

City of Kingsville, Texas

AGENDA CITY COMMISSION

TUESDAY, JUNE 04, 2013
SPECIAL MEETING

HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS
CITY HALL/200 EAST KLEBERG AVENUE
12:00 P.M.


I. Preliminary Proceedings.

OPEN MEETING

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

MINUTES OF PREVIOUS MEETING(S) – Required by Law
None.

APPROVED BY:



Vincent J. Capelli
City Manager

II. Public Hearing - (Required by Law).¹

1. None.

III. Reports from Commission & Staff.² (City Manager's Staff Report Attached).

"At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful, and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Monthly Financial Reports; Police & Fire Department – Grant Update, Police & Fire Reports; Street Updates; Public Works- Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, Proclamations, Health Plan Update, Tax Increment Zone Presentation, Main Street Downtown, Chapter 59 project, Financial Advisor. No formal action can be taken on these items at this time."

IV. Public Comment on Agenda Items.³

1. Comments on all agenda and non-agenda items.

V.

Consent Agenda

Notice to the Public

The following items are of a routine or administrative nature. The Commission has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

CONSENT MOTIONS, RESOLUTIONS, ORDINANCES AND ORDINANCES FROM PREVIOUS MEETINGS:

(At this point the Commission will vote on all motions, resolutions and ordinances not removed for individual consideration)

None.

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

1. Consider resolution authorizing the City Manager to enter into an Interlocal Agreement with Kleberg County for Residential Economic Development Assistance for Wildwood Trail Subdivision. (City Manager).

VII. Adjournment.

1. No person's comments shall exceed 5 minutes. Cannot be extended by Commission.
2. No person's comments shall exceed 5 minutes without permission of majority of Commission.
3. Comments are limited to 3 minutes per person. May be extended or permitted at other times in the meeting only with 5 affirmative Commission votes. The speaker must identify himself by name and address.
4. Items being considered by the Commission for action except citizens comments to the Mayor and Commission, no comment at this point without 5 affirmative votes of the Commission.

NOTICE

This City of Kingsville and Commission Chambers is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at 361/595-8002 or FAX 361/595-8024 or E-Mail mvalenzuela@cityofkingsville.com for further information. Braille Is Not Available. The City Commission reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security

Devices), 551.086 (Certain Public Power Utilities: Competitive Matters), and 551.087 (Economic Development).

I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board in the City Hall, 200 East Kleberg, of the City of Kingsville, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time:

May 31, 2013 at 11:30 A.M. and remained so posted continuously for at least 72 hours preceding the schedule time of said meeting.



Mary Valenzuela
City Secretary
City of Kingsville, Texas

This public notice was removed from the official posting board at the Kingsville City Hall on the following date and time: _____

By: _____
City Secretary's Office
City of Kingsville, Texas

REGULAR AGENDA

AGENDA ITEM #1

RESOLUTION #2013-_____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT WITH KLEBERG COUNTY FOR RESIDENTIAL ECONOMIC DEVELOPMENT ASSISTANCE FOR WILDWOOD TRAIL SUBDIVISION; REPEALING ALL CONFLICTING RESOLUTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City passed and approved Guidelines and Criteria for Stimulating Residential and Economic Development within the City of Kingsville (RDA Guidelines) on January 28, 2013 and;

WHEREAS, the County passed and approved Guidelines and Criteria for Stimulating Residential and Economic Development within the City of Kingsville (RDA Guidelines) on May 28, 2013;

WHEREAS, a need for single-family residential development exists within the City and County based on current demand and new job creation and the City and County desire to increase the amount of new residential single-family units built within the city, thereby increasing the sales tax and ad valorem tax base of the City and County to the benefit of other local taxing entities;

WHEREAS, the City and County believe the offering of local economic incentives will stimulate new residential single-family development within the city and stimulate economic activity and development within the city;

WHEREAS, additional single-family residential units will benefit the citizens, expand the tax base, and increase the population by capturing a larger share of the workforce that may be living elsewhere due to lack of adequate local housing stock;

WHEREAS, the City and County desire to approve qualifying applications for Residential Development Assistance to stimulate residential and economic development within the county as a local incentive to create additional housing, a higher level of employment, economic activity and stability within the City of Kingsville;

WHEREAS, the City and County have previously approved agendas at duly posted public meetings to approve offering economic incentives for infrastructure improvements for the Wildwood Trail Subdivision;

WHEREAS, the approved RDA Guidelines provide for the administration of a program for making loans and grants of public money and providing personnel and services of the City and County to promote local economic development and to stimulate business and commercial activity in the City, pursuant to authority found in section 380 and 381.004 of the Texas Local Government Code;

WHEREAS, Section 381.004 of the Local Government Code authorizes the County to contract with another entity for the administration of the program;

WHEREAS, the City and County have received an application, pursuant to the RDA Guidelines, from Phillip Steffy on behalf of Zarsky Development Company, L.L.C. for money and personnel and services for infrastructure assistance for a residential

subdivision to create 184 new homes each with a minimum square footage living space of a minimum of 1,100 square feet and a two car garage within "The Park at Wildwood Trail Subdivision, 1,350 square feet homes within "The Estates at Wildwood Trail, 2,100 square feet homes within "The Grand at Wildwood Trail" all of which to be known as Wildwood Trail.;

WHEREAS, the City and County believe providing economic incentives through an agreement with STBS will further their objectives of stimulating business and commercial activity through the expansion of the housing stock and tax base and thus fulfill a public purpose.

BE IT RESOLVED by the City Commission of the City of Kingsville, Texas:

I.

THAT the City Manager is authorized and directed as an act of the City of Kingsville, Texas to enter into an Interlocal Agreement with Kleberg County for Residential Economic Development Assistance for the Wildwood Trail Subdivision in accordance with Exhibit A hereto attached and made a part hereof.

II.

THAT all resolutions or parts of resolutions in conflict with this resolution are repealed to the extent of such conflict only.

III.

THAT this Resolution shall be and become effective on and after adoption.

PASSED AND APPROVED by a majority vote of the City Commission on the 4th day of June, 2013.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN
THE COUNTY OF KLEBERG
AND
CITY OF KINGSVILLE
RESIDENTIAL ECONOMIC
DEVELOPMENT ASSISTANCE**

This Interlocal Cooperation Agreement made, entered into and executed by and between the County of Kleberg, a body and corporate and politic under the laws of the State of Texas hereinafter referred to as "County" and the City of Kingsville, Texas, a municipal corporation under the laws of the State of Texas, hereinafter referred to as "City"; pursuant to the Interlocal Cooperation Act, Texas Government Code Annotated Chapter 791, and Section 381.004 (c), Texas Local Government Code.

WITNESSETH:

Whereas, the City passed and approved Guidelines and Criteria for Stimulating Residential and Economic Development within the City of Kingsville (RDA Guidelines) on January 28, 2013 and;

Whereas, the County passed and approved Guidelines and Criteria for Stimulating Residential and Economic Development within the City of Kingsville (RDA Guidelines) on May 28, 2013;

Whereas, a need for single-family residential development exists within the City and County based on current demand and new job creation and the City and County desire to increase the amount of new residential single-family units built within the city, thereby increasing the sales tax and ad valorem tax base of the City and County to the benefit of other local taxing entities;

Whereas, the City and County believe the offering of local economic incentives will stimulate new residential single-family development within the city and stimulate economic activity and development within the city;

Whereas, additional single-family residential units will benefit the citizens, expand the tax base, and increase the population by capturing a larger share of the workforce that may be living elsewhere due to lack of adequate local housing stock;

Whereas, the County desires to approve qualifying applications for Residential Development Assistance to stimulate residential and economic development within the county as a local incentive to create additional housing, a higher level of employment, economic activity and stability within the City of Kingsville;

Whereas, the County unanimously approved in agenda item # _____ at a Kleberg County Commissioners' Court meeting held on _____ 2013 to partner with the City in offering economic incentives for infrastructure improvements for the Wildwood Trail Subdivision ;

Whereas, the approved RDA Guidelines provide for the administration of a program for making loans and grants of public money and providing personnel and services of the county to promote local economic development and to stimulate business and commercial activity in the county, pursuant to authority found in section 381.004 of the Local Government Code;

Whereas, Section 381.004 of the Local Government Code authorizes the County to contract with another entity for the administration of the program;

Whereas, the County has received an application, pursuant to the RDA Guidelines, from Phillip Steffy on behalf of Zarsky Development Company, L.L.C. for money and personnel and services for infrastructure assistance for a residential subdivision to create 184 new homes each with a minimum square footage living space of a minimum of 1,100 square feet and a two car garage within "The Park at Wildwood Trail Subdivision, 1,350 square feet homes within "The Estates at Wildwood Trail, 2,100 square feet homes within "The Grand at Wildwood Trail" all of which to be known as Wildwood Trail.;

Whereas, the City and County believe providing economic incentives through an agreement with STBS will further their objectives of stimulating business and commercial activity through the expansion of the housing stock and tax base.

NOW, THEREFORE, the County and City, in consideration of these mutual covenants and agreements, agree as follows:

1. INCENTIVES FOR ECONOMIC DEVELOPMENT. A copy of the Residential Developmental Agreement (RDA) with the developer is attached hereto. The County will provide economic incentives subject to conditions as stated herein and in the RDA between the County and the developer to assist with infrastructure improvements. The economic incentive will be in form of a monetary grant not to exceed \$620,750.00, and will be paid each year in an amount equal to the maintenance and operation (M&O) portion of the ad valorem county tax paid on real property covered by this agreement.

1.1 The monetary grant will be disbursed once each year on March 1st for the term of the agreement. The amount of the monetary grant will be equal to an amount no greater than the generated M&O portion of county paid ad valorem taxes provided by the new homes constructed within the development area. Assuming the developer is complying with the RDA and RDA Guidelines, the City will forward said money to the developer. If the developer is in default, the City will notify the County of same.

2. AUTHORIZATION FOR FUNDING.

- a. The City and the County each separately certify that payments made under this Agreement will be made from current revenues, and any future payments are subject to annual future appropriations.

3. RESPONSIBILITIES.

- a. The City will administer the RDA with the developer for the construction of 184 new homes each with a minimum square footage living space of a minimum of 1,100 square feet with a two car garage within "The Park at Wildwood Trail subdivision, 1,350 square feet homes within "The Estates at Wildwood Trail, 2,100 square feet homes within "The Grand at Wildwood Trail" all of which to be known as Wildwood Trail.
- b. County will make timely payments for a total not to exceed \$620,750.00 for residential economic development assistance in accordance with this agreement.
- c. The City will notify the County in the event of default by the developer. In the event of default, the City will seek to recapture economic incentives, thereby seeking reimbursement for both the City and the County in accordance with Section 9 of the RDA between the County and Zarsky Development Company, L.L.C. and Section VII of the RDA Guidelines, a copy of which is attached hereto.

4. **AMENDMENT OF INTERLOCAL AGREEMENT.** This Agreement may be amended at any time. Any amendment to this Agreement must be in writing, agreed to by the governing bodies of the parties, and signed by an authorized representative of the City and the County. No officer or employee of any of the parties has authority to waive or otherwise modify the limitations in this Agreement, without the express action of the governing body of the party.

5. **APPROVAL BY GOVERNING BODIES.** Each party represents that this Agreement has been duly passed and approved by the governing body of the party as required by the Texas Interlocal Cooperation Act, Chapter 791, Texas Government Code.

6. TERM AND RENEWAL.

- a. This Agreement shall be for an initial term of one year.

- b. This Agreement shall be automatically renewed without further action unless terminated by either party.
 - c. This Agreement may be terminated at any time by any party with or without cause upon (90) days advance written notice.
 - d. Any notice of termination shall be sent to the other party to this interlocal agreement at the address listed in paragraph 9 of this agreement.
7. **SEVERABILITY.** If any portion of this agreement, or its application to any person or circumstance, is held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this agreement shall not be affected and shall continue to be enforceable under the terms of this agreement.
8. **NOTICES.** Notices under this Agreement shall be addressed to the parties as indicated below, unless changed by written notice to such effect, and shall be effected when delivered or when deposited in the U.S. mail, postage prepaid, certified, return receipt requested.

City of Kingsville
Attn: City Manager
P.O. Box 1458
Kingsville, Texas 78364
Telephone: (361) 595-8002
Facsimile: (361) 595-8035

Kleberg County
Attn: County Judge
P.O. Box 752
Kingsville, Texas 78364
Telephone: (361) 595-8585
Facsimile: (361) 592-0838

9. **PERFORMANCE/GOVERNING LAWS.** This agreement shall be performed in Kleberg County, Texas, and shall be governed by the laws of the State of Texas.
10. **VENUE.** Venue for an action arising under this Agreement is in Kleberg County, Texas.
11. **ASSIGNMENT.** This Agreement is binding upon and inures to the benefit of the parties to this Agreement and their respective successors and permitted assigns. This Agreement may not be assigned by any party without the written consent of all of the parties.

- 12. NOT FOR THE BENEFIT OF THIRD PARTIES.** This Agreement and all activities under this Agreement are solely for the benefit of the parties and not the benefit of any third party.
- 13. EFFECT OF WAIVERS.** No waiver by either party of any default, violation, or breach of the terms, provisions, and covenants contained in this Agreement may be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions, and covenants of this Agreement.
- 14. EXERCISE OF POLICE POWER.** This Agreement and all activities under this Agreement are undertaken solely as an exercise of the police power of the parties, exercised for the health, safety, and welfare of the public generally, and not for the benefit of any particular person or persons. The parties do not have and may not be deemed to have any duty to any particular person or persons.
- 15. VALIDITY AND ENFORCEABILITY.** If any current or future legal limitations affect the validity or enforceability of a provision of this Agreement, then the legal limitations are made a part of this Agreement and operate to amend this Agreement to the minimum extent necessary to bring this Agreement into conformity with the requirements of the limitations, and so modified, this Agreement continues in full force and effect.
- 16. WARRANTY.** The individuals executing this agreement on behalf of each party represent and warrant that they are each the duly authorized representatives of such party on whose behalf the individuals are signing, each with full power and authority to bind said party to each term and condition set forth in this agreement.
- 17. IMMUNITIES NOT WAIVED.** Nothing in this Agreement waives any governmental, official, or other immunity or defense of any of the parties or their officers, employees, representatives, and agents as a result of the execution of this Agreement and the performance of the covenants contained in this Agreement.
- 18. MUTUAL INDEMNIFICATION.** To the extent allowed by the Constitution and Laws of the State of Texas, County and City agree that each party assumes any and all risks of liability, loss, damages, claims, or causes of action and related expenses, including attorney fees, caused or asserted to have been caused directly or indirectly by or as the result of the negligent acts or omissions of that party and the officers, employees, and agents thereof.
- 19. CAPTIONS.** Captions to provision of this Agreement are for convenience and shall not be considered in the interpretation of the provisions.

- 20. INTERLOCAL COOPERATION ACT APPLIES.** The parties enter into this Interlocal Agreement under the Texas Government Code Chapter 791 (Interlocal Cooperation Act). The parties agree that activities under this Agreement are "governmental functions and services" and that the parties are a "local government" as that term is defined in this Agreement and in the Interlocal Cooperation Act.
- 21. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties and supersedes any and all agreements previously entered into by these same parties pertaining to the economic incentives for the Wildwood Trail Subdivision. Any amendments must be made in writing and signed by all parties, as provided in paragraph 5 of this agreement.
- 22. EFFECTIVE DATE.** This Agreement is effective on the date when the last party executes this agreement.
- 23. MULTIPLE ORIGINALS.** Two (2) copies of this Agreement are executed; each shall be deemed an original.

EXECUTED by the County of Kleberg on the _____ day of _____, 2013.

Juan M. Escobar
County Judge

ATTEST:

Leo Alarcon
County Clerk

APPROVED AS TO FORM:

Delma Rios Salazar
County Attorney

EXECUTED by the City of Kingsville on the _____ day of _____,
2013.

Vincent J. Capell
City Manager

ATTEST:

Mary Valenzuela
City Secretary

APPROVED AS TO FORM:

Courtney Alvarez
City Attorney