

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this the 17th day of March 2016 the City Council of the City of Corinth, Texas met in a Workshop Session at 5:30 pm at the Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members to wit:

Members Present:

Bill Heidemann, Mayor
Joe Harrison, Mayor Pro-Tem
Scott Garber
Don Glockel
Sam Burke
Lowell Johnson

Members Absent:

None

Staff Members Present:

Lee Ann Bunselmeyer, Acting City Manager
Kim Pence, City Secretary
Debra Drayovitch, City Attorney
Jason Alexander, Economic Development Director
Cody Collier, Acting Director of Public Works, Parks and Utility Operations
Curtis Birt, Fire Chief
Barbara Cubbage, Planning & Development Manager
Jerome Booker, Building Official
Lori Levy, Senior Planner
Caryn Riggs, Assistant Director of Finance
Brenton Copeland, Technology Services

CALL TO ORDER FOR WORKSHOP:

Mayor Heidemann called the meeting to order at 5:30 pm.

1. Discuss Regular Meeting Items on Regular Session Agenda, including the consideration of executive/closed session items as set forth in the Executive/Closed Session agenda items below.

Consent Item #7 on Regular Business Agenda.

Consider and act on an Ordinance of the City of Corinth, Texas approving an amendment to the Fiscal Year 2015-2016 City of Corinth Budget and Annual Program of Services to provide for the expenditure of funds from the General Fund for additional legal services as a result of unanticipated and unforeseeable events.

Lee Ann Bunselmeyer, Acting City Manager – I think we did a budget amendment several months ago for \$100,000, right now we have invoices for about \$105,000 for those cases related to that. Speaking with the Attorneys for that are dealing with those projects for us, we anticipate that we just need an additional \$40,000 for that. Hopefully that should be enough and we won't have to come back for another budget amendment on legal services. We are closing in on those two projects.

2. Receive a presentation and hold a discussion regarding the authority and responsibility of the Corinth Economic Development Corporation.

Lee Ann Bunselmeyer, Acting City Manager – I'm going to call on Jason Alexander our Director of Economic Development. He is going to do a brief presentation on the responsibilities of Economic Development. Several months ago, we had a Councilmember requested information so they could pass this on also to the EDC Board as well.

Jason Alexander, Economic Development Director – Tonight we will discuss the scope of authority and responsibility of the Economic Development Corporation. I do want to preface this brief presentation by saying that I did focus heavily on section 501 and 505 of the local government code because that pertains to economic development corporations. (At this time Jason went over his presentation) (See attachment)

Councilmember Harrison – On slide #9 – Where is say cities with a population of 20,000 or less, does that mean now? Is it based off the census? How is the population determined?

Jason Alexander, Economic Development Director – According to the State Economic Development Division, he said where the state laws silent on what to use whether it's an estimate or census, then you go by the census. As it pertains to this section of the local government code, the state law is silenced. So it goes back to the census. According to the census, our population is 19,935.

Councilmember Harrison – Let's say we're 22,000 now, do you wait until 2020?

Jason Alexander, Economic Development Director – Correct, for the next census.

Councilmember Burke – We do think we have some opportunities right now that we won't have to use the funds in a particular way.

Jason Alexander, Economic Development Director – (Jason continued with the presentation- slide #9)

Councilmember Harrison – On slide #14, when it talks about expend sales tax proceeds, that's expend sales tax proceeds collected by EDC. So you're only talking about funds from EDC.

Jason Alexander, Economic Development Director – Yes sir. (Jason continued with the presentation)

Mayor Heidemann – So the Economic Development Corporation cannot issue bonds?

Jason Alexander, Economic Development Director – They can.

Mayor Heidemann - If they issue bonds it has to fall under this category, they have to have the ability to pay the bonds off. Is that correct?

Jason Alexander, Economic Development Director – That is correct.

Councilmember Harrison – So issuing bonds, the maximum debt you can occur would be over the ½ cent sales tax that you accrue during that period of time that you're going to issue the bonds for payback.

Jason Alexander, Economic Development Director – As I understand it.

Councilmember Harrison – On the 1st slide, I assume that you, the Economic Development Corporations, will do a cost benefit analysis to determine all these limitations and stuff.

Jason Alexander, Economic Development Director – Yes sir. (Jason continued with the presentation) I'll stop to see if there are any questions.

Councilmember Burke – Would it be fair to say that most of commercial activity, we want to promote as far as restaurants in the I-35 corridor, we're going to have a lot more flexibility in the next few years than we're going to have when the census comes in 2020.

Jason Alexander, Economic Development Director – Correct.

Mayor Heidemann – And the census is going to be what in 2020?

Debra Drayovitch, City Attorney – It usually doesn't come until the end of 2020 or the 1st of 2021.

Councilmember Burke – Would it retroactively apply? Do we have an extra year?

Debra Drayovitch, City Attorney – I would say the extra part of the year. I don't see them going back because it's not official yet.

Councilmember Garber – So we have through 2020ish.

Debra Drayovitch, City Attorney – Half a year I would say, based on past.

Councilmember Burke – If we start a performance agreement related to projects we can undertake for \$20,000 less and it wasn't going to be completed until after, are we good?

Debra Drayovitch, City Attorney – There are no reported court decisions or Attorney General Opinions. It would be Council's opinion, yes it would.

Councilmember Burke – It's a grey area, you think we'd be ok.

Debra Drayovitch, City Attorney – I think it's certainly defensible, because it was legal when you started.

Mayor Heidemann – What is your biggest challenge looking at your overall scope of things here? What is your biggest challenge that you face right now?

Jason Alexander, Economic Development Director - I think the biggest challenge right now is actually getting quality restaurants and retailers. Part of that is due to infrastructural and drainage issues but I think once we're able to attract that 1st quality restaurant or retailer, at that point I think the flood gates will open. We did get a developer proposal in the other day, it's in its early stages but it was very well planned and it's exciting. I think some of the retailers that Buxton provided us with would pair very well with that development.

Councilmember Harrison - When we've had several discussions in the past, zoning doesn't fall under any of this corporation's responsibility.

Jason Alexander, Economic Development Director – It falls under community development.

Councilmember Harrison – I'm not saying they wouldn't have a part of it, but that would go back to the commission I would assume.

Councilmember Burke - Certainly the EDC couldn't adopt anything that would be binding on the city. Defray some of the costs of development, but the ultimate authority is with the Planning & Zoning and the City Council.

Councilmember Harrison – I think we all agree one of the biggest things we’re going to be faced with in developing is trying to figure out what we’re going to do about the drainage issues. That’s where your big bucks are going to lay in the next 10 years. The Lynchburg drainage issues. You have the powers to expend funds with drainage and that sort of stuff. If you have a budget for that, you could take part of that and also issue a bond for some of the remaining part of the project?

Jason Alexander, Economic Development Director – You could do that and there are also some options as well such as 380 Agreements as well where you could help defray the cost as well. You can put in infrastructure and defray those costs based on future sales tax dollars.

Councilmember Burke – You can agree to forgive future revenue in exchange for performance criteria.

Jason Alexander, Economic Development Director – The 380 Agreement even though it could originate in EDC, it will have to be approved by City Council.

Mayor Heidemann recessed into Executive Session at 5:40 pm.

Council met in Executive Session from 5:41 pm until 6:37 pm.

Mayor Heidemann reconvened the workshop at 6:40 pm.

Mayor Heidemann asked if anyone has questions on business items #8.

Mayor Heidemann recused himself from discussing business items 9&10.

Councilmember Harrison – Business Items # 9 & #10

Jeremy Booker, Building Official – This request is for a 2nd sign that will be on the north side, the right side of the building. It’s going to be very similar in appearance to what’s there on the building, they want to add a 2nd row of letters is probably the main difference between this one and the existing sign.

Councilmember Johnson – How does it fit with the new sign ordinance? Is it still out of?

Lori Levy, Senior Planner – They still have to go through, they’ll be under the new sign ordinance. They still have the one per frontage and the letter sizing.

Business Item #10

Jeremy Booker, Building Official – The sign ordinance states that the maximum height of the letters of the sign, if the distance is 200’ or less from the property line, it’s limited to 24” in height. They have 30” on the 1st line and the 2nd row is in compliance. They’re asking for 6” on the top row of letters.

Mayor Heidemann – we will be going into Executive Session for item #11.

Mayor Heidemann adjourned the Workshop Session at 6:45 pm.

AYES: All

Meeting adjourned.

Approved by Council on the 21 day of April, 2016

Kimberly Pence

Kimberly Pence, City Secretary
City of Corinth, Texas