

City Council
City of Hillsboro, Texas
Minutes of Regular Meeting
January 17, 2023

Present were:

Andy Smith, Mayor
Eric Fleming, Councilmember
Larry Lloyd, Councilmember
Dana Robinson, Councilmember
Frances Zarate, Councilmember
Leann Richmond, Councilmember

Megan Henderson, City Manager
Art Mann, Economic Dev Admin.
Richard Reinhardt, Planning Official
Sharon McFadden, City Secretary
Christi Ward, Admin. Assistant

Mayor Pro-Tem, Scott Johnson and Assistant City Manager, Tony Cain were absent.

Others present:

Bishop Billy Clark, Believers Christian Cathedral Church
Shannon Cottongame, Reporter
Lynette Finley, Chamber Executive Director
Lambert Jefferson, Hillsboro Police Officer
Mercedes Penny, Hillsboro Police Officer
Carl Lider
Lilly Faglie
Thomas Faglie

Mayor Smith called the Regular Meeting to order at 6:00 p.m. Bishop Clark led the invocation. Mayor Smith led the Pledge of Allegiance.

Hear Statements from Persons Wishing to Address Council.

No attendees addressed Council.

Consent Agenda

Mayor Smith informed Council that agenda numbers five (5) through nine (9) require no formal public hearing and are subject to being approved in a single motion. However, any City Councilmember or the City Manager may remove an item from the Consent Agenda to allow discussion and voting on the item individually.

(Agenda Item #5)

Deliberate and Act on Approval of the Minutes for the Regular Meeting on January 3, 2023.

(Agenda Item #6)

Act on the Approval of Bills.

(Agenda Item #7)

Deliberate and Act on a Resolution Authorizing the Department of Public Safety to Submit a Grant Proposal Through the Office of the Governor Criminal Justice Division Body-Worn Camera Grant Program.

(Agenda #8)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Re-Plat of Lots 19-R and 19-R1, Jarrett Addition, in the City of Hillsboro, Becoming Lots 19R-2, 19R-3, and 19R-4, Jarrett Addition, in the City of Hillsboro; Being the Same Property by Reference as Recorded in Volume 2171, Page 842 of the Official Public Records of Hill County, Texas. Also Known as 1101 East Elm Street

(Agenda #9)

Deliberate and Action on a Resolution Accepting the Recommendations of the Planning and Zoning Commission Approving a Specific Use Permit for Auto Sales at 105 West Walnut Street, which is Located in a Commercial (C) Zoning District. All That Certain Lot, Tract or Parcel of Land Located in Hill County, Texas and Being Lots 7 and 8, Block 49, McMullen Addition in the City of Hillsboro as Recorded in Volume 1316, Page 214 of the Official Public Records of Hill County, Texas. This Use is Allowed Only by a Specific Use Permit in the Commercial (C) Zoning District.

Mayor Smith asked Council if there were any questions or comments regarding the Consent Agenda Items. There were no responses. On a motion by Councilmember Richmond and second by Councilmember Lloyd, Consent Agenda Items #5 through #9 were accepted and approved.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Zarate, Richmond

Nays: None Absent: Johnson

Regular Agenda

(Agenda #10)

Deliberate and Act on a Resolution Accepting the Recommendations of the Planning and Zoning Commission for a Meritorious Exception as Described in the City of Hillsboro Zoning Ordinance, Section 5.33.8, Submitted by Empire Canopy, Sign & Construction on Behalf of Makhani Enterprises, LLC for the Amigo Travel Center at 3000 State Highway 77.

The Planning Official referred to the visual map provided and identified the location of travel center stated in the request. In May 2022, a meritorious exception was approved for the Amigo Travel Center for 1,174 square feet of sign area for one of their pole signs. This new request is asking for the display of gas price cabinet to be enlarged to 490 square feet. There were miscalculations submitted on the exhibit and the numbers on the briefing for Council are also incorrect. The true calculations show the request to be for an additional 200 square feet above and beyond the previously approved request. The area

— allowed for a pole sign is 400 square feet. They were already approved for 1,174 square feet and now requesting approximately 1,400 square feet. The application submitted did not include justification as to why they needed an additional 200 square feet. The Planning and Zoning Commission met on Monday, January 9, 2023 and recommended the request be disapproved. It is exciting to see Amigo Travel Center come to town. The previous exception had already been granted and the Planning and Zoning Commission did not see reason for granting an additional exception. Councilmember Robinson asked what staff recommended. The Planning Official said staff met and did not see their justification in the application. Councilmember Richmond asked if it is recommended to leave the first request of 1,174 square feet of sign area. The Planning Official confirmed the previous request should be honored. Councilmember Robinson asked if there is a reason for not giving the requestor the recommendation. The Planning Official said the maximum sign area is 400 square feet and the requestor has already been granted a size approximately three (3) times the allowed amount. The Council has two (2) options on this request by accepting the recommendation of the Planning and Zoning (P & Z) Commission or set aside the P & Z decision and approve the request. Mayor Smith said a motion to approve that is before Council would actually be to deny the request which is approving the denial recommended by the P & Z. Councilmember Richmond asked how many square feet of signage TA (TA Travel Center) has. The Planning Official said he does not have the answer for TA signage. The City Manager said staff reached out to Empire Canopy requesting information to explain the benefits to increasing the size of signage. There was no response from Empire Canopy to provide justification. Councilmember Lloyd asked if P & Z had reviewed this new request. The Planning Official said that P & Z considered the request at their January 9, 2023 meeting and recommended disapproval. Councilmember Robinson asked if P & Z provided a reason for disapproval. The Planning Official said a previous exception had already been granted and did not see sufficient evidence in the application to justify the meritorious exception. Councilmember Robinson asked if the requestor was given enough time to respond. The City Manager confirmed there was enough time given for a response. Mayor Smith asked if there were any other questions and there were no additional responses. Councilmember Fleming made the first motion to approve the Planning and Zoning Commission recommendation to deny the request. Leann Richmond made the second motion.

On roll call, the following votes were cast:

Ayes: Fleming, Lloyd, Robinson, Zarate, Richmond

Nays: None Absent: Johnson

(Agenda #11)

— **Hold a Public Hearing, First Reading of an Ordinance, and Deliberate on an Ordinance of the City Council of the City of Hillsboro, Texas, Designating a Contiguous Geographic Area Within the City as a Reinvestment Zone Pursuant to Chapter 311 of the Texas Tax Code, to Be Known as Reinvestment Zone Number Two, City of Hillsboro; Describing the Boundaries of the Zone; Creating a Board of Directors for the Zone; Establishing a Tax Increment Fund for the Zone; Containing Findings Related to the Creation of the Zone; Providing a Date for the**

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Termination of the Zone; Providing that the Zone Take Effect Immediately Upon Passage of the Ordinance; Providing a Severability Clause; and Providing an Effective Date.

The City Manager said the Outlet Mall property is one (1) of the most significant identifying characteristics of the City of Hillsboro for those who live here and those traveling Interstate 35. There was interest from citizens during the public input collection in advance of the strategic plan. There is periodic discussion on social media about what can happen. It makes sense to designate the sight as a reinvestment zone because in doing so the opportunity is created to capture taxes generated by any improvements that happen. The tax revenue will be reinvested into that zone for public improvements and those types of investments by local governments are often required to make development happen. The development that is there now is underperforming and not suited to current needs. There are a couple of parcels immediately adjacent that have not been developed at all and are just being used as farmland. The value is as low as it is likely to get and not likely to increase by much without some real partnership and effort by the City (of Hillsboro). By creating a zone that includes the outlet mall property and the two (2) adjacent undeveloped parcels, we (City of Hillsboro) can establish a value for future development perspective and can use that increment to help do the deals that are in store for that property. The City Manager said the ordinance being presented includes all of the provisions to established the zone and would not go into effect until the second reading. A public hearing would need to take place and is an important part in the creation of the zone. Included with the ordinance is a project finance plan and a project plan that includes some discussion of potential public improvements. Demolition of existing, substandard, or outdated retail space which might be needed and streets might be needed as property develops. Drainage improvements may be required if there are drainage issues. The plan looks to the future of redevelopment opportunities. Mayor Smith asked if there were any questions from Council. Mayor Smith stated the agenda item is not an action item and is only for informational purposes. A public hearing is required and Mayor Smith opened at 6:20 p.m. Mayor Smith asked if there are any comments from the public in attendance. No comments were made. Mayor Smith announced the closure of the public hearing at 6:21 p.m.

Agenda Item #12

Hear and Deliberate on City Manager's Report

a. Update on Strategic Goals 5 – 8

5. Build Better Infrastructure

- Formally assess the conditions of street, water, and sewer infrastructure
- Implement projects that will improve the conditions
- Implement processes that will improve the conditions
- Assessments:
 - Street condition study – complete
 - Water system study – near completion
 - Sewer system study – near beginning

- Projects:
 - Utilities + Streets: Park/OBR/Walnut/Church
 - Sewer Line: Sweeney
- Processes:
 - Street Rehabilitation using in-house Reclamation: Red Streets
 - Pothole and Utility Cut Repairs: All Streets
 - Street Maintenance using Crack Sealing

6. Deliver Essential Services

- 6.2 Deliver services using equipment, facilities and technologies that are relevant, maintained and dependable
 - Water Study wrapping up
 - DPS Communication equipment and software
 - Funding for EMS Transport Units denied
- Citizen Issues: 2 drainage issues still in resolution; several street/sewer/issues being resolved
- 6.1 Ensure that staff is technically qualified problem-solvers who create a positive experience for our citizens
 - 6A Continue to cross-train staff to provide technical continuity and expand knowledge base within departments
 - 6B Evaluate current staff pay scale against market rates and industry standards every two years
 - 6C Research and implement employee retention initiatives
 - 6D Maintain existing mutual aid agreements with nearby communities
 - City Manager, Finance, and HR are working on a salary adjustment package for Public Works and Public Safety staff
 - This would include staff in streets, water, wastewater, police and fire
 - Total annualized cost would be \$653,016
 - Cost for the remainder of this fiscal year would be \$435,344

7. Boost Economic Development

- 7.1 Business Attraction
 - Buc-ee's Groundbreaking Ceremony: January 24, 2023
 - QT continuing to move forward
- 7.2 Business Retention and Expansion

- Frontier Supply Logistics continuing to move forward
- 7.3 Entrepreneurship and Small Businesses
 - Sweet Joy anticipated downtown, early this year (2023)
 - Hillsboro Arts League storefront open house January 20, 2023
 - 3 new businesses on Elm Street expected soon:
 - Vinyl craft shop
 - Cowgirl Vogue
 - French restaurant

8. Enhance Quality of Life

- Recreation
 - Facilities Improvements, Wallace Park:
 - Completing batting cages
 - Replacing fence on Field 4
 - Fixing water leaks
 - Fixing and reconstructing restroom stall doors
- Programming
 - Softball camp on February 4, 2023, assisted by Lady Eagles
 - Preparing for baseball and softball season
- Library
 - Facilities Improvements: fundraising continues for expansion
 - Programming:
 - Staff is preparing to launch a new early literacy program
 - Pilot Program: Talk with Me Toolkits
Hillsboro's Library was one of only four in the nation (and the only rural library) chosen to participate in a pilot program to adapt and disseminate the Smithsonian's "Talk with Me Toolkits" for libraries to use to promote family literacy and engagement. Six weeks of activities will be partially underwritten by a grant for the program, and the materials will stay at the library for future use.
 - Club Code
Coding and Robotics program will be offered on Wednesday, January

25, 2023 at 10:00 a.m. The class will be offered monthly, with dates in February including a morning and an after-school time.

b. Recent and Upcoming Staff Activity and Events

- The staffing concerns were addressed in Section 8. Enhance Quality of Life. There was nothing additional to report.

Agenda Item #13

Hold a Closed Session Under the Provisions of Section 551.087 of the Government Code (Economic Development). Project Windows.

Mayor Smith announced an entrance into Closed Session at 6:30 p.m.

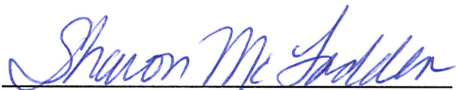
Mayor Smith announce the exit from Closed Session at 7:25 p.m.

Mayor Smith said there was no deliberation or action to be taken from the closed session, and with no further business to address, the meeting was adjourned at 7:25 p.m.



Andrew L. Smith, Mayor

ATTEST:



Sharon McFadden, City Secretary

Note:

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