



City of Mesquite, Texas

Minutes - Final City Council

Monday, June 5, 2023

5:00 PM

City Hall | Council Chamber
757 N. Galloway Avenue | Mesquite, Texas

Present: Mayor Daniel Alemán, Jr., and Councilmembers Tandy Boroughs, B. W. Smith, Kenny Green, Jeff Casper, Jennifer Vidler and Debbie Anderson, City Manager Cliff Keheley and City Secretary Sonja Land.

PRE-MEETING - TRAINING ROOMS A&B - 5:00 P.M.

AGENDA REVIEW

EXECUTIVE SESSION - TRAINING ROOMS A & B - 5:27 P.M.

Mayor Alemán announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 12 – Discuss economic development incentives for a redevelopment on Gus Thomasson Road between La Prada and Oates Drives); whereupon, the City Council proceeded to meet in Training Rooms A & B. After the closed meeting ended at 5:41 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

STAFF PRESENTATIONS

- 1 Receive briefing regarding possible changes to the Mural Ordinance.

- 2 Receive departmental strategy and budget presentations from Communications and Marketing, Airport and Information Technology Departments related to City Council strategic goals and objectives.

 The budget presentation for the Information Technology Department was not received.

- 3 Receive presentation regarding the City of Mesquite’s Legislative Program update.

REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:10 P.M.

INVOCATION

Harry Sewell, Pastor, Family Cathedral, Mesquite, Texas.

PLEDGE OF ALLEGIANCE

City Staff.

SPECIAL ANNOUNCEMENTS

1. Ms. Anderson stated that on Saturday, June 10, 2023, at 7:00 p.m., the Downtown Mesquite "Off the Rails" concert series will feature the 1980's New Wave Tribute Band "Model Citizen."
2. Ms. Anderson invited citizens to attend a District 6 Neighborhood Meeting and Picnic on Saturday, June 10, 2023, from 11:00 a.m. to 1:00 p.m., at Brandy Station Pavilion, 1919 Brandy Station.
3. Mr. Smith announced that the Mesquite Parks and Recreation Department will host a "Dive-In Movie" on Friday, June 9, 2023, at City Lake Aquatic Center, 200 Parkview Street, featuring Disney Pixar's movie "Luca." Poolside activities will be provided for all ages along with food trucks. Pre-show entertainment will begin at 7:00 p.m. and the movie begins at dusk. Event admission and parking is free.
4. Mr. Boroughs invited citizens to attend Mesquite's 4th Annual Juneteenth Festival on Sunday, June 18, 2023, from 2:00 p.m. to 6:00 p.m. The festival will be held at Paschall Park, 1005 New Market Road, and the headliner will be the national touring blues artist and Dallas local, Fat Daddy. The festival will include vendors, food, entertainment and a KidZone. For more information or to register as a vendor visit www.mesquitenaacp.org.
5. Ms. Vidler reminded citizens to visit the Downtown Farmers Market every Saturday through November at Front Street Station, 100 West Front Street, in Downtown Mesquite, from 9:00 a.m. to 1:00 p.m. The market offers locally grown produce, baked goods, bath and body products and much more.
6. Mr. Green encouraged citizens to support the Mesquite Community Band by attending the performance "Pop in the Park" on Monday, June 12, 2023, at 7:00 p.m., on the front lawn of the Mesquite Arts Center, 757 North Galloway Avenue.
7. Mr. Casper announced that the Mesquite Parks and Recreation Department is offering a variety of week-long camps. Options include Outdoor Adventure Camp, Teen Camp and Kidz Kamp, which will operate Monday through Friday, 7:00 a.m. to 6:00 p.m., through August 4, 2023. Campers will enjoy indoor and outdoor games, unforgettable field trips, swim days and the opportunity to make new friends. Space is limited so register online at www.cityofmesquite.com/PARD or in person.
8. Mr. Casper stated that June is Pride Month and several activities will take place over the upcoming weekend. On Friday, June 9, 2023, at 7:00 p.m., there will be a film and community conversation at St. Stephens United Methodist Church, 2520 Oates Drive. On Saturday, June 10, 2023, from 10:00 a.m. to 2:00 p.m., a Family Festival will be held at Paschall Park, 1001 New Market Road, with vendors, bounce houses, food, games, prizes and much more and on Sunday, June 11, 2023, a Pride Brunch will be held at the Mesquite Elks Lodge, 4201 Gus Thomasson Road, at 1:00 p.m. Tickets for the brunch is \$20.00 per person, which benefits the Mesquite Independent School District.
9. Mayor Alemán congratulated the Class of 2023 graduates from Mesquite High School, North Mesquite High School, West Mesquite High School, Poteet High School, Horn High School and Vanguard High School. He congratulated Ella Keheley, daughter of City Manager Cliff Keheley, who is a 2023 graduate of Poteet High School.

10. Mayor Alemán announced the Mayor's Reading Challenge. He challenged children in Mesquite, ages 5 – 12 years old, to read 1,000 pages as part of the Mesquite Public Library System's Summer Reading Club. The contest began Thursday, June 1, 2023. Pages read by the child count toward the goal as well as pages read to the child. That means that family reading time at home counts and so does story time at the Mesquite Public Library. The reading challenge continues through Monday, July 31, 2023. All children who read 1,000 pages or more will be invited to a pizza party on Saturday, August 5, 2023, to receive certificates and prizes. For more details and to sign up for the challenge, visit www.cityofmesquite.com/Library.

11. Mayor Alemán stated that the City has launched the annual Spread the Love campaign to help feed children in need during the summer break. Residents are encouraged to donate jars of peanut butter and jelly during the campaign which continues through Labor Day, September 4, 2023. This year, donations of alternative butters that are safe for children with nut allergies, such as sunflower seed butter or pumpkin seed butter, are also requested. The City partners with Sharing Life to distribute the food collected. For more information and donation sites, visit www.cityofmesquite.com/SpreadTheLove.

12. Mayor Alemán introduced Teresa Jackson, CEO of Sharing Life. Ms. Jackson stated that every week during the summer, Sharing Life provides backpacks to hundreds of children filled with nutritious food and snacks for that five day period. This program begins the week before school is out for the summer through the Labor Day holiday. She announced that Sharing Life recently purchased the building formerly occupied by Office Depot on Emporium Circle and will be moving to the new location in late October 2023. Thanks to many generous donors, Sharing Life was able to pay cash for the building. Ms. Jackson shared that she founded Sharing Life 24 years ago and they are still going strong to help the citizens in our community.

CONSENT AGENDA

Approval of the Consent Agenda

Mr. Boroughs requested that Item No. 7 be removed from the Consent Agenda to be considered separately. Mr. Green moved to approve the remaining items on the Consent Agenda, as follows. Motion was seconded by Ms. Vidler and approved unanimously.

4 Minutes of the regular City Council meeting held May 15, 2023.

Approved on the Consent Agenda.

5 An ordinance amending the City Code by revising Appendix D - Comprehensive Fee Schedule, Article XII - Planning and Development Services, Section 12-100 (Building Permits) for the purpose of increasing the Temporary Noise Permit Fee.

Approved on the Consent Agenda.

Ordinance No. 5024, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE CITY CODE BY REVISING APPENDIX D - COMPREHENSIVE FEE SCHEDULE, ARTICLE XII - PLANNING AND DEVELOPMENT SERVICES, SECTION 12-100 (BUILDING PERMITS) FOR THE PURPOSE OF INCREASING THE TEMPORARY NOISE PERMIT FEE; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE. (Ordinance No. 5024 recorded in Ordinance Book No. 128.)

- 6 An ordinance amending the City Code by revising Chapter 2, Article IV, Division 6 (Municipal Court) for the purpose of removing the office of Municipal Court Assistant Judge, clarifying appointment and removal provisions, qualifications, and term of office, providing for Substitute Judges during a temporary absence of a Municipal Judge, and the filling of a vacancy of an unexpired term.

Approved on the Consent Agenda.

Ordinance No. 5025, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE CITY CODE BY REVISING CHAPTER 2, ARTICLE IV, DIVISION 6 (MUNICIPAL COURT) FOR THE PURPOSE OF REMOVING THE OFFICE OF MUNICIPAL COURT ASSISTANT JUDGE; CLARIFYING APPOINTMENT AND REMOVAL PROVISIONS, QUALIFICATIONS, AND TERM OF OFFICE; PROVIDING FOR SUBSTITUTE JUDGES DURING A TEMPORARY ABSENCE OF A MUNICIPAL JUDGE, AND THE FILLING OF A VACANCY OF AN UNEXPIRED TERM; AND OTHER RELATED GENERAL REVISIONS; PROVIDING A CONFLICTS RESOLUTION CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE. (Ordinance No. 5025 recorded in Ordinance Book No. 128.)

CONSENT AGENDA ITEM CONSIDERED SEPARATELY

- 7 An ordinance of the City of Mesquite, Texas authorizing the issuance and sale of City of Mesquite, Texas, Combination Tax and Limited Surplus Revenue Certificates of Obligation, in one or more series in the aggregate principal amount of not to exceed \$61,000,000.00; levying a tax in payment thereof; awarding the sale thereof; prescribing the form of said certificates; approving execution and delivery of a paying agent agreement; approving the official statement; approving and enacting other provisions relating thereto.

Cindy Smith, Director of Finance, stated that this ordinance is for the sale of Combination Tax and Limited Surplus Revenue Certificates of Obligation in the aggregate principle amount of not to exceed \$61 million. She stated that this bond sale will allow \$16 million to be utilized for the City's Street and Alley Projects, \$23.5 million for municipal improvements, which includes the Commercial Solid Waste building, Public Safety training facility and Fire Station No. 2, and \$20 million for equipment, computers and software. Ms. Smith explained that this is a parameter ordinance which allows the City maximum flexibility as the timing of the bond sale can occur at any point after passage of the ordinance subject to each Council-approved parameter met or exceeded. The Certificates of Obligation shall not mature later than August 15, 2043.

Mr. Boroughs moved to approve Ordinance No. 5026, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE ISSUANCE AND SALE OF CITY OF MESQUITE, TEXAS COMBINATION TAX AND LIMITED SURPLUS REVENUE CERTIFICATES OF OBLIGATION, IN ONE OR MORE SERIES IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$61,000,000; LEVYING A TAX IN PAYMENT THEREOF; AWARDED THE SALE THEREOF; PRESCRIBING THE FORM OF SAID CERTIFICATES; APPROVING EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT; APPROVING THE OFFICIAL STATEMENT; APPROVING AND ENACTING OTHER PROVISIONS RELATING THERETO. Motion was seconded by Mr. Green and approved unanimously. (Ordinance No. 5026 recorded in Ordinance Book No. 128.)

END OF CONSENT AGENDA

APPOINTMENTS TO BOARDS, COMMISSIONS AND COMMITTEES

- 8 Consider appointment of one regular member (Place 9) to the Historic Mesquite, Inc., Board of Directors for a term to expire December 31, 2025.

Mr. Casper moved to appoint Robynn Amaba as a Regular Member (Place 9) to the Historic Mesquite, Inc., Board of Directors for a term to expire December 31, 2025. Motion was seconded by Ms. Vidler and approved unanimously.

OTHER BUSINESS

- 9 Consider Verde Center Partners, LLC's request to extend compliance deadlines of the Master Developer Agreement effective June 8, 2018, with HQZ Partners, LP, MCG-124, LLC, and the Mesquite Medical Center Management District, as amended, for the Verde Center Project located at 21100 LBJ Freeway and authorize the City Manager to finalize and execute the extension.

Cliff Keheley, City Manager, stated that on June 8, 2018, the City of Mesquite entered into a Master Developer Agreement for the Verde Center Project. The Agreement includes requirements for the Developer to meet to continue the Agreement. The deadlines occur on June 8, 2023. Verde Center Partners has requested that the City Council extend the compliance deadlines and authorize the City Manager to finalize and execute an extension.

Jim Ray, representing Verde Center Partners, LLC, stated that complexities of this site have been challenging as the property is bisected by South Mesquite Creek, and development proved financially impossible. Now that financial conditions have changed, the developer can retool with unencumbered property. Mr. Ray requested a six-month extension of the deadlines in the Master Developer Agreement. He stated that, if approved, within six months they will have an approved set of plans, users will be in place and site plans will be in the approval process, but no buildings. There are no existing contracts for users.

Ms. Vidler moved to deny a request from Verde Center Partners, LLC to extend compliance deadlines of the Master Developer Agreement. Motion was seconded by Mr. Boroughs and approved unanimously.

PUBLIC HEARINGS

- 10 Conduct a public hearing and consider an ordinance for Zoning Application No. Z0223-0291, submitted by Horrocks Engineers, on behalf of Helu Development, for a Comprehensive Plan amendment from Medium Density Residential to High Density Residential and to change the zoning from Traditional Neighborhood Mixed Residential and R-3, Single-Family Residential to Planned Development - Multifamily to allow a 240-unit apartment complex, located at 1400 and 1609 Range Drive.

(No responses in favor and two in opposition to the application have been received from property owners within the statutory notification area. The Planning and Zoning Commission recommends approval with certain stipulations. This item was continued from the May 1, 2023, City Council meeting.)

A public hearing was held regarding Zoning Application No. Z0223-0291.

Jeff Armstrong, Director Planning and Development Services, stated that this item was postponed at the May 1, 2023, City Council meeting. Following that meeting, the applicant met with staff to discuss revisions to the site layout and subsequently submitted a revised concept plan. The revised plan increased parking to meet the two spaces per unit standard, removed one building, increased the height of the previously two-story buildings to three-stories, consolidated dumpsters to one central location away from the adjacent neighborhood and grouped amenities. Mr. Armstrong stated that the applicant proposes the construction of a 240-unit apartment complex comprised of three-story buildings.

Applicant Clint Boyle, representing Horrocks Engineers, on behalf of Helu Development, stated that when this item was presented to the City Council on May 1, 2023, Council expressed concerns regarding limited parking on the site. Since that time, the project has been redesigned by removing one building, moving some buildings farther away from the adjacent neighborhood and increasing the height of the two-story buildings to three-story buildings, which now allows for two parking spaces per unit. The original three dumpsters have been removed from the project and one trash compactor has been added at a central location. Amenities were also centralized in two locations on the property. There will be no gates at the entrance to the property but security cameras with license plate readers will be installed. Mr. Boyle stated that Helu Development held neighborhood meetings and received no negative comments regarding the height of the buildings. He also stated that Helu Development is dedicated to saving as many existing trees as possible on the site.

No one appeared regarding the proposed application.

Mr. Smith moved to approve Zoning Application No. Z0223-0291, as recommended by the Planning and Zoning Commission with certain stipulations, and to approve Ordinance No. 5027, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE COMPREHENSIVE PLAN BY PROVIDING A COMPREHENSIVE PLAN AMENDMENT FROM MEDIUM DENSITY RESIDENTIAL TO HIGH DENSITY RESIDENTIAL AND BY AMENDING THE MESQUITE ZONING ORDINANCE BY APPROVING A CHANGE OF ZONING FROM TRADITIONAL MIXED RESIDENTIAL AND R-3 SINGLE FAMILY ZONING TO PLANNED DEVELOPMENT – MULTIFAMILY TO ALLOW A 240-UNIT MULTIFAMILY DEVELOPMENT WITH MODIFICATIONS TO THE DEVELOPMENT STANDARDS ON PROPERTY LOCATED AT 1400 AND 1609 RANGE DRIVE; REPEALING ALL ORDINANCES IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$2,000.00; AND PROVIDING AN EFFECTIVE DATE. Motion was seconded by Mr. Casper and approved unanimously. (Ordinance No. 5027 recorded in Ordinance Book No. 128.)

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Conduct a public hearing and consider a resolution approving the terms and conditions of a program to promote local economic development and stimulate business and commercial activity in the City, authorizing the City Manager to finalize, execute and administer an Economic Development Program Agreement (Chapter 380 Agreement) with FHI Towne Crossing, LP, a subsidiary of Flying Horse Investments, LLC, for the major renovation and development of the property located at 3600 Gus Thomasson Road, Mesquite, Texas.

A public hearing was held to consider a resolution for an Economic Development Program Chapter 380 Agreement with FHI Towne Crossing, LP, a subsidiary of Flying Horse Investments, LLC.

Lexie Woodward, Manager of Economic Development, stated that the Chapter 380 Agreement proposal is for the façade renovation and grocery anchor remodel of Towne Crossing Shopping Center, 3600 Gus Thomasson Road. The shopping center consists of 16 acres and approximately 167,921 square feet with approximately 33 tenant spaces. The Chapter 380 Agreement requires the developer to invest a minimum of \$2.3 million to renovate the exterior of the shopping center as well as a minimum of \$2.7 million to redevelop the exterior and interior of the grocery anchor space. The façade improvements will help fill storefront vacancies and ensure future viability of the center. The Chapter 380 Agreement provides a one-percent sales tax rebate based upon annual taxable sales produced by the shopping center for a term of up to 13 years, as well as a \$1 million grant paid out over three years for a maximum total incentive of \$3 million.

Ms. Woodward stated that the Chapter 380 Agreement includes a recapture provision if the company does not complete the remodel of the shopping center and grocery anchor tenant space and spend \$5 million, then the City can recapture the last year's cash grant incentive payment, if any was paid out, depending on the phasing accomplished. Also, if for some reason, due to extenuating circumstances, the grocery store vacates the space during the term of the agreement, the City will allow the agreement to pause rather than terminate. The sales tax incentive will pick back up through the end of the initial term if/when the grocery anchor space resumes operations with a qualifying grocery store.

Applicants David Chasin and Seth Bell, Principals with Flying Horse Investments, LLC., reviewed the current Site Plan for Towne Crossing Shopping Center. Mr. Chasin stated that the Scope of Work includes exterior painting and modernization of the shopping center façade, new signage and lighting, repair and resurfacing of the parking lot, landscape beautification and replacement of aged roofs. Mr. Chasin stated that Kroger's current lease expires February 28, 2025, and a new 15-year lease extension has been negotiated to be executed prior to acquisition closing.

No one appeared regarding a resolution for an Economic Development Program Chapter 380 Agreement with FHI Towne Crossing, LP, a subsidiary of Flying Horse Investments, LLC.

Mr. Green moved to approve Resolution No. 23-2023, with the form of the Chapter 380 Agreement that was presented to Council at tonight's meeting with the highlighted changes, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY; AUTHORIZING THE CITY MANAGER TO FINALIZE, EXECUTE, AND ADMINISTER AN ECONOMIC DEVELOPMENT PROGRAM CHAPTER 380 AGREEMENT FOR SUCH PURPOSES WITH FHI TOWNE CROSSING, LP, FOR THE MAJOR RENOVATION AND DEVELOPMENT OF THE PROPERTY LOCATED AT 3600 GUS THOMASSON ROAD IN MESQUITE, TEXAS. Motion was seconded by Mr. Casper and approved unanimously. (Resolution No. 23-2023 recorded in Resolution Book No. 67.)

EXECUTIVE SESSION - COUNCIL CONFERENCE ROOM - 9:06 P.M.

Mayor Alemán announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 13 - Discuss economic development incentives for a company considering the relocation and expansion of production operations at a facility near Town East Boulevard and Skyline Drive); whereupon, the City Council proceeded to meet in Council Conference Room. After the closed meeting ended at 9:19 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

ADJOURNMENT

Mr. Smith moved to adjourn the meeting. Motion was seconded by Mr. Green and approved unanimously. The meeting adjourned at 9:19 p.m.

Attest:

Approved:

Sonja Land, City Secretary

Daniel Alemán, Jr., Mayor