

MINUTES
RICHARDSON CITY COUNCIL
WORK SESSION
MONDAY, NOVEMBER 5, 2012

WORK SESSION — 6:00 P.M.

• **Call to Order**

Mayor Townsend called the meeting to order at 6:00 p.m. with the following Council members present:

Bob Townsend	Mayor
Laura Maczka	Mayor Pro Tem
Mark Solomon	Council member
Scott Dunn	Council member
Kendal Hartley	Council member
Steve Mitchell	Council member
Amir Omar	Council member

The following staff members were also present:

Dan Johnson	City Manager
David Morgan	Deputy City Manager
Cliff Miller	Assistant City Manager Development Services
Samantha Woodmancy	Management Analyst
Aimee Nemer	City Secretary
Steve Benson	Director of Library Services

A. Visitors

Mr. Jim Mallett addressed Council commending Mr. Benson and the library staff. He also expressed support for the new automated system for the library.

B. Review and Discuss City Council's Near-Term Action Item – Evaluate Strategies to Fund Redevelopment Efforts in the Community

Staff Comments

David Morgan, Deputy City Manager, reviewed this item explaining that this is one of Council's Near Term Action Items to address neighborhood renewal and vitality; as well as physical and economic redevelopment. Mr. Morgan reviewed the following:

The Challenges of Redevelopment

Inadequate/aged infrastructure:

- Drainage & Utilities
- Road Systems

Property challenges:

- “Chopped-up” land parcels
 - Ownerships
 - Timetables and finances to acquire & hold
- Business relocation, demolition, clean-up, remediation

- Parking limitations
- Adjacent use compatibility

Key Redevelopment Objectives

- Economic Development
- Revived Commercial Tax Base
- Revived/Repositioned Retailing
- Transit-Oriented Mixed Use Opportunities
- Upgraded hospitality facilities: restaurants & hotels
- Reposition older multifamily complexes

Community Impact

- Visual/aesthetic streetscape upgrade to contemporary standards
- Viable alternative commuter trails and recreation amenities for residents & workers
- Positive drive-by impression for commuters

Redevelopment Dynamics

- Home Runs vs. Singles/Doubles
- Addressing community visions within current market demand
- Pairing redevelopment opportunities with public facility needs/interests
- Real estate negotiations within the public realm

Redevelopment Strategies are Unique to the Project

- Each project requires unique city support depending on numerous factors:
- Existing use
- Infrastructure Issues
- Land aggregation
- Project phasing
- Zoning requirements
- Residual Land Value for proposed development

Residual Land Value Analysis

- Residual land value is a method used to determine the value and potential profitability of a piece of property minus any expenses related to the land.
- The residual land value is the value of the land that remains after any and all deductions associated with the cost of developing, maintaining or reselling the land.
- Several variables impact this evaluation:
- Market Demand
- Unit yield (density)
- Unit price – factored to **market supportability**

Economic Development Incentive Toolbox

- Funding Sources:
- Tax Increment Finance (TIF) Districts
- Tax Abatements (Real/BPP)
- Sales Tax Rebate

- Capital Reserves/Balances
- Infrastructure Grants
- NCTCOG, County, TxDOT, Etc...
- City Bond CO/GO
- Land Abandonment (R.O.W)

Economic Development Incentive Toolbox

- Funding Strategies
- Tax Incentives
- Infrastructure Participation
- Land Purchase
- Public Investments (Road Park)
- Other Strategies
- Planning/Visioning
- Zoning Entitlement
- Tax Exempt Status

Ongoing Funding/Strategy Review

- Public Improvement District (PID)
- Special assessment area created at the request of the property owners in the district. These owners pay a supplemental assessment with their taxes, which the PID uses for services above and beyond existing City services.
- Federal Grants
- Federal grants are available for community development and can be used to help finance projects in low income communities or revitalize urban neighborhoods.
- Important for the City to evaluate eligibility and appropriateness of grants based on redevelopment goals

Conclusions

- Redevelopment poses a unique set of challenges requiring flexible city support strategies
- The work of redevelopment is a primary mission for the City requiring **ongoing** focus and attention

Council Comments

Councilmember Dunn asked if the City has an Economic Development Corporation. Mr. Johnson responded that the City does have a foundation but explained that an "EDC" is not a funding mechanism. He explained that capital reserves are used to fund economic development projects in the City.

Councilmember Mitchell asked if information is available for property owners who are interested in redevelopment. Mr. Morgan explained that information is available through the City. Mr. Johnson explained that a redevelopment initiative involves one on one strategizing and a thorough planning process based on each individual project.

There was some Council discussion regarding what tools can or should be used and possibly ranking the options available. The Council concluded that it is staff's responsibility to bring

forward various options available for specific projects and be aware of new options; and it is Council's responsibility to look at redevelopment and the options from a higher level and understand that redevelopment is a fluid process.

C. Review and Discuss the Implementation of the Library RFID Project

Staff Comments

Steve Benson, Director of Library Services, reviewed the RFID Project with Council stating this project was part of the 2010 Bond program. He explained the proposal process stating that four companies submitted quotes and were evaluated and ranked by a committee comprised of library, purchasing, and IT staff. Mr. Benson stated that the committee recommended Tech Logic and negotiated a reduced proposal in the amount of \$669,973. He explained that the project implementation includes outsourcing the retagging of all library materials, installing self-service checkout kiosks, staffing manned checkout/check-in stations, and installing the automated materials handling system. Mr. Benson stated that the estimated completion date of the project is May 2013. He stated that the approval of the contract with Tech Logic would be on the November 12, 2012 Council agenda for consideration. In closing, Mr. Benson introduced two committee members from the library staff; Susan Allison, Assistant Director of Library Services, and Darrell Cook, Librarian II, Circulation.

Council Comments

Councilmember Mitchell inquired about the non-resident fee and asked if it has affected the number of patrons. Mr. Benson explained that circulation numbers have increased and likely would have increased more if there was not a non-resident fee. He explained that non-residents still have limited access through an inter-library loan program. He also stated that the non-resident fee is only charged in reciprocal agreements between other cities.

Councilmember Solomon asked how the sorting system works. Mr. Benson explained that the sorting is set up by collection category such as adult non-fiction, children's non-fiction, etc.

Council commended the library staff on implementing technology with this project and commented that it would be a great enhancement for library patrons.

D. Report on Items of Community Interest

Council Reports

Mayor Pro Tem Maczka reported that the City of Richardson earned the Working for Clean Air Award from the North Texas Commission for cities with under 1000 employees.

Councilmember Dunn reported that City Wide Pet Day was a great success and commended staff. Councilmember Solomon also commended Councilmember Dunn and staff.

EXECUTIVE SESSION

Council adjourned the Work Session at 7:22 p.m. and after a 10 minute recess convened into Executive Session at 7:32 p.m.

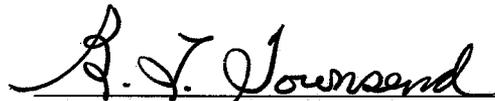
- In compliance with Section 551.074 of the Texas Government Code, Council will convene into a closed session to discuss the following:
 - Personnel
 - Evaluation of the City Manager
- Council will reconvene into open session, and take action, if any, on matters discussed in executive session.

RECONVENE INTO REGULAR SESSION

Council reconvened into Regular Session at 8:30 p.m.

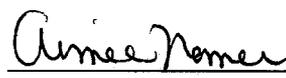
ADJOURNMENT

With no further business, the meeting was adjourned at 8:30 p.m.



MAYOR

ATTEST:



CITY SECRETARY

