

**CITY OF SANTA FE
REGULAR COUNCIL MEETING
JANUARY 14, 2021 7:00 P.M.
COUNCIL CHAMBERS
12002 HWY. 6, SANTA FE, TEXAS**

MINUTES

The meeting was called to order at 7:00 p.m. by Mayor Jason Tabor.

Roll Call: Present: Mayor Jason Tabor
Mayor Pro-tem Bill Pittman
Councilmember IV Hoke
Councilmember Jason O'Brien
Councilmember Fidencio Leija

The invocation was given by Pastor Brad Drake. The pledge of allegiance to the U. S. Flag and to the Texas Flag was led by Councilmember Hoke.

Mayor's and City Manager's Report:

- a. The minutes of 12/8/20 and 12/20/20 were approved as presented.
- b. Presentation of departmental reports by staff, specifically a recap of the activities performed during the previous month and a report of upcoming activities, events, and projects on the horizon
 - 1) Community Services – building permits issued, fees collected, inspections performed, Mulberry Farms proposed development status, weekly departmental meetings, and new business statistics
 - 2) Parks and Community Center – park maintenance activities and center rental statistics; recent heavy vandalism of park restrooms
 - 3) Municipal Court – cases filed, revenue collected, warrants issued and cleared, cases disposed, Aug – Dec violation statistics
 - 4) Police – calls for service statistics, traffic crash analysis, use of force incidents, arrests, citations, reports, and vehicle pursuits
 - 5) Fire Marshal – illegal chemical dump and cleanup status and status of proposed fireworks ordinance amendments
 - 6) Street – drainage projects, street maintenance and improvement activities, equipment maintenance, status of bond money projects

Citizens' Comments: None

Planning and Zoning Business:

Old Business: None

New Business:

1. Consideration and possible action: Public Hearing and first reading of an ordinance of the City of Santa Fe, Texas, amending Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, the official zoning map adopted under Section 3.08, by changing the zoning classification from Highway Commercial (HC) to Single-Family Residential (R-1) for 0.91 acres located at 3700 Avenue S, described as Abst 1, Page 10, SE part of Lot 217 (217-3), Thamans 2nd Sub, City of Santa Fe, Galveston County, Texas

Community Services Director Diana Steelquist said staff received an application to rezone the property located at 3700 Avenue S from Highway Commercial to Single Family Residential so the applicant could subdivide the property into three lots fronting Avenue S. She said staff is aware of drainage issues and the developer said those issues would be addressed during platting and construction. Ms. Steelquist said the proposed residential development would have less impact in lot coverage than commercial development. She said the Planning and Zoning

Commission recommended approval. Mayor Tabor opened the public hearing at 7:26 p.m. Mr. Henry Hademan, the developer, explained the proposal to build three 2000 square ft homes with an average price point of \$230,000. With no other comments, Mayor Tabor closed the public hearing at 7:30 p.m. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to pass the first reading of an ordinance of the City of Santa Fe, Texas, amending Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, the official zoning map adopted under Section 3.08, by changing the zoning classification from Highway Commercial (HC) to Single-Family Residential (R-1) for 0.91 acres located at 3700 Avenue S, described as Abst 1, Page 10, SE part of Lot 217 (217-3), Thamans 2nd Sub, City of Santa Fe, Galveston County, Texas, and to dispense with the second reading. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Public hearing and first reading of an ordinance of the City of Santa Fe, Texas, amending Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, the official zoning map adopted under Section 3.08, by adding a conditional use permit for apartments in the Highway Commercial (HC) zoning district for 1 tract totaling 2.03 acres described as Lot 1, Blk 1, St. John's Lutheran Congregation of Alta Loma (2020), Abst 47, located in the 4300 Block of Avenue Q ½, City of Santa Fe, Galveston County, Texas

Community Services Director Diana Steelquist said staff has received an application for new apartments across the street from the Manor Apartment complex on Avenue Q ½. She said these proposed apartments would be an extension of the Manor Apartments with offsite detention behind Santa Fe Fire & Rescue, who has expressed no concern with this proposal. Ms. Steelquist said three local residents attended the Planning and Zoning Commission meeting to oppose the project because of drainage and flooding concerns in the area. She said the proposal includes sharing parking with the apartment complex across the street. Council discussed the possibility of requiring a crosswalk since the property has enough parking spaces for tenants but visitors or overflow parking would be across the street. Ms. Steelquist said this apartment complex proposal is for 48 units of one and two bedrooms, and the Planning and Zoning Commission feels this project is necessary to provide housing in the community. Mayor Tabor opened the public hearing at 7:38 p.m. Mr. Nathan Billiot, with Pape-Dawson Engineers representing the developer, explained the proposed plan for drainage and a proposed berm for maintenance accessibility. With no other comments, Mayor Tabor closed the public hearing at 7:48 p.m. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to pass the first reading of an ordinance of the City of Santa Fe, Texas, amending Ordinance No. 02-03, commonly known as the City of Santa Fe Unified Development Code, or the Santa Fe Zoning Ordinance, 2002 Edition, the official zoning map adopted under Section 3.08, by adding a conditional use permit for apartments in the Highway Commercial (HC) zoning district for 1 tract totaling 2.03 acres described as Lot 1, Blk 1, St. John's Lutheran Congregation of Alta Loma (2020), Abst 47, located in the 4300 Block of Avenue Q ½, City of Santa Fe, Galveston County, Texas. The motion passed the roll call vote unanimously.

City Business (Other):

Old Business:

1. Consideration and possible action: Second and final reading of an ordinance of the City of Santa Fe, Texas, amending Chapter 3, Construction Regulations, Code of Ordinances, Section 18, Supplementary Regulations to the Building Codes, Subsection D, Windstorm Resistant Construction, amending the dollar amount of exemption

Community Services Director Diana Steelquist said this is the second reading of the ordinance increasing the accessory structure value to \$10,000 to be exempt from the windstorm requirements. Motion by Councilmember

Leija, seconded by Councilmember Pittman to pass the second and final reading of an ordinance of the City of Santa Fe, Texas, amending Chapter 3, Construction Regulations, Code of Ordinances, Section 18, Supplementary Regulations to the Building Codes, Subsection D, Windstorm Resistant Construction, amending the dollar amount of exemption. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Second and final reading of an ordinance of the City of Santa Fe, Texas, amending Chapter 3, Construction Regulations, Code of Ordinances, Section 1, General, adding Subsection J, Construction Documents; providing for penalties and severability

Community Services Director Diana Steelquist said this is the second reading to add requirements for construction documents as part of the initial development application process. Motion by Councilmember O'Brien, seconded by Councilmember Hoke to pass the second and final reading of an ordinance of the City of Santa Fe, Texas, amending Chapter 3, Construction Regulations, Code of Ordinances, Section 1, General, adding Subsection J, Construction Documents; providing for penalties and severability. The motion passed the roll call vote unanimously.

3. Consideration and possible action: Second reading of approval of the Santa Fe Economic Development Corporation 2020/21 fiscal year contribution toward the Avenue P Drainage Project

Administrative Services Director Stacey Baker said this is subsequent approval for the Santa Fe Economic Development Corporation to contribute \$65,000 to the joint Ave. P drainage project. Motion by Councilmember Pittman, seconded by Councilmember Leija to pass the second reading of approval of the Santa Fe Economic Development Corporation 2020/21 fiscal year contribution toward the Avenue P Drainage Project. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Second reading of approval of the Santa Fe Economic Development Corporation 2020/21 fiscal year contribution toward the purchase of the city's excavator referred to as the "Excavator Contribution Project"

Administrative Services Director Stacey Baker said this is subsequent approval for the Santa Fe Economic Development Corporation to contribute approximately \$39,000 toward the city's first payment on the purchase of an excavator. Motion by Councilmember Pittman, seconded by Councilmember Leija to pass the second reading of approval of the Santa Fe Economic Development Corporation 2020/21 fiscal year contribution toward the purchase of the city's excavator referred to as the "Excavator Contribution Project". The motion passed the roll call vote unanimously.

New Business:

1. Consideration and possible action: Selection of P3 as the city's PID Administrator for the Mulberry Farms development

Mr. Jon Snyder of P3 Works said he represents cities developing Public Improvement Districts, and he gave an overview of the development process including the proposed terms and the timeline. He said a public improvement district is a geographic boundary with a special assessment on the property in the district. Mr. Snyder said Mulberry Farms is proposed to be a combination of a pay-as-you-go PID and a reimbursement bond PID with \$4.8M in assessment levy for a 30-year term. He said the city authorizes creation of the district, levy is assessed, distribution of preliminary limited offering is approved, and finally a bond purchase agreement and the sale of bonds. Mr. Snyder said the PID debt does not affect the city's bond rating and does not reduce the city's bonding capacity, but does count against the bank qualified debt limit. He said the city keeps the ad valorem and sales tax revenue. Motion by Councilmember Leija, seconded by Councilmember Pittman to select P3 as the city's PID Administrator for the Mulberry Farms development. The motion passed the roll call vote unanimously.

2. Consideration and possible action: Adoption of a resolution of the City Council of the City of Santa Fe, Texas, authorizing and creating Mulberry Farms Public Improvement District

Community Services Director Diana Steelquist said this resolution creates the Mulberry Farms Public Improvement District, which is basically drawing the geographic boundary of the PID development. Motion by Councilmember Hoke, seconded by Councilmember O'Brien to adopt the resolution of the City Council of the City of Santa Fe, Texas, authorizing and creating Mulberry Farms Public Improvement District. The motion passed the roll call vote unanimously.

3. Consideration and possible action: Authorizing execution of an Agreement regarding the Dissolution of the Mulberry Farms Public Improvement District

Community Services Director Diana Steelquist said this item is to authorize an agreement regarding the dissolution of the Mulberry Farms PID so the development can be dissolved if it does not move forward by December 31, 2023. Motion by Councilmember Leija, seconded by Councilmember Hoke to authorize execution of an Agreement regarding the Dissolution of the Mulberry Farms Public Improvement District. The motion passed the roll call vote unanimously.

4. Consideration and possible action: Authorizing the Mayor to execute the Economic Development Agreement between the City of Santa Fe and REME Development, L.P. for the development of Mulberry Farms along FM 1764 at Avenue L

Community Services Director Diana Steelquist said this is another means to help the developer with the commercial development portion of the project. The City Attorney said this 380 agreement meets legal criteria but Council needs to determine if this commercial development provides what the city needs and promotes economic development. Ms. Steelquist said the Mulberry Farms development is a total of 66 acres, with 6 acres dedicated for commercial development and not included in the Public Improvement District. She said this 380 agreement protects the 6 acres from becoming residential development and provides for reimbursement of \$800,000 towards road infrastructure costs. Councilmember Pittman suggested to Mr. Blanco that he leave the commercial property undeveloped until a developer is interested and ready to improve their portion. Mr. Blanco said they have capped the PID assessment at \$1,995 annually, but he can legally increase that assessment. He said he does not think an increased assessment is affordable to the potential residents, so he is looking to a 380 agreement to help offset some of the infrastructure costs rather than increase the PID assessment to pay toward the infrastructure. Motion by Councilmember Leija, seconded by Councilmember Hoke to authorize the Mayor to execute the Economic Development Agreement between the City of Santa Fe and REME Development, L.P. for the development of Mulberry Farms along FM 1764 at Avenue L. The motion passed the roll call vote. Those voting for: Councilmember O'Brien, Councilmember Leija, and Councilmember Hoke. Those voting against: Councilmember Pittman.

5. Consideration and possible action: Authorizing the Mayor to execute the Interlocal Agreement by and between the Galveston County Drainage District No. 1 (DD1), the City of Santa Fe, and the Santa Fe Economic Development Corporation for the Avenue P/Highland Main drainage project and authorizing payment of \$35,000 to DD1 in accordance with the agreement

City Manager Glen Adams said this joint project with the Drainage District and the Economic Development Corporation on Avenue P would improve the drainage in the area and the city's \$35,000 contribution would go toward the engineering for the project. Motion by Councilmember Hoke, seconded by Councilmember Pittman to authorize the Mayor to execute the Interlocal Agreement by and between the Galveston County Drainage District No. 1 (DD1), the City of Santa Fe, and the Santa Fe Economic Development Corporation for the Avenue P/Highland

Main drainage project and authorizing payment of \$35,000 to DD1 in accordance with the agreement. The motion passed the roll call vote unanimously.

6. Consideration and possible action: Adoption of a resolution authorizing a Settlement Agreement with Comcast of Houston, LLC, settling the lawsuit styled No. 4:39-cv-00458; City of Alvin, et. al., v. Comcast, in the United States District Court for the Southern District of Texas, Houston Division

City Manager Glen Adams said this resolution authorizes a settlement agreement with Comcast on the pending litigation regarding unpaid franchise fees on advertising revenue. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to adopt the resolution authorizing a Settlement Agreement with Comcast of Houston, LLC, settling the lawsuit styled No. 4:39-cv-00458; City of Alvin, et. al., v. Comcast, in the United States District Court for the Southern District of Texas, Houston Division. The motion passed the roll call vote unanimously.

7. Consideration and possible action: Supporting local COVID vaccinations

City Manager Glen Adams said we are prepared at different levels to support a provider in the city to mass vaccinate our populace. Councilmember Pittman said Commissioner Giusti said the state has released all vaccinations and the county is receiving a lot. Commissioner Giusti relayed that the county plans to open mass vaccination hub locations like Walter Hall park and Jack Brooks park and the county would provide all security for those locations. The consensus of Council was to follow the county's lead in providing COVID vaccinations.

8. Consideration and possible action: Adoption of a resolution establishing a COVID-19 Leave Policy for city employees

City Manager Glen Adams said federal COVID leave provided for 80 hours of paid sick leave, but that requirement expired December 31, 2020. He said this policy would allow the city to extend the federally-expired policy to the remainder of the city workforce should they be quarantined or sick with COVID symptoms and have not already exhausted the initial 80 hour leave benefit. Motion by Councilmember Leija, seconded by Councilmember Pittman to adopt the resolution establishing a COVID-19 Leave Policy for city employees contingent upon legal counsel review and approval. The motion passed the roll call vote unanimously.

9. Consideration and possible action: Rejecting previous bids received for the GLO-DR-20-065-026-C093 Streets and Drainage Project and authorizing staff and Mercer Engineering to re-bid the project

Director of Administrative Services Stacey Baker said we received two bids for this project and both bids far exceeded the cost allotted for construction through the grant. She said our engineer recommended we reject these bids and rebid the project. Ms. Baker said staff feels the holidays affected the contractors' ability to submit a bid. She said after discussions with the engineer, the grant administrator, and the GLO, the new bid proposal will modify the project scope. Motion by Councilmember Leija, seconded by Councilmember O'Brien to reject the previous bids received for the GLO-DR-20-065-026-C093 Streets and Drainage Project and authorizing staff and Mercer Engineering to re-bid the project. The motion passed the roll call vote unanimously.

10. Consideration and possible action: Adoption of a resolution reviewing and approving the city's Investment Policy

City Secretary Janet Davis said the city's investment policy requires annual review and approval, and staff is not proposing any amendments to the current policy. Motion by Councilmember Hoke, seconded by Councilmember O'Brien to adopt the resolution reviewing and approving the city's Investment Policy. The motion passed the roll call vote unanimously.

11. Consideration and possible action: Adoption of a resolution issuing an order for the general city officers' election to be held May 1, 2021, and establishing procedures for the election

City Secretary Janet Davis said this resolution orders the city's general officers' election and establishing procedures for the election to be held May 1, 2021. She said candidates may file for a place on the ballot for Mayor, Council Place 2, and Council Place 3 through Friday, February 12, 2021. Ms. Davis said voting will occur at county-wide vote centers and Santa Fe City Hall will be a polling location. Motion by Councilmember Pittman, seconded by Councilmember O'Brien to adopt the resolution issuing an order for the general city officers' election to be held May 1, 2021, and establishing procedures for the election. The motion passed the roll call vote unanimously.

12. Consideration and possible action: Authorizing execution of Contract for Election Services between the County Clerk, County Election Officer for Galveston County, and the City of Santa Fe for services and equipment for the May 1, 2021, general city election

City Secretary Janet Davis said this is the contract with the county for conducting election services and for voting and tabulating equipment rental for the May 1, 2021, general city election. Motion by Councilmember Leija, seconded by Councilmember Hoke to authorize execution of the Contract for Election Services between the County Clerk, County Election Officer for Galveston County, and the City of Santa Fe for services and equipment for the May 1, 2021, general city election. The motion passed the roll call vote unanimously.

13. Consideration and possible action: First reading of an ordinance of the City Council of the City of Santa Fe, Texas, calling a special election to be held within the city on Saturday, May 1, 2021, to submit a proposition to the electors on the sole question of whether to authorize the City of Santa Fe, Texas, to use the current one-half of one percent (1/2 cent) local sales and use tax originally adopted by "Proposition 1" on May 5, 2001, for economic development projects designed to promote any new or expanded business enterprises and any other projects authorized under the law applicable to a Type B Corporation created under Section 505.003, Texas Local Government Code, as amended, making provision for the conduct of the special election; providing for other matters related thereto; and providing for an effective date

Director of Administrative Services Stacey Baker said this proposition was scheduled to be on the ballot last year, but the election was postponed due to the COVID pandemic. She said the Economic Development Corporation plans to hold some town hall meetings to provide information about the potential benefits of the measure which would expand the approved use of the current sales tax for economic development projects. Motion by Councilmember Pittman, seconded by Councilmember Hoke to pass the first reading of an ordinance of the City Council of the City of Santa Fe, Texas, calling a special election to be held within the city on Saturday, May 1, 2021, to submit a proposition to the electors on the sole question of whether to authorize the City of Santa Fe, Texas, to use the current one-half of one percent (1/2 cent) local sales and use tax originally adopted by "Proposition 1" on May 5, 2001, for economic development projects designed to promote any new or expanded business enterprises and any other projects authorized under the law applicable to a Type B Corporation created under Section 505.003, Texas Local Government Code, as amended, making provision for the conduct of the special election; providing for other matters related thereto; and providing for an effective date. The motion passed the roll call vote unanimously.

Announcements: None

Summary of action from this agenda, request for future agenda items, and scheduling future meetings

Motion by Councilmember Pittman, seconded by Councilmember Hoke to adjourn. The motion passed and the meeting adjourned at 9:30 p.m.

ATTEST:

JASON TABOR, MAYOR

Janet L. Davis, City Secretary