

MINUTES OF A PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON AUGUST 30, 1999, AT 7:15 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.

The meeting was called to order with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	William Berger
Councilmember	Klaus Seeger
Councilmember	Larry Wilkins
Councilmember	Richard Tetens
Councilmember	Helen Beckman
City Manager	Glen Erwin
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Others in attendance: Sr. Project Manager Alan Mueller; Executive Director P.E.D.C. Mike Chance; Police Chief J.C. Doyle; City Engineer John Hargrove; Parks and Recreation Director Ed Hersh; Utility Accounts Supervisor Missy Miller.

CALL TO ORDER

PURPOSE OF HEARING - A PROPOSAL TO INCREASE TOTAL TAX REVENUES FROM PROPERTIES ON THE TAX ROLL IN 1998 BY 12.899 PERCENT.

STAFF REVIEW OF PROPOSED TAX INCREASE

City Manager, Glen Erwin, stated that this is one of the things the City has to do each year before the tax rate is finally adopted on its second and final reading. This tax increase is not a function of the tax rate. It is the function of the overall assessed increase in the property tax value from the Brazoria County Appraisal District. The property tax rate that the taxpayer pays has not increased, and is the same as last year.

Sr. Project Manager, Alan Mueller, gave an overview of the City's 1999 property tax values and information on the tax rate. Mr. Mueller stated that the tax rate that is being proposed is the same as it has been for the last few years. The proposed tax rate for 1999 is \$0.695 per One Hundred Dollar (\$100) of property value. He further that the increase of the total tax revenues are due to new property value on the ground, because of new houses, businesses being built, as well as annexations, therefore, the overall revenues are increasing by 12.899 percent, however, the actual tax rate is staying the

same as last year.

CITIZEN COMMENTS: None

COUNCIL/STAFF DISCUSSION

Mayor Reid stated it is nice that the City is having an increase in taxable revenue rather than a decrease. That is a very positive thing allowing the City to keep the tax rate at the same level that City as last few years.

ADJOURNMENT

Meeting was adjourned at 7:23 p.m.

Minutes approved as submitted and/or corrected this the _____ day of _____, A.D., 1999.

Tom Reid
Mayor

ATTEST:

Young Lorfing
City Secretary

MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON AUGUST 30, 1999, AT 7:30 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.

The meeting was called to order with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	William Berger
Councilmember	Helen Beckman
Councilmember	Richard Tetens
Councilmember	Larry Wilkins
Councilmember	Klaus Seeger
City Manager	Glen Erwin
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Others in attendance: Sr. Project Manager Alan Mueller; Executive Director P.E.D.C. Mike Chance; Police Chief J.C. Doyle; City Engineer John Hargrove; Parks and Recreation Director Ed Hersh; Utility Accounts Supervisor Missy Miller.

CALL TO ORDER

SECOND AND FINAL READING OF ORDINANCE NO. 921 - AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (EAST OF COUNTY ROAD 48 AND NORTH OF COUNTY ROAD 59); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE.

Councilmember Beckman made the motion, seconded by Councilmember Tetens, to table Ordinance No. 921 on its second and final reading.

Voting "Aye" Councilmembers Seeger, Wilkins, Berger, Tetens, and Beckman.

Voting "No" None.

Motion Passed 5 to 0.

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COUNCIL ACTION - MOTION TO REMOVE FROM TABLE ORDINANCE NO. 922 AND ORDINANCE NO. 923.

Councilmember Tetens made the motion, seconded by Councilmember Beckman, to remove from the table Ordinance No. 922 and Ordinance No. 923.

Voting "Aye" Councilmembers Beckman, Tetens, Berger, Wilkins, and Seeger.

Voting "No" None.

Motion Passed 5 to 0.

FIRST AND ONLY READING OF ORDINANCE NO. 922 - AN ORDINANCE EXTENDING THE CITY LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (SOUTH OF BELTWAY 8 ALONG STATE HIGHWAY 288); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY BECAUSE THE NEED TO FIX AND EXTEND THE BOUNDARIES OF THE CITY INURES TO THE BENEFIT OF THE PUBLIC AND, THEREFORE, BEARS DIRECTLY UPON THE HEALTH, SAFETY AND WELFARE OF THE CITIZENRY.

Mayor Pro-Tem Berger made the motion, seconded by Councilmember Wilkins, to approve Ordinance No. 922 on its first and only reading.

Dick Gregg, 930 Shorewood, addressed Council and stated that he is a former Assistant Attorney General of Texas, a City Attorney in four cities, and at one time he was the City Attorney for the City of Pearland. He stated that he represents Rec. Time Inc., which is a developer of a planned, gated upscale, and an impressive Recreational Vehicle Park to be located at the intersection of Hwy. 288 and Beltway 8. He gave a brief overview of the recreation park facility. Mr. Gregg also addressed the Charter regarding ordinances that are declared and adopted as an emergency.

Bruce Merwin, 9 Greenway Plaza, and is a partner at the law firm of Dow, Cogburn and Freidman the law firm that represents Mr. Plank on real estate matters. Mr. Merwin addressed Council and stated that he is here on the behalf of Mike Plank, President and CEO, of Speed Shore. He stated that Mr. Plank is out of the state on business and has executed a special power of attorney so that he can represent Mr. Plank and his interests regarding the possible annexation of his property at 3330 South Sam Houston Parkway East. Mr. Merwin read from a letter issued by Mr. Plank giving a brief summary of the discussion between then Assistant Director of the Pearland Economic Development

Corporation, John Bowman, and Mr. Plank. In the letter Mr. Plank stated that during the meetings with Mr. John Bowman he was assured by Mr. Bowman that the property he was proposing to develop was "on an island" and would not be annexed by the City of Pearland anytime in the next five years, and if it was, he would be afforded designation of an "Industrial District" with special tax considerations or have taxes "phased-in" more than a five to seven year period. Mr. Plank's letter further stated that he trusted that a "Gentlemen's Agreement" with an official representative of the City was the best he could hope for. Mr. Plank's letter respectfully requested that the Council reconsider the proposal to annex this particular strip of land along Beltway 8.

City Attorney, Darrin Coker, stated that earlier it was mentioned that there was not any authority on this particular issue of adopting an annexation as an emergency, and as a matter of fact there is a particular case that was litigated with the City of Austin, with identical facts. In this case it is Art Carved Class Rings Inc. vs. the City of Austin. It was challenged because the annexation was adopted as an emergency. Mr. Coker read the final ruling of the court, and the summary of the decision, which is a Court of Appeals Case. Based on the court ruling, Mr. Coker also stated that he is confident that the City could move forward with the emergency clause that is in the ordinances and adopt them on a first and only reading as permitted in the City Charter.

Mayor Pro-Tem Wilkins stated that during one of the planning sessions of Council, one of the goals the Council made quite clear was to continue annexation but not to the extent of previous years of annexing highly populated tracts, but annexing property or land that will be very valuable to the City in the future.

Councilmember Seeger stated that he does not understand the unwritten agreement that the City is supposed to abide by, and if it is honored, does it open the doors to any other agreements that have been made by this particular individual verbal agreements with no record whatsoever that the City may have to be faced with. He said he is strongly concerned that there may be other agreements that the Council is not aware of.

Discussion ensued among the Mayor, Council, and Staff regarding the options available to the City assisting these businesses.

City Manager, Glen Erwin, stated that virtually anything that the Council instructs the Staff to do, will be done within the realms of possibilities. Mr. Erwin further stated that the City is looking at very tight time constraints at this time for annexations, and by entering into negotiations at this time it could extend the City past those deadlines.

Mayor Pro-Tem Berger stated that possibly the P.E.D.C. could give these companies some other form of consideration, rather than a tax abatement, a tax deferral, or annexation deferral.

City Manager, Glen Erwin, stated that any time a new business comes into town there is grants available or support for infrastructure. Generally, this is done in negotiations to get them inside the City. Mr. Erwin stated that he does not understand why so many concessions were negotiated with industries that were going to be located in the City's extraterritorial jurisdiction. He further stated that he was opposed to an Industrial District being located in this area. It just does not "fit the bill." If we start making concessions then all of the Industries will start requesting Industrial Districts and would start taking away from the ad valorem tax base. Mr. Erwin also stated that several things can be negotiated with these companies as far as grants are concerned.

Councilmember Tetens stated that he feels that the City needs to help these companies. The one company that has not started yet can go to the Economic Development Corporation for help, and the existing businesses also needs to be helped.

Councilmember Wilkins stated that was not appropriate for this gentleman that used to work for the City make this "gentleman's agreement." He further stated that the main source of the problem is that this occurred, and he does not recommend that the Council needs to agree to this. He also stated that he has a problem with it.

Councilmember Tetens stated that he didn't say that the City should agree, but the City ought to do something for the businesses. This would show them that Pearland does want them here, as we do all businesses.

There was additional discussion between the Council and the Attorneys Dick Gregg and Bruce Merwin, who are representing the businesses that would be included in this annexation.

George Cobb, Brenham, Texas, addressed and stated that he owns property close to Tom Bass Park. He said that he has always felt that this property is valuable. He further addressed development in this area and the school district north of Clear Creek. He also addressed property that he owns, that has received a tax abatement from Harris County, as well as Houston Independent School District, and was concerned how the annexation would affect these abatements.

Councilmember Beckman stated that any tax abatements that are in place at the time of annexation are not changed at all.

City Attorney, Darrin Coker, stated that in order for this ordinance to be adopted on a first and only reading it must be adopted by a three-fourths majority of Council, and that would be a vote of four Councilmembers.

Voting "Aye" Councilmembers Beckman, Berger, Wilkins, and Seeger.

Voting "No" Councilmember Tetens.

Motion Passed 4 to 1.

FIRST AND ONLY READING OF ORDINANCE NO. 923 - AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (*WEST OF FM 1128 AT FITE ROAD*); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY BECAUSE THE NEED TO FIX AND EXTEND THE BOUNDARIES OF THE CITY INURES TO THE BENEFIT OF THE PUBLIC AND, THEREFORE, BEARS DIRECTLY UPON THE HEALTH, SAFETY AND WELFARE OF THE CITIZENRY.

Councilmember Wilkins made the motion, seconded by Mayor Pro-Tem Berger, to approve Ordinance No. 923 on it first and only reading.

City Manager, Glen Erwin, stated that the Staff has already gone over with Council this area.

Voting "Aye" Councilmembers Seeger, Wilkins, Berger, Tetens, and Beckman.

Voting "No" None.

Motion Passed 5 to 0.

FIRST AND ONLY READING OF ORDINANCE NO. 924 - AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (*EAST OF COUNTY ROAD 48 AND NORTH OF COUNTY ROAD 59*); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY BECAUSE THE NEED TO FIX AND EXTEND THE BOUNDARIES OF THE CITY INURES TO THE BENEFIT OF THE PUBLIC AND, THEREFORE, BEARS DIRECTLY UPON THE HEALTH, SAFETY AND WELFARE OF THE CITIZENRY.

Councilmember Wilkins made the motion, seconded by Mayor Pro-Tem Berger, to approve Ordinance No. 924 on it first and only reading.

City Manager, Glen Erwin stated that Staff will answer any questions that Council may have about this proposed annexation.

Voting "Aye" Councilmembers Beckman, Tetens, Berger, Wilkins, and Seeger.

Voting "No" None.

Motion Passed 5 to 0.

COUNCIL ACTION - RESOLUTION NO. R99-62 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, REPEALING RESOLUTION NO. R99-56 AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ENTER INTO AN INTERLOCAL AGREEMENT WITH BRAZORIA COUNTY TO COOPERATE IN ESTABLISHING CONDITIONS FOR PARTICIPATION IN TAX INCREMENT REINVESTMENT ZONE NO. 2 WITHIN THE CORPORATE CITY LIMITS OF PEARLAND.

Councilmember Beckman made the motion, seconded by Councilmember Tetens, to approve Resolution No. R99-62.

Sr. Project Manger, Alan Mueller, presented the new version of the interlocal agreement which includes Exhibit "B", with the dollar amounts struck out of the agreement. The City financial advisor and attorneys agree that this is not an issue. Mr. Mueller further stated that in 2006, which is the first review period, at least with having Exhibit "B" and listing the services that are there will give everyone a better starting point to review the calculations for the cost of services. Mr. Mueller stated this is the same agreement that has been adopted before. It is just that Exhibit "B" is modified from the previous version by having the numbers struck out.

City Attorney, Darrin Coker, stated that since the Resolution No. R99-62 that has been included in the packet had Exhibit "B" struck out, and in fact it will be included, we need to have a motion to amend Resolution R99-62 to include Exhibit "A" as discussed by Staff and get that amendment voted on, and then proceed with the adoption of the resolution.

Councilmember Beckman made the motion, seconded by Councilmember Tetens, to amend Resolution R99-62 to reflect the changes recommended by staff.

Voting "Aye" Councilmembers Beckman, Tetens, Berger, and Seeger.

Voting "No" Councilmember Wilkins.

Motion Passed 4 to 1.

Mayor Reid called for a vote on Resolution No. R99-62 as amended by the previous action.

Voting "Aye" Councilmembers Seeger, Berger, Tetens, and Beckman.

Voting "No" Councilmember Wilkins.

Motion Passed 4 to 1.

Councilmember Tetens stated that before the meeting is adjourned he urges the Staff and P.E.D.C. to work with the businesses in anyway possible, to see if the City can help them in anyway.

Councilmember Beckman stated that she concurs with Councilmember Tetens statement.

Mayor Reid said he would also like to see that happen, if we could do something, that would make the businesses proud for moving into Pearland.

ADJOURNMENT

Meeting was adjourned at 8:25 p.m.

Minutes approved as submitted and/or corrected this the _____ day of _____ A.D., 1999.

Tom Reid
Mayor

ATTEST:

Young Lorfing
City Secretary