

MINUTES OF CITY COUNCIL MEETING JANUARY 7, 2020

1. **Call to order.** Meeting was called to order at 6:00 P.M. by Mayor Bert Echterling.
2. **Invocation.** Pastor David Tenberg with Point of Truth Church provided the Invocation.
3. **Pledge of Allegiance.** Council, Staff, and Citizens joined in the Pledge of Allegiance.
4. **Roll Call.** Councilmembers present: Jimmy Rogers, Jim Mastergeorge, Bert Echterling, Jeremy Stivener, Steve Janics, and Jimmy Eubank.
5. **Citizen Comments.** Linda Vaughn, 2913 N 43rd Street, Waco, Texas, informed Council of the upcoming Networking Luncheon on January 23, 2020 at Tejun, and the Chamber Banquet scheduled for March 5, 2020. Jeff Thompson, 2030 S Robinson Drive, Robinson, Texas 76706 spoke regarding the possible expansion of the TIRZ No. One boundary lines.
6. **Introduce Officer Hannah Sykora and Officer Marshal Perry with the Robinson Police Department.** Chief of Police Phillip Prasifka introduced Officer Hannah Sykora and Office Marshal Perry and welcomed them to the Robinson Police Department.
7. **Approve Minutes: December 3, 2019.** Mayor Pro Tem Jeremy Stivener motioned to to approve the minutes from the December 3, 2019 meeting as presented. Councilmember Steve Janics seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling. There were no opposing votes and motioned carried unanimously.
8. **Consider and possible action utilizing State Seizure funds to purchase twenty-three police badges with badge numbers inscribed on them, twenty-three load bearing ballistic vest carriers, two (2) hand held laser radars, and three (3) portable radios and accessories.** Chief of Police Phillip Prasifka presented this item and stated the Robinson Police Department currently has approximately \$47,080.00 in the State Seizure Fund. Chief Prasifka requested the use of the funds to include the purchase of 23 badges, 23 load bearing ballistic vest panels, two laser hand-held radars, and three portable radios. Chief Prasifka stated the total requested amount to be utilized from the Seizure Fund is \$23,332.00 with an estimated \$23,748.00 remainig in the Seizure Fund for future allocation. Councilmember Jim Mastergeorge asked if there would be a warranty on the two laser hand-held radars. Chief Prasifka stated yes, there is a 2-3-year warranty included on each of the quotes received. Councilmember Jimmy Rogers motioned to approve the use of the State Seizure funds in the amount of \$23,332.00 as presented. Councilmember Jim Mastergeorge seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling There were no opposing votes and motioned carried unanimously.

9. PUBLIC HEARING: Conduct a public hearing, consider and possible action on Ordinance 2020-001 regarding application of Jason Coleman requesting a zoning change from SF-1 Single Family Residential to SF-3 Single Family Residential on approximately 0.3926 acres known as Lot 3, Block 1 of the Denison Addition, approximately addressed at 1105 Donna Drive. Mayor Bert Echterling opened the Public Hearing at 6:18 PM. Director of Planning and Development Justin French presented this item and stated the applicant requests rezoning to the SF-3 zoning district in order to construct a new single-family residence with a minimum living area of 1,350 square feet. Mr. French stated at the time of this meeting, staff has not received any returned notices on the requested zoning from the surrounding property owners located within 200 feet of the subject site and on December 19, 2019, the Planning and Zoning Commission recommended approval by a vote of 4-0. Applicant Jason Coleman, 1002 W Elizabeth, Robinson, Texas 76706, was available for questions and respectfully requested approval. After no additional comments or questions, the Public Hearing was closed at 6:20 PM. Councilmember Jimmy Rogers asked if work had already begun on this project. Mr. Coleman stated yes, dirt was moved, but work stopped once he received notice from the City regarding the zoning use. Councilmember Jim Mastergeorge asked if staff foresees any issues with the existing water and sewer infrastructure. Mr. French stated no. Mayor Echterling stated there was already some existing SF-3 uses located in this area, and would provide a natural transition to the other existing properties. Councilmember Steve Janics motioned to approve Ordinance 2020-001 requesting a zoning change from SF-1 to SF-3 as presented. Councilmember Jimmy Eubank seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling. There were no opposing votes and motioned carried unanimously.

10. PUBLIC HEARING: Conduct a public hearing and consider and possible action on Ordinance 2020-002 regarding application of Keith Helpert and Brent Neuhaus on behalf of NH Developers, LLC requesting a zoning change from C-1 Commercial to SF-1 Single Family Residential on approximately 50.7 acres known as a portion of a tract in M. Martinez Survey, approximately addressed in the 1400 and 1500 blocks of S. Robinson Drive, and an amendment to the Future Land Use Plan within the Community Visions 2034 Comprehensive Plan. Mayor Bert Echterling opened the Public Hearing at 6:27 PM. Director of Planning and Development Justin French presented this item and stated the applicant intends to develop the property with approximately 90 single family detached residences within minimum living areas of 1,800 square feet on lots over 12,000 square feet in size. Mr. French said at the time of this meeting, staff has received one returned notice in support and two returned notices in opposition to the requested rezoning from the surrounding property owners located within 200 feet of the subject site which is less than 20 percent of the land area within 200 feet of the subject site and on December 19, 2019, the Planning and Zoning Commission recommended approval by a vote of 3-0. Developer Keith Helpert, 109 Hoffmeyer, Robinson, Texas 76706 spoke regarding this request and provided a brief overview of this

his proposed project; which he noted had already been in place by the previous owner for several years; however, he felt this proposal was more compatible for the existing structures and respectfully requested approval. Kelvin Nussman, 1193 W Roy Drive, Robinson, Texas 76706 spoke in opposition of this proposed zoning change and voiced concerns regarding trespassing and flooding on his property. After no additional comments or questions, the Public Hearing was closed at 6:42 PM. Councilmember Jimmy Rogers asked if additional water would be directed into the existing reservoir. Mr. French stated this would be addressed by the engineer would be required to design it appropriately enough to handle the water. Mayor Echterling stated during the most recent zoning map update process, this property was previously zoned R-1; however, was changed to C-1 during this time. Mr. French stated yes; however, after additional review of the property, there was not sufficient infrastructure to support the C-1 use; therefore, this zoning change would bring it back to its original use. Councilmember Jim Mastergeorge motioned to approve Ordinance 2020-002 requesting a zoning change from C-1 Commercial to SF-1 Single Family Residential as presented. Councilmember Steve Janics seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling. There were no opposing votes and motioned carried unanimously.

- 11. Discuss potential economic development and economic development incentives in the form of tax abatement to Encompass Health or its related companies for the development, construction and operation of a for profit medical facility in Robinson, Texas; and possible action approving form of proposed Tax Abatement Agreement with Encompass Health or its related companies and direct that such be sent with a notice of intent to grant tax abatement to all taxing entities with jurisdiction within the reinvestment zone.** City Manager Craig Lemin and City Attorney Mike Dixon presented this item. Mr. Lemin said Encompass Health Corporation is considering constructing a 40-bed physical rehabilitation hospital on property within Tax Increment Reinvestment Zone No. 1. Mr. Lemin said in their application, Encompass Health Corporation indicates their intent to construct a 47,000 square foot 40 patient room physical rehabilitation hospital. They have indicated their intent to add an additional 40 patient rooms in the future. They indicated they would be investing over \$20 million dollars in the project and creating up to 92 full time equivalent positions with estimated average salaries of approximately \$66,000. Mr. Lemin also stated in their application they requested the city consider impactful incentives to include cash grants, property tax abatements, sales & use tax abatements on construction materials and equipment, impact & fee waivers and infrastructure support. After reviewing their application and speaking with Encompass Health, it was determined that abatement, fee waivers and infrastructure assistance would be the most practical incentives to consider for this project. Mr. Lemin said the infrastructure assistance is being negotiated through the site developer and will be part of a different agreement, as would the fee waiver. The Encompass Health project does meet the guidelines for a regional health facility as stipulated in our current abatement guidelines and is eligible for an abate of up to 90% for 7 years. Mr. Lemin said after multiple staff discussions with Encompass, we developed what we felt was a fair

abatement proposal that is beneficial to both sides. Mr. Lemin said the estimated amount of property taxes to be abated over 7 year is \$511,779, based on Encompass Health's provided values and personal property depreciation estimates. Total property taxes to the city during the abatement period is estimated at \$293,024 with \$73,255 going to the general fund and \$219,766 to the TIRZ. Mr. Lemin stated if the property remains undeveloped, total property taxes are projected at \$11,173 with \$2,793 going to the general fund and \$8,380 to the TIRZ. Mr. Lemin noted the abatement approval process changed September 1st, 2019, and the new process requires the City Council vote on their intent to enter into the proposed abatement agreement, and send the proposed agreement to the other property taxing entities. After 30 days council can then approve the agreement. Mayor Bert Echterling motioned to authorize the intent to enter into the proposed Tax Abatement Agreement with Encompass Health or its related companies and direct that such be sent with a notice of intent to grant tax abatement to all taxing entities with jurisdiction within the reinvestment zone. Councilmember Steve Janics seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling. There were no opposing votes and motioned carried unanimously.

- 12. Consider and possible action on proposed Chapter 380 Program Project Agreement with Waco Infinity Properties, Ltd for the acquisition and development of certain real property, including the property proposed for the for-profit medical facility (Encompass Health), including certain infrastructure and the waiver of fees.** City Manager Craig Lemin and City Attorney Mike Dixon presented this item. Mr. Lemin said Waco Infinity Properties, LTD has approached the City regarding a development they are planning for approximately 23 acres located along Loop 340 between Old Robinson Road and SH 77. They are currently negotiating with a national for-profit health corporation for the construction of a 40-room physical rehabilitation hospital on 7.2 acres of the property. This project has an estimated cost of over \$20 million and is expected to initially bring 92 full time equivalent jobs to the city. Mr. Lemin said the plans call plan for future expansion of an additional 40 room with total staffing at 120 full time equivalent jobs. In addition, the developer is planning up to five addition pads for development of a hotel, restaurants and/or office space. Mr. Lemin stated the developer faces the challenge of getting adequate utilities to the site. The site currently has a six-inch water line that crosses it to serve as the only source of city water to the north side of Loop 340. The nearest adequate sewer line is approximately 1,300 linear feet away. Consequently, the developer has requested assistance from the city's economic development program to address the utilities. Texas Local Government Code Chapter 380 and our ordinance 2019-035, which establishes our economic development program under Chapter 380, does allow for the city to expend funds for the extension of utilities or infrastructure improvements as long as the public purpose of economic development, development of transportation and/or commerce, economic diversification and the elimination of unemployment and underemployment is to be served. Mr. Lemin said this project could serve as catalyst to bring additional health care services and professions to the City of Robinson as well as create a highly visible economic development project along a major transportation

corridor, potentially leading to other commercial development in the area. Mr. Lemin stated staff had previously discussed increasing the size of the line feeding the area north of Loop 340 and was in the process of exploring options. A new eight-inch line is currently being installed on Denison as part of the street projects. Installing a new eight-inch line from Denison to the eight-inch line crossing the highway significantly increases the water available to the northside of the highway. Mr. Lemin said as for sewer, the closest point of connection that has adequate depth and capacity is on Bunker between Karnes and Nelson. Installation of a new eight-inch line will provide service for the entire 24 acres as well as give us options to address future sewer needs in that area. The projected costs for both lines are approximately \$270,000. Mr. Lemin said if this project continues forward at its current pace, staff recommends accomplishing the installation through a change order to the current street and utility project. The amount is well below the 25% state law threshold. Mr. Lemin said construction assets are already in the area and the City would not incur the costs of bidding the project. The actual cost will be negotiated with the current contractor and brought to the City Council for approval as change order to the current contract. Councilmember Jimmy Rogers asked if it was possible to require the applicant to hire local within the agreement. Carl Johnson, 3141 Buckskin Lane, Robinson, Texas 76706 requested to speak on this item. Councilmember Rogers asked Mr. Johnson to address the Council. Mr. Johnson suggested the City looking into adding incentives to hire local for future agreements. City Attorney Mike Dixon felt this was forward thinking and indicated he would gather additional information on this for any agreements moving forward. Councilmember Steve Janics motioned to approve the proposed Chapter 380 Agreement with Waco Infinity Properties, Ltd. as presented. Councilmember Jim Mastergeorge seconded this motion. Voting in favor: Rogers, Mastergeorge, Stivener, Janics, Eubank and Echterling. There were no opposing votes and motioned carried unanimously.

13. *A closed/executive session will be held pursuant to Section 551.087 of the Texas Government Code for the City Council to deliberate information received from Encompass Health and Waco Infinity Properties, Ltd regarding proposed medical facility project and to deliberate incentives, if any, to be provided to attract the location of said economic development in the City of Robinson. (This item was not necessary and pulled from the Agenda).*

14. Councilmember requests for items to be placed on future agendas. Councilmember Jimmy Rogers requested Staff bring forward option for a possible city-wide clean up and façade improvement incentives.

15. Adjourn. Meeting adjourned at 7:41 p.m.

