

**BELTON CITY COUNCIL MEETING
AUGUST 9, 2011**

The Belton City Council met in regular session with the following members present: Mayor Pro Tem Marion Grayson, Councilmembers Wayne Carpenter, Craig Pearson, and John Agan. Mayor Jim Covington and Councilmembers Clifton Peters and David K. Leigh were absent. Staff present were John Messer, Sam Listi, Connie Torres, Cristy Daniell, Les Hallbauer, Gene Ellis, Bruce Pritchard, Jerri Gauntt, Kim Kroll, Charlotte Walker, and Denny Lassetter.

The Pledge of Allegiance to the U.S. Flag was led by Interim Fire Chief Bruce Pritchard, the Pledge of Allegiance to the Texas Flag was led by Councilmember Clifton Peters, and the Invocation was given by Darren Walker of the First United Methodist Church.

The Mayor Pro Tem called the meeting to order at 5:32 p.m.

Public comments.

Rae Schmuck, 616 N. Beal, thanked Councilmember Carpenter for his recent article on recycling in the Belton Journal, and expressed appreciation to the City for giving recycling a try.

Consent Agenda

Upon motion by Councilmember Agan, seconded by Councilmember Carpenter, the Council unanimously approved the following items:

Consider appointments to the following boards and commissions:

- A. Public Property Finance Corporation Board of Directors – Reappointed Joe Pirtle, Bill Holmes, and JoAn Dillard to another six year term.
- B. Housing Board of Adjustments & Appeals – Reappointed Jack Meredith and Kevin Canfield to another four year term.

Consider donation of a 1999 International Ambulance to Morgan's Point Resort Dive Team.

Approved the Fire Department's donation of a 1999 International Ambulance to the Morgan's Point Resort Dive Team. The unit has been used as a reserve ambulance when a front line unit was placed out of service, but the overall condition of the unit has deteriorated to a point where it can no longer be used.

Consider settlement of outstanding liens filed against 7105 Flat Street, the N. 60' of the E. 60' of Lot 2, Block 8, Rather 1st Addition.

Approved a settlement for \$314.05, the actual costs incurred by the City for mowing (\$258.05) and filing/recording fees (\$56.00). The owner of this property (Raney Lee Wofford) is deceased and left the property to heirs who live out of state and are unable to take care of the property. They have offered the parcel to Ronnie Schoepf, Jr., owner of Schoepf's BBQ, as it is located directly behind the outdoor stage. Mr. Schoepf paid the delinquent taxes on the property (\$860.70) and requested reduction of the amount of three outstanding liens (totaling \$751.94), so he can maintain the tract, and get it back on the City's tax roll.

Consider an ordinance authorizing a tax abatement agreement for Associated Supply Company, Inc. (ASCO Equipment), proposed to be located at IH-35 and Central Avenue.

Approved the ordinance captioned below authorizing the agreement with ASCO Equipment. The TIRZ Board recommended approval of the item at its meeting on August 4th. ASCO plans a premium facility located at IH-35 and Central Avenue, which

will be the only CASE dealership including sales, rentals, parts, and service between Dallas and Austin. The proposal includes the following components:

- Construction of a 10,000-15,000 sq. ft. facility on a 7 acre vacant tract, estimated at a \$2.0M construction cost.
- ASCO will hire 12 employees to start, with 30 anticipated at peak.
- Construction start date is September 1, 2011, with business scheduled to start in early 2012.
- The applicant requests five year property tax abatement at declining percentages (100, 80, 70, 60, 40%).

The development proposal represents an ideal recipient of property tax abatement due to these factors:

- a. Project located within the TIRZ boundary.
- b. Development will enhance and expand the local Belton economy, especially given its location on IH-35 at Central Avenue and adjacent to Belton's Downtown.
- c. Project represents an authorized facility eligible for abatement, given its nature as a regional service facility.
- d. Project creates new value by investment of an estimated \$2.0M. Actual abatement received will be for the additional value of eligible property improvements made subsequent to a tax abatement agreement.
- e. Property assembly has facilitated redevelopment.
- f. Estimated local sales will be in the range of \$5.0M annually.
- g. Project is required to meet one of three criteria and meets investment of between \$250,000 and \$2.5M.

ORDINANCE NO. 2011-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELTON, TEXAS, AUTHORIZING THE MAYOR PRO TEM TO EXECUTE A TAX ABATEMENT AGREEMENT WITH ASSOCIATED SUPPLY COMPANY, INC. (ASCO EQUIPMENT) GOVERNING PROPERTY IN TAX INCREMENT REINVESTMENT ZONE NO. 1; DECLARING FINDINGS OF FACT; AND PROVIDING AN OPEN MEETINGS CLAUSE.

Budget

Conduct Budget Workshop for the following:

- A. Presentation of Belton Economic Development Corporation Annual Report and Fiscal Year 2012 Budget

BEDC Director Tommy Baker gave an overview of the Belton Business Park Concept Plan, and presented a report on the BEDC's activities in 2011 and projects underway. Assistant City Manager Cristy Daniell reviewed the BEDC's revenue projections and historical sales tax trends, and reviewed the debt service and projected cash balance for the Corporation. Lastly, Mr. Baker presented proposed line item expenditures for the BEDC for FY 2012. No action was needed.

- B. Presentation of Hotel/Motel Fund Annual Report and Fiscal Year 2012 Budget

Stephanie O'Banion, President/CEO of the Belton Area Chamber of Commerce, presented the Chamber's annual report. Ms. Daniell reviewed revenues, expenditures, and fund balance for the Hotel/Motel Fund. She indicated that year to date revenues are flat from the same point last year. Ms. Daniell stated that the FY 2012 proposed budget includes \$10,000 for City purchase of flags and Christmas decorations for antique light poles along the Central Avenue Gateway, visitor signage in the downtown historic district, and flag maintenance/replacement and landscape maintenance in the Patriot Plaza. The Chamber budget request of \$150,000 represents a slight decrease of \$2,300 from the current year. Mayor Pro Tem Grayson requested Ms. Daniell research the legality of using Hotel/Motel funds for the purchase of flags. Ms. Daniell explained the Attorney General's office has indicated what is considered promotion and tourism is up to the City Council, but she will research Hotel/Motel statutes.

Lastly, Ms. O'Banion presented the Chamber's request for Hotel/Motel funding for FY 2012. No action was required.

C. Tax Increment Reinvestment Zone (TIRZ) Fund Budget

Ms. Daniell reviewed revenues, expenditures, and debt service for the TIRZ Fund, and gave an overview of projects funded in FY 2011. The City Manager reviewed the proposed project list and budget for FY 2012 shown below, and presented pictures of the Patriot Plaza Concept Plan.

▪ Downtown Building Façade Grants	\$ 50,000
▪ Patriot Plaza	\$ 50,000
▪ Spring Street, IH-35 to Head Street	\$ 50,000
▪ Downtown Beautification	\$ 75,000
▪ Toll Bridge Rd Bridge Replacement	\$100,000
▪ Sparta Rd (Commerce to Loop 121) Phase I	\$ 50,000
▪ SW Parkway (Loop to Huey) Phase I	\$ 40,000
▪ Main Street Sidewalks	\$ 40,000
▪ Other Sidewalk Projects	\$ 30,000
Total	\$485,000

Lastly, Ms. Daniell reviewed the TIRZ Fund's projected cash balance, and indicated the TIRZ Board met on August 4th and favorably recommended approval of the proposed budget for FY 2012. No action required.

D. Ad Valorem Tax Rate

Ms. Daniell presented a summary of the certified tax roll, highlighting \$289 million in property exemptions. She reviewed a comparison of potential tax rates for FY 2012 and historical tax data, and stated each penny of tax at 97% collection produces \$74,492. Ms. Daniell indicated the proposed budget was based on the effective rate of \$0.6540, a decrease from the current rate of \$0.6550. No action needed.

E. Debt Service Fund

Ms. Daniell reviewed the Debt Service Fund summary, the taxable value and historical collection rate. She presented the general obligation debt service schedule and projected cash balance. No action needed.

Miscellaneous

At 7:05 p.m. the Mayor Pro Tem announced the Council would go into executive session following a short recess. At 7:15 p.m., the meeting was reconvened for the following closed sessions:

Executive Session pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.086, to discuss economic development negotiations.

The first session concluded at 7:32 p.m. and the Council proceeded into the next:

Executive Session pursuant to the provisions of the Texas Open Meetings Act, Chapter 551, Govt. Code, Vernon's Texas Codes Annotated, in accordance with the authority contained in Section 551.074, regarding personnel.

The Mayor Pro Tem reopened the meeting at 8:17 p.m. and there being no further business, the meeting was adjourned.



Mayor Grayson, Mayor Pro Tem

ATTEST:



Connie Torres, City Clerk