

CITY OF FREDERICKSBURG

MINUTES OF CITY COUNCIL WORK SESSION

OCTOBER 29, 2019

Members Present:

Mayor Linda Langerhans
Mayor Pro Tem Gary Neffendorf (arrived at 10 a.m.)
Councilmember Charlie Kiehne
Councilmember Tom Musselman
Councilmember Bobby Watson

Members Absent:

None

City Staff Present:

Kent Myers, City Manager
Clinton Bailey, Assistant City Manager/Director Public Works and Utilities
Daniel Jones, City Attorney
Brian Jordan, Development Services Director
Lea Feuge, Public Information Officer
Steve Wetz, Police Chief
Lynn Bizzell, Fire Chief
Russell Immel, Information Technology Director
Tammie Loth, Human Resources Manager
Laura Hollenbeck, Finance Director
Andrea Schmidt, Parks Department Director
Kelli Olfer, Gillespie County Health Department Director
Kris Kneese, Assistant Director of Public Works and Utilities
Garret Bonn, Assistant Engineer
Anna Hudson, Historic Preservation Officer
Jennifer Krupa, Special Events Coordinator
David Millegan, Building Official
Shelley Goodwin, City Secretary

1. CALL TO ORDER

With a quorum of the City Council present, Mayor Langerhans called the work session of the Fredericksburg City Council to order at 8:30 a.m. on Tuesday, October 29, 2019, in the Lady Bird Golf Course, Cardinal Room, 341 Golfers Loop, Fredericksburg, Texas 78624.

Kent Myers, City Manager, reviewed the items for discussion.

2. PUBLIC COMMENTS

Mayor read the public comment statement.

Walter Ploetz, Masonic Lodge, spoke regarding Agenda Item 6. Marktplatz User Fees. He stated he understands for increases but feels doubling the fees is excessive.

3. Consider Discussion on Short-Term Rentals

Kent Myers, City Manager, reviewed the history of the Short-Term Rentals and the Ordinance adopted last year. He also discussed the need for changes to the ordinance and the software changes. He also reviewed the need for new software.

Anna Hudson, Historic Preservation Officer, provided a PowerPoint of the history, number of STR, increased annual permit fees, upcoming changes to the implementation and software for STRs. She also reviewed the following proposed changes to the ordinance:

- Signage
- Zoning
- STR owners in R-1 live onsite
- Parking spaces
- Non-compliance or violation signs posted in yards
- Setting inspection deadlines following expiration of permits
- Setting deadline for renewal of permit
- Establishing new density requirements

Brian Jordan, Development Services Director, provided an update on compliance, inspection, and software issues. He also reviewed the need for increasing the permit fee to cover the administrative expenses.

Tamora Woods spoke regarding the permit fee charges for per room instead of per unit.

Polly Rickert spoke regarding the number of STRs versus number of single family residential. She also spoke to the HOT tax and State Tax issues.

Jessica Davis spoke regarding STRs. She indicated that STRs, are kept up better than long-term rentals. She feels with the extension of Historic District and the proposal of R1 owners living onsite of STR, this will push STRs into the County.

Tammy Pack spoke regarding her concern with R1 owners being required to live onsite.

Brian Jordan, Development Services Director, reviewed the items that he needs directions on.

The City Council provided the following feedback:

- Prepare an Ordinance with STR amendments.
- Contract for new STR software.
- Planning and Zoning Commission and the Historic Review Board discuss and bring back a recommendation regarding density requirements.
- Survey other cities regarding permitting fees.
- Report on number of STRs versus number of single-family residential homes.
- Report on true cost of inspections, permitting and other related expenses for STRs.

4. Consider Report and Discussion on City PTO Policy

This Agenda Items was not discussed at the Work Session Meeting.

5. Consider Report and Discussion on Affordable Housing

Kent Myers, City Manager, reviewed the history of the Affordable Housing efforts. He also reviewed the questions that the City Council should consider.

Tim Lehmberg, Economic Development Director, provided an update on the apartment inventory.

Holly with Health Summit, provided statistics that 1,600 employees within the City commute to work due to lack of affordable places to rent.

The City Council discussed the issue of spreading affordable housing around town or in one location. They also discussed the R3 zoning.

Kent Myers, City Manager, reviewed the efforts the City has been actively engaged in regarding development of affordable single-family housing with mixed results. He also reviewed the number of residential lots rezoned and platted.

Polly Rickert stated she is concerned with large density and development. She provided the history and process of the House Verein Project.

Todd Edison stated he has reviewed different housing studies from other cities and feels that the City of Fredericksburg needs more data to know what we need.

The City Council provided the following directions:

- Stay with current incentives
- Continue with annexation and roadway improvement that might open areas for development of affordable housing.
- Consider areas adjacent to the City limits that have infrastructure and might be annexed for affordable housing.
- Provide City Council with housing studies conducted by Kerrville and New Braunfels.
- Planning and Zoning Commission and the Historic Review Board discuss and bring back a recommendation regarding density requirements.

6. Consider Report and Discussion on Marktplatz User Fees

Kent Myers, City Manager, stated that during the City budget process he briefly discussed increasing the Marktplatz User Fees. He also stated any increases in fee revenue should be put into a separate account and be used for Market Square improvements.

Andrea Schmidt, Parks Department Director, provided a PowerPoint of current fees and maintenance needed on Market Square. She also reviewed the Market Square Redevelopment Commission's project and their fundraising goal of \$1,400,000 million.

Jennifer Krupa, Event Coordinator, reviewed the comments she received from the different event coordinators who hold events at Market Square.

Cheryl Eickels, Eisbahn, stated they had to raise their prices last year to cover their improvements and feels that if they have to increase their prices again then they will lose money.

Deana Christensen, Executive Director Cross Trails Ministry, stated a fee increase would be difficult for their event.

Julianne Hansen, Wanderlust Run, stated a fee increase would cause attendance to go down.

Walter Pletz recommended increasing the fee gradually.

Danny Crenwelge, Gillespie County 4H, stated he is opposed to doubling the fees.

Ruby Clark, Die Kunstler Von Fredericksburg, stated she is opposed to the doubling of the fees.

Jasper Eisenberg, Hill Country Memorial, stated she is opposed to the fee increase because of the impact it will have on the Wildflower Run.

Mark Mazur, Farmers Market, stated he feels the City should increase the fees slightly in order to keep up with the maintenance of the Market Square.

John Phelps, HCM, inquired to the relationship between the Market Square Redevelopment Commission and Market Square.

Mayor Langerhans provided the history of the Market Square and stated the Commission was created to raise money to develop the Square into what it is today.

The City Council discussed the proposed increases for Market Square fees. They also discussed the usage of Hotel Occupancy Tax. They provided the following directions:

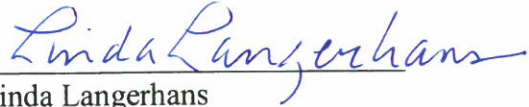
- Prepare a report of City expenses for special events held at Marktplatz.
- Prepare a report on City annual cost for Marktplatz maintenance.
- Consider additional improvements to be paid by HOT revenues.
- Prepare an ordinance with fee increases over a 3-year period.

7. Consider Report and Discussion on Civil Penalties for City Code Violations

This Agenda Items was not discussed at the Work Session Meeting.

8. ADJOURN

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Kiehne, to adjourn the Monday, October 29, 2019, City Council Work Session Meeting at 11:42 a.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.


Linda Langerhans
Mayor

ATTEST



Shelley Goodwin, TRMC
City Secretary

