



Wylie City Council Regular Meeting

March 22, 2022 – 6:00 PM

Council Chambers - 300 Country Club Road, Building #100, Wylie, Texas 75098

CALL TO ORDER

Mayor Matthew Porter called the regular meeting to order at 6:01 p.m. The following City Council members were present: Councilman David R. Duke, Councilman Dave Strang (6:08), Mayor *pro tem* Jeff Forrester, Councilman Scott Williams, Councilman Timothy T. Wallis, and Councilman Garrett Mize.

Staff present included: Assistant City Manager Renae Ollie; Police Chief Anthony Henderson; Finance Director Melissa Beard; Assistant Fire Chief Brian Ritter; Public Information Officer Craig Kelly; Planning Manager Jasen Haskins; Project Engineer Jenneen Elkhaid; Purchasing Manager Glenna Hayes; Public Works Director Tommy Weir; City Engineer Tim Porter; WEDC Executive Director Jason Greiner; Utility Billing Supervisor Orie Cross; City Secretary Stephanie Storm; and various support staff.

INVOCATION & PLEDGE OF ALLEGIANCE

Councilman Williams led the invocation, and Councilman Wallis led the Pledge of Allegiance.

PRESENTATIONS & RECOGNITIONS

Councilman Strang took his seat at the dias at 6:08 p.m.

PR1. 3rd Term Wylie Way Students.

Mayor Porter, WISD School Board President Stacy Smith, and WISD Superintendent David Vinson presented medallions to students demonstrating “Shining the Wylie Way.” Each nine weeks one student from each WISD campus is chosen as the “Wylie Way Student.”

PR3. Proclamation for Women's History Month.

Mayor Porter presented a proclamation proclaiming March 2022 as Women’s History Month in Wylie, Texas. Assistant City Manager Ollie, Human Resource Director Yanez, Library Director Barrera, Project Engineer Elkhaid, and City Secretary Storm were present to accept the Proclamation.

COMMENTS ON NON-AGENDA ITEMS

Any member of the public may address Council regarding an item that is not listed on the Agenda. Members of the public must fill out a form prior to the meeting in order to speak. Council requests that comments be limited to three minutes for an individual, six minutes for a group. In addition, Council is not allowed to converse, deliberate or take action on any matter presented during citizen participation.

There were no citizens present wishing to address the Council.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A. Consider, and act upon, approval of March 8, 2022 Regular City Council Meeting minutes.**
- B. Consider, and act upon, the City of Wylie Monthly Revenue and Expenditure Report for February 28, 2022.**
- C. Consider, and place on file, the City of Wylie Monthly Investment Report for February 28, 2022.**
- D. Consider, and place on file, the monthly Revenue and Expenditure Report for the Wylie Economic Development Corporation as of February 28, 2022.**
- E. Consider, and act upon, a Final Plat, being a Replat of Lot 1R-6, Block C of Woodlake Village Addition, establishing two commercial lots on 18.574 acres, located on the northwest corner of State Highway 78 and Spring Creek Parkway.**
- F. Consider, and act upon, a Preliminary Plat of Lot 1, Block A of Hensley Park Addition, establishing one commercial lot on two acres, located on the northwest corner of Hensley Road and Hooper Road.**
- G. Consider, and act upon, a Preliminary Plat of Senior Medical Addition, establishing two lots on 21.3224 acres, generally located adjacent and southwest of 2300 FM 544.**
- H. Consider, and act upon, the approval of the purchase of Utility Billing Services from DataProse, LLC in the estimated annual amount of \$120,000.00, through an existing City of Plano contract, and authorizing the Interim City Manager to execute all necessary documents.**
- I. Consider, and act upon, Ordinance No. 2022-29 amending Ordinance No. 2021-43, which established the budget for fiscal year 2021-2022; providing for repealing, savings and severability clauses; and providing for an effective date of this ordinance.**
- J. Consider, and act upon, Resolution No. 2022-08(R) authorizing the Interim City Manager of the City of Wylie, Texas, or his designee, to execute an Advance Funding Agreement between the State of Texas and the City of Wylie, and to take any and all other actions necessary to effectuate the same; and providing for an effective date hereof.**
- K. Consider, and act upon, Resolution No. 2022-09(R) authorizing the Interim City Manager of the City of Wylie, Texas, or his designee, to execute an Advance Funding Agreement between the State of Texas and the City of Wylie, and to take any and all other actions necessary to effectuate the same; and providing for an effective date hereof.**

Mayor *pro tem* Forrester requested Items I, J, and K be pulled from the Consent Agenda and considered individually.

Council Action

A motion was made by Councilman Mize, seconded by Councilman Duke, to approve Consent Agenda Items A through H as presented. A vote was taken and motion passed 7-0.

REGULAR AGENDA

- I. Consider, and act upon, Ordinance No. 2022-29 amending Ordinance No. 2021-43, which established the budget for fiscal year 2021-2022; providing for repealing, savings and severability clauses; and providing for an effective date of this ordinance.**

Staff Comments

Finance Director Beard addressed Council stating this item is for an unbudgeted item for two TxDOT projects, Country Club and FM 544 improvements, and FM 2514 improvements. The City has to relocate our water mains out of the way to avoid conflicts with the new paving section. City staff requests additional funds in the amount of \$1,200,000 to cover the contracted amounts outlined in Advanced Funding Agreements (AFAs).

Council Comments

Mayor Porter asked if this will have an impact on the Utility Fund sewer rate study that was previously conducted. Beard replied that the \$1.2 million will come from the Fund Balance; therefore, the planned increases based on the rate study would not be affected. Mayor *pro tem* Forrester asked what the required amount of fund balance to be on hand for the Utility Fund is. Beard replied it is 90 days and with the subtraction of the \$1.2 million would bring it to 274 days, which complies with the 90-day requirement. Councilman Williams asked when the City discovered this was needed. Public Works Director Porter replied this is for two separate TxDOT projects. The project at Country Club and FM 544 has moved very quickly, and based on the size and layout, more water lines are having to be moved than anticipated. Porter stated he was not aware the City was able to do an AFA, and is fortunate that TxDOT offered it as it is a cost savings to the City. Porter stated the other project, Parker Road, should have been in the previous budget, and added staff did not anticipate they were going to have to move as much waterline as will have to be moved, and will not know for certain how much will have to be moved until the profiles are done by TxDOT. Williams asked when the study by Grantham & Associates was completed. Porter replied within the last year. Williams asked if the lines that have to be moved service any person that is not a Wylie resident. Porter replied they are all City of Wylie lines that we maintain and service. Forrester asked if both estimates are based on our consultants' drawings. Porter replied yes and there is a 10 percent contingency for each project factored in. Williams confirmed the City would have to approve any change orders from TxDOT. Porter replied yes, that is correct. Councilman Mize asked staff to briefly describe what TxDOT is doing at these locations. Porter replied regarding the Parker Road project, there will be an expansion from Country Club Road to the Ballard and Brown intersection, regarding the Country Club and FM 544 project, there will be intersection improvements and signal work completed. Councilman Strang asked for the project completion date. Project Engineer Elkhaid replied the FM 544/Country Club intersection project should start construction in Summer 2022 with an estimated 24 months of construction, and the Parker Road project should start construction in Fall 2022 with an estimated Spring 2025 completion.

Council Action

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to approve Item I as presented. A vote was taken and motion passed 7-0.

- J. Consider, and act upon, Resolution No. 2022-08(R) authorizing the Interim City Manager of the City of Wylie, Texas, or his designee, to execute an Advance Funding Agreement between the State of Texas and the City of Wylie, and to take any and all other actions necessary to effectuate the same; and providing for an effective date hereof.**

Council Action

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to approve Item J as presented. A vote was taken and motion passed 7-0.

- K. Consider, and act upon, Resolution No. 2022-09(R) authorizing the Interim City Manager of the City of Wylie, Texas, or his designee, to execute an Advance Funding Agreement between the State of Texas and the City of Wylie, and to take any and all other actions necessary to effectuate the same; and providing for an effective date hereof.**

Council Action

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to approve Item K as presented. A vote was taken and motion passed 7-0.

1. **Hold a Public Hearing to consider, and act upon, a change in zoning from Commercial Corridor (CC) to Commercial Corridor - Special Use Permit (CC-SUP) to allow for expansion of a self-storage use on 4.282 acres, property located at 3475 W FM 544 (ZC 2021-27).**

Staff Comments

Planning Manager Haskins addressed Council stating the applicant is requesting a Special Use Permit (SUP) to allow for the continued use and expansion of a self-storage business on FM 544. The original site plan for Right Space Storage was approved in October 2003. Any expansion to the development requires a SUP as the use is currently legally non-conforming due to the use no longer being allowed by-right in the Commercial Corridor (CC) zoning district. The new structures are proposed to match the existing self-storage buildings by providing a brick exterior. At the recommendation of the Planning and Zoning Commission, the site has been limited to a maximum of one story or 15 feet in height for the entirety of the use.

Council Comments

Mayor *pro tem* Forrester asked for additional information on the statement of legally nonconforming. Haskins replied that since the time the "use" was built in 2003 the Zoning Ordinance has changed to require a SUP for self-storage use, and because they are expanding, it makes them comply with the SUP. Councilman Williams clarified the City sent out notices and received no comments. Haskins replied that was correct.

Public Hearing

Mayor Porter opened the public hearing on Item 1 at 7:05 p.m. asking anyone present wishing to address Council to come forward.

There were no persons present to address Council.

Mayor Porter closed the public hearing at 7:05 p.m.

Council Action

A motion was made by Councilman Strang, seconded by Councilman Williams, to approve Item 1 as presented. A vote was taken and the motion passed 7-0.

2. **Hold a public hearing to consider, and act upon, Resolution No. 2022-10(R) of the City Council of the City of Wylie, authorizing the Texas Housing Foundation to exercise its powers on property known as Wylie Senior Apartments, located at 2310 West FM 544, Wylie, Texas, within the territorial boundaries of the City of Wylie, Texas; and authorizing the interim city manager to execute a cooperation agreement.**

Staff Comments

Planning Manager Haskins addressed Council stating in September 2021 the City Council approved a resolution of no objection to Roers Development's tax credit application to the Texas Department of Housing and Community Affairs for a senior affordable living development. Roers has since secured zoning, platting, and site plan approval for the development. Also, in that time Roers has partnered with the Texas Housing Foundation, a non-profit affordable housing authority, to continue the development. In this partnership, THF will acquire the property and Roers will lease the property and develop it. Roers has partnered with THF in order for the property to remain tax exempt, lowering overall development and operating costs. The property is currently tax exempt as it is owned by the Episcopal Church of Dallas.

Applicant Comments

Logan Schmidt, representing Roers, and Mark Mayfield, representing Texas Housing Foundation, addressed Council giving a presentation addressing the partnership with Texas Housing Foundation, construction costs, interest rates, project timeline, and renderings of the buildings.

Public Hearing

Mayor Porter opened the public hearing on Item 2 at 7:13 p.m. asking anyone present wishing to address Council to come forward.

There were no persons present to address Council.

Mayor Porter closed the public hearing at 7:13 p.m.

Council Comments

Mayor *pro tem* Forrester stated about two months ago, the applicant presented to Council that they had about a seventy-five percent chance of being funded and ensured the Council the property would be individually owned and operated. Forrester stated since that time there is a complete switch of what was and what is being presented to Council, and also adds the question if the project will ever get completed. Councilman Duke stated he had the same concerns as Forrester. Mayor Porter stated he had the same concerns as the work session was presented, a resolution of support was completed and throughout the entire process there was discussion about the company. Porter stated from the City's perspective to see the changes at the last minute is concerning, and asked Mayfield where his projects are located in Texas and to speak on the governing board. Mayfield stated they have about 60 different communities across the state and this is his 4th council meeting in the last month in the DFW area (Little Elm, Sherman, Denton, and Wylie). Mayfield stated they are a public body created under state law and have to have a local cooperation agreement for the specific sites. Mayfield stated the administrative arm is made up of a representative, which are appointed by the County's Commissioners Courts, from the member counties in central Texas. Councilman Williams asked if they are registered with the Secretary of State's Office. Mayfield replied they are. Williams stated it seems as if they were trying to get a great project that is great for the community and for the senior citizens, and now have gone another direction to increase profitability. Williams stated he would be more inclined for the new proposal if there was a direct allocation of property tax savings to the senior that is paying the rent. Schmidt replied the property tax savings would not be passed on to the tenant; it would be used to close the gap so the project can happen and has turned into a need to have instead of a nice to have. Schmidt stated regarding the actual project, the new proposal does not change the project, finishes, or construction; it just makes it financially feasible. He stated they will still be managing the property and handling the day to day operations, and explained on March 1st there was a collapse of regional pools and thought there would be more regional pools allocated for funding. Williams clarified the project has changed as the resources it takes the City to provide for that many citizens with no property tax dollars is a significant change. Forrester stated another issue he has is that Schmidt just said this type of project has been under consideration from the beginning but that conversation was not brought before Council and if it had been it might be a different conversation, and echoed Williams concerns regarding the tax burden for the citizens. Porter stated the documents refer to a lease and asked how long the lease would be. Mayfield responded it is typically a 99-year lease, and added the property can be built but it will be at market rate and not affordable rates, and that something has to give to be feasible, and they are trying to get quality housing and provide affordability. Porter stated when this project was presented to Council the applicant specifically requested Council support to fill the gap with the tax credits, and added he had multiple concerns with the project changing, a 99-year lease, and not having a representative on the board if issues arise with the property. Mayfield replied it brings local accountability to the table as he has to report before the Council annually per the cooperation agreement. Porter asked what the remedies would be and expressed concerns with the Board not being concerned with the issues in Wylie when they are located in central Texas. Councilman Wallis stated he understands there is only so much one can do with a specified budget; however, it feels like Roers is asking the City to split our dollars because they do not want to split theirs as much. Wallis stated there has to be accountability and to make things available to citizens, but at the same time it feels like the City was sold a bill of goods that it would be privately owned and operated and would have one on one accountability, but feels like a bait and switch. Wallis stated the project is awesome and it got the Council and community excited. Councilman Mize thanked Schmidt and Mayfield for the interest in the development of this project, and stated affordable housing is a need. Mize did ask for additional explanation on Section 7 of the agreement. Mayfield replied they have 60 cooperative agreements across the State and they have never invoked Section 7 and not sure how it would happen if it did. Mize stated there is the option for the agreement to be terminated by either party, and added he understands the Mayor's point as it is hard to guess the needs in the future but affordable housing is needed now particularly for the senior citizens. Mize added he wants as much on tax rolls as possible to make the burden on the citizens as light as it can be, but also have to look at the needs in the

community. He stated based on work in the central Texas area and in the DFW area there is great potential and is inclined to see this move forward. Williams asked Mayfield for some examples of projects they have been involved with. Mayfield replied to Williams' question with some examples. Williams mentioned the use of CDBG funds. Mayfield replied there is lots of red tape which costs a lot of money, and it takes away the ability to manage the property as a normal property. Mayfield stated the ad valorem tax exemption they receive is put back into the property. Strang stated he echoed the Mayor's concerns about having a voice if any issues arise, where is the remedy and what protections does the City have, and asked if the City Attorney reviewed the agreement. Mayfield replied the integrity of the agreement is the protection the City has. Haskins replied the City Attorney did review and said it was pretty standard for this type of project, and did add Section 7 to the agreement. Strang stated he supported the project as we do need affordable housing and seniors do need to be protected.

Council Action

A motion was made by Councilman Strang, seconded by Mayor *pro tem* Forrester, to Call to the Question on Item 2. A vote was taken and the motion passed 5-2 with Councilmen Mize and Wallis voting against.

A motion was made by Councilman Mize, seconded by Councilman Strang, to approve Item 2 as presented. A vote was taken and the motion failed 3-4 with Mayor Porter, Mayor *pro tem* Forrester, Councilman Duke, and Councilman Williams voting against.

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Williams, to deny Item 2 as presented. A vote was taken and the motion passed 5-2 with Councilmen Mize and Wallis voting against.

WORK SESSION

Mayor Porter convened the Council into a break at 8:06 p.m.

Mayor Porter reconvened the Council into a Work Session at 8:14 p.m.

WS1. Providing an overview of the Finance Department.

Finance Director Beard addressed Council giving a presentation on the following: overview of Finance Department including personnel, organizational chart, customers, responsibilities, award accomplishments, project accomplishments, governance and challenges, future goals, and participation of department.

Utility Billing Supervisor Cross addressed Council giving a presentation on the following: an overview of the Utility Billing Department including the organizational chart, responsibilities, accomplishments, and future goals.

Purchasing Manager Hayes addressed Council giving a presentation on the following: an overview of the Purchasing Department including the organizational chart, responsibilities, accomplishments, and future goals.

RECONVENE INTO REGULAR SESSION

Mayor Porter reconvened the Council into Regular Session at 9:18 p.m.

EXECUTIVE SESSION

Mayor Porter reconvened the Council into Executive Session at 9:19 p.m.

Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING.

A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on its negotiating position.

ES1. Consider the sale or acquisition of properties located at Ballard/Brown, Brown/Eubanks, FM 544/Cooper, FM 544/Sanden, State Hwy 78/Alanis, State Hwy 78/Ballard, State Hwy 78/Birmingham, and State Hwy 78/Brown.

Sec. 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING.

This chapter does not require a governmental body to conduct an open meeting:

- (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or
- (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

ES2. Deliberation regarding commercial or financial information that the WEDC has received from a business prospect and to discuss the offer of incentives for Projects: 2017-10a, 2020-11b, 2021-2d, 2021-4a, 2021-4b, 2021-5a, 2021-6a, 2021-6c, 2021-6e, 2021-7a, 2021-8a, 2021-9e, 2021-9f, 2021-11a, 2021-12a, 2021-12b, 2022-1a, 2022-2a, 2022-2b, 2022-2c, and 2022-3a.

Council Action

A motion was made by Mayor *pro tem* Forrester, seconded by Councilman Strang, to authorize the Wylie Economic Development Corporation to enter into a Performance Agreement with Project 2021-12b in an amount not to exceed \$35,000. A vote was taken and the motion passed 7-0.

RECONVENE INTO OPEN SESSION

Take any action as a result from Executive Session.

Mayor Porter reconvened the Council into Open Session at 10:19 p.m.

READING OF ORDINANCES

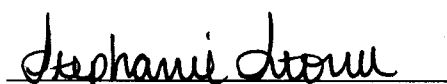
Title and caption approved by Council as required by Wylie City Charter, Article III, Section 13-D.

City Secretary Storm read the caption to Ordinance No. 2022-29 into the official record.

ADJOURNMENT

A motion was made by Councilman Mize, seconded by Councilman Duke, to adjourn the meeting at 10:21 p.m. A vote was taken and motion passed 7-0.

ATTEST:


Stephanie Storm, City Secretary




Matthew Porter, Mayor