

KENNEDALE CITY COUNCIL AGENDA
REGULAR MEETING | JUNE 20, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION AT 5:30 PM | REGULAR SESSION AT 7:00 PM

I. CALL TO ORDER

NOTE: Pursuant to Texas Government Code §551.071, the City Council reserves the right to adjourn into Executive Session at any time during the Work Session or the Regular Session to discuss posted Executive Session items or to seek legal advice from the City Attorney on any item posted on the agenda.

II. WORK SESSION

- A. Discussion of policy regarding residential outdoor storage
- B. Discussion of policy regarding short-term rentals
- C. Discussion of items on the regular agenda

III. REGULAR SESSION

IV. ROLL CALL

V. INVOCATION

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State under God; One and Indivisible."

VII. VISITOR AND CITIZEN FORUM

At this time, any person may address the City Council, provided that a 'Speaker's Request Form' is submitted to the City Secretary before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the submitted form, and should address the Council as a whole, rather than individual Councilmembers or staff. No formal action or discussion may be taken at this time. Those wishing to speak about an agenda item should indicate as much on the "Speaker's Request Form" and will be called upon to speak when the Council considers that item.

VIII. REPORTS AND ANNOUNCEMENTS

In addition to any items listed below, the Mayor and Councilmembers may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

- A. Updates from the City Council
- B. Updates from the City Manager
- C. Updates from the Mayor

IX. INCIDENTAL ITEMS

X. MONITORING INFORMATION

- A. Monthly Financials for May 2019
- B. KEDC Financial Report for April 2019

XI. REQUIRED APPROVAL ITEMS (CONSENT)

Consent items are matters that have appeared on previous agendas, require little or no deliberation, or are considered routine. If discussion is desired, any item may be removed from Consent and considered separately.

- A. Consider approval of the minutes from the May 21, 2019 Regular Meeting
- B. Consider approval of the minutes from the May 31, 2019 Special Meeting
- C. Consider approval of the minutes from the June 1, 2019 Special Meeting

XII. DECISION ITEMS

- A. Consider appointment of a Mayor Pro Tem
- B. Consider approval of Ordinance 661, increasing the membership of the Youth Advisory Council (YAC) from 15 to 25 places
- C. Hold a Public Hearing and consider approval of Ordinance 662, designating a tax abatement reinvestment zone for approximately 13.55 acres of land, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale, Texas, and generally located at Linda Road and Gail Drive
 - Staff Presentation
 - Public Hearing
 - Staff Response and Summary
 - Action by the City Council
- D. Consider authorizing the City Manager to enter into a Tax Abatement and Chapter 380 Agreement with Compressed Air Systems, L.L.C.
- E. Consider authorizing the EDC President to enter into an Economic Development and Performance Agreement with Compressed Air Systems, L.L.C
- F. Consider approval of Ordinance 663, amending the Kennedale Municipal Code, by amending Exhibit A "Schedule of Fees" of Section 2-3, "Fees for licenses, inspections, permits, etc." to provide for a residential building permit fee based on square footage
- G. Consider approval of Ordinance 664, amending Chapter 3 – "Animals" of the Kennedale Municipal Code to add regulations regarding the keeping of certain fowl, livestock, and potbellied pigs within the City

XIII. EXECUTIVE SESSION

*The City Council may meet in Closed Session at any time during the Work Session or the Regular Session, pursuant to **Section 551.071** of the Texas Government Code for consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda and legal issues regarding the Open Meetings Act.*

- A. Discussion with the City Attorney regarding settlement agreement between Ron Sturgeon, et al and the City of Kennedale
- B. Discussion with the City Attorney regarding salvage yard special exception/special use permits
- C. Discussion with City Attorney regarding Public Information Act, including requests for City Attorney invoices
- D. Discussion with City Attorney regarding legal issues associated with Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

*Pursuant to **Section 551.087** – (1) deliberation regarding commercial or financial information that the*

governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1):

- E. Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

XV. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE JUNE 20, 2019 KENNEDALE CITY COUNCIL AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.


LESLIE E. GALLOWAY, CITY SECRETARY

In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.



Date: June 20, 2019

Agenda Item No: WORK SESSION - A.

I. Subject:

Discussion of policy regarding residential outdoor storage

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

Code Compliance regularly receives complaints from residents about trash or junk in residential front yards. Staff has been proactively addressing trash and debris issues throughout the city with the goal of improving the aesthetics and quality of life for residents. The City's municipal code addresses and defines items such as junk and rubbish, and prohibits them.

However, there are circumstances in which a property has a significant number of various items stored in the front yard that may not be considered trash or junk by the property owner. The addition of a municipal ordinance regulating what, where and how items are stored outside would assist code compliance staff in equitably regulating outdoor storage that can be seen from the public right of way. Currently the city does not have outdoor storage regulations for residential properties. The purpose of a residential outdoor storage ordinance would be to allow residents to store appropriate items on their properties, address hazards and safety issues, and improve aesthetics in neighborhoods.

City staff will be presenting proposed regulations for residential outdoor storage for Council discussion. Regulations could include identification of items that would be exempt from regulation, such as porch furniture or toys, and items that would be subject to regulation, as well as required screening of those items subject to regulation. Staff will be available at this work session to respond to questions. Council discussion and direction is appreciated.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: WORK SESSION - B.

I. Subject:

Discussion of policy regarding short-term rentals

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

City staff has received multiple complaints regarding short-term rentals (STRs). Complaints have primarily focused on noise, trash, security, and excessive on-street parking. STRs are typically defined as rentals of residential units for less than 30 days. During the May 21, 2019 Council meeting, staff presented information regarding STRs and possible approaches the City could take, and Council directed staff to develop proposed regulations for STRs.

Staff proposes that STRs be permitted annually and require certificate of occupancy with annual inspections to ensure safety and compliance with required codes. Additionally, staff is recommending the following regulations:

- Notification to residents within 200 feet
- Rental for purpose of party or event venue not allowed
- 1000 feet distance from another STR
- Requires zoning of R1, R2, R3 or PD with residential use
- Parking limited to 1 per bedroom or maximum that can be accommodated off-street and on-street within property boundaries, whichever is less
- No signage allowed
- Maximum number of guests 2 per bedroom and not more than 4 individuals unrelated by blood, marriage or adoption
- Maximum rental time of 30 days or less
- Payment of Hotel Occupancy Tax

Staff will be available during this work session to respond to questions. Council discussion and direction is appreciated.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: WORK SESSION - C.

I. Subject:

Discussion of items on the regular agenda

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

At this time, the Council may choose to discuss any item on the agenda.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - A.

I. Subject:

Updates from the City Council

II. Originated by:

III. Summary:

Updates and information from each of the Councilmembers, if any.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - B.

I. Subject:

Updates from the City Manager

II. Originated by:

III. Summary:

Updates and information from City Manager George Campbell, if any.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - C.

I. Subject:

Updates from the Mayor

II. Originated by:

III. Summary:

Updates and information from Mayor Brian Johnson, if any.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: MONITORING INFORMATION - A.

I. Subject:

Monthly Financials for May 2019

II. Originated by:

Debby Scott, Interim Finance Director

III. Summary:

Monthly financials and sales tax update as produced by the Finance Department.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

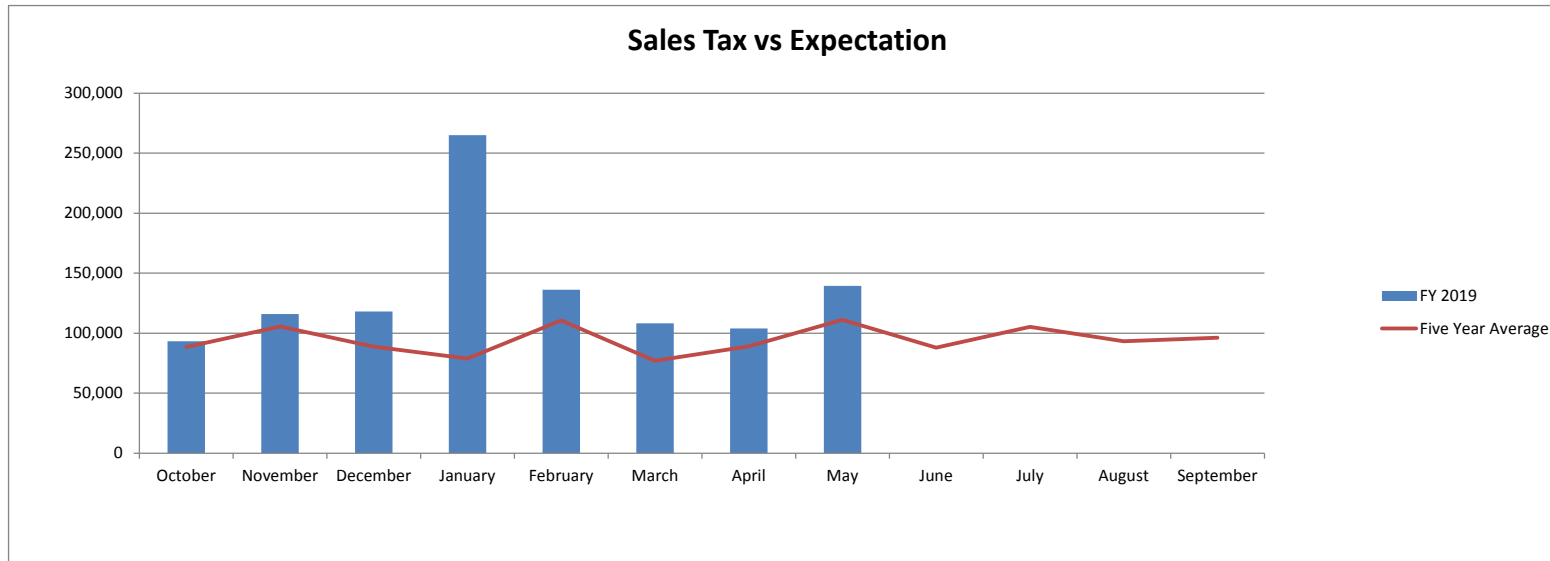
VII. Alternative Actions:

VIII. Attachments:

1.	Sales Tax Update-May	Sales Tax Update-May.pdf
2.	2019_05 Monthly Financials	2019_05 Monthly Financials.pdf

Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 93,144	\$ 116,039	\$ 118,085	\$ 265,081	\$ 136,298	\$ 108,098	\$ 103,810	\$ 139,297	\$ -	\$ -	\$ -	\$ -	\$ 1,079,852
FY2018	\$ 103,820	\$ 114,506	\$ 86,956	\$ 95,425	\$ 163,502	\$ 95,017	\$ 123,760	\$ 129,363	\$ 108,885	\$ 123,268	\$ 118,770	\$ 89,090	\$ 1,352,361
FY2017	\$ 88,748	\$ 116,156	\$ 81,855	\$ 88,956	\$ 105,794	\$ 78,644	\$ 87,130	\$ 100,121	\$ 80,241	\$ 100,943	\$ 49,590	\$ 86,549	\$ 1,064,725
FY2016	\$ 93,137	\$ 119,137	\$ 97,985	\$ 75,878	\$ 116,006	\$ 87,589	\$ 79,516	\$ 114,543	\$ 83,718	\$ 84,586	\$ 87,693	\$ 91,377	\$ 1,131,165
FY2015	\$ 71,955	\$ 94,438	\$ 82,545	\$ 73,782	\$ 107,571	\$ 72,312	\$ 81,193	\$ 119,350	\$ 128,463	\$ 165,756	\$ 146,297	\$ 177,697	\$ 1,321,359
FY2014	\$ 65,971	\$ 89,600	\$ 94,982	\$ 67,373	\$ 97,781	\$ 69,685	\$ 79,236	\$ 93,957	\$ 77,496	\$ 71,927	\$ 86,597	\$ 67,978	\$ 962,584
FY2013	\$ 100,850	\$ 93,890	\$ 70,338	\$ 60,406	\$ 90,009	\$ 62,374	\$ 60,955	\$ 96,061	\$ 63,409	\$ 67,304	\$ 83,919	\$ 78,075	\$ 927,591
*Net payment after correcting an audit error.													\$ -



Industry	Amount	% Change	Adjusted Change YTD		FYTD
General Services	\$32,782.62	-18.39%	-19.72%	\$112,238.50	\$192,428.33
Manufacturing	\$27,641.37	275.34%	48.42%	\$128,076.57	\$196,580.11
Retail	\$26,159.68	-6.05%	-0.69%	\$128,646.10	\$199,599.19
Professional Services	\$17,975.24	12.64%	46.68%	\$82,666.13	\$137,625.80
Wholesale	\$17,676.49	1.89%	33.39%	\$90,972.99	\$141,686.02
Food	\$11,283.14	56.84%	7.95%	\$45,114.27	\$71,527.24
Agricultural	\$4,420.73	-60.89%	-29.18%	\$173,351.59	\$150,129.50
Miscellaneous	\$1,385.82	491.38%	0.78%	\$2,313.86	\$3,153.19
Accommodation	\$0.00	0.00%	0.00%	\$0.00	\$0.00

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
May 2019

REVENUE SUMMARY BY FUND

REVENUES	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EARNED	% OF CY BUDGET EARNED	BUDGET REMAINING
GENERAL FUND	\$ 5,384,510	\$ 6,751,815	\$ 6,406,759	\$ 267,865	\$ 5,473,595	79.7%	85.4%	\$ 933,164
OTHER GENERAL FUNDS	\$ 418,773	\$ 1,035,991	\$ 941,983	\$ 44,764	\$ 345,861	40.4%	36.7%	\$ 596,122
GENERAL FUND	\$ 5,803,283	\$ 7,787,806	\$ 7,348,742	\$ 312,629	\$ 5,819,456	74.5%	79.2%	\$ 1,529,286
								\$ -
GENERAL DEBT SERVICE FUND	\$ 1,347,917	\$ 1,572,159	\$ 1,518,995	\$ 9,675	\$ 1,325,936	85.7%	87.3%	\$ 193,059
								\$ -
WATER/SEWER FUND	\$ 2,846,183	\$ 4,804,352	\$ 4,010,901	\$ 339,125	\$ 2,503,561	59.2%	62.4%	\$ 1,507,340
STORMWATER UTILITY FUND	\$ 175,385	\$ 256,278	\$ 254,950	\$ 22,388	\$ 179,009	68.4%	70.2%	\$ 75,941
WATER IMPACT FUND	\$ 122,742	\$ 165,170	\$ 120,450	\$ 1,786	\$ 24,750	74.3%	20.5%	\$ 95,700
SEWER IMPACT FUND	\$ 65,912	\$ 93,162	\$ 32,664	\$ 1,339	\$ 13,742	70.7%	42.1%	\$ 18,922
WATER/SEWER FUND	\$ 3,210,222	\$ 5,318,962	\$ 4,418,965	\$ 364,638	\$ 2,721,062	60.4%	61.6%	\$ 1,697,903
EDC4B FUND	\$ 676,512	\$ 991,633	\$ 629,752	\$ 69,096	\$ 474,021	68.2%	75.3%	\$ 155,731
CAPITAL FUND	\$ 119,830	\$ 186,462	\$ 172,535	\$ 11,009	\$ 806,315	64.3%	467.3%	\$ (633,780)
SPECIAL REVENUE FUND	\$ 4,180	\$ 43,873	\$ 127,497	\$ 21,896	\$ 112,149	9.5%	88.0%	\$ 15,348
TOTAL REVENUES	\$ 11,161,944	\$ 15,900,895	\$ 14,216,486	\$ 788,943	\$ 11,258,939	70.2%	79.2%	\$ 2,957,547

EXPENDITURE SUMMARY BY FUND

EXPENDITURES	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
GENERAL FUND	\$ 3,992,714	\$ 6,340,017	\$ 7,028,284	\$ 478,060	\$ 4,398,603	63.0%	62.6%	\$ 2,629,681
OTHER GENERAL FUND	\$ 641,972	\$ 1,063,510	\$ 1,197,369	\$ 72,366	\$ 589,554	60.4%	49.2%	\$ 607,815
GENERAL FUND	\$ 4,634,686	\$ 7,403,527	\$ 8,225,653	\$ 550,426	\$ 4,988,157	62.6%	60.6%	\$ 3,237,496
GENERAL DEBT SERVICE FUND	\$ 1,309,368	\$ 1,420,004	\$ 1,511,744	\$ 20,350	\$ 1,404,196	92.2%	92.9%	\$ 107,548
WATER/SEWER FUND	\$ 2,472,891	\$ 4,370,392	\$ 4,659,521	\$ 244,845	\$ 2,415,503	56.6%	51.8%	\$ 2,244,018
STORMWATER UTILITY FUND	\$ 93,235	\$ 188,545	\$ 139,764	\$ 30,176	\$ 113,006	49.4%		
WATER IMPACT FUND	\$ -	\$ 153,573	\$ 152,525	\$ -	\$ -			
SEWER IMPACT FUND	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ -			
WATER/SEWER FUND	\$ 2,233,326	\$ 4,772,510	\$ 5,011,810	\$ 446,297	\$ 2,287,078	46.8%	45.6%	\$ 2,724,732
EDC4B FUND	\$ 772,179	\$ 1,013,841	\$ 539,912	\$ 36,712	\$ 319,596	76.2%	59.2%	\$ 220,316
CAPITAL FUND	\$ 7,478	\$ 186,536	\$ 130,170	\$ 11,581	\$ 86,488	4.0%	66.4%	\$ 43,682
SPECIAL REVENUE FUND	\$ 9,971	\$ 26,919	\$ 11,767	\$ -	\$ 1,650	37.0%	14.0%	\$ 10,117
TOTAL EXPENDITURES	\$ 8,967,008	\$ 14,823,337	\$ 15,431,056	\$ 1,065,366	\$ 9,087,165	60.5%	58.9%	\$ 6,343,891

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
May 2019
EXPENDITURE SUMMARY BY DEPARTMENT

GENERAL FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
CITY MANAGER	\$ 260,454	\$ 363,210	\$ 365,464	\$ 23,728	\$ 206,628	71.7%	56.5%	\$ 158,836
MAYOR/CITY COUNCIL	\$ 89,728	\$ 158,561	\$ 127,323	\$ 7,756	\$ 107,545	56.6%	84.5%	\$ 19,778
CITY SECRETARY	\$ 84,840	\$ 130,433	\$ 164,073	\$ 19,955	\$ 111,311	65.0%	67.8%	\$ 52,762
MUNICIPAL COURT	\$ 71,498	\$ 65,492	\$ 108,148	\$ 8,369	\$ 61,610	109.2%	57.0%	\$ 46,538
HUMAN RESOURCES	\$ 89,746	\$ 165,966	\$ 104,909	\$ 5,915	\$ 58,880	54.1%	56.1%	\$ 46,029
FINANCE	\$ 248,614	\$ 341,293	\$ 358,365	\$ 22,888	\$ 258,729	72.8%	72.2%	\$ 99,636
POLICE	\$ 1,409,777	\$ 2,257,421	\$ 2,686,196	\$ 154,354	\$ 1,613,233	62.5%	60.1%	\$ 1,072,963
FIRE	\$ 1,124,589	\$ 1,744,007	\$ 1,907,680	\$ 156,585	\$ 1,140,163	64.5%	59.8%	\$ 767,517
COMMUNITY DEVELOPMENT	\$ 157,733	\$ 338,010	\$ 372,090	\$ 27,396	\$ 275,415	46.7%	74.0%	\$ 96,675
SENIOR CITIZEN CENTER	\$ 30,553	\$ 49,877	\$ 54,028	\$ 4,331	\$ 32,412	61.3%	60.0%	\$ 21,616
LIBRARY	\$ 168,335	\$ 311,250	\$ 268,259	\$ 23,657	\$ 170,825	54.1%	63.7%	\$ 97,434
NONDEPARTMENTAL	\$ 256,848	\$ 414,496	\$ 511,749	\$ 23,126	\$ 361,852	62.0%	70.7%	\$ 149,897
TOTAL EXPENDITURES	\$ 3,992,715	\$ 6,340,016	\$ 7,028,284	\$ 478,060	\$ 4,398,603	63.0%	62.6%	\$ 2,629,681

WATER/SEWER FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
UTILITY BILLING	\$ 695,245	\$ 1,412,952	\$ 1,293,973	\$ 76,520	\$ 769,355	49.2%	59.5%	\$ 524,618
WATER OPERATIONS	\$ 913,091	\$ 1,324,784	\$ 1,576,197	\$ 131,989	\$ 791,760	68.9%	50.2%	\$ 784,437
DEBT	\$ 464,750	\$ 175,327	\$ 509,680	\$	\$ 470,199	265.1%		
W&S CAPITAL	\$ 2,765	\$ 15,519	\$ 654,796	\$ 1,858	\$ 83,026		12.7%	\$ 571,770
NONDEPARTMENTAL	\$ 397,041	\$ 1,441,811	\$ 624,875	\$ 34,479	\$ 301,164	27.5%	48.2%	\$ 323,711
TOTAL EXPENDITURES	\$ 2,472,892	\$ 4,370,393	\$ 4,659,521	\$ 244,846	\$ 2,415,504	56.6%	51.8%	\$ 2,244,017

STREET IMPROVEMENT FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
STREETS	\$ 377,325	\$ 630,950	\$ 740,910	\$ 53,113	\$ 407,534	59.8%	55.0%	\$ 333,376
PARKS MAINTENANCE	\$ 42,846	\$ 80,379	\$ 125,920	\$ 7,517	\$ 51,092	53.3%	40.6%	\$ 74,828
CAPITAL	\$ 32	\$ 60,555	\$ 79,058	\$	\$ -			
TOTAL EXPENDITURES	\$ 420,203	\$ 771,884	\$ 945,888	\$ 60,630	\$ 458,626	54.4%	48.5%	\$ 487,262

EDC4B FUNDS	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
ADMINISTRATION	\$ 85,266	\$ 142,581	\$ 168,360	\$ 19,746	\$ 109,149	59.8%		
DEBT SERVICE	\$ 220,797	\$ 325,006	\$ 320,432	\$ 10,017	\$ 150,621	67.9%		
TOWN SHOPPING CENTER	\$ 302,754	\$ 278,194	\$ 51,120	\$ 6,949	\$ 54,088	108.8%		
TOWNCENTER REDEVELOPMENT	\$ 163,362	\$ 237,866	\$ -	\$	\$ 5,738			
TOTAL EXPENDITURES	\$ 772,179	\$ 983,647	\$ 539,912	\$ 36,712	\$ 319,596	78.5%	59.2%	\$ 220,316



Date: June 20, 2019

Agenda Item No: MONITORING INFORMATION - B.

I. Subject:

KEDC Financial Report for April 2019

II. Originated by:

Debby Scott, Interim Finance Director

III. Summary:

Reports from the previous EDC meeting are attached for your reference.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_04 Monthly Financials - EDC	2019_04 Monthly Financials - EDC.pdf
2.	Sales Tax Update-EDC April	Sales Tax Update-EDC April.pdf

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

ECONOMIC DEVELOPMENT CORPORATION FINANCIALS SUMMARY

Budget Amendment

Monthly Information

1. \$34,785 Sales Tax larger than 5 year average, but less than previous April
2. Made debt payment in April, lowering reserves
3. Fund has recovered to a respectable cash position
4. EDC director engaged in long-term planning, including relationship with Chamber, hotel status, Red's Roadhouse, and development deals

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Brady Olsen

ADDITIONAL INFORMATION

FUND 15- OPERATING FUND (ALL BILLS AND REVENUE RECEIVED IN THIS FUND)

FUND 19- CAPITAL BOND FUND (REMAINING CAPITAL MONEY)

FUND 95- RESERVE FUND FOR DEBT REQUIREMENTS

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

EDC CASH POSITION

CATEGORY	DESCRIPTION	FY18-19 YTD
FROM PREVIOUS MONTHS REPORT:		
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 269,250
BEGINNING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
BEGINNING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 123,254
BEGINNING CASH BALANCE - TOTAL		\$ 392,505
BEGINNING AVAILABLE CASH - TOTAL		269,250
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ (47,843) *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 205,633
ENDING TEXPOOL BALANCE - FUND 15	(Operating Investments)	\$ -
ENDING TEXPOOL BALANCE - FUND 19	(Unspent bond proceeds)	\$ -
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 123,490
ENDING CASH BALANCE - TOTAL		\$ 329,123
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 123,490
TOTAL UNAVAILABLE CASH		\$ 123,490
AVAILABLE CASH		\$ 205,633

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

COMBINED EDC4B FUNDS SUMMARY

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 313,866	\$ 313,866	\$ 134,784		\$ 303,248			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	186,926	447,132	384,598	34,785	247,219	41.8%	64.3%	137,379
INVESTMENT EARNINGS	2,295	5,399	65	688	5,094	42.5%	7836.4%	(5,029)
MISCELLANEOUS INCOME	25,024	66,420	24,120	3,038	20,393	37.7%	84.5%	3,727
SURPLUS SALES/RENTALS	403,561	138,400	185,969	18,814	132,221	291.6%	71.1%	53,748
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
TOTAL REVENUES	\$ 617,807	\$ 657,352	\$ 659,471	\$ 57,325	\$ 404,926	94.0%	61.4%	\$ 224,826
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	273,034	237,161	29,920	2,339	29,639	115.1%	99.1%	281
SUNDRY	84,436	183,614	187,460	17,462	106,904	46.0%	57.0%	80,556
DEBT	153,209	172,418	165,607	85,368	140,603	88.9%	84.9%	25,004
TRANSFERS	67,588	152,588	184,544	-	-	44.3%	0.0%	184,544
CAPITAL	146,262	237,866	-	-	5,738	61.5%	#DIV/0!	(5,738)
TOTAL EXPENDITURES	\$ 724,528	\$ 983,646	\$ 569,631	\$ 105,169	\$ 282,884	73.7%	49.7%	\$ 286,747
REVENUES OVER EXPENDITURES	\$ (106,722)	\$ (326,294)	\$ 89,840	\$ (47,843)	\$ 122,042			
ENDING FUND BALANCE	\$ 207,144	\$ (12,428)	\$ 224,624		\$ 425,289			
FUND BALANCE AS % OF EXP	28.6%	-1.3%	39.4%	0.0%	150.3%			
RESERVE (\$115,000) REQUIREMENT)	\$ -	\$ -	\$ 115,000	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 207,144	\$ (12,428)	\$ 109,624	\$ -	\$ 425,289			

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CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

15: EDC4B FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 164,460	\$ 164,460	\$ (15,517)		\$ 152,017			
AD VALOREM TAXES	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
SALES/BEVERAGE TAXES	186,926	447,132	384,598	34,785	247,219	41.8%	64.3%	137,379
INVESTMENT EARNINGS	1,449	3,574	65	453	3,603	40.5%	5543.5%	(3,538)
MISCELLANEOUS INCOME	25,024	66,420	24,120	3,038	20,393	37.7%	84.5%	3,727
SURPLUS SALES/RENTALS	403,561	138,400	185,969	18,814	132,221	291.6%	71.1%	53,748
TOTAL REVENUES	\$ 616,960	\$ 655,527	\$ 629,752	\$ 57,090	\$ 403,435	94.1%	64.1%	\$ 226,317
SUPPLIES	-	-	2,100	-	-	#DIV/0!	0.0%	2,100
MAINTENANCE	273,034	237,161	29,920	2,339	29,639	115.1%	99.1%	281
SUNDRY	84,436	183,614	187,460	17,462	106,904	46.0%	57.0%	80,556
DEBT	153,209	172,418	165,607	85,368	140,603	88.9%	84.9%	25,004
TRANSFERS	67,588	152,588	154,825	-	-	44.3%	0.0%	154,825
CAPITAL	146,262	237,866	-	-	5,738	61.5%	#DIV/0!	(5,738)
TOTAL EXPENDITURES	\$ 724,528	\$ 983,646	\$ 539,912	\$ 105,169	\$ 282,884	73.7%	52.4%	\$ 257,028
REVENUES OVER EXPENDITURES	\$ (107,568)	\$ (328,119)	\$ 89,840	\$ (48,079)	\$ 120,551			
ENDING FUND BALANCE	\$ 56,892	\$ 152,017	\$ 74,323		\$ 272,568			
FUND BALANCE AS % OF EXP	7.9%	15.5%	13.8%	0.0%	96.4%			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 56,892	\$ 152,017	\$ 74,323	\$ -	\$ 272,568			

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CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

15: EDC4B FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4002-00-00	MMD TAX-CURRENT YEAR	-	-	35,000	-	-	#DIV/0!	0.0%	35,000
	AD VALOREM TAXES	\$ -	\$ -	\$ 35,000	\$ -	\$ -	#DIV/0!	0.0%	\$ 35,000
4081-00-00	SALES TAX	186,926	447,132	384,598	34,785	247,219	41.8%	64.3%	137,379
	SALES/BEVERAGE TAXES	\$ 186,926	\$ 447,132	\$ 384,598	\$ 34,785	\$ 247,219	41.8%	64.3%	\$ 137,379
4401-00-00	INVESTMENT INCOME	1,449	3,574	65	453	3,603	40.5%	5543.5%	(3,538)
	INVESTMENT EARNINGS	\$ 1,449	\$ 3,574	\$ 65	\$ 453	\$ 3,603	40.5%	5543.5%	\$ (3,538)
4409-00-00	MISCELLANEOUS INCOME	25,024	36,624	24,120	3,038	20,393	68.3%	84.5%	3,727
4415-00-00	INSURANCE REIMBURSEMENTS	-	14,898	-	-	-	0.0%	0.0%	-
	MISCELLANEOUS INCOME	\$ 25,024	\$ 66,420	\$ 24,120	\$ 3,038	\$ 20,393	37.7%	84.5%	\$ 3,727
4805-00-00	RENTAL FEES-SHOPPING CENTER	54,382	105,856	185,223	18,814	132,221	51.4%	71.4%	53,002
4806-00-00	RENTAL INSURANCE	-	2,350	746	-	-	0.0%	0.0%	746
4902-00-00	PROCEEDS-DEBT/LOAN/LEASE	-	30,194	-	-	-	0.0%	#DIV/0!	-
4884-00-01	SALE OF ASSETS	349,179	-	-	-	-	#DIV/0!	#DIV/0!	-
	SURPLUS SALES/RENTALS	\$ 403,561	\$ 138,400	\$ 185,969	\$ 18,814	\$ 132,221	#DIV/0!	#DIV/0!	\$ 53,748
	TOTAL REVENUES	\$ 616,960	\$ 655,527	\$ 629,752	\$ 57,090	\$ 403,435	94.1%	64.1%	\$ 226,317
	TOTAL REVENUES (EXCLUDING INTEREST/TRANSFERS)	\$ 615,511	\$ 651,953	\$ 629,687	\$ 56,637	\$ 399,832			

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CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

15: EDC4B FUND
01: ADMINISTRATION

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5240-01-00	PRINTED SUPPLIES	-	-	2,000	-	-		0.0%	2,000
5260-01-00	GENERAL OFFICE SUPPLIES	-	-	50	-	-	0.0%	0.0%	50
5261-01-00	POSTAGE	-	-	50	-	-	0.0%	0.0%	50
	SUPPLIES	\$ -	\$ -	\$ 2,100	\$ -	\$ -		0.0%	\$ 2,100
5501-01-00	ADVERTISING	-	35	1,200	-	-	0.0%	0.0%	1,200
5510-01-00	ASSOC DUES/PUBLICATIONS	-	4,890	5,320	-	-	0.0%	0.0%	5,320
5525-01-00	TRAINING/SEMINARS	-	-	250	-	-	#DIV/0!	0.0%	250
5565-01-00	LEGAL SERVICES	5,958	20,855	13,000	282	1,852	28.6%	14.2%	11,148
5567-01-00	AUDIT SERVICES	2,000	2,000	4,250	4,250	4,250	100.0%	100.0%	-
5570-01-00	SPECIAL SERVICES	5,752	13,774	250	43	190	41.8%	75.8%	60
5578-01-00	TRAVEL	-	-	100	-	-	0.0%	0.0%	100
5580-01-00	ENGINEERING SERVICES	-	-	-	2,127	2,127	100.0%		(2,127)
5595-01-00	ADMIN CHARGE-GENERAL FUND	47,627	81,647	117,890	9,824	68,769	58.3%	58.3%	49,121
5615-01-00	FUNCTIONAL GRANT	7,660	19,380	24,000	-	12,216	39.5%	50.9%	11,784
	SUNDRY	\$ 68,997	\$ 142,581	\$ 166,260	\$ 16,526	\$ 89,403	48.4%	53.8%	\$ 76,857
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%		\$ -
	TOTAL EXPENDITURES	\$ 68,997	\$ 142,581	\$ 168,360	\$ 16,526	\$ 89,403	48.4%	53.1%	\$ 78,957

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CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019

15: EDC4B FUND
01: ADMINISTRATION
03: DEBT SERVICE

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
5643-01-03	2007 \$1.2M TAX BOND-INTEREST	54,831	54,831	50,735	25,368	50,689	100.0%	99.9%	46
5644-01-03	2007 \$1.2M TAX BOND-PRINCIPAL	60,000	60,000	60,000	60,000	60,000	100.0%	100.0%	-
5645-01-03	2011 \$1.7M TX LEVERAGE-INT	11,691	17,926	12,834	-	10,169	65.2%	79.2%	2,665
5646-01-03	2011 \$1.7M TX LEVERAGE-PRI	26,688	39,661	42,038	-	19,745	67.3%	47.0%	22,293
	DEBT	\$ 153,209	\$ 172,418	\$ 165,607	\$ 85,368	\$ 140,603	88.9%	84.9%	\$ 25,004
5702-01-03	TRANSFER OUT-DEBT SERVICE FUND	67,588	152,588	154,825	-	-	44.3%	0.0%	154,825
	TRANSFER	\$ 67,588	\$ 152,588	\$ 154,825	\$ -	\$ -	44.3%	0.0%	\$ 154,825
	TOTAL EXPENDITURES	\$ 220,797	\$ 325,006	\$ 320,432	\$ 85,368	\$ 140,603	67.9%	43.9%	\$ 179,829

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**CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019**

15: EDC4B FUND**02: TOWN SHOPPING CENTER**

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5403-02-00	BUILDING MAINTENANCE	273,034	237,161	29,920	2,339	29,639	115.1%	99.1%	281
	MAINTENANCE	\$ 273,034	\$ 237,161	\$ 29,920	\$ 2,339	\$ 29,639	115.1%	99.1%	\$ 281
5530-02-00	ELECTRIC SERVICES	3,457	8,002	6,700	436	2,862	43.2%	42.7%	3,838
5545-02-00	INSURANCE-PROPERTY	8,341	8,341	8,500	-	11,139	100.0%	131.0%	(2,639)
5570-02-00	SPECIAL SERVICES	3,641	24,691	6,000	500	3,500	14.7%	58.3%	2,500
	SUNDRY	\$ 15,438	\$ 41,033	\$ 21,200	\$ 936	\$ 17,501	37.6%	82.6%	\$ 3,699
	TOTAL EXPENDITURES	\$ 288,472	\$ 278,194	\$ 51,120	\$ 3,275	\$ 47,140	103.7%	92.2%	\$ 3,980

**CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
April 2019**

15: EDC4B FUND**03: TOWN CENTER REDEVELOPMENT**

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5847-03-00	CONSTRUCTION	146,262	237,866	-	-	5,738	0.0%		(5,738)
	CAPITAL	\$ 146,262	\$ 237,866	\$ -	\$ -	\$ 5,738	0.0%		\$ (5,738)
	TOTAL EXPENDITURES	\$ 146,262	\$ 237,866	\$ -	\$ -	\$ 5,738	0.0%		\$ (5,738)

CITY OF KENNEDALE
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15: EDC4B FUND

04: TEXAS LEVERAGE PROGRAM

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5800-04-00	LAND	-	-	-	-	-		0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -		0.0%	\$ -

CITY OF KENNEDALE
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19: EDC4B CAPITAL BOND FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 29,444	\$ 29,444	\$ 29,719		\$ 29,904			
INVESTMENT EARNINGS	225	460	-	-	-	48.9%		-
TOTAL REVENUES	\$ 225	\$ 460	\$ -	\$ -	\$ -	48.9%		\$ -
TRANSFERS	-	-	29,719	-	-	0.0%	0.0%	-
CAPITAL	-	-	-	-	-	0.0%	0.0%	-
TOTAL EXPENDITURES	\$ -	\$ -	\$ 29,719	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 225	\$ 460	\$ (29,719)	\$ -	\$ -			
ENDING FUND BALANCE	\$ 29,669	\$ 29,904	\$ 0		\$ 29,904			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (NO REQUIREMENT)	\$ -	\$ -	\$ -	\$ -	\$ -			
RESERVE SURPLUS/(SHORTFALL)	\$ 29,669	\$ 29,904	\$ 0	\$ -	\$ 29,904			

CITY OF KENNEDALE
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19: EDC4B CAPITAL BOND FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	225	460	-	-	-	48.9%		-
	INVESTMENT EARNINGS	\$ 225	\$ 460	\$ -	\$ -	\$ -	48.9%		\$ -
	TOTAL REVENUES	\$ 225	\$ 460	\$ -	\$ -	\$ -	48.9%		\$ -

19: EDC4B CAPITAL BOND FUND

01: TOWN CENTER REDEVELOPMENT

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
5580-01-00	TRANSFER OUT	-	-	-	-	-	0.0%	0.0%	-
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
5800-01-00	LAND	-	-	-	-	-	0.0%	0.0%	-
5847-01-00	CONSTRUCTION	-	-	-	-	-	0.0%	0.0%	-
	CAPITAL	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

CITY OF KENNEDALE
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April 2019

95: EDC4B RESERVE FUND

CATEGORY	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL USED	% OF CY BUDGET USED	BUDGET REMAINING
BEGINNING FUND BALANCE	\$ 119,962	\$ 119,962	\$ 120,582		\$ 121,327			
INVESTMENT EARNINGS	622	1,365	-	235	1,490	45.5%		(1,490)
TOTAL REVENUES	\$ 622	\$ 1,365	\$ -	\$ 235	\$ 1,490	45.5%		\$ (1,490)
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
REVENUES OVER EXPENDITURES	\$ 622	\$ 1,365	\$ -	\$ 235	\$ 1,490			
ENDING FUND BALANCE	\$ 120,584	\$ 121,327	\$ 120,582		\$ 122,817			
FUND BALANCE AS % OF EXP	N/A	N/A	N/A	N/A	N/A			
RESERVE (\$112,606 REQUIREMENT)	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606	\$ 112,606			
RESERVE SURPLUS/(SHORTFALL)	\$ 7,978	\$ 8,721	\$ 7,976	\$ (112,606)	\$ 10,211			

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95: EDC4B RESERVE FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
4401-00-00	INVESTMENT INCOME	622	1,365	-	235	1,490	45.5%		(1,490)
	INVESTMENT EARNINGS	\$ 622	\$ 1,365	\$ -	\$ 235	\$ 1,490	45.5%		\$ (1,490)
	TOTAL REVENUES	\$ 622	\$ 1,365	\$ -	\$ 235	\$ 1,490	45.5%		\$ (1,490)

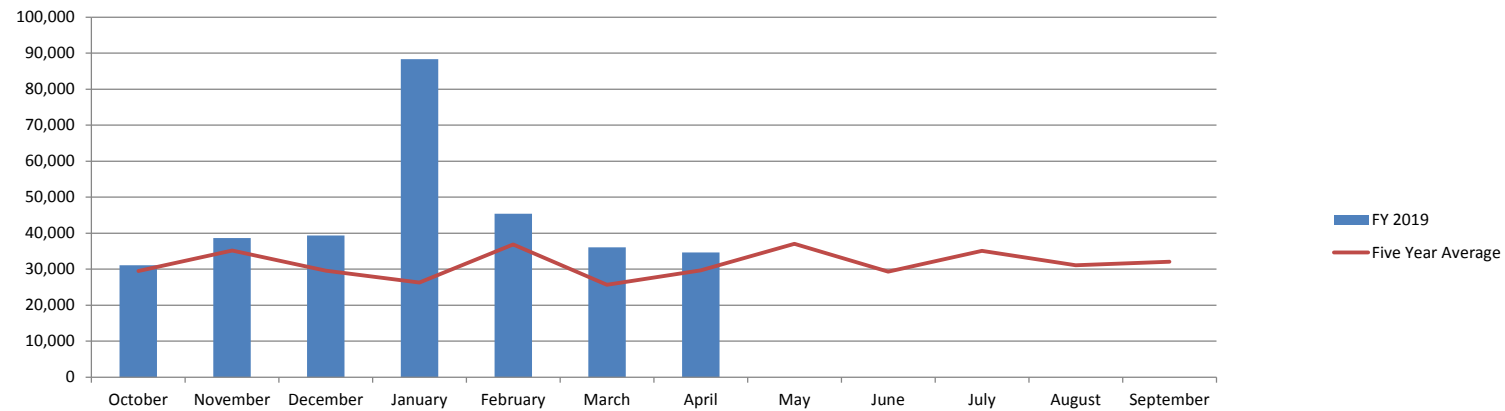
95: EDC4B RESERVE FUND

ACCOUNT	ACCOUNT NAME	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET USED	% OF CY BUDGET USED	BUDGET REMAINING
	TRANSFERS	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -
	TOTAL EXPENDITURES	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%	\$ -

Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 31,048	\$ 38,680	\$ 39,362	\$ 88,360	\$ 45,433	\$ 36,033	\$ 34,603	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,506
FY2018	\$ 34,607	\$ 38,169	\$ 28,985	\$ 31,808	\$ 54,501	\$ 31,672	\$ 41,253	\$ 43,121	\$ 36,295	\$ 41,089	\$ 39,590	\$ 29,697	\$ 150,262
FY2017	\$ 29,583	\$ 38,719	\$ 27,285	\$ 29,652	\$ 35,265	\$ 26,215	\$ 29,043	\$ 33,374	\$ 26,747	\$ 33,648	\$ 16,530	\$ 28,850	\$ 118,303
FY2016	\$ 31,046	\$ 39,712	\$ 32,662	\$ 25,293	\$ 38,669	\$ 29,196	\$ 26,505	\$ 38,181	\$ 27,906	\$ 28,195	\$ 29,231	\$ 30,459	\$ 125,685
FY2015	\$ 23,985	\$ 31,479	\$ 27,515	\$ 24,594	\$ 35,857	\$ 24,104	\$ 27,064	\$ 39,783	\$ 42,821	\$ 55,252	\$ 48,766	\$ 59,232	\$ 146,818
FY2014	\$ 21,990	\$ 29,867	\$ 31,661	\$ 22,458	\$ 32,594	\$ 23,228	\$ 26,412	\$ 31,319	\$ 25,832	\$ 23,976	\$ 28,866	\$ 22,659	\$ 106,954
FY2013	\$ 33,617	\$ 31,297	\$ 23,446	\$ 20,135	\$ 30,003	\$ 20,791	\$ 20,318	\$ 32,020	\$ 21,136	\$ 22,435	\$ 27,973	\$ 26,025	\$ 103,066
*Net payment after correcting an audit error.													\$ -

Sales Tax vs Expectation



Industry	Amount	% Change	Adjusted Chang YTD		FYTD
Manufacturing	\$8,938.36	-9.40%	-2.85%	\$33,457.68	\$56,263.72
Wholesale	\$7,427.33	19.74%	31.78%	\$24,395.26	\$41,269.27
Retail	\$7,340.33	15.90%	0.93%	\$34,182.71	\$57,862.15
Professional Services	\$5,328.31	2.80%	66.46%	\$21,563.63	\$39,883.52
General Services	\$3,370.65	-34.65%	19.84%	\$26,522.35	\$53,279.44
Food	\$2,425.69	-32.70%	-11.74%	\$11,277.04	\$20,081.37
Agricultural	\$178.62	-96.63%	405.23%	\$56,310.29	\$48,569.59
Miscellaneous	\$129.67	43.21%	79.08%	\$309.35	\$592.38
Accommodation	\$0.00	0.00%	0.00%	\$0.00	\$0.00



Date: June 20, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - A.

I. Subject:

Consider approval of the minutes from the May 21, 2019 Regular Meeting

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

Please see the attached minutes for your approval.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_05.21_Minutes_City Council Regular Meeting DRAFT	2019_05.21_Minutes_City Council Regular Meeting DRAFT.pdf
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KENNEDALE CITY COUNCIL MINUTES
REGULAR MEETING | MAY 21, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION AT 5:30 PM | REGULAR SESSION AT 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the Work Session to order at 5:30 p.m., noting that all Councilmembers were present except Linda Rhodes.

II. WORK SESSION

A. Discussion of policy regarding short-term rentals

Director of Planning & Economic Development Melissa Dailey stated that staff has received complaints from multiple neighborhoods regarding short-term rentals (e.g., *Airbnb listings*); gave an overview of some considerations surrounding the issue; offered information about other cities' approaches (mainly allowing the practice, but regulating some aspects); and was available to answer questions from the Council. There was some discussion about potential nuisances to residents, safety concerns, inspections, the potential of requiring a Certificate of Occupancy (CO), differentiation of purely rental properties vs. owner-occupied dwellings that are sometimes rented either in whole or in part, insurance requirements, and what laws the State Legislature might enact or consider. At this time, the general consensus of the Council was to prefer permitting short-term rentals, but to aim to mitigate nuisances to residents through regulations.

B. Discussion of potential amendments to Chapter 3 – "Animals" of the Kennedale Municipal Code

Director of Planning & Economic Development Melissa Dailey stated that staff regularly receives questions regarding ownership of animals such as chickens, goats, and horses on residential lots; and that in most cases the existing animals were not allowed under current code, as the ordinance only allows "farm animals" on land zoned as Agricultural (AG). She stated that – after conducting a focus group – staff recommends expanding the ability to have these animals to a more logical parameter by regulating by acreage rather than by zoning. There was some discussion regarding the need to define different categories and sizes of animals, regulations in other cities, the health and well-being of the animals, and cleanliness and odor concerns.

C. Discussion of items on the regular agenda

In response to Mayor Brian Johnson's request for background regarding Item XIII.A. (Resolution 554, adopting an incentive policy, etc.), City Manager George Campbell stated that staff was preparing to present an economic development incentive package for Council's consideration at the June meeting, and that adoption of this policy was a necessary step in that process. He noted that adoption of this policy did not, in itself, grant any incentive but provided the mechanism.

In response to Mayor Pro Tem Sandra Lee's question regarding Item XII.D. (Cooperative Purchasing Agreement), Campbell stated that such agreements potentially allowed Cities to obtain more competitive pricing via volume discounts. Former Finance Director Brady Olsen added that the City currently participates in several other statewide purchasing agreements.

Mayor Johnson recessed to Executive Session at 6:14 p.m.

III. REGULAR SESSION

Mayor Johnson called the Regular Session to order at 7:00 p.m.

IV. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Josh Altom, Place 1; Chris Pugh, Place 2; Chad Wandel, Place 5; **Absent:** Linda Rhodes, Place 4

Staff: City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway, City Attorney Drew Larkin, Former Finance Director Brady Olsen (engaged as a consultant), Director of Planning & Economic Development Melissa Dailey, Public Works Director Larry Hoover, Library Director Amanda King, Police Chief Tommy Williams, Fire Chief James Brown

V. INVOCATION

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

Sarah Johnson Cotton offered the invocation.

VII. VISITOR AND CITIZEN FORUM

- **Sarah Johnson Cotton**, 700 Crestview Drive, discussed Kennedale Seniors' progress with the YMCA and Sixty and Better, announced the July 17 meeting, stated her opposition to a private development project being called "senior living", and stated her support of a local medical center.
- **John Silva**, 311 Autumnwood Court, discussed his dissatisfaction with the runoff from Kennedale Junior High School to his home in Winding Creek Estates, showed a video from a recent rain event and a map of the water flow, and requested follow-up from staff.
- **Ronald Hudson**, 5100 Independence Avenue, Arlington, spoke about a sanitary sewage backup that had affected his home and requested assistance from the City. City Manager George Campbell noted that his address was in the City of Arlington, and offered to put him in touch with their staff.
- **Phillip Wallace**, 516 Corry A. Edwards Drive, thanked the Council (including outgoing members Joplin and Gilley) for approving the refurbishment of the ballfields at Sonora.

VIII. REPORTS AND ANNOUNCEMENTS

A. Updates from the City Council

- **JOSH ALTOM, PLACE 1**, announced that he attended the Kennedale Area Chamber of Commerce (KACC) "Best of Kennedale" award luncheon.
- **CHRIS PUGH, PLACE 2**, announced that he attended the TML Small Town Conference with several Councilmembers where there were discussions about common struggles facing Cities and how pursuit of grants and cooperation on creative solutions can be highly beneficial.
- **MAYOR PRO TEM SANDRA LEE, PLACE 3**, announced that she attended the Kennedale Seniors meeting and urged others to as well, on the third Monday of each month at 6:30 p.m.
- **CHAD WANDEL, PLACE 5**, announced that he also attended the TML Small Town Conference in Granbury and noted the success of their Town Square and recent designation as the #1 Small City in Texas, stating his hope that Kennedale would see similar success.

B. Updates from the City Manager

City Manager George Campbell did not have any updates at this time.

C. Updates from the Mayor

Mayor Brian Johnson noted that he attended the TML Small Town Conference, where TOASE presented, and there were discussions including economic development and branding; and that he was scheduled to be a guest speaker at both the Muslim Community Center for Human Services and the Reagan Republican Women's Club in Mansfield in the near future.

IX. INCIDENTAL ITEMS

X. MONITORING INFORMATION

A. Monthly Financials for April 2019

Former Finance Director Brady Olsen stated that in each packet, Council is provided with overall revenues and expenditures by fund, expenditures by department, and a sales tax update. He noted that these financials were visually similar to the budget with columns including spending through this month of the previous year, the budget as adopted, and actual expenditures so that the current position can be compared to the previous budget year, as revenues and expenditures are not steady throughout the budget cycle. Olsen added that there is also a chart benchmarking sales tax revenue against the five-year average and noting any highlights or irregularities.

B. KEDC Financial Report for March 2019

There was no discussion at this time.

XI. ELECTION BUSINESS

A. Certification by the City Secretary of official Recount Committee Report, which was conducted May 16, 2019

City Secretary and Communication Coordinator Leslie E. Galloway stated that the original returns from Tarrant County Elections reported that the May 4, 2019 race for Councilmember, Place 3 was a tie, with each candidate receiving 388 votes; but that, following the certification of these returns at the May 14 meeting, incumbent Sandra Lee requested a recount of the votes. A manual recount of the ballots cast for Place 3 took place at Tarrant County Elections on Thursday, May 16, and did, in fact, find an error in tabulation. The results of that recount were: Cesar Guerra, 388 votes; and Sandra Lee, 389 votes.

Motion To Approve. Action Approve Council's receipt of the certification of these official returns for the May 16th manual recount of the votes for City Council Place 3, which were cast in an election held Saturday, May 4, 2019; and approving that they be filed within the City's election register. **Moved By Pugh. Seconded By Wandel. Motion passes unanimously.**

B. Consider approval of Resolution 551, canvassing the recount results – conducted May 16, 2019 – of the General Election held on May 4, 2019, and declaring Sandra Lee elected to the office of City Council Place 3

Motion To Approve. Action Approve Resolution 551, canvassing the recount results – conducted May 16, 2019 – of the General Election held on May 4, 2019, and declaring Sandra Lee elected to the office of City Council Place 3. **Moved By Wandel. Seconded By Pugh. Motion passes unanimously.**

C. Oath of Office for Sandra Lee, City Council Place 3 (2019-2021)

City Secretary and Communication Coordinator Leslie E. Galloway administered the Oath of Office for Sandra Lee, City Council Place 3 (2019-2021).

D. Consider approval of Resolution 552, canceling the June 8, 2019 runoff election

Motion To Approve. Action Approve Resolution 552, canceling the June 8, 2019 runoff election. **Moved By Altom. Seconded By Pugh. Motion passes unanimously.**

XII. REQUIRED APPROVAL ITEMS (CONSENT)

Consent items are matters that have appeared on previous agendas, require little or no deliberation, or are considered routine. If discussion is desired, any item may be removed from Consent and considered separately.

A. Consider approval of the minutes from the April 16, 2019 Regular Meeting

- B. Consider approval of the minutes from the May 14, 2019 Special Meeting at 5:00 p.m.
- C. Consider approval of the minutes from the May 14, 2019 Special Meeting at 7:00 p.m.
- D. Consider authorizing the City Manager to enter into a Cooperative Purchasing Agreement with the City of North Richland Hills
- E. Consider approval of Resolution 553, supporting a grant application for police body cameras
- F. Consider approval of contract award to Emergicon for emergency medical service billing and collections, and authorize the City Manager to sign the agreement

Motion To Approve. Action Approve the Consent Agenda. **Moved By** Mayor Pro Tem Lee. **Seconded By** Wandel. **Motion passes unanimously.**

XIII. DECISION ITEMS

- A. Consider approval of Resolution 554, adopting an incentive policy, establishing guidelines and criteria for tax abatement, and electing to become eligible to participate in tax abatement

City Manager George Campbell stated that approval of this item meant the City would have a policy in place to grant incentives, if the Council should choose to do so. He added that staff was currently in discussions regarding a tax abatement, but the former incentive policy had expired.

Motion To Approve. Action Approve Resolution 554, adopting an incentive policy, establishing guidelines and criteria for tax abatement, and electing to become eligible to participate in tax abatement. **Moved By** Wandel. **Seconded By** Pugh. **Motion passes unanimously.**

- B. Review and consider contract for Animal Control services from North Texas Animal Control Authority

Police Chief Tommy Williams stated that the City's Animal Control Officer (ACO) was accepted into the Police Academy and that this contract would provide for animal control services until another officer was hired. He added that the City had contracted with this company in the past and that the only material change to this agreement was the addition of an automatic renewal clause.

Motion To Approve. Action Approve a contract for Animal Control services from North Texas Animal Control Authority. **Moved By** Mayor Pro Tem Lee. **Seconded By** Wandel. **Motion passes unanimously.**

- C. Consider making appointments to various advisory boards and commissions

City Manager George Campbell stated that membership rosters for all advisory boards and commissions were included in the packet, noting that not all vacancies must be filled tonight, but that staff would request that Council specifically prioritize the filling of vacancies on the Economic Development Corporation (EDC) Board and the Planning & Zoning (P&Z) Commission, as well as appointing Chairs and Vice Chairs on the P&Z and Board of Adjustment/Building Board of Appeals (BOA/BBA).

Motion To Approve. Action Approve the appointment of Robert Mundy to the Economic Development Corporation (EDC) Board, Place 5; and Cesar Guerra to the Economic Development Corporation (EDC) Board, Place 2. **Moved By** Pugh. **Seconded By** Wandel. **Motion passes 3-1**, with Mayor Pro Tem Lee voting against.

Motion To Approve. Action Approve the appointment of Martha Dibella and Greg Adams to the Planning & Zoning (P&Z) Commission. **Moved By** Pugh. **Seconded By** Wandel. **Motion passes 3-0-1**, with Mayor Pro Tem Lee abstaining.

- D. Consider appointment of a Chair and Vice Chair of the Planning & Zoning Commission

Motion To Approve. Action Approve the appointment of Martha Dibella as the Chair of the Planning & Zoning (P&Z) Commission; and to request that the commissioners forward their nomination for Vice Chair following their next meeting. **Moved By** Pugh. **Seconded By** Wandel. **Motion passes unanimously.**

Motion To Amend. Action Amend the second motion related to item XIII.C. to designate which place each appointee should occupy, by amending the motion to: "Approve the appointment of Martha Dibella to the Planning & Zoning (P&Z) Commission, Place 2 (term expiring 2020); and Greg Adams to the Planning & Zoning (P&Z) Commission, Place 1 (term expiring 2019)". **Moved By** Pugh. **Seconded By** Wandel. **Motion passes unanimously.**

- E. Consider appointment of a Chair and Vice Chair of the Board of Adjustment and Building Board of Appeals

Motion To Approve. Action Approve the appointment of Jeff Nevarez as the Chair of the Board of Adjustment and Building Board of Appeals (BOA/BBA); and to request that the board forward their nomination for Vice Chair following their next meeting. **Moved By** Wandel. **Seconded By** Pugh. **Motion passes unanimously.**

THE COUNCIL DID NOT CONVENE INTO EXECUTIVE SESSION AT THIS TIME. THERE WAS AN EXECUTIVE SESSION HELD IMMEDIATELY FOLLOWING THE WORK SESSION, BUT BEFORE THE REGULAR SESSION.

XIV. EXECUTIVE SESSION

- A. Discussion with the City Attorney regarding settlement agreement between Ron Sturgeon, et al and the City of Kennedale
- B. Discussion with the City Attorney regarding salvage yard special exception/special use permits
- C. Discussion with City Attorney regarding legal issues associated with potential tax abatement, Chapter 380 incentives, and EDC grants
- D. Potential tax abatement, Chapter 380 incentives, and EDC grant to relocating industrial business prospect

XV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

Motion To Approve. Action Approve, pursuant to the discussion in closed session, authorizing the City Manager to execute an agreement with regard to Ron Sturgeon. **Moved By** Pugh. **Seconded By** Altom. **Motion passes unanimously.**

XVI. ADJOURNMENT

Motion To Adjourn. Action Adjourn, **Moved By** Mayor Pro Tem Lee. **Seconded By** Wandel. **Motion passes unanimously.**

Mayor Johnson adjourned the meeting at 7:37 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY



Date: June 20, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - B.

I. Subject:

Consider approval of the minutes from the May 31, 2019 Special Meeting

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

Please see the attached minutes for your approval.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_05.31_Minutes_City Council Special Meeting DRAFT	2019_05.31_Minutes_City Council Special Meeting DRAFT.pdf
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KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | MAY 31, 2019 AT 8:15 AM
TARRANT COUNTY COLLEGE – SOUTH CAMPUS
BUILDING SFOD, CONFERENCE ROOM 1502C
5301 CAMPUS DR, FORT WORTH, TX 76119

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 8:15 a.m.

II. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Josh Altom, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** NONE

Staff: City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway, City Attorney Wayne Olson, Interim Finance Director Debby Scott, Director of Planning & Economic Development Melissa Dailey, Public Works Director Larry Hoover, Director of Human Resources & Administrative Services Danielle Clark, Library Director Amanda King, Police Chief Tommy Williams, Fire Chief James Brown, Consultant Mike Mowery of Strategic Government Resources (SGR)

III. WORK SESSION

- A. Presentation by Mike Mowery of SGR (Strategic Government Resources) and discussion including, but not limited to, governance, leadership, and communication

City Manager George Campbell opened the meeting with a brief overview of the purpose of this two-day workshop – to begin the process of short- and long-term goal setting through initial discussion of: governance; rules of procedure; organizational structure; budget and finance; departmental missions, goals, and challenges; and Council policy priorities. He then introduced Mike Mowery of Strategic Government Resources, who facilitated a discussion and was available to answer questions from Council regarding topics including: board governance and leadership; defining and overcoming governance challenges; healthy deliberation; roles and responsibilities of board members; and cohesive strategic vision.

- B. Presentation by City Attorney Wayne Olson and discussion including, but not limited to, open meetings, open records, conflicts of interest, rules of procedure, and City Council and staff decorum during meetings

City Attorney Wayne Olson of TOASE presented information and was available to answer Council's questions regarding the requirements of and considerations surrounding the Open Meetings Act, the Public Information Act, Chapter 176 (Disclosures), Sec. 2252.908 (Disclosures), Sec. 2252.152 (Prohibited Contracts), Sec. 2270.002 (Boycotting Israel), and Chapter 171 (Conflicts of Interest).

IV. INCIDENTAL ITEMS

There was no discussion at this time.

V. ADJOURNMENT

Mayor Johnson adjourned the meeting at 3:01 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY



Date: June 20, 2019

Agenda Item No: REQUIRED APPROVAL ITEMS (CONSENT) - C.

I. Subject:

Consider approval of the minutes from the June 1, 2019 Special Meeting

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

Please see the attached minutes for your approval.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	2019_06.01_Minutes_City Council Special Meeting DRAFT	2019_06.01_Minutes_City Council Special Meeting DRAFT.pdf
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KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | JUNE 01, 2019 AT 8:00 AM
TARRANT COUNTY COLLEGE – SOUTH CAMPUS
BUILDING SFOD, CONFERENCE ROOM 1502C
5301 CAMPUS DR, FORT WORTH, TX 76119

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 8:11 a.m.

City Manager George Campbell announced that the City would receive a Regional Cooperation Award (along with the City of Arlington) at the North Central Texas Council of Governments Annual General Assembly on June 14, and invited the Mayor and Council to attend.

II. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** Josh Altom, Place 1

Staff: City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway, Former Finance Director Brady Olsen (engaged as a consultant), Interim Finance Director Debby Scott, Director of Planning & Economic Development Melissa Dailey, Public Works Director Larry Hoover, Director of Human Resources & Administrative Services Danielle Clark, Library Director Amanda King, Police Chief Tommy Williams, Fire Chief James Brown

III. WORK SESSION

- A. Receive and discuss a presentation from former Finance Director Brady Olsen regarding the City's financial and budget positions and strategies for the current and future years

Former Finance Director Brady Olsen (engaged as a consultant) began with an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. He then discussed monthly reporting, transparency procedures and considerations, policies, investment, the annual audit process, the City's fund structure, and the budget calendar. Olsen also provided highlights from the major funds for the current fiscal year, current fund balances, and scenarios and projections for the next budget cycle. Finally, there was brief discussion regarding recent changes to state law that might affect tax rates.

Discussion among Council included: the drawdown of the Street Fund due to decreasing franchise fees; leveraging County bond programs for streets; low staffing levels; transparency software; how the General Fund drawdown might impact the bond rating; cooperation between departments to fund projects; water rate structure; revenues from new development; the ratio of property tax to sales tax; and revenue streams. Olsen was available throughout to answer questions from Council.

- B. Receive and discuss presentations by each Department Head including, but not limited to, highlights and accomplishments from the current fiscal year, short-term and long-term goals, identified needs and challenges for FY2019-20, and policy issues for consideration by the City Council

Director of Human Resources & Administrative Services Danielle Clark provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: reduced insurance costs; the Public Safety Step Plan; technology needs throughout the organization; a civilian compensation study; the need for an employee wellness program, disability coverage, and employee assistance; and low staffing levels and limited office space. Clarke was available throughout to answer questions from Council.

Director of Planning & Economic Development Melissa Dailey provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: increased code compliance; the Tarrant County HOME Program; the National Parks Service (NPS) Greenways grant; EDC initiatives; defining desires within the community; redevelopment of Kennedale Parkway; providing a variety of housing; enhancing connectivity and walkability; encouraging quality development; redevelopment of the southwest portion of the City; new parks; additional staffing needs; and the advantages of maintaining a common vision regarding community development. Dailey was available throughout to answer questions from Council.

City Secretary & Communications Coordinator Leslie E. Galloway provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: a forthcoming web redesign; increase in proactive communication; records management needs and goals; amendment to the Charter; increase in digital subscriptions and followers; support to boards and focus on Public Information Act and Open Meetings Act Training; streaming public meetings; facility needs at the Senior Center; potential for expanding the Youth Advisory Council (YAC); demands and costs of open records requests; and the potential of rebranding. Galloway was available throughout to answer questions from Council.

Public Works Director Larry Hoover provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: low staffing levels and aging equipment; a need for asset management, work order tracking, and storm water management software; need for stable funding sources; cooperation with Tarrant County; developing a Capital Improvement Plan (CIP) and maintenance schedule; streets in critical condition; park improvements and events; the arbovirus program; forthcoming upgrades to the ballfields; coordination with the NPS for trails and regional connectivity; the Parks Master Plan including connection to the Veloweb; potential creation of a Recreational Division; desire for community involvement and a common vision for park and open space development; Integrated Stormwater Management (iSWM) Silver Certification and Texas Commission on Environmental Quality (TCEQ) MS4 Permit; erosion concerns; and the need to develop the budget, training, and equipment necessary for the newly-created building maintenance department. Hoover was available throughout to answer questions from Council.

Library Director Amanda King provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: the economic impact of library services; grants received; increased utilization of library services; low staffing levels and competitive compensation; the Limitless Library program; technology updates and needs; need to expand the Library facility; library automation needs; removing late fees and adding a non-resident fee; and training needed. King was available throughout to answer questions from Council.

Fire Chief James Brown provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: maintaining full staffing levels and competitive compensation; continued education and training; AED installation in City facilities; facility evaluation and station improvements; evaluation of contracts for EMS billing and the Medical Director; the need for a capital replacement plan to address aging equipment; technology needs including staffing and asset management software; evaluation of revenue recovery on fire and EMS responses; additional public education opportunities; increasing businesses' compliance with fire code; and a focus on creating a positive work environment. Chief Brown was available throughout to answer questions from Council.

Police Chief Tommy Williams provided an overview of the department's mission, responsibilities, goals, achievements, needs, challenges, and policy issues for Council consideration. There was some discussion regarding topics including: advantages of cooperation with Mansfield for

dispatch and jail services; continued provision of auto theft task force and School Resource Officer (SRO) programs after grant funding ended; inaugural Youth Police Academy class; the reserve program; grant-funded technology improvements; prioritizing training and leadership; potential for a Community Resource Officer (CRO) and a Citizen Police Academy; succession planning, low staffing levels, facility expansion, and equipment needs; immediate need for three more patrol officers and an investigations secretary; desire to add an exercise room; continued compensation evaluation; population growth and specialized demographic groups; crime rates in freeway corridors; recruitment of a more diverse workforce; and increased training requirements. Chief Williams was available throughout to answer questions from Council.

IV. ADJOURNMENT

Mayor Johnson adjourned the meeting at 4:11 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

DRAFT UNTIL
APPROVED
BY COUNCIL



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - A.

I. Subject:

Consider appointment of a Mayor Pro Tem

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

At this time the Council will consider appointing a member to serve as Mayor Pro Tem.

From Section 3.03 of the Charter
Mayor and Mayor Pro Tem

The Mayor shall preside at City Council meetings, and shall be recognized as head of the City government. The Mayor shall have the right to vote only in the event of a tie. The Mayor shall also have veto power. The City Council shall elect one of its members Mayor Pro Tem. The Mayor Pro Tem shall act as Mayor in the absence of the Mayor and shall have the same duties and power as the Mayor except veto power. The Mayor Pro Tem shall retain the right to vote as a Council member.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - B.

I. Subject:

Consider approval of Ordinance 661, increasing the membership of the Youth Advisory Council (YAC) from 15 to 25 places

II. Originated by:

Leslie E. Galloway, City Secretary & Communications Coordinator

III. Summary:

The Youth Advisory Council (YAC) was established by the City Council in January 2013, via adoption of Ordinance 514. At that time, the number of places on this board was set at 15, but as interest in participation has grown (20 applications were received for the 2019-20 YAC), staff would respectfully recommend to the City Council expansion of the board to accommodate more membership. The attached ordinance would increase the places on the board from 15 to 25.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:

1.	O514_Establishing YAC with 15 Places (2013)	O514.pdf
2.	O661_Expanding YAC from 15 to 25 Places	O661_Expanding YAC from 15 to 25 Places.pdf

ORDINANCE NO. 514

AN ORDINANCE AMENDING CHAPTER 16 OF THE CODE OF ORDINANCES OF THE CITY OF KENNEDALE, TEXAS BY ADDING A NEW ARTICLE IX CREATING A YOUTH ADVISORY COUNCIL; PROVIDING FOR DUTIES, MEMBERSHIP QUALIFICATIONS, APPOINTMENTS, OFFICERS, MEETINGS, RULES, TERMS, ABSENCES, REMOVAL, VACNCIES, COMPENSATION, AND DISPENSATION OF REVENUES; PROVIDING THAT THIS ORDINANCE IS CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERALBILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Kennedale City Council wishes to provide opportunities for youth to be active, informed, and empowered in public service and in government; and

WHEREAS, the Kennedale City Council believes that active youth will positively contribute to the Council's goal of enhancing our family-friendly community by identifying and addressing issues related to youth; and

WHEREAS, in an effort to realize its commitment to youth, the City wishes to establish a Youth Advisory Council.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, AS FOLLOWS:

SECTION 1.

The Kennedale City Code is hereby amended by adding an Article IX, "YOUTH ADVISORY COUNCIL" to Chapter 16, "PARKS, RECREATION AND CULTURAL ACTIVITIES," which shall read as follows:

ARTICLE IX: YOUTH ADVISORY COUNCIL

Sec. 16-109. Creation and purpose.

(a) There is hereby created and established a Youth Advisory Council (YAC) to be composed of fifteen (15) regular members. Such council shall be officially designated as the Youth Advisory Council of the City of Kennedale, Texas.

(b) The YAC shall study, investigate, plan, implement, and advise the city of matters related to youth. Specifically, the YAC is assigned with identifying areas for improvement related to youth, including developing programs and services that empower, support, and inform youth; that create a family-friendly community; and that enable and encourage youth to be productive members of the community. The YAC shall serve as an advisory body to the city on all matters that relate to youth.

Sec. 16-110. Duties and responsibilities.

(a) The YAC shall have all the powers granted herein and shall perform all duties as provided herein.

(b) The YAC shall adopt rules and regulations for the conduct of its meetings and for defining in detail the duties of its members, officers, and committees.

(c) The YAC shall work with the city council and city staff to develop and implement policies that focus on youth.

(d) The YAC shall advise the city council and city staff on important issues that relate to youth.

(e) The YAC shall facilitate the planning and organization of community events and meetings related to youth.

(f) The YAC shall build partnerships with individuals, groups, and organizations that impact both youth and families.

(g) The YAC shall partner with individuals, groups, and organizations in the planning and implementation of services, supports, and opportunities that impact both youth and families.

(h) The YAC shall carry out and implement other directives from the Mayor, city council, and city staff.

Sec. 16-111. Membership.

(a) The YAC shall consist of fifteen (15) voting members, who broadly represent the diversity of thought and experience of Kennedale youth. The fifteen voting members shall be between the ages of 15 and 19. These members shall meet at least one of the following qualifications:

- (1) Reside within the corporate boundaries of the City of Kennedale; or
- (2) Reside within the boundaries of the Kennedale Independent School District; or
- (3) Attend a state-recognized school or homeschool within the corporate boundaries of the City of Kennedale.

- (b) The following may be ex-officio, non-voting members of the YAC:
 - (1) One (1) resident affiliated with Kennedale youth, appointed by the city council to serve as facilitator to the YAC.
 - (2) One (1) city staff member appointed by the city manager to serve as a non-voting, staff liaison to the YAC.

No individual who has been convicted of a felony shall be qualified to serve as an ex-officio member of the YAC. By submitting an application for appointment to the YAC, applicants for ex-officio membership must consent to a background check for such purposes, to the extent provided by law.

Sec. 16-112. Application and appointment process.

(a) Any interested individual who meets the qualifications set in Section 16-111 may indicate interest in serving on the YAC by submitting the following information to the city staff liaison in City Hall:

- (1) Completed application. Applications will be available at City Hall and on the city website. Applications will also be distributed to the appropriate offices at all schools.
- (2) Applicants for initial appointment must submit two (2) letters of reference. This is not necessary for applicants who wish to be reappointed.
- (3) Applicants for initial appointment must submit a short essay describing the applicant's reasons for wanting to serve on the YAC. This is not necessary for applicants wishing to be reappointed.

(b) All applications will be initially reviewed by the ex-officio members of the YAC. Selected applications will be given to city council for review. Appointments will be made by the city council.

Sec. 16-113. Terms of office.

(a) All terms of office for all YAC members shall be one (1) year and will begin on June 1 and end May 31, with the option of applying for reappointment until the student has graduated from high school. Reappointments will be based on past participation in and commitment to YAC activities.

(b) The terms of ex-officio representatives shall be as follows:

- (1) The resident acting as facilitator shall remain in that position until they resign or are otherwise removed by Council

- (2) The city staff member acting as liaison shall remain in that position for the duration of their employment with the city or until removed or replaced by council.

Sec. 16-114. Procedural rules and operation.

(a) At the first meeting after being sworn into office, the YAC shall elect officers to serve one (1) year terms. All are eligible for reelection to office during any subsequent reappointment to the YAC. Officers shall consist of the following:

- (1) *Chair*: The person, elected by the members of the YAC, who is responsible for running meetings, developing agenda items, and helping all officers with their duties.
- (2) *Vice Chair*: The person, elected by the members of the YAC, who is responsible for running meetings when the Chair is not present and helping all officers with their duties.
- (3) *Secretary*: The person, elected by the members of the YAC, who is responsible for taking minutes and making sure the YAC city staff liaison has the updated minutes.
- (4) *Historian*: The person, elected by the members of the YAC, who is responsible for keeping track of the history of the YAC, including event documentation, photography, and website content submittal.

(b) The YAC shall adopt such rules and regulations governing procedures (bylaws), and will ensure that they are maintained.

(c) The YAC shall meet once each month at a regularly established time and date. All meetings of the YAC shall be conducted consistent with the City of Kennedale Charter and the City of Kennedale Municipal Code. Committees of the YAC may meet at any time.

(d) A quorum shall consist of a simple majority of members

(e) All YAC meetings and records shall be public subject to applicable state law.

Sec. 16-115. Absences.

Any member who is unable to attend a meeting shall notify the Chair or facilitator in advance of the meeting, stating the reason for his or her absence. YAC members are permitted three (3) unexcused absences from regular meetings. Excessive absences will cause a member's appointment to be reviewed by the YAC officers and ex-officio staff, with potential presentation to the City Council for action to remove.

Sec. 16-116. Removal.

Members of the YAC, other than the ex-officio representatives, may be removed by the city council for inefficiency, excessive absence as defined in Section 16-115, or other neglect of duty.

Sec. 116-117. Compensation.

The members of the YAC shall regularly attend meetings of the YAC and shall receive ten dollars (\$10.00) for each scheduled YAC meeting duly attended as compensation for performance of their duties.

Sec. 16-118. Vacancies.

Vacancies occurring on the YAC, other than through the expiration of a term, shall be filled by appointment by the city council. The original applicant pool for that year's YAC should be the first source for such a replacement; otherwise new applicants may be recruited.

Sec. 16-119. Disposition of revenue.

All revenues derived from fundraising or other means associated with the YAC, which are under the direct control of the city, shall be maintained by the city and deposited to the appropriate fund for utilization in support of YAC related activities to the extent of citywide needs as determined by the city council during the annual budgeting of funds for all city departments.

**SECTION 2.
CUMULATIVE**

This Ordinance shall be cumulative of all other ordinances of the City of Kennedale, and shall not repeal any of the provisions of such ordinances except in those instances when provisions of such ordinances are in direct conflict with the provisions of this ordinance, in which event the conflicting provisions of such ordinances are hereby repealed.

**SECTION 3.
SEVERABLE**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of the ordinance are severable, and if any of the remaining phrases, clauses, sentences, paragraphs, or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

**SECTION 4.
EFFECTIVE DATE**

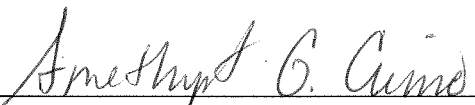
This ordinance shall be in full force and effect from and after its passage and it is so ordained.

PASSED, APPROVED, AND ADOPTED this the 10th day of January 2013.



MAYOR, JOHN CLARK

ATTEST:



AMETHYST G. CIRIMO, CITY SECRETARY

APPROVED AS TO FORM AND LEGALITY:



WAYNE K. OLSON, CITY ATTORNEY



ORDINANCE NO. 661

AN ORDINANCE AMENDING CHAPTER 16, ARTICLE IX, "YOUTH ADVISORY COUNCIL", OF THE CODE OF ORDINANCES OF THE CITY OF KENNEDALE, TEXAS, AS AMENDED, BY REVISING THE MEMBERSHIP OF THE BOARD; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale is a home rule city acting under its charter adopted by the electorate pursuant to Article X1, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, The City Council previously adopted an ordinance providing for the creation and appointment of the Youth Advisory Council (YAC); and

WHEREAS, the City Council now desires to amend said ordinance to revise the provisions regarding membership on the board.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THAT:

SECTION 1.

Chapter 16, Article IX of the Kennedale City Code is hereby amended by revising Section 16-109, Creation and purpose, to read as follows:

Sec. 16-109. - Creation and purpose.

- (a) There is hereby created and established a youth advisory council (YAC) to be composed of twenty-five (25) regular members. Such council shall be officially designated as the youth advisory council of the City of Kennedale, Texas.
- (b) The YAC shall study, investigate, plan, implement, and advise the city of matters related to youth. Specifically, the YAC is assigned with identifying areas for improvement related to youth, including developing programs and services that empower, support, and inform youth; that create a family-friendly community; and that enable and encourage youth to be productive members of the community. The YAC shall serve as an advisory body to the city on all matters that relate to youth.

**SECTION 2.
CUMULATIVE CLAUSE**

This ordinance shall be cumulative of all other ordinances of the City of Kennedale, Texas, and shall not repeal any of the provisions of such ordinance except in those instances when provisions of such ordinances are in direct conflict with the provisions of this ordinance, in which event the conflicting provisions of such ordinances are hereby repealed.

**SECTION 3.
SEVERABILITY CLAUSE**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs or sections of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same shall have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 4.
EFFECTIVE DATE**

This Ordinance shall be in full force and effect from and after its passage, and it is so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ON THE 20th DAY OF JUNE, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY, DREW LARKIN



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - C.

I. Subject:

Hold a Public Hearing and consider approval of Ordinance 662, designating a tax abatement reinvestment zone for approximately 13.55 acres of land, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale, Texas, and generally located at Linda Road and Gail Drive

- Staff Presentation
- Public Hearing
- Staff Response and Summary
- Action by the City Council

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

In order to provide economic incentives to attract development, the City is required to adopt an ordinance designating a reinvestment zone – an area in which incentives can be provided. This designation of a reinvestment zone does not, however, obligate the City to enter into any incentive agreements. The proposed reinvestment zone area is defined by the boundary of the 13-acre property owned by the Economic Development Corporation on Linda Road at Gail Drive. It is listed by Tarrant Appraisal District as S. Dick Price Rd. Attached is the proposed ordinance for designation of a reinvestment zone. Staff will be available to respond to questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	O662_Tax Abatement Reinvestment Zone Linda Road at Gail Drive 2019	O662_Tax Abatement Reinvestment Zone Linda Road at Gail Drive 2019.pdf
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ORDINANCE NO. 662

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, DESIGNATING A CERTAIN AREA AS A TAX ABATEMENT REINVESTMENT ZONE FOR COMMERCIAL-INDUSTRIAL TAX ABATEMENT, WITHIN THE CITY OF KENNEDALE, TEXAS; ESTABLISHING THE BOUNDARIES THEREOF AND OTHER MATTERS RELATED THERETO; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City Council of the City of Kennedale, Texas (sometimes hereinafter referred to as the "City") desires to promote the development or redevelopment of a certain contiguous geographic area within the City of Kennedale, Texas, by the creation of a reinvestment zone for commercial-industrial tax abatement ("Zone"), as authorized by Chapter 312 of the Texas Tax Code, as amended; and,

WHEREAS, a public hearing before the City Council of the City was scheduled and held at 7:00 p.m. on June 20, 2019, such date being at least seven (7) days after the date of publication of the notice of such public hearing, pursuant to Section 312.201(d) of the Texas Tax Code, as amended; and,

WHEREAS, the City Council held such public hearing after publishing notice of such public hearing, and giving written notice to all taxing units overlapping the territory inside the proposed Zone; and,

WHEREAS, the City at such public hearing invited any interested person to appear and speak for or against the creation of the Zone, the boundaries of the proposed Zone, whether all or part of the territory should be included in such proposed Zone, and the concept of tax abatement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THAT:

SECTION 1.

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2.

The City, after conducting such public hearing and having heard such evidence and testimony has made the following findings and determinations based upon the testimony presented:

- (a) That a public hearing on the adoption of the Zone has been properly called, held and conducted, and that notice of such hearing has been published at least seven (7) days before the hearing in a newspaper of general circulation within the City, and mailed to all property taxing units overlapping the territory inside the proposed Zone at least seven (7) days prior to the public hearing; and
- (b) That the boundaries of the Zone should be the area as described in Exhibit A, which is attached hereto and incorporated herein for all purposes; and
- (c) That creation of the Zone for commercial-industrial tax abatement with boundaries as described in Exhibit A will result in benefits to the City, and to the land included within the Zone, and the improvements sought are feasible and practical; and
- (d) That the Zone as described and/or depicted in Exhibit A meets the criteria for the creation of a tax abatement reinvestment zone as set forth in Section 312.202(a) of the Texas Tax Code, as amended, and in particular Section 312.202(a)(6) of the Texas Tax Code, in that it is “reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City”; and
- (e) That the Zone as described and/or depicted in Exhibit A meets the criteria for the creation of a tax abatement reinvestment zone as set forth in the City’s tax abatement guidelines and criteria; and
- (f) That the improvements proposed for the Zone are feasible and practical and would be a benefit to the land and to the City after the expiration of any tax abatement agreement.

SECTION 3.

Pursuant to Section 312.201 of the Texas Tax Code, as amended, the City of Kennedale, Texas, hereby creates the Zone for commercial-industrial tax abatement encompassing only the area described in Exhibit A, and such Zone is hereby designated.

SECTION 4.

The Zone shall take effect immediately upon passage of this Ordinance. The Zone is effective for five (5) years and may be renewed for periods not to exceed five (5) years. The expiration of the designation of the Zone does not affect an existing tax abatement agreement.

SECTION 5.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of this Ordinance of any such invalid or unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 6.

Any provision of any prior ordinance of the City, whether codified or uncoded, which is in conflict with any provision of this Ordinance, is hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City, whether codified or uncoded, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

SECTION 7.

This Ordinance shall become effective immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 20TH DAY OF JUNE, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

Exhibit "A"

13.552 acres of land, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale, as more particularly described in that Deed without Warranty from Goss International Americas, Inc. to Kennedale Economic Development Corporation, recorded as Instrument No. D214272907, Tarrant County Real Property Records.

Date: June 20, 2019

Agenda Item No: DECISION ITEMS - D.

I. Subject:

Consider authorizing the City Manager to enter into a Tax Abatement and Chapter 380 Agreement with Compressed Air Systems, L.L.C.

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

In an effort to attract development and jobs to the City of Kennedale, staff has been in discussions with Compressed Air Systems (CAS) regarding a potential relocation of their facility and employees to Kennedale. CAS is currently based in Grand Prairie and is seeking to relocate to a property with at least 12 acres to build a 55,000–70,000 square foot facility. CAS is a family-owned business that has been in operation since February 1980 and has manufactured over 39,000 compressor packages in the past decade. The company would invest approximately \$3 million in a new facility and bring approximately 72 full-time jobs upon completion of construction, expanding to 90 employees by 2022.

The Economic Development Corporation (EDC) owns a 13.55-acre property on Linda Road (at Gail Drive) that meets the requirements that CAS needs for their facilities. This is a property that is currently vacant and generates no property tax revenue to the City. The redevelopment of this property would bring significant value to the city in the form of property tax and sales tax revenue and job creation. City staff and CAS representatives have worked to develop a potential economic development agreement for a new CAS facility on the above-mentioned EDC owned property. The agreement includes the Economic Development Corporation providing 13.55 acres of EDC owned land on Linda Road to CAS at no cost. This agenda item addresses City controlled incentives and obligations of CAS, listed below:

- CAS will build a new facility of a minimum 50,000 square feet, 15,000 square feet of outside covered storage and 8,000 square feet of office space and commence construction no later than January 1, 2020
- CAS will receive a CO no later than June 1, 2021
- CAS will make a capital investment of no less than \$2.75 million
- CAS continuously operate its business beginning on the CO date and continuing through the term of the agreement
- CAS will maintain a minimum of 65 primary jobs until 2022 and 75 jobs from 2022 through the terms of the agreement
- Incentives will be based on taxable value of the tangible personal property of at least \$4 million
- City will grant CAS an 80% abatement of City taxes for 10 years, up to \$450,000
- City will waive all permit fees, not including impact fees
- City will pave Linda Road and replace water and sewer infrastructure, with CAS to reimburse City for repaving up to \$150,000

The proposed Tax Abatement and Chapter 380 agreement are attached. Staff recommends approval, and will be available to answer questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	Tax Abatement and 380 - CAS	Tax Abatement and 380 - CAS.pdf
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**TAX ABATEMENT AND CHAPTER 380 AGREEMENT
BY AND BETWEEN
COMPRESSED AIR SYSTEMS, L.L.C.
AND
THE CITY OF KENNEDALE, TEXAS**

This Tax Abatement and Chapter 380 Agreement ("**Agreement**") is made and entered into by and between the City of Kennedale, Texas ("**City**") and Compressed Air Systems, L.L.C., a Texas limited liability company ("**Company**"), for the purposes and considerations stated below. City and Company may sometimes hereafter be referred to individually as a "**Party**" or collectively as the "**Parties**."

WITNESSETH:

WHEREAS, on or about May 21, 2019, the City adopted Resolution No. _____ electing to become eligible to participate in tax abatement agreements, in accordance with Section 312.002(a) of the Texas Tax Code; and

WHEREAS, at such times the City also adopted and/or reaffirmed tax abatement guidelines and criteria, in accordance with Section 312.002 of the Texas Tax Code (hereinafter referred to as the "**City's Tax Abatement Guidelines and Criteria**"); and

WHEREAS, the City's Tax Abatement Guidelines and Criteria constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City, as contemplated by Chapter 312 of the Texas Tax Code, as amended; and

WHEREAS, on or about _____, the City Council of the City of Kennedale, Texas, adopted Ordinance No. _____ establishing a Tax Abatement Reinvestment Zone ("**Zone**") in the City of Kennedale, Texas, for commercial-warehouse tax abatement, as authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code; and

WHEREAS, Company owns or will own the real property located within the Zone; and

WHEREAS, this abatement of real and tangible personal property taxes will maintain and enhance the economic and employment base of the City, thereby benefiting the City, in accordance with the Tax Abatement Guidelines and Criteria and the Property Redevelopment and Tax Abatement Act; and

WHEREAS, the City Council of the City of Kennedale, Texas, finds that the contemplated use of the Real Property, and the improvements to the Real Property as set forth in this Agreement, and the other terms hereof are consistent with encouraging continued reinvestment within said Reinvestment Zone in the City of Kennedale, Texas, in accordance with the purposes for its creation, and are in compliance with the City's Tax Abatement Guidelines and Criteria, and Chapter 312 of the Texas Tax Code; and

WHEREAS, Company acknowledges and agrees that the tax abatements granted by this Agreement are contingent upon its compliance with this Agreement in accordance with the terms and conditions set forth herein; and

WHEREAS, the City desires to provide incentives to the Company pursuant to Chapter 380 of the Texas Local Government Code to locate Company's warehouse distribution facility to the City; and

WHEREAS, the City has concluded and hereby finds that this Agreement promotes economic development in the City of Kennedale, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution, by assisting in the development and diversification of the economy of the State and City, by eliminating unemployment or underemployment in the State and City, and will enhance business and commercial activity within the State and City; and

WHEREAS, the City finds that it is in the public interest to provide the tax abatement and incentives contemplated by this Agreement;

NOW THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

The following words shall have the following meanings when used in this Agreement:

The terms "Agreement", "City", "City's Tax Abatement Guidelines", "Company", "Parties", "Party", and "Zone" shall have the meanings provided above.

"Base Year Tax Value" means the assessed value of the Real Property according to the Tarrant Appraisal District for Tax Year 2019.

"Capital Investment" means the actual cost incurred related to the construction of the Facility, including the actual construction costs of all buildings, renovations, site preparation, structures, infrastructure, offsite improvements (if any), utilities, landscaping and onsite improvements, including labor and materials, engineering costs, surveying costs, fees of consultants, and permit and inspection fees. It does not include cost of land, insurance costs, legal fees and expenses, marketing costs or any interest paid to finance the cost of Capital Investment.

"Certificate of Occupancy" means the document issued by the City to Company certifying the Facility's compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupation.

"Commence Construction" means that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of the Facility; (ii) all necessary permits for the construction of the Facility on the Real Property pursuant to the respective plans therefore having been issued by all governmental authorities; and (iii) the entire slab foundation of the Facility has been poured.

“Effective Date” shall mean the last date this Agreement is executed by the Parties.

“Expiration Date” shall mean the December 31 of the calendar year following the expiration of the last tax abatement provided herein, unless sooner terminated in accordance with the terms of this Agreement.

“Event of Bankruptcy or Insolvency” means the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of receiver for any part of such Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Facility” means the facility to be constructed by Company on the Real Property, comprising of a minimum of 50,000 square feet of warehouse space, a minimum of 15,000 square feet of outside covered storage, a minimum of 8,000 square feet of office space, as well as the infrastructure, driveways, parking, landscaping and other improvements required to be constructed on the Real Property.

“First Year of Abatement” shall mean the second January 1 of the calendar year immediately following the date Company receives a Certificate of Occupancy for the Facility.

“Force Majeure” means any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the Party), fires, explosions, floods, strikes, slowdowns or work stoppages.

“Full-Time Equivalent Jobs” means any employee on a forty (40) hour or more per week schedule or the combination of two (2) or more employees on part-time schedules equaling at least forty (40) hours per week.

“Impositions” means all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company or any property or any business owned by Company within the City.

“Real Property” means approximately 13.55 acres of land and the Facility constructed on such land, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale {need plat reference}

“Related Agreement” means any agreement (other than this Agreement) by and between City and Company.

“Tangible Personal Property” shall have the same meaning assigned by Texas Tax Code,

Section 1.04, and shall mean Tangible Personal Property owned by Company, including but not limited to furniture, fixtures, leasehold improvements, vehicles and equipment located at the Real Property (or within the Facility) which, at the time of execution of this Agreement is not on the tax rolls of the City. Tangible Personal Property does not include inventory, supplies, Freeport Goods or Goods in Transit.

“Tax Year” shall have the meaning assigned to such term in Section 1.04 of the Texas Tax Code (i.e., the calendar year).

“Taxable Value” means the appraised value as certified by the Tarrant Appraisal District as of January 1 of a given year.

“Term” shall have the meaning assigned to such term in Section 2.2.

ARTICLE 2 PROGRAM AND TERM

2.1 Program. A program authorized under Chapter 380 of the Texas Local Government Code is hereby established to bring the Company to the City. The terms of this Agreement shall implement the program.

2.2 Term. The Term of this Agreement will commence on the Effective Date and will continue until the Expiration Date, unless sooner terminated as provided herein.

ARTICLE 3 COMPANY OBLIGATIONS

As consideration for the tax abatements, fee waivers, and other incentives provided by City, the Company agrees and covenants as follows:

3.1 Construction of Facility. Company agrees to design and construct, or cause to be designed and constructed, the Facility. Company must (i) Commence Construction of the Facility no later than January 1, 2020; and (ii) receive a Certificate of Occupancy for the Facility no later than June 1, 2021.

3.2 Capital Investment. Company agrees to make a Capital Investment of no less than \$2,750,000.00 and provide documentation of the expenditure of the Capital Investment in a manner and form reasonably acceptable to the City Manager of City no later than July 1, 2021.

3.3 Occupancy. Company agrees to continuously operate its business within the Facility beginning on the date the Company receives a Certificate of Occupancy for the Facility and continuing thereafter throughout the Term of this Agreement.

3.4 Full-Time Equivalent Jobs. Company covenants and agrees that it shall employ (or cause to be employed) no fewer than 65 Full-Time Equivalent Jobs at the Facility by January 1, 2022

and maintain no fewer than 75 Full-Time Equivalent Jobs at the Facility from January 1, 2022 throughout the Term of this Agreement.

3.5 Taxable Value. Company agrees that beginning on the commencement of the First Year of Abatement and continuing thereafter throughout the Term, the total Taxable Value of the Tangible Personal Property and Real Property will be at least \$4,000,000.

3.6 Good Standing. Company shall not have an uncured breach or default of this Agreement or a Related Agreement.

3.7 Audit. Company shall grant access to City, or such other persons or entities designated by City for the purposes of inspecting, at Company's office, during Company's normal business hours, paper and electronic records, books, documents, tangible accounting procedures, tangible practices or any other items related to Company's performance of this Agreement ("Company Records"), provided that City has provided five (5) business days prior notice, and City or its representatives shall not unduly disrupt Company's operations. The foregoing notwithstanding, all records, books, documents, accounting procedures, practices or any other items relevant to the performance of this Agreement shall be subject to examination or audit by City, or such other persons or entities designated by City in accordance with state and federal laws, regulations or directives applicable to Company's performance of this Agreement. City agrees, to the extent allowed by law, to maintain the confidentiality of the Company Records.

ARTICLE 5 TAX ABATEMENT AND INCENTIVES

Subject to Company's continued satisfaction of its obligations as required by this Agreement, and subject to the provisions of this section, City will be obligated to do the following:

5.1 Tax Abatement.

(a) Subject to the terms and conditions of this Agreement, City hereby grants Company an abatement of eighty percent (80%) of the Taxable Value of the Real Property and grants Company an abatement of eighty percent (80%) of the Taxable Value of the Tangible Personal Property, for a period of ten (10) consecutive years, beginning with the First Year of Abatement. The actual percentage of Taxable Value of the Real Property subject to abatement for each year this Agreement is in effect will apply only to the portion of the Taxable Value of the Real Property that exceeds the Base Year Tax Value. The actual percentage of Taxable Value of the Tangible Personal Property subject to abatement for each year this Agreement is in effect will apply only to Company's Tangible Personal Property that is added to the Facility subsequent to the execution of this Agreement. Notwithstanding any term in this Agreement to the contrary, the amount of taxes abated under this Agreement will not exceed \$450,000.

(b) Notwithstanding the foregoing, if as of January 1 of any given Tax Year, the Taxable Value of the Tangible Personal Property and Real Property is below \$4,000,000

as required by Section 3.5, Company will not be entitled to any abatement. The failure of the value of the Tangible Personal Property and Real Property to have a Taxable Value of \$4,000,000 as of January 1 of any given Tax Year shall not be an event of default subject to termination and repayment pursuant to Section 6.2 of this Agreement, but shall result in the forfeiture of the tax abatement for such Tax Year.

(c) The Real Property and Facility are not in an improvement project financed by tax increment bonds.

(d) This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.

(e) The Real Property is not owned or leased by any member of the City's City Council or any member of the City's Planning and Zoning Commission.

(f) Company shall, before May 1 of each calendar year that the Agreement is in effect, certify in writing to the City that it is in compliance with each term of the Agreement.

(g) The Real Property and the Facility constructed thereon at all times shall be used in the manner (i) that is consistent with the City's Comprehensive Zoning Ordinance and all other City development and building regulations, as amended, and (ii) that, during the period taxes are abated hereunder, is consistent with the general purposes of encouraging development or redevelopment of the Zone.

(h) It shall be the responsibility of Company to file an annual exemption application form for the Real Property and Tangible Personal Property with Tarrant Appraisal District. A copy of the respective exemption application shall be submitted to the City upon request.

(i) Company shall annually render the value of the Tangible Personal Property to the Tarrant Appraisal District, and provide a copy of the same to City upon written request.

(j) Company agrees to provide access to and authorize inspection of the Real Property and Facility by City employees to ensure that the Facility is constructed in accordance to the specifications and conditions of this Agreement.

5.4 Permit Fee Waiver. The City agrees to waive 100% of the following permit and related fees for construction of the Facility: building permit fees, electrical permit fees, mechanical permit fees, plumbing permit fees, plan review fees, and lighting plan review fees. Any fees not referenced herein as being waived are specifically deemed not to be waived by the City.

5.5 Road and Utility Improvements. City agrees to repave a portion of Linda Road, from Dick Price Road to the Company's future driveway entrance on the Property as shown on the attached Exhibit A, meeting all City standards and specifications. City will also replace water and sewer infrastructure under or adjacent to Linda Road. City will make the water and sewer

improvements at its sole cost and expense. As a condition to receiving a Certificate of Occupancy for the Facility, Company will reimburse City for the repaving of Linda Road in an amount equal to the lesser of (i) the actual cost of construction of such repaving; or (ii) \$150,000. Although City will be responsible for the procurement and construction of the improvements contemplated by this section, the Parties agree to cooperate together in good faith without unreasonable delay throughout the process to ensure that such improvements are made in a timely manner.

ARTICLE 6 TERMINATION; REPAYMENT; OFFSET

6.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) by mutual written agreement of the Parties;
- (b) upon written notice by either Company or City, if the other Party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof;
- (c) upon written notice by City, if any Impositions owed to City or the State of Texas by Company shall have become delinquent;
- (d) upon written notice by City, if Company suffers an event of Bankruptcy or Insolvency;
- (e) upon written notice by City, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

6.2 Repayment. In the event this Agreement is terminated by City pursuant to Section 6.1 (b), (c), (d), or (e), Company shall immediately refund to City: (i) an amount equal to the amount of all fee waivers that have been provided by City to Company prior to the date of such termination, plus interest at the rate of interest periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by City) as its prime or base commercial lending rate, accruing from the Effective Date until paid; and (ii) the amount of all Tangible Personal Property and Real Property taxes abated under this Agreement. The repayment obligations of Company set forth in this Section shall survive termination of this Agreement.

6.3 Offsets. City may, at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to City from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or

otherwise, and regardless of whether or not the debt due City has been reduced to judgment by a court.

ARTICLE 7 MISCELLANEOUS

7.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and assigns of the Parties.

7.2 Limitation on Liability. It is understood and agreed between the Parties that Company, in satisfying the conditions of this Agreement, is deemed to have acted independently, and City assumes no responsibilities or liabilities to third parties in connection with these actions.

7.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties.

7.4 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

7.5 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter if sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below (or such other address as such Party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for City, to:

City of Kennedale, Texas
Attn: Economic Development Director
2121 Cross Timbers Rd.
Kennedale, TX 75028

With a copy to:

Kennedale City Attorney
Taylor, Olson, Adkins, Sralla & Elam, LLP
6000 Western Place, Suite 200
Fort Worth, Texas 76107

If intended for Company, to:

Compressed Air Systems, LLC

7.6 Entire Agreement. This Agreement is the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any exhibits attached hereto.

7.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas, and exclusive venue for any action concerning this Agreement shall be in a State District Court of Tarrant County, Texas.

7.8 Amendment. This Agreement may only be amended by the mutual written agreement of the Parties.

7.9 Legal Construction. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

7.10 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

7.11 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

7.12 Successors and Assigns. This Agreement may not be assigned without the prior written consent of the City.

7.13 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

7.14 Limitation of Damages. The Parties agree that no Party will be liable to the other under this Agreement for indirect, special, consequential damages (including lost profits), or exemplary damages.

7.15 Legislative or Judicial Changes. In the event of any legislative or judicial interpretation that limits or restricts City's ability to abate taxes, or otherwise extracts or imposes any penalty or other restriction upon the abatement of taxes, abatements will cease as of the effective date of such limitation or restriction and be of no further force, effect, or consequence in which event City shall be under no further obligation to Company or City as of the effective date of such limitation or restriction.

7.16 Undocumented Workers. Company certifies that Company, and its branches, divisions and departments, do not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Company, or any of its branches, divisions or departments is convicted of a violation under 8 U.S.C. § 1324a(f), Company shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of six percent (6%), not later than the 120th day after the date City notifies Company of the violation.

7.17 Governmental Function. The Parties agree that this Agreement concerns tax collection and serves the public purpose of contributing to the retention or expansion of primary employment or to attraction of major investment in the reinvestment zone that would be a benefit to the Real Property. The Parties further agree this Agreement serves the public purpose of assisting in the development and diversification of the economy of the City and the State of Texas, eliminating unemployment or underemployment of the State, and developing and expanding commerce in the State, and is for all purposes a governmental function of City for the benefit of the citizens of City and the State of Texas. The Parties further agree that this Agreement is entered into for the purpose of carrying out governmental functions which are enjoined on the City by law and given to it by the State of Texas as part of the State's sovereignty.

7.18 Attorney's Fees. In the event it should become necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing Party in such action shall be entitled to recover from the non-prevailing Party reasonable attorney's fees and costs of court.

[Signatures on following page]

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, on this ____ day of _____, 2019.

CITY:

CITY OF KENNEDALE, TEXAS

Brian Johnson, Mayor

STATE OF TEXAS)
)
COUNTY OF TARRANT)

This instrument was acknowledged before me on the ____ day of _____, 2019, Brian Johnson, Mayor of the City of Kennedale, Texas, a Texas home rule municipality, on behalf of said City.

Notary Public, State of Texas

COMPANY:

COMPRESSED AIR SYSTEMS, LLC

By: _____
Name: _____
Title: _____

STATE OF _____)
)
COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 2019,
by _____, the _____ of COMPRESSED
AIR SYSTEMS, LLC, a Texas limited liability company, on behalf of said limited liability
company.

Notary Public, State of Texas

EXHIBIT A

Roadway and Utility Improvements

DRAFT



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - E.

I. Subject:

Consider authorizing the EDC President to enter into an Economic Development and Performance Agreement with Compressed Air Systems, L.L.C

II. Originated by:

George Campbell, City Manager

III. Summary:

In an effort to attract development and jobs to the City of Kennedale, staff has been in discussions with Compressed Air Systems (CAS) regarding a potential relocation of their facility and employees to Kennedale. CAS is currently based in Grand Prairie and is seeking to relocate to a property with at least 12 acres to build a 55,000–70,000 square foot facility.

CAS is a family-owned business that has been in operation since February 1980 and has manufactured over 39,000 compressor packages in the past decade. The company would invest approximately \$3 million in a new facility and bring approximately 72 full-time jobs upon completion of construction, expanding to 90 employees by 2022.

The Economic Development Corporation (EDC) owns a 13.55-acre property on Linda Road (at Gail Drive) that meets the requirements that CAS needs for their facilities. This is a property that is currently vacant and generates no property tax revenue to the City. The redevelopment of this property would bring significant value to the city in the form of property tax and sales tax revenue and job creation. Although a challenging site to develop because of the topography, the site works well for loading docks that CAS needs.

City staff and CAS representatives have worked to develop a potential economic development agreement for a new CAS facility on the above EDC property. The Economic Development Corporation board discussed potential terms for an agreement regarding the EDC owned land with CAS and voted unanimously to support the following terms at their regular meeting on May 28, 2019:

- CAS will execute the contract of sale within 30 days
- CAS will build a new facility of a minimum 50,000 square feet, 15,000 square feet of outside covered storage and 8,000 square feet of office space and commence construction no later than January 1, 2020
- CAS will receive a CO no later than June 1, 2021
- CAS will make a capital investment of no less than \$2.75 million
- CAS continuously operate its business beginning on the CO date and continuing through the term of the agreement
- CAS will maintain a minimum of 65 primary jobs until 2022 and 75 jobs from 2022 through the terms of the agreement
- EDC to provide above-mentioned property to CAS at no cost

The proposed Economic Development and Performance Agreement with Compressed Air Systems, L.L.C. is attached. Staff recommends approval, and will be available to answer questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:

1.	Performance Agreement 6 3 19 CAS	Performance Agreement 6 3 19 CAS.pdf
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**ECONOMIC DEVELOPMENT AND PERFORMANCE AGREEMENT
BY AND BETWEEN THE
KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
AND
COMPRESSED AIR SYSTEMS, L.L.C.**

This Economic Development and Performance Agreement (“**Agreement**”) is made and entered into by and between the KENNEDALE ECONOMIC DEVELOPMENT CORPORATION (“**Corporation**”), a nonprofit corporation organized under Title 12, Subtitle C1, of the Texas Local Government Code (“**Act**”), and COMPRESSED AIR SYSTEMS, L.L.C., a Texas limited liability company (“**Company**”). Company and the Corporation may sometimes hereafter be referred to individually as a “party” or collectively as the “parties.”

RECITALS:

WHEREAS, Corporation owns a tract of real property situated in the City of Kennedale, Texas, being that certain 13.55 acres of land, more or less, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale (“**Property**”); and

WHEREAS, Company desires to acquire the Property from Corporation for the purpose of constructing a new warehouse manufacturing facility and relocating its business to the City of Kennedale; and

WHEREAS, Company desires to also seek incentives from the City of Kennedale and anticipates to enter into an Economic Development Agreement (as defined below) with the City for such purposes; and

WHEREAS, as a term of the Economic Development Agreement, City, at its cost, will be replacing water and sewer infrastructure under or adjacent to Linda Road, which abuts the Property; and

WHEREAS, City, at Company’s cost, will be reconstructing the pavement on a portion of Linda Road from Dick Price Road to the Company’s future driveway entrance on the Property; and

WHEREAS, Company and Corporation desire to enter into a contract of sale whereby Corporation will convey the Property to Company at no price; and

WHEREAS, at closing, Company will execute a Deed of Trust (as defined below) to secure its obligations under this Agreement; and

WHEREAS, in consideration of Corporation conveying the Property to Company, Company agrees to make certain improvements, achieve a defined capital investment, and create and maintain primary jobs as further described in this Agreement; and

WHEREAS, in the event Company were to default on its obligations within this Agreement, the Loan (as described below) will become due and payable; and

WHEREAS, the sale of the property is a “project” under the Act and the Board of Directors of Corporation finds that the land will be used for the creation or retention of primary jobs and is required or suitable for the development, retention, or expansion of manufacturing and industrial facilities.

NOW THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meanings unless the context clearly indicates a different meaning:

“Act,” “Agreement,” “Corporation,” and “Company,” have the meanings set forth above.

“Appraised Value” has the meaning as described in Section 4.02(a) of this Agreement.

“Capital Investment” means the actual cost incurred related to the construction of the Facility, including the actual construction costs of all buildings, renovations, site preparation, structures, infrastructure, offsite improvements (if any), utilities, landscaping and onsite improvements, including labor and materials, engineering costs, surveying costs, fees of consultants, and permit and inspection fees. It does not include cost of land, insurance costs, legal fees and expenses, marketing costs or any interest paid to finance the cost of Capital Investment.

“CO Date” is the date on which Company receives a Certificate of Occupancy for the Facility.

“Certificate of Occupancy” means the document issued by the City to Company certifying that the Facility is in compliance with applicable building codes and other laws, and indicating it to be in a condition suitable for occupancy.

“City” means the City of Kennedale, Texas.

“Contract of Sale” means the contract between Corporation and Company attached hereto as Exhibit A.

“Commence Construction” means that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of the Facility; (ii) all necessary permits for the construction of

the Facility on the Property pursuant to the respective plans therefore having been issued by all governmental authorities; and (iii) the entire slab foundation of the Facility has been poured.

“Deed of Trust” means the deed of trust which secures the Loan and which is attached to the Contract of Sale.

“Director” means the Executive Director of Corporation.

“Economic Development Agreement” means the Tax Abatement and 380 Agreement executed on _____ between Company and City.

“Effective Date” means the date this Agreement is fully executed by both the Corporation and Company.

“Expiration Date” shall mean the date the Economic Development Agreement between Company and City terminates.

“Facility” means the facility to be constructed by Company on the Property, comprising of a minimum of 50,000 square feet of warehouse space, a minimum of 15,000 square feet of outside covered storage, a minimum of 8,000 square feet of office space, as well as the infrastructure, driveways, parking, landscaping and other improvements required to be constructed on the Property.

“Loan” means the lesser of \$300,000 or the Appraised Value, which represents the value of the Property, and as further described in Section 4.02 of this Agreement.

“Property” means 13.55 acres of land, more or less, known as Lot 1A2, Block 1 of the Harris Corporation Addition, City of Kennedale {need plat reference}.

“Term” means the term of this Agreement as described in Article 2 of this Agreement.

“Title Company” means Reunion Title, 1000 N. Walnut Creek Drive, Mansfield, Texas 76063, or another title Company at Corporation’s discretion.

ARTICLE 2 TERM

The Term of this Agreement will begin on the Effective Date and continue thereafter until the Expiration Date, unless terminated earlier in accordance with the terms of this Agreement.

ARTICLE 3 COVENANTS OF COMPANY

3.01 Company Obligations. In consideration of Corporation agreeing to sell the Property to Company in accordance with the terms and conditions of this Agreement and the Contract of Sale, Company, agrees to:

- (a) Execute the Contract of Sale within (thirty) 30 days of the Effective Date;
- (b) Commence Construction of the Facility no later than January 1, 2020;
- (c) Receive a Certificate of Occupancy for the Facility no later June 1, 2021;
- (d) Make a Capital Investment of no less than \$2,750,000.00 and provide documentation of the expenditure of the Capital Investment in a manner and form reasonably acceptable to the Director no later than July 1, 2021.
- (e) Continuously operate its business within the Facility beginning on the CO Date and continuing throughout the Term of this Agreement; and
- (f) From the CO Date until January 1, 2022, create and maintain 65 primary jobs, as that term is defined in section 501.002 of the Act, as amended, within Facility, and create and maintain 75 primary jobs from January 1, 2022 throughout the Term of this Agreement.

ARTICLE 4 TERMINATION AND REMEDIES

4.01 Termination. This Agreement may be terminated upon any one or more of the following:

- (a) by mutual written agreement of the parties; or
- (b) upon written notice by Corporation, if:
 - (i) Company fails to execute the Contract of Sale;
 - (ii) upon written notice by Corporation, if the Contract of Sale is terminated or the sale of the Property to Company otherwise fails to close; or
- (c) upon written notice by Corporation, if Company defaults or breaches any of the other terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof.

4.02 Remedies.

- (a) In the event this Agreement is terminated by Corporation under Section 4.01(c), Company will be obligated to pay the Loan to Corporation. The amount of the Loan to be repaid will be the lesser of: (i) the fair market value of the Property as appraised at the time of

termination of this Agreement (“**Appraised Value**”); or (ii) \$300,000. The Appraised Value will be determined by an independent appraiser selected by the Director. The appraiser will deliver his or her appraisal to the Parties, and Company must pay the Loan to Corporation within 30 days of its receipt of the appraisal.

(b) Notwithstanding the provisions hereof, the Loan shall be forgiven and not be payable to Corporation upon completion of the affirmative covenants specified in Section 3 of this Agreement. However, the Loan, not previously forgiven under the foregoing, shall not be forgiven in the event this Agreement is terminated under Section 4.01(c), and shall become immediately due and payable in accordance with this Agreement.

(c) In the event this Agreement is terminated under Section 4.01(c), Corporation, and its successors and assigns, will be entitled to foreclose on the Deed of Trust; provided however, once Company has commenced construction in compliance Section 3.01(b) of this Agreement, Corporation will not be entitled to foreclose on the Deed of Trust, and its only remedies are collecting on this Agreement, or any other remedy available at law or in equity.

(d) Corporation’s remedies under this section 4.02 will survive the termination of this Agreement.

ARTICLE 5 INDEMNIFICATION

COMPANY, IN PERFORMING THE OBLIGATIONS UNDER THIS AGREEMENT, IS ACTING INDEPENDENTLY, AND THE CORPORATION ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH THE FACILITY. COMPANY AGREES TO INDEMNIFY, AND HOLD HARMLESS THE CORPORATION, ITS DIRECTORS, OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR OFFICIAL AND INDIVIDUAL CAPACITIES, FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING, BUT NOT LIMITED TO, EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, AND ATTORNEYS FEES WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF USE, OR DAMAGE TO PROPERTY, ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE PERFORMANCE BY COMPANY OF THE OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF COMPANY, OR ITS OFFICERS, AGENTS, EMPLOYEES, OR CONTRACTORS.

ARTICLE 6 ACCESS TO INFORMATION

Upon the Corporation’s request, Company agrees to provide the Corporation access to contract documents, invoices, receipts and reports related to the Facility to verify Company’s compliance with this Agreement. Additionally, Company shall, before January 1 of each

calendar year that the Agreement is in effect, certify in writing to Director that it is in compliance with each term of the Agreement, including, but not limited to primary job obligations in Article 3 of this Agreement.

ARTICLE 7 GENERAL PROVISIONS

7.01 Mutual Assistance. Company and the Corporation shall do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

7.02 Representations and Warranties. Company represents and warrants to the Corporation that it has the requisite authority to enter into this Agreement. Company represents and warrants to the Corporation that it will not violate any federal, state or local laws in operating the business, and that the Facility shall conform to the applicable building codes, zoning ordinances and all other ordinances and regulations.

7.03 Section or Other Headings. Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

7.04 Entire Agreement. This Agreement, the Economic Development Agreement, the Contract of Sale, the Deed of Trust, and their exhibits contain the entire agreement between the parties with respect to the transaction contemplated herein.

7.05 Amendment. This Agreement may only be amended, altered, or revoked by written instrument signed by Company and the Corporation.

7.06 Assignment. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns. Company may not assign any portion of this Agreement without the prior approval of Corporation.

7.07 Notice. Any notice required or permitted to be delivered by this Agreement shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

COMPANY:

Compressed Air Systems

ATTN:

CORPORATION: Kennedale Economic Development Corporation
405 Municipal Dr.
Kennedale, TX 76060
Attn: Executive Director

With a copy to: Kennedale Economic Development Corporation Attorney
Taylor, Olson, Adkins, Sralla & Elam, LLP
6000 Western Place, Suite 200
Fort Worth, Texas 76107

7.08 Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

7.09 Applicable Law/Venue. This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas; exclusive venue for any legal action arising out of this Agreement shall lie in Tarrant County, Texas.

7.10 Severability. In the event any provision of this Agreement is ruled illegal, invalid, or unenforceable by any court of proper jurisdiction, under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement, upon which the parties must agree, and which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

7.11 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

7.12 No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a Company or joint venture between the parties.

7.13 Force Majeure. If either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder (other than the payment of money) by reason of strikes, lockouts, inability to procure materials, failure of power, governmental moratorium or other governmental action or inaction (including, failure, refusal or delay in issuing permits, approvals or authorizations), injunction or court order, terrorist attacks, riots, insurrection, war, fire, earthquake, flood or other natural disaster or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Agreement (but excluding delays due to financial inability), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, provided that the foregoing shall not be applicable to any payment obligation of either party under this Agreement.

7.14 Attorney's Fees. In the event it should become necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party reasonable attorney's fees and costs of court.

7.15 Limitation of Liability. The parties further agree that neither party will be liable to the other under this Agreement for indirect, special, consequential (including lost profits), or exemplary damages.

7.16 Governmental Function. The parties agree that this Agreement serves the public purpose of assisting in the development and diversification of the economy of City and the State of Texas, eliminating unemployment or underemployment of the State, and developing and expanding commerce in the State, and is for all purposes a governmental function of City and Corporation for the benefit of the citizens of City and the State of Texas. The parties further agree that this Agreement is entered into for the purpose of carrying out governmental functions which are enjoined on Corporation, by virtue of its relationship with its authorizing unit, the City of Kennedale, by law, and given to it by the State of Texas as part of the State's sovereignty.

7.17 City Council Approval. This Agreement, and any subsequent amendment to this Agreement, is not valid unless first approved by the City Council of the City of Kennedale.

7.18 Full Execution Required. This Agreement will not be binding on either party unless fully executed by both parties.

7.19 Recording. The parties agree that Corporation may record this Agreement and its exhibits in the Real Property Records of Tarrant County, Texas.

[Signatures on following page]

**KENNEDALE ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Mark Yeary, Board President

Date: _____

ATTEST:

Board Secretary

COMPRESSED AIR SYSTEMS, L.L.C.,
a Texas limited liability company

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT “A”
The Contract of Sale

DRAFT



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - F.

I. Subject:

Consider approval of Ordinance 663, amending the Kennedale Municipal Code, by amending Exhibit A "Schedule of Fees" of Section 2-3, "Fees for licenses, inspections, permits, etc." to provide for a residential building permit fee based on square footage

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

Staff is proposing an amendment to the adopted schedule of administrative fees in response to the passing of H.B. 852 (attached) relating to information a municipality may consider in determining the amount of certain residential building permit and inspection fees.

This bill was passed by the State Legislature on May 21, 2019 (effective immediately), and prohibits municipalities from considering certain measures of the valuation of a structure when determining building and inspection fees and would prohibit certain disclosures as a condition of obtaining a permit. These fees have historically been calculated based on valuation because construction costs usually relate to the complexity of plans under review. However, under the proposed amended fee schedule, permit fees will now be calculated using square footage, in keeping with the requirements of H.B. 852.

Current residential building permit fees are determined based on the valuation of the project. Staff researched fees related to square footage that have been recently adopted by other cities. Staff also analyzed various rates per square foot and compared the fees for the most common types of new construction to current fees. Staff is proposing calculating residential building permit fees for new construction at \$0.85 per square foot (rather than by value of construction). Staff will be available to respond to questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:

1.	Texas-2019-HB852-Enrolled	Texas-2019-HB852-Enrolled.pdf
2.	O663_Schedule of Fees Update Regarding Residential Permit Fees	O663_Schedule of Fees Update Regarding Residential Permit Fees.pdf

AN ACT

relating to information a municipality may consider in determining the amount of certain building permit and inspection fees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter Z, Chapter 214, Local Government Code, is amended by adding Section 214.907 to read as follows:

Sec. 214.907. PROHIBITION ON CERTAIN VALUE-BASED BUILDING PERMIT AND INSPECTION FEES. (a) In determining the amount of a building permit or inspection fee required in connection with the construction or improvement of a residential dwelling, a municipality may not consider:

(1) the value of the dwelling; or

(2) the cost of constructing or improving the dwelling.

(b) A municipality may not require the disclosure of information related to the value of or cost of constructing or improving a residential dwelling as a condition of obtaining a building permit except as required by the Federal Emergency Management Agency for participation in the National Flood Insurance Program.

SECTION 2. Section 214.907(a), Local Government Code, as added by this Act, applies only to a building permit or inspection fee assessed by a municipality on or after the effective date of this Act in connection with the construction or improvement of a residential dwelling.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I certify that H.B. No. 852 was passed by the House on April 16, 2019, by the following vote: Yeas 126, Nays 9, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 852 was passed by the Senate on May 8, 2019, by the following vote: Yeas 29, Nays 2.

Secretary of the Senate

APPROVED: _____
Date

Governor

ORDINANCE NO. 663

AN ORDINANCE AMENDING THE KENNEDALE CITY CODE, BY AMENDING EXHIBIT A "SCHEDULE OF FEES" OF SECTION 2-3, "FEES FOR LICENSES, INSPECTIONS, PERMITS, ETC." TO PROVIDE FOR A RESIDENTIAL BUILDING PERMIT FEE BASED ON SQUARE FOOTAGE; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY FOR VIOLATION; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas is a home rule city acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City has previously adopted regulations for the issuance of building permits within the City and has provided for the collection of fees in connection therewith; and

WHEREAS, the City Council, after due and careful consideration, considers it desirable and in the best interest of the health, safety, morals and general welfare of the citizens to amend the fees related to the issuance of residential building permits within the City.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THAT:

SECTION 1.

The Schedule of Fees adopted in Section 2-3 "Fees for licenses, inspections, permits, etc." of the Kennedale City Code is hereby amended to distinguish between residential building permit fees and non-residential building permit fees as shown on Exhibit "A" to this Ordinance.

SECTION 3.

This ordinance shall be cumulative of all provisions of all existing ordinances and of the Kennedale City Code (1991), as amended, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinances. All fees in Exhibit A "Schedule of Fees" of Section 2-3 "Fees for licenses, inspections, permits, etc." that are not revised in Exhibit "A" to this Ordinance shall remain unchanged.

SECTION 4.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 5.

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this ordinance shall be fined not more than Five Hundred Dollars (\$500.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 6.

All rights and remedies of the City of Kennedale are expressly saved as to any and all violations of the provisions of the Kennedale City Code or any other ordinances regulating noise which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 7.

The City Secretary of the City of Kennedale is hereby directed to publish in the official newspaper of the City of Kennedale the caption, penalty clause, publication clause and effective date clause of this ordinance as provided by Section 3.10 of the Charter of the City of Kennedale.

SECTION 8.

This ordinance shall be in full force and effect from and after its passage and publication and it is so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ON THE 20th DAY OF JUNE, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY, DREW LARKIN

EXHIBIT A

SERVICE	COST	NOTES
ADMINISTRATIVE		
CHECK AND CREDIT CARD TRANSACTIONS		
Credit Card Payments		
Municipal Court and Permitting	3.0%	When payment of any fee, fine, court cost, or other charge related to Kennedale Permitting is made by credit card via phone, online or in-person, a fee equaling three (3) percent per fee, fine, or other charge paid by credit card will be added to the fee, fine, or other charge paid.
Utility Billing	2.8%	When payment of any utility billing charge related to Kennedale Utility Billing is made by credit card via phone, mail, online or in-person to City of Kennedale or Fathom Global, a fee equaling 2.8 percent per fee, fine or other charge paid by credit card will be added to the charge paid.
Other Departments Not Listed	No Charge	When payment of any fee or other charge related to any other miscellaneous activity not listed department is made by credit card online, by phone (817-985-2120), or in-person, no fee will be required.
Returned Check/Declined Credit Transaction Fee (All Departments)	\$30.00	
CODE ENFORCEMENT		
Lien Assessment Fee	Actual Cost	Plus \$100.00 administrative fee
Mowing, Cleaning, and/or Boarding Property (By Contractor)	Actual Cost	Plus \$100.00 administrative fee
FACILITY RENTALS/RESERVATIONS		
<i>Ballfields (Village Street off of Averett Rd.; Subfacility of Sonora Park)</i>		
General Reservations (Residents and Non-Residents)	\$25.00	Per two (2) hour block
Kennedale Youth Association (KYA) Annual Lease Agreement		
<i>Community Center (316 W Third St.; in the Kennedale Public Library Building)</i>		
Deposit (applies to all Community Center rentals)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$40.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$50.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
Residents	\$30.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$40.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
<i>Pavilions (TownCenter Park at 405 Municipal Drive; Sonora Park at 263 S. New Hope Rd.)</i>		
Deposit (applies to all pavilion rentals)	\$50.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$120.00	For 2 Hours, \$180 For 4 Hours, \$230 For 6 Hours, \$280 For 8 Hours
Residents	\$60.00	For 2 Hours, \$90 For 4 Hours, \$115 For 6 Hours, \$140 For 8 Hours
<i>Senior Center Banquet Room (420 Corry A. Edwards Dr.)</i>		
Deposit (Members)	\$75.00	May be returned, dependent upon satisfactory inspection by staff
Members	\$75.00	Per day
Deposit (Non-Members)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Members	\$125.00	Per day

LIBRARY		
Overdue Book	\$0.25	Per day
Photocopies From Copier (Only Black and White Available)	\$0.10	Per page
Printouts From Computer	\$0.25	Per page
Materials Lost or Damaged Beyond Repair	\$5.00	Processing fee + listed retail price
Repair of Inventory Material	Actual Cost	
Replace Lost or Damaged Audiobook Binder	\$5.00	
Replace Lost or Damaged CD Case	\$1.00	
Replace Lost or Damaged DVD Case	\$2.00	
Interlibrary Loan	No Charge	
Library Card Replacement	\$2.00	
Repair of CD/DVD	\$1.00	
Transmittal Fax Only (Local)	\$1.00	First page, \$0.25 each additional page
Transmittal Fax Only (Long Distance)	\$2.00	First page, \$0.50 each additional page
POLICE DEPARTMENT		
Fingerprinting of Residents for Background Checks	\$7.50	Per Card
Vehicle Accident Report	\$6.00	Per copy
Offense or Arrest Report	\$1.50	Per report, plus \$0.10 per page for additional copies
SERVICE	COST	NOTES
PERMITS AND INSPECTIONS		
NOTE: Minimum Fee For Any Single Permit or Inspection, Listed or Unlisted, Regardless of Department	\$55.00	Excluding signs
Building Permit for Residential Construction (single family, two family and townhome)	\$0.85	per square foot
Construction Table Based on Total Valuation of Project (Used for Building Code Pricing Below)		
Building Permit for Non-Residential Construction Based on Total Valuation of Project (Used for Building Code Pricing Below)		
\$1.00 to \$500.00	\$23.50	
\$501.00 to \$2,000.00	\$23.50	For the first \$500.00, plus \$3.05 for each additional \$100.00, or fraction thereof, up to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$69.25	For the first \$2,000.00, plus \$14.00 for each additional \$1,000.00, or fraction thereof, up to and including \$25,000.00

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\$25,001.00 to 50,000.00	\$391.25	For the first \$25,000.00, plus \$10.10 for each additional \$1,000.00, or fraction thereof, up to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$643.75	For the first \$50,000.00, plus \$7.00 for each additional \$1,000.00, or fraction thereof, up to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$993.75	For the first \$100,000.00, plus \$5.60 for each additional \$1,000.00, or fraction thereof, up to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$3,233.75	For the first \$500,000.00, plus \$4.75 for each additional \$1,000.00, or fraction thereof, up to and including \$1,000,000.00
\$1,000,001.00+	\$5,608.75	For the first \$1,000,000.00, plus \$3.65 for each additional \$1,000.00, or fraction thereof
BUILDING CODE PERMITS, INSPECTIONS AND PLAN REVIEWS		
Accessory Building (Min. 175 ft ²)	Varies	Consult Construction Table (above)
Alterations and Repairs To Existing Structures	Varies	Consult Construction Table (above)
Building Code Appeal	\$100.00	
Canopy - Larger than 400 ft ²	\$55.00	
Carnival or Temporary Amusement	\$55.00	
Carport	Varies	Consult Construction Table (above)
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
Detached Garage	Varies	Consult Construction Table (above)
Demolition	\$55.00	
Drive Approach	\$55.00	
Fence, Retaining Wall, Screen Wall	Varies	Consult Construction Table (above)
Fireplace	Varies	Consult Construction Table (above)
Moving Building into the City	\$100.00	
Patio Cover	Varies	Consult Construction Table (above)
Portable Building (Min. 175 ft ²)	Varies	Consult Construction Table (above)
Signs	Varies	Consult Construction Table (above)
Swimming Pool and/or Hot Tub (Above Ground)	Varies	Consult Construction Table (above)
Swimming Pool and/or Hot Tub (In-Ground)	Varies	Consult Construction Table (above)
Tent (Commercial) - Larger Than 200 ft ²	\$55.00	
Tree Mitigation Fee	\$200.00	Per caliper inch
Underground Storage Tanks (Includes Gas Lines To Tank)	Varies	Consult Construction Table (above)
Reinspection Fee	\$55.00	
Plan Review		
New, Addition, Remodel for Commercial, Industrial, and Multi-Family	\$0.20	of building permit fee
New, Addition, Remodel for Single or Two Family	\$55.00	
All Other Permits Requiring Plan Review	\$25.00	

Re-Review Fee	\$25.00	
ELECTRICAL CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$0.05	Per ft ² ; Minimum calculation of \$55.00
Commercial/Industrial New Construction	\$0.06	Per ft ² ; Minimum calculation of \$55.00
Single Family, Duplex, Townhouse, Etc.	\$0.06	Per ft ² ; Minimum calculation of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
Electric Generators Used By Carnival, Circuses, Traveling Shows, Exhibits	\$55.00	
Electrical Code Appeal	\$100.00	
Fixed Residential Appliances, Receptacle Outlets, Etc.	\$55.00	(As Defined by city code)
Minimum For Any Single Permit	\$55.00	(Except Temporary Construction Pole Reconnects)
Swimming Pool, In-Ground, Residential	\$110.00	
Receptacles, Switch, Lighting or Other Outlet Holding Devices	\$55.00	
Reinspection Fee	\$55.00	
Services of 600 Volts or Less		
Less than 200 Amps	\$55.00	
600+ Volts or 1,000+ Amps	\$55.00	
Each Power Apparatus (As Defined By City Code)	\$2.00	
Rating in Horsepower, Etc.		
Up To And Including 1, Each	\$55.00	
Over 1, Up To And Including 10, Each	\$55.00	
Over 10, Up To And Including 50, Each	\$55.00	
Over 50, Up To And Including 100, Each	\$55.00	
Over 100, Each	\$55.00	
Signs, Outline Lighting, or Marquees		
One Branch Circuit, Each	\$55.00	
Additional Branch Outlets	\$55.00	
Temporary Power To Any Structure (Maximum Of Ninety (90) Days)	\$55.00	
MECHANICAL CODE PERMITS AND INSPECTIONS		
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
HVAC (Heating/Cooling Systems)	\$110.00	\$55 Per air handling unit (e.g. inside unit + outside unit = \$110.00)
Replacement of Furnaces, Condensing Unit or Cooling/Heating System	\$55.00	
Vent-A-Hood (Commercial)	\$55.00	
Re-Inspection Fee	\$55.00	
Mechanical Code Appeal	\$100.00	
PLUMBING CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$0.05	Per ft ² ; Minimum fee of \$55.00
Commercial/Industrial New Construction	\$0.06	Per ft ² ; Minimum fee of \$55.00

Single Family, Duplex, Townhouse, Etc.	\$0.06	Per ft ² ; Minimum fee of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	-	Not required for plumbers.
Unit Fee Schedule		
Building Water Line	\$55.00	Each
Building Sewer Line	\$55.00	Each
Fireplace Piping and Valve	\$55.00	
Gas Fired Applicable W/Special Vent Pipe	\$55.00	
Gas Piping System (1-4 Outlets)	\$55.00	Each
Gas Piping System (5+ Outlets)	\$55.00	Each
Industrial Waste Pre-Treatment Interceptor	\$55.00	
Installation/Repair of Water Piping and/or Water Treatment Equipment	\$55.00	
Lawn Sprinkler System On Any One Meter, Including Backflow Protection	\$55.00	Each
Private Sewage Disposal System	\$55.00	
Repair of Existing Piping	\$55.00	
Repair or Alteration of Drainage or Vent Piping	\$55.00	
Gas Line Pressure Check	\$55.00	
Plumbing Fixture, Trap or Set Fixture, Etc.	\$55.00	Each
Yard Line Pressure Check	\$55.00	
Plumbing Code Appeal	\$100.00	
Reinspection Fee	\$55.00	
REGISTRATION AND MISCELLANEOUS PERMITS		
Business License	\$25.00	
Home Business License	\$25.00	
Certificate of Occupancy (CO)	\$55.00	
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
Garage Sale Permit	\$10.00	No more than three (3) garage sales per address per year.
Gathering Station Inspection	\$1,000.00	
Itinerant Vendor License	\$100.00	Contact the Police Department Records Dept. at 817-985-2160, ext. 2219
Sub-Division Construction Inspection Fee	4%	Of construction cost
Tree Removal Permit	\$150.00	Per acre; \$150 minimum charge
OIL AND GAS WELLS		
Annual Air Sampling And Reporting Fee Per Low-To-Moderate Impact Pad Sites (As Determined By City Official(s))	\$12,000.00	
Annual Air Sampling And Reporting Fee Per High Impact Pad Site (As Determined By City Official(s))	\$45,000.00	May be paid in quarterly installments
Annual Air Sampling And Reporting Fee As Needed	\$12,000.00	Per instance of additional monitoring
Annual Inspection Per Well	\$2,000.00	\$300 per additional well on same pad site
Well Requested On Application for Pad Site	\$5,000.00	Per well

PLANNING AND DEVELOPMENT		
Annexation, Request for	\$200.00	
Commercial Site Plan Review	\$500.00	Engineering review fee; In additional to applicable permitting fees
Conditional Use Permit	\$500.00	
Easement or Right-Of-Way Abandonment, Request for	\$300.00	
Zoning		
Zoning Verification Letter	\$30.00	
Zoning Change or Amendment for Less Than 10 Acres, Request for	\$500.00	
Zoning Change or Amendment for 10+ Acres, Request for	\$1,500.00	
Rezone Less Than 10 Acres to Planned Development District (PD)	\$750.00	
Rezone 10+ Acres to Planned Development District (PD)	\$1,500.00	
Plats		
Minor Plat, Vacated Plat, Amended Plat	\$300.00	Plus \$10.00 per lot
Minor Plat Engineering Review Fee	\$200.00	
Preliminary Plat	\$300.00	Plus \$10.00 per lot
Preliminary Plat Engineering Review Fee	\$1,000.00	
Replat (0-10 Acres)	\$500.00	
Replat (10+ Acres)	\$1,500.00	
Final Plat	\$300.00	Plus \$10.00 per lot
Final Plat, Replat Engineering Review Fee	\$2,500.00	Placed in escrow; unused funds can be requested for return
Other		
Renotification	\$125.00	Cost to republish legally required notifications after a request for date change
Special Exception, Request for	\$250.00	
Variance, Request for	\$250.00	
Printouts/Copies From Plotter	\$1.00	Per Square Foot (ft ²)
UTILITY BILLING PUBLIC WORKS WATER AND WASTEWATER		
Deposits		
Residential Water (Owner Occupied)	\$60.00	If an account is finaled out for nonpayment, re-establishment of service requires a deposit of 2X the normal fee. Accounts are associated with the name of the responsible party (or parties); not the address.
Residential Sewer (Owner Occupied)	\$30.00	
Residential Water (Tenant Occupied)	\$90.00	
Residential Sewer (Tenant Occupied)	\$60.00	
Commercial/Industrial w/High Consumption	Varies	1/6 of annual consumption
Commercial Water	\$90.00	
Commercial Sewer	\$60.00	
Water for Cleanup (15 Day Temp Service)	\$30.00	Per day
Use of Bulk Water Meter (Fire Hydrant)	\$600.00	Plus \$50 service fee
Use of Bulk Water Meter (Gas Drilling)	\$1,000.00	Plus \$50 service fee
Use of Bulk Unmetered Water	Varies	(rate) X (estimated gallons)
Disconnect Service At The Main	Actual Cost	

Liquid Waste Permit	\$50.00	The Building Inspection and Public Works departments regulate the installation, maintenance, and the transportation of liquid wastes. Questions? Call 817-985-2170.
Liquid Waste Trip Ticket Book	\$20.00	
Move City Utilities	Actual Cost	
Private Water Well Permit And Inspection	\$75.00	
Water Administrative Fee	\$20.00	Assessed when an account appears on the cut-off list; In addition to the late fee.
Water Transfer Fee	\$15.00	
Wrecker License/Permit	\$20.00	
Utility Equipment	Actual Cost	Meter, meter base, MTU, register, bullhead, and any other associated equipment installed for water/sewer metering
WATER AND WASTEWATER FEES		
Fire Hydrant Fee (Construction Meter)	\$79.50	Monthly base charge
Meter Calibration Fee (When Executed By City Staff)	\$45.00	Charges not incurred if meter is found to be inaccurate.
Meter Calibration Fee (When Executed By Independent Contractor)	\$125.00	
Meter Set Reinspection Fee	\$100.00	
Meter Tampering, Tampering With Lock, Or Cutting Lock On Meter	\$200.00	Per offense, plus actual cost of repair or replacement
Water Tap Fee (No Street Cut)		
¾" (.75")	\$475.00	Plus \$300 meter set fee; plus cost of meter
1"	\$525.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$950.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,075.00	Plus \$700 meter set fee; plus cost of meter
3" or Larger	Actual Cost	Plus actual cost of meter set fee; plus cost of meter
Water Tap Fee (With Street Cut or Bore)		
¾" (.75")	\$925.00	Plus \$300 meter set fee; plus cost of meter
1"	\$975.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$1,400.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,525.00	Plus \$700 meter set fee; plus cost of meter
3" or Larger	Varies	Plus actual cost of meter set fee; plus cost of meter
Sewer Tap Fee (No Street Cut)		
4"	\$425.00	
6"	\$600.00	
8" or Larger	Actual Cost	
Sewer Tap Fee (With Street Cut or Bore)		
4"	\$875.00	
6"	\$1,050.00	
8" or Larger	Actual Cost	
FIRE DEPARTMENT		

Ambulance Fees	Actual Cost	Established according to reasonable and customary reimbursement allowances of applicable insurance carriers; reviewed and approved quarterly by the City Manager.
Building/Fire Plan Review	\$55.00	
EMS Report	\$15.00	
False Alarm (3 rd +)	\$55.00	Beginning with the 3 rd , the fee doubles for each subsequent false alarm
Fire Code Appeal	\$100.00	
Fire Inspections		
Annual, Bi-Annual of Certificate of Occupancy (CO)	No Charge	
Re-Inspection	No Charge	
2 nd Re-Inspection	\$55.00	
3 rd + Re-Inspection	Varies	Beginning with the 3 rd , the fee doubles for each subsequent re-inspection
Fire Suppression Systems	\$55.00	
Fire Report	\$15.00	
Site Plan Review	\$55.00	
Standby		
Brush Truck	\$75.00	Hourly
Engine	\$150.00	Hourly
Fire Marshall	\$40.00	Hourly
HazMat Squad	\$300.00	Hourly
Paramedic	\$30.00	Hourly
NOTE: Minimum Fee For Any Single Permit or Inspection, Listed or Unlisted, Regardless of Department	\$55.00	Excluding signs

REQUEST FOR PUBLIC INFORMATION/OPEN RECORDS REQUEST FEE SCHEDULE FOR THE CITY OF KENNEDALE		
The City Secretary's Office encourages communication and transparency between the City of Kennedale and its residents by serving as the primary office responding to Public Information Requests. In an effort to save requestors time and money, frequently requested documents are available online, including: • Laserfiche: Ordinances, Resolutions, Agendas, Packets, Minutes, and Press Releases • MuniCode: Code of Ordinances and Copies of Individual Ordinances • Monthly Reports: Building Permits, Fires, and Substandard Buildings If what you need is not available online, you can make a Public information request. Requests are processed in the order they are received, and should be for existing documents or information. Staff may not ask why you want the information, but may ask for clarification if needed. please be aware that some records are exempt from disclosure or require redaction.		

Requests may incur a fee, and the City of Kennedale may require prepayment. Charges vary depending on the number of responsive documents and personnel time required. Vaguely-worded or broad requests return more results. The more specific your request, the quicker it can be fulfilled. Generally, the city will charge \$0.10 per page and \$15.00 an hour for labor. Requests for standard-sized documents that will be delivered via email usually do not incur charges, unless the request:

- is for more than fifty (50) pages,
- requires more than thirty (30) minutes of personnel time to locate, compile, manipulate data, and reproduce the information, or
- includes documents that are stored off-site.

If the estimated charges exceed \$40.00, the requestor must approve an itemized estimate before work begins. When estimated costs exceed \$100.00, the requestor is required to make a deposit (typically 100% of the estimate) before work begins. If a requestor (or their organization) has a balance exceeding \$100.00 for past requests, the City of Kennedale will not process additional requests until the account is paid in full. **You must approve any estimate of charges within ten (10) business days of the date the estimate is sent or the request will be considered withdrawn.**

CHARGES ASSOCIATED WITH A PUBLIC INFORMATION REQUEST VARY DEPENDING ON THE AMOUNT OF RESPONSIVE DOCUMENTS AND PERSONNEL TIME REQUIRED. GENERAL CHARGES ARE OUTLINED BELOW.

Single Sided, Black & White, 8.5x11" Paper	\$0.10	Per Paper Copy
11x17" or Other Oversized Paper, Not Including Maps & Photographs	\$0.50	Per Paper Copy
Plat Page	\$3.00	Per Plat Page
Compact Disc (CD)	\$1.00	Per CD
Digital Video Disc (DVD)	\$3.00	Per DVD
Personnel Time for Locating, Compiling and Reproducing Records	\$15.00	
Mailing Expenses, Speciality Papers (including but not limited to mylar, blueprints, maps, and photos), Off-Site Storage Retrieval	Actual Cost	Off-site storage costs (currently \$16.00 truck charge + \$2.00/box) Per retrieval and return

Charges not outlined here will be calculated according to the regulations and recommendations of the Texas State Library and Archives Commission, the Texas Attorney General, and the Texas Administrative Code



Date: June 20, 2019

Agenda Item No: DECISION ITEMS - G.

I. Subject:

Consider approval of Ordinance 664, amending Chapter 3 – "Animals" of the Kennedale Municipal Code to add regulations regarding the keeping of certain fowl, livestock, and potbellied pigs within the City

II. Originated by:

Melissa Dailey, Director of Planning & Economic Development

III. Summary:

City staff regularly receives questions from residents and individuals inquiring about purchasing property in Kennedale as to whether they can have livestock and/or fowl, how many and what type. The request is typically for purposes of having a hobby farm or livestock/fowl that are pets. Staff also periodically receives questions or complaints from neighbors about what type of animals are allowed.

Currently livestock and fowl for non-commercial purposes are only allowed on property zoned AG (Agricultural). As properties that are zoned AG are increasingly rezoned to other zoning categories, most often R (residential) categories, there are fewer opportunities within the current zoning code to keep animals, even when significant acreage exists to do so.

In an effort to broaden the ability to own livestock and/or fowl on appropriate lots within the City, staff has researched other cities' ordinances on this topic and has held three meetings with a focus group of local residents to gain input. That research and input has resulted in the creation of potential modifications to the municipal code to allow for the keeping of livestock and fowl under certain conditions. Staff presented recommendations to the City Council at the regular meeting on May 21, 2019. Council gave direction to staff to proceed in drafting an ordinance that would include the recommended regulations.

The proposed ordinance would allow farm animals and fowl on properties used as residential with a minimum of 1 acre of land. Exception to the acreage requirement would be pot bellied pigs (maximum of 2) and 6 small fowl per 1/4 acre. No roosters or swine, except pot-bellied pigs, would be allowed in the city. The Council would have the ability to grant exceptions for special circumstances, which are outlined in the proposed ordinance.

The proposed ordinance is attached. Staff will be available at this work session to respond to questions.

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

Approve

VII. Alternative Actions:

VIII. Attachments:

1.	O664_Amending Chapter 3 Animals of the Code	O664_Amending Chapter 3 Animals of the Code.pdf
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ORDINANCE NO. 664

AN ORDINANCE AMENDING VARIOUS SECTIONS OF CHAPTER 3 “ANIMALS” OF THE KENNEDALE CITY CODE TO ADD DEFINITIONS FOR LIVESTOCK, FOWL AND SWINE AND ADD REGULATIONS REGARDING THE KEEPING OF CERTAIN FOWL, LIVESTOCK AND POTBELLIED PIGS WITHIN THE CITY; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City of Kennedale desires to adopt regulations regarding the keeping and maintaining of certain fowl, livestock and pot-bellied pigs within the City limits of Kennedale;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS THAT:

SECTION 1.

Section 3-1 “Definitions” of Article I “In General” of Chapter 3 “Animals” of the Kennedale City Code is hereby amended to add the following definitions:

Large Fowl. Large birds such as emus, ostriches, rheas, and other similar size birds.

Small Fowl. Birds commonly considered poultry and including, but not limited to chickens, ducks geese, guinea fowl, turkeys, pigeons, and other similar size birds. For purposes of this chapter, the term “small fowl” shall not include Pet Birds.

Large Livestock. Animals such as horses, mules, cattle, ponies, llamas, alpacas, and other animal of the same approximate size and weight.

Small Livestock. Animals such as goats, sheep, lambs, and animals of the same approximate size and weight.

Pet Bird. Birds such as parrots, cockatoos, maccaws, finches, and similar birds commonly maintained in households within cages, not to include large or small fowl.

Pot-bellied pig. A breed of miniature pig meeting the standards established by the North American Potbelly Pig Association (“NAPPA”)

Swine. A pig.

SECTION 2.

Section 3-9 "Livestock" of Article I "In General" of Chapter 3 "Animals" of the Kennedale City Code is hereby amended to read as follows:

Sec. 3-9. - Livestock.

(a) *Running at large.* It shall be unlawful for the owner or keeper livestock, fowl or swine to permit the same to run at large. The running at large of livestock, fowl or swine is hereby declared a nuisance.

(b) *Grazing.* It shall be unlawful for the owner or keeper of any livestock, fowl or swine to permit any such animal to graze upon or be unattended on any public street or thoroughfare within the city, or to permit the same to graze or go upon any public or private property within the city, except by permission of the owner or custodian of such private or public property.

(c) *Owner of premises may confine, etc.* If any livestock, fowl or swine is found upon the premises of any person without permission, the owner or occupant of such premises shall have the right to confine such animal until he can notify the police chief or other designated officer of the city. When so notified, such official shall cause such animal to be impounded.

SECTION 3.

Section 3-14 "Pet Birds" is added to Article I "In General" of Chapter 3 "Animals" of the Kennedale City Code to read as follows:

3-14. Pet birds.

It shall be unlawful for any person owning or having possession of pet bird to fail to keep the pet bird indoors.

SECTION 4.

Article VI "Livestock, Fowl and Swine" is hereby added to Chapter 3 "Animals" of the Kennedale City Code to read as follows:

ARTICLE VI. LIVESTOCK, FOWL AND SWINE

Sec. 3-101 Keeping generally

A person commits an offense if the person keeps or cause to be kept, for any purpose whatever, any large or small livestock, any large or small fowl, or swine within the corporate limits of the city, except as provided in this Article.

Sec. 3-102 Small fowl

- (a) A person commits an offense if he keeps, harbors or maintains small fowl in the City other than on a premises classified by the uniform development code as agricultural or residential or otherwise maintains residential use. Small fowl shall be kept within pens, coops or hutches which meet the requirements of this section. A fenced yard shall not qualify as a pen, coop, or hutch for purposes of this section.
- (b) All pens, coops, or hutches for the keeping of small fowl shall be maintained a minimum of fifty (50) feet from any residence or commercial building, excluding the residence of the person keeping or harboring the small fowl.
- (c) a person who keeps, harbors or maintains small fowl in the City shall ensure that the animal(s) in their care or custody are treated humanely by, at a minimum, providing the small fowl with sufficient food, potable water, adequate shelter, and protection from weather. All pens, coops, hutches and exercise runs shall be completely enclosed.
- (d) On lots of one acre or more, A person may keep no more than twenty-five (25) small fowl per acre. Roosters are prohibited.
- (e) On lots smaller than one acre, a person may keep no more than six (6) small fowl per quarter acre. Roosters are prohibited.

Sec. 3-103 Large fowl

- (a) A person commits an offense if he keeps, harbors or maintains large fowl in the City other than on a premises that is a minimum of one acre and that is classified by the uniform development code as agricultural or residential or otherwise maintains a residential use. Large fowl shall be kept within a fence or other enclosure so as to prevent the large fowl from wandering in or upon or invading the premises of any other person.
- (b) All large fowl shall be maintained a minimum of fifty (50) feet from any residence or commercial building, excluding the residence of the person keeping or harboring the large fowl.
- (c) a person who keeps, harbors or maintains large fowl in the City shall ensure that the animal(s) in their care or custody are treated humanely by, at a minimum, providing the large fowl with sufficient food, potable water, adequate shelter, and protection from weather.
- (d) A person may keep no more than twelve (12) large fowl per acre.

Sec. 3-104 Livestock

- (a) A person commits an offense if he keeps, harbors or maintains any

livestock in the City other than on a premises that is a minimum of one acre and that is classified by the uniform development code as agricultural or residential or otherwise maintains a residential use. Livestock shall be kept within a fence or other enclosure so as to prevent the livestock from wandering in or upon or invading the premises of any other person.

- (b) All livestock shall be maintained a minimum of fifty (50) feet from any residence or commercial building, excluding the residence of the person keeping or harboring the livestock.
- (c) a person who keeps, harbors or maintains livestock in the City shall ensure that the animal(s) in their care or custody are treated humanely by, at a minimum, providing the livestock with sufficient food, potable water, adequate shelter, and protection from weather.
- (d) A person may keep no more than eight (8) small livestock per acre.
- (e) A person may keep no more than one (1) large livestock per acre for the first acre with a minimum of one-half acre required per additional head of large livestock.

Sec. 3-104 Swine

- (a) A person commits an offense if he keeps, harbors or maintains any swine in the City except as otherwise provided in this Section.
- (b) A person commits an offence if he keeps, harbors or maintains any pot-bellied pig other than on a premises that is classified by the uniform development code as agricultural or residential or otherwise maintains a residential use. Pot-bellied pigs shall be kept within a fence or other enclosure so as to prevent the pot-bellied pig from wandering in or upon or invading the premises of any other person.
- (c) All pot-bellied pigs shall be maintained a minimum of fifty (50) feet from any residence or commercial building, excluding the residence of the person keeping or harboring the pot-bellied pig.
- (c) a person who keeps, harbors or maintains pot-bellied pigs in the City shall ensure that the animal(s) in their care or custody are treated humanely by, at a minimum, providing the pot-bellied pigs with sufficient food, potable water, adequate shelter, and protection from weather.
- (d) A person may keep no more than two pot-bellied pigs.

Sec. 3-105 Waiver

The City Council may authorize a waiver from the acre requirements contained in this Article when, in its opinion, an unnecessary hardship will result from requiring strict compliance. Before granting a waiver, the City Council shall hold a public hearing

regarding the requested waiver not earlier than fifteen days following notice of the public hearing. No waiver shall be granted unless the Council finds that all of the following conditions exist:

- (a) There are special circumstances or conditions affecting the property of the applicant seeking the waiver, or the surrounding area such that the strict application of the provisions of this Ordinance would deprive the applicant of the reasonable ability to maintain fowl, livestock or pot-bellied pigs; and
- (b) The strict application of the provisions of this Ordinance is not necessary to promote the public health, safety and welfare; and
- (c) The granting of the waiver will not be detrimental to the public health, safety or welfare, or injurious to other persons or property in the area; and
- (d) The granting of the waiver will be in harmony with the spirit and purpose of this Ordinance.

In granting a waiver, the City Council may prescribe conditions that it deems necessary or desirable to protect the public interest.

SECTION 5.

This ordinance shall be cumulative of all provisions of ordinances and of Kennedale City Code, as amended, except where the provisions are in direct conflict with the provisions of other ordinances, in which event the conflicting provisions of the other ordinances are hereby repealed.

SECTION 6.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 7.

Any person, firm or corporation who violates, disobeys, omits, neglects, refuses or fails to comply with, or who resists the enforcement of any provision of this ordinance shall be fined not more than Five Hundred dollars (\$500.00) for each offence. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 8.

All rights and remedies of the City of Kennedale are expressly saved as to any

and all violations of the provisions of the Kennedale City Code, as amended, which have accrued at the time of the effective date of this ordinance; and, as such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, shall not be affected by this ordinance but may be prosecuted until final disposition by the court.

SECTION 9.

This ordinance shall be in full force and effect from and after its passage as provided by law, and it is so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ON THE 20th DAY OF JUNE, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY, DREW LARKIN



Date: June 20, 2019

Agenda Item No: EXECUTIVE SESSION - A.

I. Subject:

Discussion with the City Attorney regarding settlement agreement between Ron Sturgeon, et al and the City of Kennedale

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: EXECUTIVE SESSION - B.

I. Subject:

Discussion with the City Attorney regarding salvage yard special exception/special use permits

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: EXECUTIVE SESSION - C.

I. Subject:

Discussion with City Attorney regarding Public Information Act, including requests for City Attorney invoices

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: EXECUTIVE SESSION - D.

I. Subject:

Discussion with City Attorney regarding legal issues associated with Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments:



Date: June 20, 2019

Agenda Item No: EXECUTIVE SESSION - E.

I. Subject:

Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

II. Originated by:

III. Summary:

IV. Fiscal Impact Summary:

V. Legal Impact:

VI. Recommendation:

VII. Alternative Actions:

VIII. Attachments: