gillespie Central Appraisal District on or before the 30th day after the receipt of notification of the aforementioned resolution.

The above resolution was passed by at least a majority vote taken in a public meeting as required by law at a duly held meeting on August 18, 2014.

SIGNED this 18th day of August, 2014.

Linda Langerhans, Mayor
City of Fredericksburg

Attest:

Shelley Britton, City Secretary
City of Fredericksburg

GILLESPIE CAD BOARD OF DIRECTORS RESOLUTION

WHEREAS, Section 6.051 of the Texas Property Tax Code allows the acquisition of real property by purchase or lease, the conveyance of real property, and the construction or renovation of a building or other improvement by an appraisal district for the purpose of establishing and operating the appraisal office or a branch appraisal office; and

WHEREAS, Section 6.051 requires that the board of directors of an appraisal district must propose the property transaction by resolution which must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of board members; and

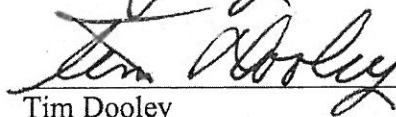
NOW THEREFORE BE IT HEREBY RESOLVED that on July 30, 2014, the Board of Directors of the Gillespie Central Appraisal District approved by a majority vote taken in a public meeting the purchase of the following property:

2.18 +/- Acres

515 FM 2093

**Tract 1 AR, a replat of the Alfred and Olivia Weirich Subdivision,
City of Fredericksburg, Gillespie County, Texas**

SIGNED this 30 day of July, 2014.



Tim Dooley
Presiding Officer

CITY COUNCIL MEMO

City of Fredericksburg

DATE: August 12, 2014

FROM: PAT MCGOWAN, CITY ATTORNEY

SUBJECT: City Participation with other ATM Cities in opposing proposed Railroad Commission Rules

SUMMARY: The Texas Railroad Commission had proposed rules that would require

- that cities all act as one single party in challenging gas utility rate increase requests,
- that the cities pay for such challenges up front with the possibility of reimbursement,
- that cities limit the number of discovery questions and
- that allow reimbursement of rate case expenses only by the ratepayers in the cities which challenge the rates. (See the attached documents with titles beginning with "Alert" and "Bullet Points.")

RECOMMENDATION: The Council adopt the attached Resolution permitting the City of Fredericksburg to join with the other ATM cities, directed by the ATM Steering Committee, to oppose the Railroad Commission's adoption of the above described rules, and authorize the payment to the firm of Herrera & Boyle, PLLC for representation, not to exceed \$1000. (See attached Resolution.)

BACKGROUND/ ANALYSIS: The City has been part of the ATM coalition of cities for which have traditionally cooperated in sharing expenses, attorneys and experts in analyzing and seeking reductions of a number of rate increases sought by Atmos Energy in retail rates. Generally, the cities have been successful in greatly reducing the increases in rates which have been continually requested. The ATM cities are again proposing cooperation among the cities in opposing several Railroad Commission proposed rules that would effectively end meaningful rate case participation by cities. The rules are similar to those proposed in legislation, urged by utility companies, which were not adopted by past Legislatures. The Railroad Commission is evidently more receptive. The attached information from Herrera & Boyle provides a good analysis of the issues that would be opposed and reasons therefor. The cost to the City is estimated to be \$275, which is based on population relative to the other ATM cities. However, it is possible that that cost may increase if some of the coalition cities do not participate, and that is why I recommend a higher allowance. (See attached Agenda Information Sheet)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF THE CITY OF FREDERICKSBURG, TEXAS AUTHORIZING THE CITY'S PARTICIPATON IN A COALITION OF SIMILARLY SITUATED CITIES IN PROCEEDINGS BEFORE THE RAILROAD COMMISSION OF TEXAS AND THE TEXAS LEGISLATURE RELATED TO THE CITY'S AUTHORITY TO EFFECTIVELY REVIEW AND REGULATE UTILITY RATES; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION WAS PASSED WAS IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, the City of Fredericksburg, Texas, hereinafter referred to as "City," is a member of Atmos Texas Municipalities ("ATM"); and,

WHEREAS, ATM has participated in utility ratemaking proceedings before the Railroad Commission of Texas; and,

WHEREAS, ATM has participated in legislative proceedings before the Texas Legislature; and,

WHEREAS, as recently as in the 83rd Regular Session of the Texas Legislature the Legislature considered and rejected legislation that if enacted, would have negatively affected municipalities' original jurisdiction to regulate a utility's rates, services, and operations in the City; and,

WHEREAS, as recently as the 83rd Regular Session of the Texas Legislature in 2013, the Legislature considered and rejected legislation that if enacted, would have negatively affected municipalities' ability to undertake a meaningful evaluation of a utility's request to increase gas rates and effectively challenge unreasonable rate increases; and,

WHEREAS, the Railroad Commission of Texas has initiated proceedings to adopt new rules whose effect would be similar to the restrictions that the Legislature rejected in its 83rd Regular Session; and,

WHEREAS, the rules the Railroad Commission of Texas proposed would diminish, if not altogether eliminate, Texas cities' original ratemaking jurisdiction over gas utilities and cities' ability to meaningfully review a gas utility's request to increase its rates; and,

WHEREAS, the City supports ATM's and other similarly situated coalitions of cities' opposition to proposed rules or laws that would diminish and/or eliminate municipalities' ability to effectively regulate gas utility rates or to meaningfully participate in contested proceedings before the Railroad Commission of Texas; and,

WHEREAS, as the Legislature noted in Section 101.002 of the Gas Utility Regulatory Act, utilities are by definition monopolies in the areas they serve and as a result, the normal forces of competition that regulate prices in a free enterprise society do not operate and therefore, public agencies, including the City, regulate utility rates, operations, and services as a substitute for competition; and,

WHEREAS, gas utilities continue to be monopolies whose rates are not governed by the normal forces of competition; and,

WHEREAS, to provide fair, just, and reasonable rates and adequate and efficient services, Section 103.001 of the Gas Utility Regulatory Act grants the City exclusive original jurisdiction over the rates, operations, and services of a gas utility within the municipality; and,

WHEREAS, under Section 103.001 of the Gas Utility Regulatory Act passed by the Texas Legislature into law, a municipality regulating a gas utility has the right to require gas utilities to submit information as necessary for the municipality to make a reasonable determination of the utility's actual rate base, expenses, investment, and rate of return for providing its services and to retain personnel necessary to make the determination of reasonable rates; and,

WHEREAS, under Section 103.022 of the Gas Utility Regulatory Act, a municipality participating in or conducting a ratemaking proceeding may engage rate consultants, accountants, auditors, attorneys, and engineers to fully evaluate a utility's request to change rates and the gas utility in the ratemaking proceeding shall reimburse the municipality its reasonable rate case expenses; and,

WHEREAS, in order to ensure the reasonableness of gas utility rates and ensure the adequacy of gas utility service by preserving cities' right to effectively investigate and challenge utility-proposed rate increases both before the City and before any state agency that is authorized to regulate gas utilities' rates the City Council adopts the following resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREDERICKSBURG, TEXAS:

Section 1. That the findings set out in the preamble to this resolution are hereby in all things approved and adopted.

Section 2. The City directs ATM to oppose rules or legislation that would:

- Eliminate or reduce the ability of incorporated municipalities to exercise their statutorily guaranteed original jurisdiction over gas utility rates.
- Allow the approval of increases in rates without a complete and thorough review of a utility's capital expenditures or operating expenses by cities representing their ratepayers' interests.
- Eliminate, delay, or diminish the reimbursement of municipalities' reasonable costs incurred while investigating and challenging utility rate proposals or that would otherwise reduce municipalities' ability to participate in the rate-setting process.

Section 3. The City directs ATM to support processes that:

- Uphold and enforce municipalities' original jurisdiction over gas utility ratemaking.
- Preserve municipalities' ability to fully investigate and challenge gas utilities' proposed changes to their rates and tariffs.
- Preserve municipalities' historical right to prompt reimbursement of reasonable costs that the municipalities' incur while investigating and challenging gas utilities' proposals to change their rates in all related proceedings, without any onerous predicate requirements .

Section 4. The City authorizes the ATM Steering Committee to hire and direct its advocates in these efforts before the Railroad Commission of Texas and the Texas Legislature.

Section 5. That a copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701, in his role as Special Counsel to ATM.

Section 6. That the meeting at which this resolution was adopted was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 7. That this resolution shall become effective from and after its passage.

PASSED AND APPROVED this 18th day of August, 2014.

Linda Langerhans, Mayor
City of Fredericksburg

ATTEST:

Shelley Britton, City Secretary
City of Fredericksburg

ALERT: The Railroad Commission is Trying to Railroad Cities

THE RAILROAD COMMISSION IS PROPOSING CHANGES THAT WOULD HELP GAS UTILITIES AVOID SCRUTINY TO GET HIGHER RATES:

- The Railroad Commission of Texas (RRC) recently proposed rules that would practically eliminate cities' ability to review and challenge gas rate hikes.
- The RRC's proposed rules gut cities' ability to effectively challenge rates and allow utilities to get higher rates with little opposition.
- Specifically, the rules would:
 - Require that cities agree to pay all rate case costs up front before getting reimbursed by the utility;
 - Force ratepayers in the cities that challenge rate increases to pay the costs to review the utility's rates, even though all ratepayers benefit;
 - Force all cities to act as a single party in most cases irrespective of the complexity of the case or the issues the different city coalitions may address or whether the city coalitions agree.
 - Limit the questions a city may ask regarding a utility's rate application to an arbitrary number of questions (currently there is no default limit on discovery).

THE CURRENT SYSTEM WORKS:

- State law guarantees cities the right to participate in gas rate cases, and requires reimbursement of the cities' related expenses.
- Texas cities have already voluntarily formed their own coalitions where they have common interests and can share common costs.
- The RRC already has a rule that prohibits unreasonable discovery.

CITIES' ROBUST SCRUTINY HAS ENSURED JUST AND REASONABLE RATES:

- Cities have caught utilities charging ratepayers for meals costing \$400 per person; a case of wine; and hotel stays for as much as \$950 a night.
- In one case, Cities successfully fought a utility's attempt to make ratepayers pay for \$42 million in imprudent costs.

THE BOTTOM LINE:

- The proposed rules would reduce scrutiny on rate increases by forcing cities into a single party and limiting the number of allowed questions. It claims "efficient" review but sacrifices "effective" review.
- Texas law gives cities original jurisdiction over rates and guarantees reimbursement of their reasonable costs to review rates. The proposed rules threaten cities with unreimbursed costs and discourage them from challenging potentially unreasonable rates.



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers, City Manager *KM*

SUBJECT: Convention and Visitor's Bureau (CVB) Budget

Summary:

The CVB has submitted the attached budget which requires approval by the City Council.

Recommendation:

It is recommended that the City Council approve the budget proposed by the CVB.

Background / Analysis:

I have attached a summary of the proposed CVB Budget for next year. Each of the City Council should receive a more detailed budget from Ernie Loeffler prior to the meeting. Ernie will be available at Monday's Council meeting in case there are any questions.

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The City of Fredericksburg

Fredericksburg Convention & Visitor Bureau						
Proposed FY 2015 Budget						
7/15/2014						
Revenue			<u>Prior Yr</u>	<u>Current Yr</u>	<u>Budget Year</u>	<u>Change</u>
		City HOT		\$ 1,563,600	\$ 1,714,286	\$ 150,686
		County HOT		222,326	255,485	33,159
		City HOT Add: Building Maint			20,000	20,000
		City HOT Add: Bldg Rehab/Impr			75,000	75,000
		City HOT Add: IT Support			5,000	5,000
		City HOT Add: Golf Marketing		55,000	45,000	(10,000)
		Total Revenue	\$ -	\$ 1,840,926	\$ 2,114,771	\$ 273,845
Expenses - Personnel			<u>Prior Yr</u>	<u>Current Yr</u>	<u>Budget Year</u>	<u>Change</u>
		Salaries	\$ 469,841	\$ 611,415	\$ 697,708	\$ 86,293
		Payroll Taxes	40,434	51,941	53,573	1,632
		Direct Deposit Fees	450	450	-	(450)
		Insurance	57,100	68,915	79,950	11,035
		Pension	24,698	36,704	34,408	(2,296)
		Bonus	5,000	5,000	7,084	2,084
		Total Personnel	\$ 597,523	\$ 774,425	\$ 872,723	\$ 98,298

Expenses - Operating		Prior Yr	Current Yr	Budget Year	Change
	Volunteer Program	\$ 3,000	\$ -	\$ -	\$ -
	Office Supplies	12,000	12,000	16,500	4,500
	Bank Service Charges	300	300	-	(300)
	Professional Service Fees	12,000	10,000	6,600	(3,400)
	Audit	2,000	2,500	3,000	500
	Utilities	8,000	11,000	14,268	3,268
	Mileage Reimb	1,000	1,000	1,500	500
	Vehicle Operations	6,000	6,000	4,345	(1,655)
	Vehicle Payments	8,025	8,025	-	(8,025)
	Capital Equip	4,000	16,000	6,400	(9,600)
	Equip Leasing/Maint	10,000	15,000	13,500	(1,500)
	Equip Repair/Supplies	2,000	3,000	1,600	(1,400)
	D&O Insurance	1,000	1,000	1,100	100
	Warehousing/Delivery	3,000	3,000	4,700	1,700
	Bldg Supplies	500	500	300	(200)
	Bldg Expenses	12,000	15,000	16,800	1,800
	Bldg Expenses - City HOT Add			95,000	95,000
	Tech Support - City HOT Add			5,000	5,000
	Tech Software/Svc	11,000	6,000	2,500	(3,500)
	Mobile Data	5,000	5,000	4,400	(600)
	Prop & Gen Liab Ins	2,250	2,250	2,500	250
	Property Taxes	-	-	2,000	2,000
	Total Operating Expenses	\$ 103,075	\$ 117,575	\$ 202,013	\$ 84,438

Expenses - Promotional		Prior Yr	Current Yr	Budget Year	Change
	Local Awareness	\$ 7,000	\$ 5,000	\$ 5,000	\$ -
	Ref Pub/Subscriptions	3,500	3,500	8,000	4,500
	Telephone	7,000	7,000	7,000	-
	Postage/Delivery	27,156	30,000	30,000	-
	Travel	31,100	35,000	44,625	9,625
	Membership Dues	9,000	9,000	9,000	-
	Local Hospitality	29,000	25,000	25,000	-
	Promotional Products	12,500	12,500	12,500	-
	Advert Acct Mgt	36,000	36,000	36,000	-
	Advert Production	15,000	15,000	30,000	15,000
	Purchased Advert	330,000	310,000	350,000	40,000
	Printed Advert	75,000	70,000	80,000	10,000
	Media Marketing	100,000	100,000	100,000	-
	Meeting Services	5,000	5,000	5,000	-
	Maerketplace/Travel Shows	13,600	15,000	24,365	9,365
	Prof Mtgs/Development	8,225	10,000	11,545	1,545
	Photo/Video	15,000	15,000	15,000	-
	Promo Stationery	5,000	5,000	5,000	-
	Web Upgrade/Host	30,000	25,000	25,000	-
	E-Marketing	110,000	150,000	142,000	(8,000)
	Visitor Research	4,500	-	-	-
	Transfer to Reserve	25,000	-	-	-
	Meeting Space Needs Assessment	15,000	-	-	-
	Marketing Sponsorship	15,000	10,926	10,000	(926)
		-	-	20,000	20,000
	City HOT Add: Golf Marketing	-	55,000	45,000	(10,000)
	Total Promotional Expenses	\$ 928,581	\$ 948,926	\$ 1,040,035	\$ 91,109
	Total Expenses	\$ 1,629,179	\$ 1,840,926	\$ 2,114,771	\$ 273,845
	Net Results	\$ (1,629,179)	\$ (0)	\$ (0)	\$ (0)

**City of Fredericksburg Budget Requests
for Convention & Visitor Bureau**

	<u>FY 15</u>	<u>FY 16</u>	<u>Total</u>
Interior Painting - Entire Building	\$ 12,000	\$ -	\$ 12,000
Landscaping			
Irrigation	\$ 6,500	\$ 1,500	\$ 8,000
Landscape	15,000	-	15,000
Routine Maintenance	3,500	7,200	10,700
	<u>\$ 25,000</u>	<u>\$ 8,700</u>	<u>\$ 33,700</u>
Carpet Replacement			
Carpet Allowance	\$ 15,930	\$ -	\$ 15,930
Removal/Prep/Install	9,000	-	9,000
	<u>\$ 24,930</u>	<u>\$ -</u>	<u>\$ 24,930</u>
Telephone System			
Hill Country 2013 Proposal	\$ 6,371	-	\$ 6,371
New Drops (3)	525	-	525
Additional Instruments (3)	600	-	600
	<u>\$ 7,496</u>	<u>\$ -</u>	<u>\$ 7,496</u>
VIC Theater Equipment Modernization			
Laptop-Based Component	\$ 3,500	-	\$ 3,500
Sound Controller	1,500	-	1,500
Software	500	-	-
Projector	-	6,000	-
Wireless Streaming Device	250	-	250
	<u>\$ 5,750</u>	<u>\$ 6,000</u>	<u>\$ 11,750</u>
	<u>\$ 75,176</u>	<u>\$ 14,700</u>	<u>\$ 89,876</u>

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CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers, City Manager *KM*

SUBJECT: Chamber Christmas Light Show

Summary:

The Chamber is proposing to have another light show prior to the City Christmas Parade this year.

Recommendation:

It is recommended that the Chamber be approved for conducting a light show in Market Platz along Main Street immediately prior to this year's Christmas Parade.

Background / Analysis:

Penny McBride will be present at Monday's Council meeting to discuss the Chamber's plans for holding another light show at this year's Christmas Parade.

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The City of Fredericksburg



CITY COUNCIL MEMO

DATE: August 13, 2014
TO: Mayor and City Council
FROM: Brad Kott, Director of Finance
SUBJECT: Receive and Accept 2014 Effective and Rollback Tax Rate Calculations

Summary:

Truth-in-Taxation requires cities to calculate two rates after receiving a certified appraisal roll from the chief appraiser – the effective tax rate and the rollback tax rate. Both rates are calculated by the Gillespie County Tax Assessor / Collector, Marissa Weinheimer. The 2014 Effective Tax Rate Worksheet and the 2014 Rollback Tax Worksheet are attached.

Effective Tax Rate

The effective tax rate is a calculated rate that would provide the taxing unit with about the same amount of revenue it received in the year before on properties taxed in both years. If property values rise, the effective tax rate goes down and vice versa.

Although the actual calculation can become more complicated, a taxing unit's effective tax rate is a calculated rate generally equal to the last year's taxes divided by the current taxable value of properties that were also on the tax roll last year. The resulting tax rate, used for comparison only, shows the relation between the last year's revenue and the current year's values.

The 2014 Effective Tax Rate has been calculated at \$0.2482 per \$100 of property value.

Rollback Tax Rate

The rollback tax rate is a calculated maximum rate allowed by law without voter approval. A taxing unit's rollback tax rate is a calculated rate that divides the overall property taxes into two categories - M&O and debt service, also called interest and sinking.

With the exception of school districts, the rollback tax rate provides the taxing unit with about the same amount of tax revenue it spent the previous year for day-to-day operations, plus an extra eight percent increase for those operations, and sufficient funds to pay debts in the coming year. If a taxing unit adopts a tax rate higher than the rollback tax rate, voters in the taxing unit can circulate a petition calling for an election to limit the size of the tax increase.

The 2014 Rollback Tax Rate has been calculated at \$0.2605 per \$100 of property value.

Recommendation:

City Staff has checked the computation of the Effective and Rollback Tax Rates and is in agreement that they have accurately been calculated. Staff recommends that the council accept both rate calculations.

Background/Analysis:

The rate calculation worksheets have been included for your review. Also included is a comparison of the adopted and effective tax rates since 1989. Finally, you may use the Tax Scenario Worksheet to view the additional revenue generated by choosing a proposed tax rate in excess of the effective tax rate.

2014 Effective Tax Rate Worksheet

CITY OF FREDBG

See pages 13 to 16 for an explanation of the effective tax rate.

1. 2013 total taxable value. Enter the amount of 2013 taxable value on the 2013 tax roll today. Include any adjustments since last year's certification; exclude Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in line 2) and the captured value for tax increment financing (will deduct taxes in line 14).	\$1,367,371,851
2. 2013 tax ceilings. Counties, Cities and Junior College Districts. Enter 2013 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0" If your taxing units adopted the tax ceiling provision in 2013 or prior year for homeowners age 65 or older or disabled, use this step.	\$311,538,609
3. Preliminary 2013 adjusted taxable value. Subtract line 2 from line 1.	\$1,055,833,242
4. 2013 total adopted tax rate.	\$0.260000/\$100
5. 2013 taxable value lost because court appeals of ARB decisions reduced 2013 appraised value. A. Original 2013 ARB values: \$0 B. 2013 values resulting from final court decisions: - \$0 C. 2013 value loss. Subtract B from A.	\$0
6. 2013 taxable value, adjusted for court-ordered reductions. Add line 3 and line 5C.	\$1,055,833,242
7. 2013 taxable value of property in territory the unit deannexed after January 1, 2013. Enter the 2013 value of property in deannexed territory.	\$0
8. 2013 taxable value lost because property first qualified for an exemption in 2013. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, "goods-in-transit" exemptions. A. Absolute exemptions. Use 2013 market value: \$369,260 B. Partial exemptions. 2014 exemption amount or 2014 percentage exemption times 2013 value: + \$34,500 C. Value loss. Add A and B.	\$403,760

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2014 Effective Tax Rate Worksheet (continued)

CITY OF FREDBG

9.	2013 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2014. Use only those properties that first qualified in 2014; do not use properties that qualified in 2013. A. 2013 market value: \$341,670 B. 2014 productivity or special appraised value: - \$760 C. Value loss. Subtract B from A. \$340,910	\$340,910
10.	Total adjustments for lost value. Add lines 7, 8C and 9C.	\$744,670
11.	2013 adjusted taxable value. Subtract line 10 from line 6.	\$1,055,088,572
12.	Adjusted 2013 taxes. Multiply line 4 by line 11 and divide by \$100.	\$2,743,230
13.	Taxes refunded for years preceding tax year 2013. Enter the amount of taxes refunded during the last budget year for tax years preceding tax year 2013. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2013. This line applies only to tax years preceding tax year 2013. \$863	\$863
14.	Taxes in tax increment financing (TIF) for tax year 2013. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2014 captured appraised value in Line 16D, enter "0." \$0	\$0
15.	Adjusted 2013 taxes with refunds. Add lines 12 and 13, subtract line 14.	\$2,744,093
16.	Total 2014 taxable value on the 2014 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in line 18). These homesteads includes homeowners age 65 or older or disabled. A. Certified values only: \$1,411,638,866 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$0	\$1,411,638,866

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2014 Effective Tax Rate Worksheet (continued)

CITY OF FREDBG

16. (cont.)	C. Pollution control exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control property (use this line based on attorney's advice): - \$0 D. Tax increment financing: Deduct the 2014 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2014 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in line 21 below. - \$0 E. Total 2014 value. Add A and B, then subtract C and D. \$1,411,638,866	
17.	Total value of properties under protest or not included on certified appraisal roll. A. 2014 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the district's value and the taxpayer's claimed value, if any or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. \$27,522,155 B. 2014 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included at appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. + \$0	

2014 Effective Tax Rate Worksheet (continued)

CITY OF FREDBG

17. (cont.)	C. Total value under protest or not certified. Add A and B.	\$27,522,155
18.	2014 tax ceilings. Counties, cities and junior colleges enter 2014 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other units enter "0." If your taxing units adopted the tax ceiling provision in 2013 or prior year for homeowners age 65 or older or disabled, use this step.	\$316,895,744
19.	2014 total taxable value. Add lines 16E and 17C. Subtract line 18.	\$1,122,265,277
20.	Total 2014 taxable value of properties in territory annexed after January 1, 2008. Include both real and personal property. Enter the 2014 value of property in territory annexed.	\$0
21.	Total 2014 taxable value of new improvements and new personal property located in new improvements. "New" means the item was not on the appraisal roll in 2013. An improvement is a building, structure, fixture or fence erected on or affixed to land. A transportable structure erected on its owner's land is also included unless it is held for sale or is there only temporarily. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the unit after January 1, 2013 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2014. New improvements do not include mineral interests produced for the first time, omitted property that is back assessed and increased appraisals on existing property.	\$16,713,710
22.	Total adjustments to the 2014 taxable value. Add lines 20 and 21.	\$16,713,710
23.	2014 adjusted taxable value. Subtract line 22 from line 19.	\$1,105,551,567
24.	2014 effective tax rate. Divide line 15 by line 23 and multiply by \$100.	\$0.2482/\$100
25.	COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2014 county effective tax rate.	\$/ \$100

A county, city or hospital district that adopted the additional sales tax in November 2013 or in May 2014 must adjust its effective tax rate. *The Additional Sales Tax Rate Worksheet* on page 39 sets out this adjustment. Do not forget to complete the *Additional Sales Tax Rate Worksheet* if the taxing unit adopted the additional sales tax on these dates.

2014 Rollback Tax Rate Worksheet

CITY OF FREDBG

See pages 17 to 21 for an explanation of the rollback tax rate.

26.	2013 maintenance and operations (M&O) tax rate.	\$0.187900/\$100
27.	2013 adjusted taxable value. Enter the amount from line 11.	\$1,055,088,572
28.	2013 M&O taxes. A. Multiply line 26 by line 27 and divide by \$100. \$1,982,511 B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2013. Enter amount from full year's sales tax revenue spent for M&O in 2013 fiscal year, if any. Other units, enter "0." Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent. + \$1,471,450 C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other units, enter "0." + \$0 D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another unit by written contract, enter the amount spent by the unit discontinuing the function in the 12 months preceding the month of this calculation. If the unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the unit operated the function. The unit discontinuing the function will subtract this amount in H below. The unit receiving the function will add this amount in H below. Other units, enter "0." +/- \$0	

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2014 Rollback Tax Rate Worksheet (continued)

CITY OF FREDBG

28. (cont.)	E. Taxes refunded for years preceding tax year 2013: Enter the amount of M&O taxes refunded during the last budget year for tax years preceding tax year 2013. Types of refunds include court decisions, Section 25.25(b) and (c) corrections and Section 31.11 payment errors. Do not include refunds for tax year 2013. This line applies only to tax years preceding tax year 2013. + \$863 F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance. + \$0 G. Taxes in tax increment financing (TIF): Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the unit has no 2014 captured appraised value in Line 16D, enter "0." - \$0 H. Adjusted M&O Taxes. Add A, B, C, E and F. For unit with D, subtract if discontinuing function and add if receiving function. Subtract G. \$3,454,824	
29.	2014 adjusted taxable value. Enter line 23 from the Effective Tax Rate Worksheet.	\$1,105,551,567
30.	2014 effective maintenance and operations rate. Divide line 28H by line 29 and multiply by \$100.	\$0.3124/\$100
31.	2014 rollback maintenance and operation rate. Multiply line 30 by 1.08. (See lines 49 to 52 for additional rate for pollution control expenses.	\$0.3373/\$100

2014 Rollback Tax Rate Worksheet (continued)

CITY OF FREDBG

32.	Total 2014 debt to be paid with property taxes and additional sales tax revenue. "Debt" means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the unit's budget as M&O expenses. A: Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. List the debt in Schedule B: Debt Service.	\$682,495
	B: Subtract unencumbered fund amount used to reduce total debt.	-\$1,000
	C: Subtract amount paid from other resources.	-\$0
	D: Adjusted debt. Subtract B and C from A.	\$681,495
33.	Certified 2013 excess debt collections. Enter the amount certified by the collector.	\$0
34.	Adjusted 2014 debt. Subtract line 33 from line 32.	\$681,495
35.	Certified 2014 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	99.000000%
36.	2014 debt adjusted for collections. Divide line 34 by line 35.	\$688,379
37.	2014 total taxable value. Enter the amount on line 19.	\$1,122,265,277
38.	2014 debt tax rate. Divide line 36 by line 37 and multiply by \$100.	\$0.0613/\$100
39.	2014 rollback tax rate. Add lines 31 and 38.	\$0.3986/\$100
40.	COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2014 county rollback tax rate.	\$/\$100

A taxing unit that adopted the additional sales tax must complete the lines for the *Additional Sales Tax Rate*. A taxing unit seeking additional rollback protection for pollution control expenses completes the *Additional Rollback Protection for Pollution Control*.

Additional Sales Tax Rate Worksheet

CITY OF FREDBG

41.	Units that adopted the sales tax in August or November 2013, or in January or May 2014. Enter the Comptroller's estimate of taxable sales for the previous four quarters. Units that adopted the sales tax before August 2013, skip this line.	\$0
42.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2013, OR IN JANUARY OR MAY 2014. Multiply the amount on line 41 by the sales tax rate (.01, .005, or .0025, as applicable) and multiply the result by .95. -OR- UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2013. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$1,550,056
43.	2014 total taxable value. Enter the amount from line 37 of the <i>Rollback Tax Rate Worksheet</i> .	\$1,122,265,277
44.	Sales tax adjustment rate. Divide line 42 by line 43 and multiply by \$100.	\$0.1381/\$100
45.	2014 effective tax rate, unadjusted for sales tax. Enter the rate from line 24 or 25, as applicable, on the <i>Effective Tax Rate Worksheet</i> .	\$0.2482/\$100
46.	2014 effective tax rate, adjusted for sales tax. UNITS THAT ADOPTED THE SALES TAX IN AUGUST OR NOVEMBER 2013, OR IN JANUARY OR MAY 2014. Subtract line 45 from line 46. -OR- UNITS THAT ADOPTED THE SALES TAX BEFORE AUGUST 2013. Enter line 46, do not subtract.	\$0.2482/\$100
47.	2014 rollback tax rate, unadjusted for sales tax. Enter the rate from line 39 or 40, as applicable, of the rollback tax rate worksheet.	\$0.3986/\$100
48.	2014 rollback tax rate, adjusted for sales tax. Subtract line 44 from line 47.	\$0.2605/\$100

If the additional sales tax rate increased or decreased from last year, contact the Comptroller's office for special instructions on calculating the sales tax projection for the first year after the rate change.

PROPERTY TAXES

COMPARISON OF ADOPTED AND EFFECTIVE TAX RATES

<u>YEAR</u>	<u>ADOPTED</u>	<u>EFFECTIVE</u>	<u>% ABOVE EFFECTIVE</u>
2014		\$0.24820	
2013	\$0.26000	0.26000	0.00%
2012	0.26470	0.24150	9.61%
2011	0.24440	0.23500	4.00%
2010	0.23650	0.23650	0.00%
2009	0.23190	0.23190	0.00%
2008	0.23500	0.22390	4.96%
2007	0.24140	0.22990	5.00%
2006	0.25660	0.24680	3.97%
2005	0.25960	0.25960	0.00%
2004	0.28200	0.24340	15.86%
2003	0.25670	0.22599	13.59%
2002	0.23700	0.23030	2.91%
2001	0.25050	0.24684	1.48%
2000	0.26510	0.26050	1.77%
1999	0.26960	0.25684	4.97%
1998	0.26680	0.26680	0.00%
1997	0.28800	0.28470	1.16%
1996	0.28700	0.28290	1.45%
1995	0.30130	0.29473	2.23%
1994	0.24600	0.23900	2.93%
1993	0.24880	0.24280	2.47%
1992	0.24980	0.24311	2.75%
1991	0.24374	0.23437	4.00%
1990	0.23275	0.22598	3.00%
1989	0.22283	0.21926	1.63%

2014 Tax Rate Scenarios

2014		2013	2012	2011
1,439,161,021	Appraised Values (includes Frozen)	1,367,371,851	1,345,266,579	1,333,415,814
316,895,744	Frozen Homestead Values	311,538,609	294,388,127	293,474,519
1,122,265,277	Non Frozen Taxable Values	1,055,833,242	1,050,878,452	1,039,941,295
706,193	Frozen Tax Dollar Amount	687,709	630,798	622,624

TOTAL TAXES		2014		2014	2014	2014	2013	Tax
		Effective	%of	Non frozen	Frozen	Total	Total	Revenue
		Tax and	Levy	Tax	Tax	Tax	Tax	Increase
Cents	Percentage	Increases		Amount	Amount	Amount	Amount	(Decrease)
EFFECTIVE		0.24820	100.00%	\$ 2,785,462	\$ 706,193	\$ 3,491,655	\$ 3,430,939	\$ 60,716
0.50	2.0%	0.25320	100.38%	2,841,576	706,193	3,547,769	\$ 3,430,939	116,830
1.00	4.0%	0.25820	100.74%	2,897,689	706,193	3,603,882	\$ 3,430,939	172,943
1.50	6.0%	0.26320	101.07%	2,953,802	706,193	3,659,995	\$ 3,430,939	229,056
2.00	8.1%	0.26820	101.38%	3,009,915	706,193	3,716,108	\$ 3,430,939	285,169
2.50	10.1%	0.27320	101.67%	3,066,029	706,193	3,772,222	\$ 3,430,939	341,283
3.00	12.1%	0.27820	101.94%	3,122,142	706,193	3,828,335	\$ 3,430,939	397,396
3.50	14.1%	0.28320	102.19%	3,178,255	706,193	3,884,448	\$ 3,430,939	453,509
ROLLBACK		0.26050	100.90%	2,923,501	706,193	3,629,694	\$ 3,430,939	198,755

MAINTENANCE & OPERATIONS

		2014		2014	2014	2014	2013	Tax
		Effective		Non frozen	Frozen	Total	Total	Revenue
		Tax and		Tax	Tax	Tax	Tax	Increase
Cents	Percentage	Increases		Amount	Amount	Amount	Amount	(Decrease)
EFFECTIVE		0.19927	80.29%	\$ 2,097,083	\$ 706,193	\$ 2,803,276	\$ 2,479,672	\$ 323,604
	2.0%	0.20504	80.98%	2,153,197	706,193	2,859,390	2,479,672	379,718
	4.0%	0.21079	81.64%	2,209,310	706,193	2,915,503	2,479,672	435,831
	6.0%	0.21652	82.26%	2,265,423	706,193	2,971,616	2,479,672	491,944
	8.1%	0.22222	82.86%	2,321,536	706,193	3,027,729	2,479,672	548,057
	10.1%	0.22791	83.42%	2,377,650	706,193	3,083,843	2,479,672	604,171
	12.1%	0.23357	83.96%	2,433,763	706,193	3,139,956	2,479,672	660,284
	14.1%	0.23922	84.47%	2,489,876	706,193	3,196,069	2,479,672	716,397
ROLLBACK		0.21343	81.93%	2,235,122	706,193	2,941,315	2,479,672	461,643

INTEREST & SINKING

		2014		2014	2014	2014	2013	Tax
		Effective		Non frozen	Frozen	Total	Total	Revenue
		Tax and		Tax	Tax	Tax	Tax	Increase
		Increases		Amount	Amount	Amount	Amount	(Decrease)
EFFECTIVE		0.04893	19.71%	\$ 688,379	\$ -	\$ 688,379	\$ 951,267	\$ (262,888)
	2.0%	0.04816	19.40%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	4.0%	0.04741	19.10%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	6.0%	0.04668	18.81%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	8.1%	0.04598	18.52%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	10.1%	0.04529	18.25%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	12.1%	0.04463	17.98%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
	14.1%	0.04398	17.72%	\$ 688,379	-	688,379	\$ 951,267	(262,888)
ROLLBACK		0.04707	18.97%	\$ 688,379	-	688,379	\$ 951,267	(262,888)

Every tax dollar that is received by Assessor is allocated by the percentage of M&O of I&S to the total tax rate.



CITY COUNCIL MEMO

DATE: August 13, 2014

TO: Mayor and City Council

FROM: Brad Kott, Director of Finance

SUBJECT: Discuss property tax rate, take record vote on proposed tax rate, and schedule special public hearings, if necessary.

Summary:

A taxing unit's governing body must follow Legislative guidelines for proposing and adopting a tax rate. If the tax rate proposed by the governing body exceeds the effective tax rate or rollback rate, whichever is lower, they must publish a public hearing notice, post a website notice and hold two public hearings.

Marissa Weinheimer, the Gillespie County Tax Assessor / Collector, calculates the effective tax and rollback rates. The effective tax rate is defined as the rate that imposes the same total property taxes as last year on properties taxed in both years. The rollback tax rate is the highest tax rate that could be adopted before taxpayers can start rollback procedures. The 2014 rollback tax rate is \$0.2605 per \$100 valuation.

The effective tax rate for 2014 is \$0.2482 per \$100 valuation, down from last year's actual rate of \$0.2600. The effective tax rate is significant in that any proposed tax rate above that number requires two additional public hearings on that proposed rate prior to adoption of the tax rate.

(78)
The City of Fredericksburg

Recommendation:

The Council needs to establish a proposed tax rate by taking a record vote at the August 18, 2014 Council Meeting. It is important to note that after the public hearing on the 2014-15 Budget, the Council can adopt the proposed tax rate or a lower rate, but cannot adopt a rate higher than the proposed rate without again taking a record vote and conducting two additional Public Hearings.

The motion should be to approve the proposed property tax rate of \$0.____, a rate that is ____% above the effective tax rate of \$0.2482, as presented.

If the tax rate proposed by the governing body exceeds the effective tax rate or rollback rate, whichever is lower, they must publish a public hearing notice, post a website notice and hold two public hearings.

In a second motion, if necessary, the Council will move to schedule two Public Hearings on Tax Increase for Wednesday, August 27th and Tuesday, September 2nd. Both meetings will be held at 7 p.m. at the Law Enforcement Center.

Background / Analysis:

Please see the attached worksheets that show the Effective and Rollback Tax calculations made by Marissa Weinheimer.

Also included is a comparison of the adopted and effective tax rates since 1989.

Finally, you may use the 2014 Tax Scenario worksheet to view the additional revenue generated by increasing the adopted rate in excess of the effective tax rate.



CITY COUNCIL MEMO

DATE: August 18, 2014

TO: Mayor and City Council

FROM: Kent Myers *KM*

SUBJECT: Exchange of Property-306 East Austin Street

Summary:

Several revisions to the right of first refusal agreement with the Chamber have been made that require approval by the Council. An executive session has been scheduled in case you would like to discuss these changes.

Recommendation:

It is recommended that the City approve the attached revised right of refusal agreement covering the exchange of City-owned property located at 306 E. Austin Street.

Background / Analysis:

Since the last Council discussion on this exchange, the Chamber has proposed several changes to the Right of First Refusal agreement including that this right of the City be a one-time offer. If the property was sold following this one-time procedure, the City would no longer have this right in the future. In addition, we have added a 21-day review period for exercising our right of first refusal.

(80)

The City of Fredericksburg

Also, the Chamber wanted to reserve the right to rent the building on a temporary basis. None of these changes are significant and we recommend approval.

This transaction is scheduled to close by the end of September subject to approval by the Historic Review Board in September of the changes proposed to the building at 306 E. Austin.

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The City of Fredericksburg

Exhibit C-1

RIGHT OF FIRST REFUSAL AGREEMENT

THIS RIGHT OF FIRST REFUSAL AGREEMENT (this "Agreement") is made to be effective as of _____ (the "Effective Date"), by and between the Fredericksburg Chamber of Commerce, Inc., a Texas Corporation, acting herein by and through its duly authorized officers ("Owner"), and the City of Fredericksburg, a municipal corporation of the County of Gillespie, acting herein by and through its duly authorized officers, ("Holder").

WHEREAS, Owner owns the land and improvements described on Exhibit A attached hereto and made a part hereof for all purposes (collectively the "Property"); and

WHEREAS, Holder owns the land and improvements located adjacent to the Property and

WHEREAS, Owner has agreed to grant to Holder a continuing right of first refusal to purchase the Property on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, KNOW ALL PERSONS that for and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged and confessed, Owner and Holder have agreed and do hereby agree as follows:

ARTICLE I

OPTIONAL PROCEDURE PRIOR TO RIGHT OF FIRST REFUSAL

1.1 Mutual Agreement of Parties.

During the term of this Agreement, at the sole option of Owner, Owner may offer to sell the Property to the Holder prior to marketing the Property for Sale. The terms of such sale will be as mutually acceptable to the parties.

1.2 Required negotiation.

In the event Owner chooses not to so informally offer the Property to Holder, Owner, at Owner's sole option may require Holder to enter into a formal required negotiation as follows:

Owner will give Holder written notice of Owner's decision to invoke the required negotiation process. During the sixty (60) day period following Owner's notice of its decision to invoke the required negotiation process Owner and Holder shall make a good faith effort to agree on a market value of the Property which will be the prevailing market rate for similar property in Fredericksburg, Texas and all other terms of the sale. If the Parties fail to agree on a market value and other terms of the sale within twenty one (21) days following the said notice, the Parties shall submit the contract for arbitration under the following rules:

(a) Each Party shall select one arbitrator, who shall be a licensed real estate appraiser or commercial real estate agent or broker then doing business in Gillespie County, Texas, within ten (10) days following the twenty one (21) day period. The arbitrators selected by the Parties shall choose one additional arbitrator (also meeting the same qualifications) and these shall make up the arbitration panel.

(b) The Parties shall agree on and stipulate to a statement of facts and issues presented that shall be submitted to the arbitration panel.

(c) If desired, each Party may submit a written statement of position to the arbitration panel. If a Party chooses to submit a statement of position, copies of that statement must be served on the other Party. The other Party shall have the right to submit written rebuttals to the statement of position within ten (10) days from receipt of the statement.

(d) The arbitration panel may request oral argument at which each Party shall have the right to be present.

(e) Fees and expenses of the arbitration panel shall be paid by the Parties equally. The panel shall have the authority to hire an appraiser.

(f) The arbitration panel shall make a final decision on the market value of the Property and all terms of the sale not agreed to by the parties prior to the end of the sixty (60) day period prior to the termination of the primary or preceding term. The decision of the arbitration panel shall be binding on the Parties, provided however, that Holder may decline to purchase the Property within ten (10) days following the decision of the panel.

1.3 When Right of First Refusal Applies

If Holder declines to purchase the Property under the terms of the arbitration panel's decision, the Right of First Refusal hereinafter set out will apply only to sales of the Property at a price or terms less favorable to Owner than those contained in the decision of the arbitration panel.

ARTICLE II GRANT AND NOTICE

2.1 Grant of Right of First Refusal.

Owner hereby grants to Holder, Holder's heirs, executors, administrators, legal representatives and permitted assigns, a continuing right of first refusal to purchase the Property on the terms and conditions set forth below (the "Right of First Refusal").

2.2 Qualifying Offer; Offer Notice.

If, at any time during the term of this Agreement, Owner receives a bona fide offer to, lease, purchase or exchange all or any portion of the Property pursuant to a transaction that is not an Excluded Transaction as herein defined (a "Qualifying Offer"), Owner agrees to and shall provide Holder with written notice (an "Offer Notice") within twenty one (21) days after the receipt by Owner of the Qualifying Offer. The Offer Notice

shall set forth the terms and conditions of the Qualifying Offer in detail, shall include a copy of any written instrument constituting, evidencing, summarizing or otherwise relating to the Qualifying Offer, and shall describe that portion of the Property, which may be all or less than all of the Property, that is the subject of the Qualifying Offer. If the Qualifying Offer is made pursuant to a tendered sales contract (the "Tendered Contract"), a copy of the Tendered Contract shall be delivered to Holder contemporaneously with the Offer Notice.

2.3 Review Period.

Holder shall have twenty one (21) days (the "Review Period") after the receipt of an Offer Notice during which Holder may, but shall not be obligated to, elect to exercise the Right of First Refusal by providing Owner with written notice of its election to exercise the Right of First Refusal (the "Acceptance Notice").

If Holder fails to deliver an Acceptance Notice to Owner prior to the expiration of the Review Period, Holder shall be deemed to have elected not to exercise the Right of First Refusal as to the portion of the Property described in the Offer Notice.

If Holder elects not to exercise the Right of First Refusal or fails to deliver an Acceptance Notice to Owner prior to the expiration of the Review Period, Owner shall be free to consummate the transaction described in the Offer Notice on the same terms and conditions set forth therein.

If the transaction described in the Offer Notice is consummated, this Right of First Refusal shall terminate as to the property sold. Within fifteen (15) days after the date of consummation of the transaction referenced in the Offer Notice, Owner will provide Holder with copies of the recorded deed evidencing such conveyance and Owner's closing statement relating to such conveyance.

If the transaction described in the Offer Notice is not consummated within ninety (90) days after Holder's receipt of the Offer Notice or a Material Change (as defined below) is made thereto, the Right of First Refusal shall again be applicable to the portion of the Property described in the Offer Notice and Owner shall again strictly adhere to the submission requirements of this Article.

A "Material Change" means any decrease in the price (except for a customary decrease in the price resulting from (a) credits or prorations provided for in the contract, term sheet or other instrument submitted to Holder contemporaneously with the Offer Notice, and (b) additional credits or prorations made at the closing of the sale described in the Offer Notice which, in the aggregate, do not exceed \$5,000.00), or any change in the terms of payment of the price or any change in the identity of the purchaser of the Property.

2.4 Acceptance of Offer.

If Holder elects to exercise the Right of First Refusal with regard to an Offer Notice, the sale of the Property or the portion thereof described in the Offer Notice from Owner to

Holder shall occur on the terms and conditions set forth in the Offer Notice, with such minor immaterial changes as shall be necessary to effect the substitution of Holder in the place of the proposed buyer, and/or such changes as shall be necessary to effect the substitution of substantially equivalent economic consideration for any unique consideration provided for in the proposed transfer. If a Tendered Contract was submitted to Holder contemporaneously with the Offer Notice, Holder and Owner shall enter into a sales contract in substantially the form of the Tendered Contract within five (5) days after the date Owner receives the Acceptance Notice with such minor immaterial changes as shall be necessary to effect the substitution of Holder in the place of the proposed buyer, and/or such changes as shall be necessary to effect the substitution of substantially equivalent economic consideration for any unique consideration provided for in the proposed transfer.

2.5 Independent Contract Consideration.

On the Effective Date, Holder has delivered to Owner a check in the amount of Fifty and No/100 Dollars (\$50.00) (the "Independent Consideration"), which amount the parties hereby acknowledge and agree has been bargained for and agreed to as consideration for execution and delivery of this Agreement. The Independent Consideration is in addition to the consideration of the sale to Owner by Holder, which is material consideration for this Agreement, and independent of any other consideration or payment provided for in this Agreement, and is nonrefundable in all events.

2.6 Exchange. This agreement is also made in additional consideration of the agreement by Holder to sell the Property to the Owner, and this agreement is an integral part of such agreement, without which such agreement to sell would not have been made.

ARTICLE III

TERM OF AGREEMENT

3.1 Term of Agreement.

The term of this Agreement shall commence on the Effective Date and shall expire on fifty (50) years from the date hereof.

3.2 Perpetuities. Anything in this contract to the contrary notwithstanding, no requirement created hereunder shall continue beyond the period which would violate the Texas rule against perpetuities. In the event the rule against perpetuities or other applicable law governing the maximum duration of like covenants and contract provisions is ever repealed or amended, the provisions hereof shall automatically be deemed to incorporate such law repeal or amendment so as to permit the full duration of the contemplated term.

ARTICLE IV

EXCLUDED/ INCLUDED TRANSACTIONS

4.1 Excluded Transactions.

The Right of First Refusal shall not apply to the following excluded transactions: the granting of easements or licenses, all in the normal and ordinary course of owning the Property and using the Property as an office for the Fredericksburg Chamber of Commerce, leases to third parties for a period of two (2) years or less but only if there are four (4) or more years remaining in the term of this Agreement

4.2 The Right of First Refusal shall apply to the following included transactions:

(a) the leasing or subleasing to tenants except as provided in 4.1 above , (b) the sale, transfer or conveyance to any entity that acquires all or substantially all of the assets of Owner, (c) the sale, transfer or conveyance to any entity in connection with a merger, joint venture, partnership or other business venture or reorganization of Owner which does not perform the same functions as Owner, (c) the foreclosure or conveyance in lieu thereof in connection with any mortgage or deed of trust, (d) the sale, transfer or conveyance of the Property as a part of a sale, transfer or conveyance of multiple properties and/or assets, including significant assets other than the Property to an entity which does not perform the same functions as Owner, or (e) any other transaction that is designed or effectuated with the sole or a substantial purpose of defeating the Right of First Refusal.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 Representations and Warranties of Owner.

Owner hereby makes the following representations and warranties to Holder, which representations and warranties shall be deemed to be restated at Closing and shall survive Closing:

(a) Owner is a duly organized and in good standing under the laws of the State of Texas. Owner is in good standing and authorized to do business in the State of Texas. Owner has complete power and authority to enter into this Agreement and all other agreements to be executed and delivered by Owner pursuant to the terms and provisions hereof, to perform its obligations hereunder and thereunder, and to consummate the transaction contemplated hereby; (b) This Agreement has been duly executed and delivered by Owner. All other agreements contemplated hereby to be executed and delivered by Owner will be, prior to Closing, duly authorized, executed and ready in all respects to be delivered by Owner. This Agreement and all other agreements contemplated hereby constitute legal, valid and binding obligations of Owner enforceable in accordance with their respective terms; and (c) The execution, delivery and performance of this Agreement and any other agreement contemplated hereby and the consummation of the transaction contemplated hereby or thereby do not, with or without the passage of time and/or the giving of notice, conflict with, constitute a breach, violation or termination of any provision of any contract or other agreement to which Owner is a party or to which all or any part of the Property is bound.

5.2 Representations and Warranties of Holder.

Holder hereby makes the following representations and warranties to Owner, which representations and warranties shall be deemed to be restated at Closing and shall survive Closing:

(a) Holder is a duly organized and in good standing under the laws of the State of Texas. Holder is in good standing and authorized to do business in the State of Texas. Holder has complete power and authority to enter into this Agreement and all other agreements to be executed and delivered by Holder pursuant to the terms and provisions hereof, to perform its obligations hereunder and thereunder, and to consummate the transaction contemplated hereby; (b) This Agreement has been duly executed and delivered by Holder. All other agreements contemplated hereby to be executed and delivered by Holder will be, prior to Closing, duly authorized, executed and ready in all respects to be delivered by Holder. This Agreement and all other agreements contemplated hereby constitute legal, valid and binding obligations of Holder; and (c) The execution, delivery and performance of this Agreement and any other agreement contemplated hereby and the consummation of the transaction contemplated hereby or thereby do not, with or without the passage of time and/or the giving of notice, conflict with, constitute a breach, violation or termination of any provision of any contract or other agreement to which Holder is a party.

ARTICLE VI MISCELLANEOUS

6.1 Assignment.

Except as expressly set forth below, neither party may assign its rights under this Agreement except with the prior written consent of the other party, which consent may be given or withheld in such party's sole and absolute discretion. Any assignment or attempted assignment in violation of this Section shall be null and void and shall constitute a default by the assigning party.

6.2 Expiration of Time Periods.

In the event that any time period set forth in this Agreement ends or expires on a Saturday, Sunday or legal holiday in Gillespie County, Texas, such time period shall end or expire on the nearest business day thereafter. Time periods set forth in this Agreement shall be calculated using calendar days.

6.3 Notices.

Any notice pursuant hereto shall be given in writing by (a) personal delivery, or (b) expedited delivery service with proof of delivery, or (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, sent to the intended addressee at the address set forth below, or to such other address in the continental United States or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant hereto shall be as follows:

(a) If to Owner:

(b) If to Holder:

City of Fredericksburg
126 West Main Street
Fredericksburg, Texas 78624
Attn: City Manager

6.4 Modification.

This Agreement cannot under any circumstance be modified orally, and no agreement shall be effective to waive, change, modify or discharge this Agreement, in whole or in part, unless such agreement is in writing and is signed by both Owner and Holder.

6.5 Time is of the Essence.

Owner and Holder agree that time is of the essence with regard to this Agreement and the performance of the terms and provisions hereof.

6.6 Successors and Assigns.

The terms and provisions hereof are to apply to and bind the permitted successors and assigns of the parties hereto. Specifically and without limiting the foregoing, this Agreement shall be binding upon Owner and all subsequent owners of all or any part of the Property.

6.7 Exhibits and Schedules.

The following schedules or exhibits are attached hereto and shall be deemed to be an integral part hereof:

Exhibit A-Legal description of the Property.

6.8 Entire Agreement.

This Agreement contains the entire agreement between Owner and Holder pertaining to the transaction contemplated hereby and fully supersedes all prior agreements and understandings between Owner and Holder pertaining to such transaction.

6.9 Further Assurances.

Owner and Holder agree that they will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to Closing, as may be reasonably requested by the other party to consummate more effectively the transaction contemplated hereby.

6.10 Fees and Expenses.

In the event of any controversy, claim or dispute between Owner and Holder affecting or relating to the transaction contemplated by or the performance of the rights and obligations under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of the prevailing party's reasonable expenses, including,

without limitation, attorneys' fees, accountants' fees, consultants' fees, court costs and interest.

6.11 Counterparts.

This Agreement may be executed in multiple counterparts, and all such executed counterparts shall constitute the same agreement. It shall be necessary to account for only one (1) such counterpart in proving the existence, validity or content of this Agreement.

6.12 Severability.

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.

6.13 Section Headings.

Section headings contained in this Agreement are for convenience only and shall not be considered in interpreting or construing this Agreement.

6.14 Binding Effect.

This Agreement shall not be binding upon either Owner or Holder unless and until both Owner and Holder have executed this Agreement.

6.15 Choice of Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of laws principles thereof.

6.16 Drafting.

Owner and Holder hereby agree that this Agreement and the Exhibits have been jointly negotiated and agreed upon by Owner and Holder and that any rule of contract interpretation that provides that ambiguity will be construed against the drafting party is inapplicable to this Agreement and shall not be used in connection with the interpretation of this Agreement.

6.17 No Third Party Beneficiary.

The provisions of this Agreement and of the documents to be executed and delivered at Closing are and will be for the benefit of Owner and Holder only and are not for the benefit of any third party. No third party shall have the right to enforce the provisions of this Agreement or the documents to be executed and delivered at Closing.

6.18 Memorandum of Agreement.

A memorandum of this Agreement, in the form of Exhibit C attached hereto and made a part hereof for all purposes, shall be recorded in the Real Property Records of Gillespie County, Texas. Upon the expiration or termination of this Agreement as to all or any portion of the Property, either party, upon written request from the other party, shall execute and deliver an instrument in recordable form prepared by the requesting party evidencing expiration or termination of this Agreement and the Right of First Refusal.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement effective as of the Effective Date.

OWNER:

Executed by Owner this _____ day of _____, 2014.

Fredericksburg Chamber of Commerce, Inc.

By: _____

Name: Penny McBride

Title: President

HOLDER: Executed by Holder this _____ day of _____, 2014.

City of Fredericksburg

By: _____

Name: Kent Myers

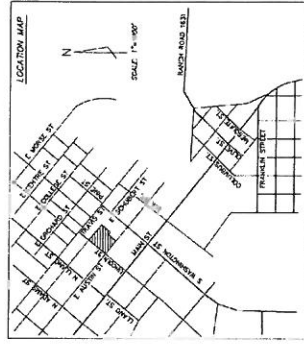
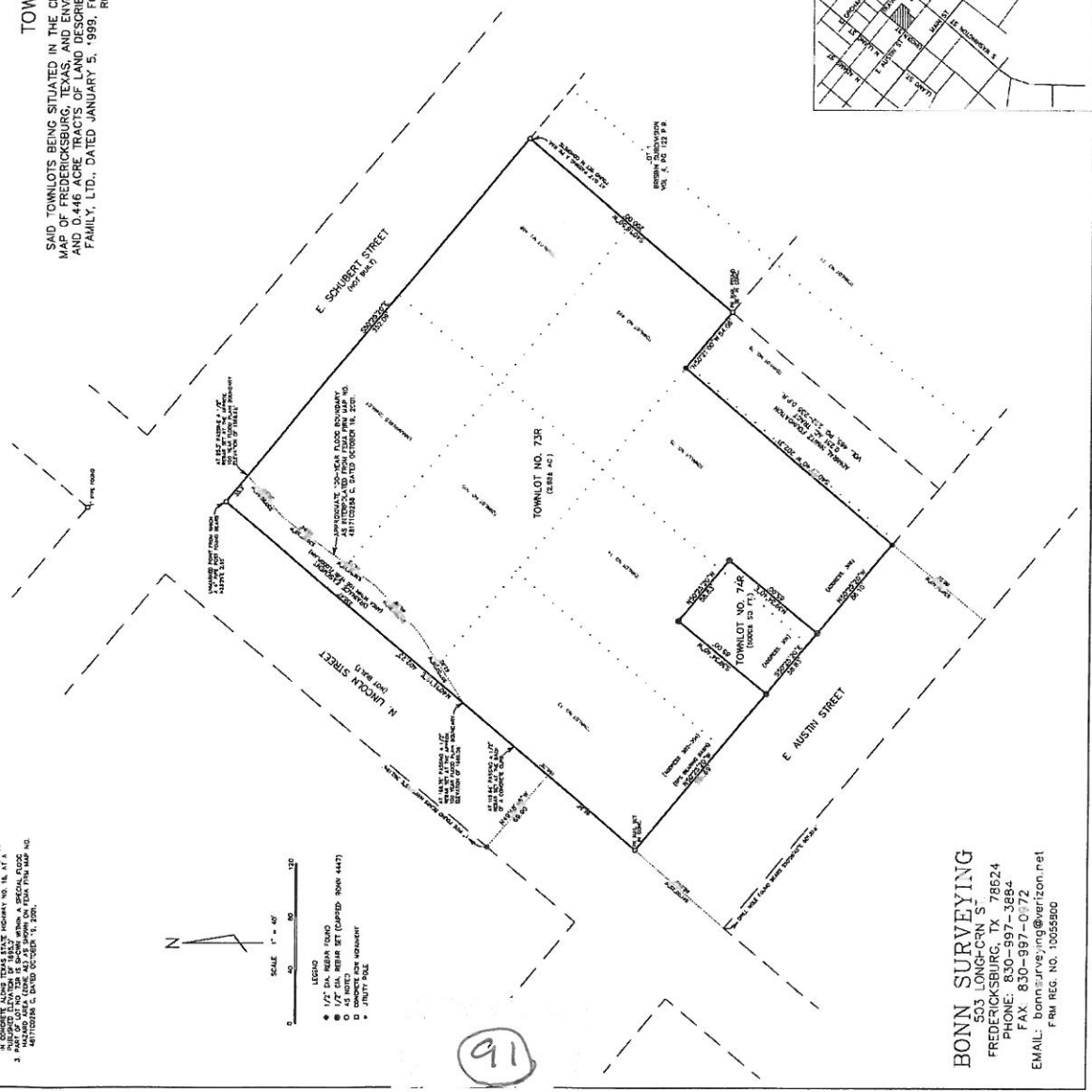
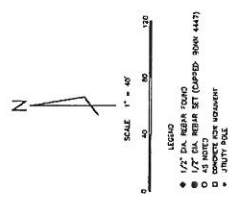
Title: City Manager

REPLAT

OF ALL OF TOWNLOTS NO. 73, 74, 500, & AN UNNUMBERED TOWNLOT
LYING N.E. OF TOWNLOT NO. 500 AND PARTS OF TOWNLOTS NO. 75, 498, & 499
INTO
TOWNLOTS NO. 73R AND 74R.

SAID TOWNLOTS BEING SITUATED IN THE CITY OF FREDERICKSBURG, GILLESPIE COUNTY, TEXAS, AND AS SHOWN ON THE
MAP OF UNINCORPORATED TOWNSHIPS AND TOWNSHIPS, BY THE GERMAN EMIGRATION COMPANY, AND BEING THOSE 2.314, 0.232,
AND 0.446 ACRE TRACTS OF LAND REFERRED TO IN A CERTAIN ORDER IN VOLUME 501, PAGES 375-381 OF THE REAL PROPERTY
FAMILY, LTD., DATED JANUARY 5, 1999, FOUND OF RECORD IN VOLUME 501, PAGES 375-381 OF THE REAL PROPERTY
RECORDS OF GILLESPIE COUNTY TEXAS.

NOTE:
1. "ZERO STRONG LINE" IN THIS MAP IS NOT A PROPERTY LINE.
2. "ZERO STRONG LINE" IS A PROPERTY LINE.
3. "ZERO STRONG LINE" IS A PROPERTY LINE.
4. "ZERO STRONG LINE" IS A PROPERTY LINE.
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10. "ZERO STRONG LINE" IS A PROPERTY LINE.



FILED AND RECORDED
OFFICE DEED RECORDS
FREDERICKSBURG, TEXAS
JUNE 23, 2014
BY: [Signature]
BOOK 111, PAGE 39

BONN SURVEYING
503 LONG-CORN S.
FREDERICKSBURG, TX 78624
PHONE: 830-997-3884
FAX: 830-997-0772
EMAIL: bonnsurveying@verizon.net
FIRM REG. NO. 1005500

THE STATE OF TEXAS
COUNTY OF GILLESPIE
I, the undersigned, being a duly qualified Surveyor in and for the County of Gillespie, State of Texas, do hereby certify that the foregoing is a true and correct copy of the original plat as the same appears of record in my office.

Surveyor
Date: 6-23-14

THE STATE OF TEXAS
COUNTY OF GILLESPIE
BEFORE ME, the undersigned authority, on this 22nd day of June, 2014, personally appeared [Signature], known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 22nd day of June, 2014.
Notary Public in and for the State of Texas
[Signature]



Approved:
[Signature]
City of Fredericksburg, Texas

Date: 6/23/14

The undersigned, the City Secretary and the City of Fredericksburg, Texas, hereby certify that the foregoing is a true and correct copy of the original plat as the same appears of record in my office.

Witness my hand on this 22nd day of June, 2014.
[Signature]
City Secretary

THE STATE OF TEXAS
COUNTY OF GILLESPIE
BEFORE ME, the undersigned authority, on this 22nd day of June, 2014, personally appeared [Signature], known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 22nd day of June, 2014.
Notary Public in and for the State of Texas
[Signature]

THE STATE OF TEXAS
COUNTY OF GILLESPIE
BEFORE ME, the undersigned authority, on this 22nd day of June, 2014, personally appeared [Signature], known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 22nd day of June, 2014.
Notary Public in and for the State of Texas
[Signature]

THE STATE OF TEXAS
COUNTY OF GILLESPIE
BEFORE ME, the undersigned authority, on this 22nd day of June, 2014, personally appeared [Signature], known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 22nd day of June, 2014.
Notary Public in and for the State of Texas
[Signature]

THE STATE OF TEXAS
COUNTY OF GILLESPIE
BEFORE ME, the undersigned authority, on this 22nd day of June, 2014, personally appeared [Signature], known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 22nd day of June, 2014.
Notary Public in and for the State of Texas
[Signature]