

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 6th day of February 2020 the City Council of the City of Corinth, Texas met in Regular Session at the Corinth City Hall at 7:00 P.M., located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Mayor Heidemann
Sam Burke, Mayor Pro Tem, Arrived at 7:30 p.m.
Scott Garber, Council Member
Lowell Johnson, Council Member
Tina Henderson, Council Member
Kelly Pickens, Council Member

Members Absent:

None

Staff Members Present

Bob Hart, City Manager
Kim Pence, City Secretary
Jerry Garner, Chief of Police
Patricia Adams, Rockefeller, & Fort
Helen-Eve Liebman, Planning and Development Director
Ben Rodriguez, Planning and Development Manager
George Marshall, City Engineer
Jason Alexander, Economic Development Corporation Director
Brenton Copeland, Technology Services Assistant Manager

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE & TEXAS PLEDGE:

Mayor Heidemann called the meeting to order at 7:00 p.m. Councilmember Garber delivered the Invocation and led in the Pledge of Allegiance and the Texas Pledge.

CONSENT AGENDA

All matters listed under the Consent Agenda are considered to be routine and will be enacted in one motion. Should the Mayor, a Councilmember, or any citizen desire discussion of any Item that Item will be removed from the Consent Agenda and will be considered separately.

1. Consider and act on minutes from the January 9, 2020 Workshop Session.
2. Consider and act on minutes from the January 9, 2020 Regular Session.
3. Consider approval of RG3 metering system infrastructure costs and annual software renewal expenditure.

MOTION made by Councilmember Garber to approve the Consent Agenda as presented. Seconded by Councilmember Henderson

AYES: Burke, Garber, Johnson, Henderson, Pickens
NOES: None

ABSENT: None

MOTION CARRIED

CITIZENS COMMENTS:

In accordance with the Open Meetings Act, Council is prohibited from acting on or discussing (other than factual responses to specific questions) any items brought before them at this time. Citizen's comments will be limited to 3 minutes. Comments about any of the Council agenda items are appreciated by the Council and may be taken into consideration at this time or during that agenda item. Please complete a Public Input form if you desire to address the City Council. All remarks and questions addressed to the Council shall be addressed to the Council as a whole and not to any individual member thereof. Section 30.041B Code of Ordinance of the City of Corinth.

There were no Citizens Comments made.

PUBLIC HEARING:

- 4. The Corinth City Council will hold a public hearing, consider testimony, and act upon an Ordinance amending the zoning classification from C-2, Commercial to PD, Planned Development with a base district of C-2, Commercial on an ±7.12 acre tract of land legally described as Block 1, Lots 6-A1, 6-B1, and 6-C1 of the Pecan Creek Subdivision, and is situated in the William Garrison Survey, Abstract 1545 within the City of Corinth, Denton County, Texas and is more commonly known as 5150 SI-35E, Corinth, TX. (Enterprise PD Zoning).**

Helen-Eve Liebman, Planning and Development Director - The applicant is requesting a Planned Development district to facilitate the development of a pick-up truck, car, and truck rental facility with associated used car sales.

The facility will house three (3) different but related uses, including pick-up truck and car rentals, box/flatbed truck rentals and used car sales. The applicant intends to demolish the existing structures and build a new facility to suit their specific needs and is intended to reflect similar facilities Enterprise has within the metroplex in both Plano and Southlake.

Additionally, the applicant is providing additional landscaping buffers and vegetation than what would be normally required under the Unified Development Code in an effort to mitigate any impact of any facility on the surrounding neighborhoods and proposed to maintain the wood fence that is there.

Staff has added language to the Planned Development that would prohibit the use of the property by a stand-alone used car dealership by stating that used car sales must be in conjunction with auto and truck rentals. Finally, staff has included language that limits the age of used cars sold on-site to the previous four (4) model years, with all other vehicles being sold off-site. Staff believes this language will help ensure that a quality inventory of cars is on-site.

The property is the location of the former Huffines Kia/Subaru dealership and has been vacant since Huffines moved to their new location on IH35 in February 2019. At the time Huffines was going through the process of zoning for their new location the owners for this tract filed an affidavit of release of nonconforming land use with Denton County. This rezoning application does not claim any nonconforming land use rights as it is a new zoning application for consideration, and the affidavit did not restrict the Planning and Zoning Commission or City Council from reinstating that use on the property.

Additionally, the property is in a less than ideal location with access being a challenging factor for the use

of the land by other commercial users, as one must Exit IH35 in Denton over a mile away in order to access this site. The limited access makes the location less than ideal for other non-residential uses such as retail, restaurants or offices. Due to the limited access the use of the property is mostly viable to those uses which do not need direct access such as mini-storage, multi-family, or car dealerships.

Since access to the location is limited staff believes that the applicant's proposal represents an appropriate use for the property.

Public notices were mailed to all residents within 200 feet of the proposed change on January 8, 2020. At the time of packet creation there were no letters in support or in opposition to the proposed change.

Notice of the public hearing was published in the January 12, 2020 edition of the Denton Record Chronicle.

The Comprehensive Plan designates the future land use of this area as Commercial and the proposal complies with the City's Comprehensive Plan.

At the Planning and Zoning Commission meeting on January 27, 2020 the Commission voted to unanimously recommend approval on the condition that regulations be added prohibiting the use of outdoor speakers on the property. That regulation has been added to the proposed ordinance included in this packet.

It also came up at the Planning and Zoning Commission meeting that residents would like to see the trees remain. The applicant has done a tree survey and is working to preserve as many of those as possible.

Staff recommends approval as presented.

Plez Schnitz, Schnitz Architect, Dallas, Texas - Helen-Eve did an excellent job of explaining what we are trying to do. There are times that commercial interests collide with residential interests particularly on freeway property. We were very careful when we planned the layout of this to protect the interest of our residential neighbors. Some of the other aspects that are not so clearly seen in the site layout is the operations facility. There are two distinct operators in this facility, one is leasing leg and one is the sales leg. The leasing leg is open from 7 am until 7 pm and we were careful to put all their activities behind the building in between the residential lots and the building so at 7 pm all activity stops the lights go down and we try to create a quiet dark environment back there.

All the sales are open from 10 am, until 10 pm and that activity is on the other side of the building so we are taken every opportunity we could to mitigate that collision I spoke of. One thing we did fail to notice, we added additional buffer behind the lots on Aspen Street but Helen – Eve reminded me we would have to put a masonry concrete wall there, and we are prepared to do that.

Councilmember Henderson – would you consider still coming in with the car rental but not the car sales?

Brent Russell, Enterprise Representative – given the size of the property and the scope of the project economically, we would not be able to make it the project without all three business lines in production.

Mayor Heidemann opened the Public Hearing at 7:28 p.m.

Ben Priddy, 2403 Aspen Street – the masonry wall was part of our main concern and that is going to be there. I would request that it be an 8 foot versus the 6ft.

Nettie Zeams, 2401 Aspen Street – They have agreed to leave the trees. If they remove the pipe fence,

they need to be sure no one drives through our yard.

Plez Schnitz, Schnitz Architect, Dallas, Texas – we are going to put up an 8ft. masonry fence up and we have 3ft. berms in that landscape area so no one will be able to drive through there.

Mayor Heidemann closed the Public Hearing at 7:50 p.m.

Helen-Eve Liebman, Planning and Development Director – just to clarify, should you make a motion to approve, the two items that we are adding is the screening wall to be 8 ft. along the southern property boundary and the trees would remain.

MOTION made by Councilmember Garber to approve the item with the two additions, first the 8 ft masonry screening wall between this property and the adjoining properties along the southern boundary and in addition the trees on the property will remain especially the old growth trees, there were two oaks and two willows. Seconded by Councilmember Burke.

AYES: Burke, Garber
NOES: Johnson, Henderson, Pickens
ABSENT: None

MOTION FAILED

BUSINESS AGENDA:

5. Consider and act on approval of a Public Tree Care Ordinance which provides for principles, best management practices, and tree management on all publicly owned property.

Cody Collier, Public Works Director - The City of Corinth has been working with Tree City USA since late 2018 to become members. We have met all previous requirements including establishing arbor day events, tree plantings, publicizing events, budgeting the required \$2.00 per capita, and establishing a Tree Preservation Ordinance in 2019 (Planning Department) for tree preservation. The final component is approval of Tree City USA's model ordinance presented herein. Upon successful adoption of this ordinance, Corinth will then apply for full member status and receive recognition as a member of the Tree City USA community.

Staff recommends approval of this Ordinance.

MOTION made by Councilmember Johnson to approve a public tree care Ordinance as presented. Seconded by Councilmember Henderson.

Councilmember Johnson – I appreciate all the work you have done on this.

AYES: Burke, Garber, Johnson, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

6. Consider and act on a Resolution ordering a Joint General Election with Denton County to be held on

May 2, 2020 to fill the offices of one Council Member for Place 1, One Council Member for Place 3 and One Council Member for Place 4; establishing procedures for that election and providing an effective date.

Bob Hart, City Manager – this item is to call the election for May 2, 2020 and establishing procedures for the election.

MOTION made by Councilmember Henderson to approve the Resolution as presented. Seconded by Councilmember Johnson.

AYES: Burke, Garber, Johnson, Henderson, Pickens

NOES: None

ABSENT: None

MOTION CARRIED

7. Consider and act on a Resolution of the City Council of the City of Corinth, Texas designating a multi-purpose amphitheater and related infrastructure as a venue project (the "Amphitheater Venue Project") and designating a method of financing the Amphitheater Venue Project, a new short-term motor vehicle rental tax at a rate not to exceed five (5) percent, in accordance with the provisions of Chapter 334 of the Texas Local Government Code, as amended.

Jason Alexander, Economic Development Director - the item before you is a request to call an election for the Short-term motor vehicle rental tax. Chapter 334 of the Texas Local Government Code, as amended, allows municipalities and counties to impose a wide variety of taxes as methods to finance tourism, sports and community venues. One of those taxes is the seldom used short-term motor vehicle rental tax. The short-term motor vehicle rental tax requires the approval of voters --- and the tax cannot exceed five (5) percent and can only be imposed on motor vehicle rentals of thirty (30) days or less. If the tax is approved, the revenues generated may be used to finance the venue and its related infrastructure (e.g., "any store, restaurant, on-site hotel, concession, automobile parking facility, area transportation facility, road, street, water or sewer facility, park, or other on-site or off-site improvement that relates to and enhances the use, value, or appeal of a venue, including areas adjacent to the venue, and any other expenditure reasonably necessary to construct, improve, renovate, or expand a venue, including an expenditure for environmental remediation"). Also, if the tax is approved, it becomes effective by ordinance (municipality) or order (county) --- and it expires after all bonds and other obligations are paid in full.

Imposition of a short-term motor vehicle rental tax in Corinth can generate additional revenue to finance the multi-purpose amphitheater and its related infrastructure while simultaneously reducing financial dependency on the Tax Increment Reinvestment Zone (TIRZ) to stimulate private and public investment within the community's urban core. In addition, the imposition of the tax can enhance economic development efforts to attract, expand and retain businesses --- and in particular -- restaurants and retailers that benefit from the proximity to the multi-purpose amphitheater and the future transit stop.

The businesses with on-site motor vehicle rentals that may be impacted by the imposition of a short-term motor vehicle rental tax include:

With Service Only
Caliber Collision

With or Without Service
Harley-Davidson

Classic of Denton

Classic Pre-Owned of Denton
Gunn Nissan of Denton
Huffines Kia of Corinth
Huffines Subaru of Corinth

In sum, imposition of a short-term motor vehicle rental tax in Corinth can prove extremely beneficial with respect to attracting new investment to the urban core and creating a thriving mixed-use district focused around a transit stop in support of the goals of the Strategic Plan and the TIRZ.

However, before the City can call an election on the imposition of a short-term motor vehicle rental tax, the City Council must first approve a resolution designating the venue project and the method for financing the venue project among other things. A resolution designating the multi-purpose amphitheater and its related infrastructure as a venue project and designating a new short-term motor vehicle rental tax as the method for financing is attached for the City Council's consideration and action. Further, it should be noted that the City Council must determine a rate for the short-term motor vehicle rental tax. The short-term motor vehicle rental tax can be imposed in increments of one-eighth (1/8) of one percent, but the rate cannot exceed a maximum of five (5) percent.

Staff recommends that the City Council approve the Resolution as presented and impose a short-term motor vehicle tax at a rate not to exceed five (5) percent in accordance with the provisions of Chapter 334 of the Texas Local Government Code, as amended.

Councilmember Johnson – are you comfortable with going to 5%?

Jason Alexander, Economic Development Corporation – staff recommends going to the 5%. It is consistent with that of other communities.

Councilmember Henderson – have you ran the numbers to see what that would bring us?

Jason Alexander, Economic Development Corporation – I have tried to do some research of the numbers but because of confidentiality I was unable estimates from businesses in order to run those numbers. I can share with you is that for 2019, the Comptroller brought in almost \$291.2 million dollars on their 10% imposition alone.

MOTION made by Councilmember Garber to approve as presented. Seconded by Councilmember Johnson.

AYES: Burke, Garber, Johnson, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

8. Consider and take action on the renewal of the Street Maintenance Sales Tax.

Bob Hart, City Manager – we are asking for clarity from the Council on this item. You can consider calling an election to renew the street maintenance tax or you can consider calling an election for the Fire District for fire services. These are both General Fund activities. This has been placed on the agenda to

provide for that clarity for the record moving forward.

Councilmember Burke – does the staff have a recommendation and why?

Bob Hart, City Manager – our recommendation was that the Council vote not to proceed with calling the election for street maintenance tax and we will come back next week and ask Council to consider calling an election for the sales tax for the fire district. They are both needed but in our strategic analysis going forward, we think there will be advantages having that ¼ cents sales tax for the fire, that gives us some flexibility particularly under some of the restrictions with SB2. So our recommendation is to allow the street maintenance tax to lapse and ask the voters to consider shifting that ¼ cent for the fire district.

Councilmember Henderson – so they are both out of the general fund and our streets will still be well maintained?

Bob Hart, City Manager – as part of our budget, we intend to bring back a recommendation so that there is some revenue stream that is still going back to streets.

Councilmember Johnson – what percentage of our streets that we are still using the sales tax on?

Cody Collier, Public Works Director – you can use the tax for maintenance, rehabilitation, equipment, maintenance efforts, materials, anything related to maintenance preservation of your roads. Anything dedicated to the cause of maintenance and preservation of your streets. We are working right on a project with the Town of Shady Shores and we are also looking at doing Riverview this year. Right now, we have about \$1.5 million is close to the fund balance in that account. Historically, we have been using \$200,000 to \$300,000 a year.

MOTION made by Councilmember Burke to not renew the street maintenance sales. Seconded by Councilmember Pickens.

AYES: Burke, Garber, Johnson, Henderson, Pickens
NOES: None
ABSENT: None

MOTION CARRIED

COUNCIL COMMENTS & FUTURE AGENDA ITEMS

The purpose of this section is to allow each councilmember the opportunity to provide general updates and/or comments to fellow councilmembers, the public, and/or staff on any issues or future events. Also, in accordance with Section 30.085 of the Code of Ordinances, at this time, any Councilmember may direct that an item be added as a business item to any future agenda.

Councilmember Garber – I'm not sure if the vote can be changed, however, I would like it to go on record under business item #4, my vote was in opposition for approval instead of in favor.

Bob Hart, City Manager – CWD will have their Driver Appreciation luncheon tomorrow at 11:30 at Angelina's in Corinth.

There was no Closed Session.

CLOSED SESSION

The City Council will convene in such executive or (closed session) to consider any matters regarding any of the above agenda items as well as the following matters pursuant to Chapter 551 of the Texas

Section 551.071. (1) Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; and/or (2) a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

Section 551.087. To deliberate or discuss 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 to deliberate the offer of a financial or other incentive to a business prospect.

After discussion of any matters in closed session, any final action or vote taken will be in public by the City Council. City Council shall have the right at any time to seek legal advice in Closed Session from its Attorney on any agenda item, whether posted for Closed Session or not.

RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON CLOSED SESSION ITEMS.

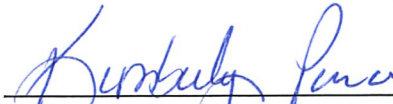
ADJOURN:

Mayor Heidemann adjourned the meeting at 7:50 p.m.

AYES: All

Meeting adjourned.

Approved by Council on the 5 day of March, 2020.


Kimberly Pence, City Secretary
City of Corinth, Texas

