

**Council Minutes February 18, 2020**

**STATE OF TEXAS §**

**COUNTY OF TARRANT §**

**CITY OF BEDFORD §**

**The City Council of the City of Bedford, Texas, met in Work Session at 6:00 p.m. at the former library building, 1805 L. Don Dodson, on the 18th day of February, 2020 with the following members present:**

Michael Boyter	Mayor
Tom Burnett	Council Members
Dan Cogan	
Ruth Culver	
Rusty Sartor	

constituting a quorum.

Councilmember Fisher arrived at 6:04 p.m. Councilmember Sabol was absent from the meeting.

Staff present included:

Cliff Blackwell	Interim City Manager
Michael Wells	City Secretary
Jeff Florey	Communications Coordinator
Mike Radoyevich	Athletics and Aquatics Coordinator
Bill Syblon	Development Director
Cissy Sylo	Capital Projects Director
Brian TenEyck	Recreation Manager

**CALL MEETING TO ORDER/GENERAL COMMENTS**

Mayor Boyter called the Work Session to order at 6:01 p.m.

**WORK SESSION**

**1. Presentation of economic development concepts, practices and strategies.**

Mayor Boyter stated it is an opportune time for Council to hear a new perspective regarding economic development, including what other communities are doing and different ways to approach the subject. He thanked Councilmember Culver for introducing David Pettit with David Pettit Economic Development, who he stated has a vast range of experience regarding economic development. He stated the goals of the Work Session are to get a different perspective on economic development, to have a broader conversation about where Bedford currently is and where it needs to go, to help the Council take steps to be more on the same page, for Council to agree on the logical next steps, and to look at the vision for the entirety of the City as well as specific projects, including Bedford Commons.

Mr. Pettit stated economic development needs to be tailored to the community's vision. He presented a background of his company, as well as projects on which they have been involved. He stated the company assists public entities and developers to facilitate new development and

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redevelopment through Public-Private Partnerships (P3), which are contractual agreements between the public and private sector. He presented an overview of various public entities and private developers with which they have worked. He stated a successful P3 requires political leadership, public sector involvement, a well-thought-out plan, a dedicated income stream, communication with stakeholders, and selecting the right partner.

Mr. Pettit presented an overview of different economic tools, including Chapter 380 tax grants, tax abatements, Tax Increment Financing (TIF), and Public Improvement Districts (PID). He presented information on City initiatives and regulating documents related to the Bedford Commons project and stated the regulating blocks are available and selecting the right development partner and facilitating the right project are key. He further stated by selecting the right development partner, the City can direct the desired components of the project while still providing the private sector some flexibility in financing vertical development. Any new development plan will require a new site plan as the desired development moves forward. He explained the physical opportunities, market potential and community aspirations equal the community's vision. He discussed the advantages of the amount of contiguous City-owned land available for an infill development.

Mr. Pettit presented an overview of state laws as they relate to the transfer of public property and stated the Local Government Code requires a city to advertise and usually accept the highest bid. There is an exception if the property fits in certain categories, including being in a reinvestment zone, such as a TIF, allowing for direct sale of the property.

Natalie Moore with David Pettit Economic Development presented an overview of TIF and Tax Increment Reinvestment Zones (TIRZ) and stated they would be the best tools to move forward with Bedford Commons. A TIRZ would allow the City, alone or in partnership with other taxing entities, to pay for improvements within the zone to attract new development and facilitate investment. She stated both ad valorem and sales taxes can be contributed to a TIRZ, which can pay for the cost of public works, public improvements, economic development programs, and other projects benefitting the zone. She stated taxing entities can choose their own level of participation and there are no limits on the length of term for a TIRZ. Further, the land in a TIRZ does not have to be contiguous.

Ms. Moore stated the two ways to create a new tax increment include new construction and investment, and/or annual appreciation of real property. She stated the reasons to create a TIRZ are when private development is imminent in a designated area; they are a great funding source and dedicated income stream without impacting a city's general fund revenues; they attract potential developers and investment that may not occur otherwise; and developers would be more comfortable approaching the city as they are familiar with the TIRZ mechanism.

Ms. Moore presented an overview of the creation of a TIRZ, including the creation ordinance, which establishes the boundary, term and board of directors, and a preliminary project and financing plan. The final project and financing plan would need to be approved by the board and then the Council. She stated any taxing unit can participate in a TIRZ but only a city can initiate one. The board of directors is appointed by the city and the other participants and she recommended councilmembers be on the board to streamline the process. She stated the board makes all project payments from the TIF fund and recommended projects be paid over time as the tax increment is collected. The boundaries of the TIRZ can be changed but only if the new boundaries meet the restrictions and it can be terminated.

Mr. Pettit recommended, along with a TIRZ, partnering with a design professional and cull through the current plans for Bedford Commons and come up with key components that work,

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and explained the final plan might deviate some from the intended plan. There was discussion on the benefits of a TIRZ and direct sale of property versus a request for proposal process; the next steps in the project; and the TIRZ creation process. There was further discussion on areas in Bedford where a TIRZ should be created; ad valorem tax increase percentages going to the TIF and to the General Fund; the potential for community pushback; the cost of Mr. Pettit's services; whether a development would happen with or without a TIF; state legislation targeting TIFs; creating a TIRZ in conjunction with an evaluation of Bedford Commons; value projections for Bedford Commons; Mr. Pettit's role in finding the right development partner; the give-and-take with developers; and the history of Bedford Commons. Council was of the consensus to begin working with Mr. Pettit on the next steps of the process.

### **2. Discussion of possible Zoning Ordinance amendments as they relate to the sale of packaged liquor in Bedford.**

Development Director Bill Syblon stated packaged liquor stores are regulated by the state, and the City cannot do much more to further regulate the use after it is approved by the voters. He presented a comparison of how neighboring cities regulate liquor stores, including only allowing them in certain zoning districts. He stated by state law, liquor stores are allowed in any commercially zoned area. Per the City's Zoning Ordinance, they require a specific use permit and have distance requirements. Mr. Syblon asked whether Council would like to keep the Zoning Ordinance as is, allowing liquor sales in light and heavy commercial zoning areas, or amending it by adding certain zoning districts. There was discussion on the market's effect on smaller operators; competition zones amongst the liquor operators; allowing the use only in the Master Highway Corridor Overlay District (MHC); potential issues with the location of Goody Goody; other potential locations for liquor stores; and the proliferation of small retailers selling beer and wine. Council was of the consensus to amend the Zoning Ordinance to allow packaged liquor sales only in the MHC.

### **3. Presentation and discussion of the potential schedules for the classes and programs held at the Senior Center and Boys Ranch Activity Center impacted by the Phase Next construction**

Interim City Manager Cliff Blackwell stated the objectives of this item are to give Council an understanding of the programming, to discuss whether it is feasible for these programs to be at the new multi-generational center, and temporary parking at the Old Bedford School (OBS) to accommodate the programming. Recreation Manager Brian TenEyck presented an update on recreation programming, including classes at the Boys Ranch Activity Center (BRAC) and the Senior Center, as well as the Senior Center monthly report. He stated staff is preparing for the move of classes to the OBS and determining what equipment from the BRAC and Senior Center is going to be moved, stored, auctioned off or donated. He discussed classes that are moving to the OBS and those that cannot be accommodated, including Jazzercise, the Bedford Flyers, pickle ball, Salsa and Tango classes, Funtime Live, and gym memberships. He stated staff has been in discussions with the YMCA to find ways to accommodate those affected classes as well as the gym memberships. Mr. TenEyck stated all senior classes will be moving to the OBS, except for the dance, and staff has looked at the option of holding them at the Library. He discussed the schedule for programming at the BRAC and Senior Center, and the proposed schedule of programming on the first floor of the OBS. There was discussion regarding the quilting and ceramic classes.

Mr. TenEyck discussed the move of classes from the OBS to the new multi-generational center. He stated classes will be evaluated and those that are doing well and can help with revenue and cost recovery will make the move. There was discussion regarding classes having limited

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windows of times at the OBS, the possibility of having classes on the second floor of the building, and the scheduling of classes being built on the assumption that ONSTAGE would have access to the second floor. There was discussion on the current Senior Center serving as a hangout; the possibility of losing BRAC and Senior Center members during the construction; bringing in new members and marketing the new multi-generational center; whether the new multi-generational center will meet the needs of the citizens; the size of the senior portion of the multi-generational center, including what was included in the marketing materials for the original bond for Phase Next; revisiting the pro forma and business model for the center; the membership fee for the Senior Center; seniors having access to the entire facility; the quilting and ceramics programming; revenue generation; and the possibility of permanently shifting some senior programming to the OBS. Council was in agreement that programming is still a work in progress. There was further discussion on the messaging to the seniors; bringing younger and older patrons together; the senior dance being held at the Library; and the size of the entire multi-generational center. There was further discussion regarding temporary parking at the OBS and Council was of the consensus for it to be the right hand corner of the back portion of the building.

### ADJOURNMENT

Mayor Boyter adjourned the Work Session at 9:07 p.m.

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Michael Boyter, Mayor

ATTEST:

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Michael Wells, City Secretary