

City Council met for the monthly City Council meeting on March 20, 2018 in the Council Chambers at City Hall, 907 E. Houston, with Mayor Otis Cohn presiding.

MEMBERS PRESENT: Mayor Otis Cohn, Councilmember Mike Penry, Councilmember Marilyn Clay, Councilmember Carolyn McWaters, Councilmember Danny Lee, City Manager Kelly McDonald, City Secretary Angela Smith and City Attorney David Olson

MEMBERS ABSENT: Councilmember Jennifer Bergman

VISITORS PRESENT: Jim Carson, Lance Blackwell, Brent & Tracy McWaters, Jacob McAdams, Glynnna Largent, Laura Davis, Steven Hanson

ZONING MEMBERS: Julie Payne, Fred Terrell, Joe Bob Croley, Cheryl Driver (Absent -Joe Bazzar)

EMPLOYEES: Mary Hale, Rod Hainey, Glen Barnhill, Sean Anderson, Darrel Broussard, Mary Cohn, Bobby Pennington

Mayor Otis Cohn called the meeting to order at 6:01 pm and stated there was a quorum. Pastor McMillian with First United Methodist Church gave the invocation and Councilmember McWaters led the pledge to the Texas flag and Councilmember Clay led the pledge to the US flag.

Joint Public Hearing of the Zoning Commission and City Council

1. **Joint public hearing on the preliminary report of the Zoning Commission regarding a recommendation to amend the zoning ordinance under Chapter 211 of the Texas Local Government Code as follows:**
 - a. Reclassify 2.31 acres, being known as Edwards, Block 21, Lot 1, Tract 3 (addressed as 801 Liberty) from zoning district General Commercial (GC) to zoning district Specific Use Permit (SUP).

Fred Terrell with the Zoning Commission called the Zoning meeting to order and established they have a quorum at 6:05 pm. The public hearing was opened at 6:05 pm.

Steven Hanson, citizen at 307 Liberty, questioned the address 801 Liberty as being correct for this location. It was established from the property owner Glynnna Largent that mail has been received at this location previously by the post office and as such City Attorney Olson was fine with the address as it is stated. The zoning letters were sent to address within 200 feet by using the boundaries of the property. The applicant put the address assigned to the building on the application.

With no other concerns, the public hearing closed at 6:19 pm. Zoning Commission left to continue their meeting in the boardroom at 6:19 pm.

Public Hearing for the Creation of Reinvestment Zone Number Two, Cleveland Texas near the Intersection of Morgan Cemetery Road and Rutherford Road

2. **A public hearing by the City Council to hear public input for or against the creation of the Reinvestment Zone Number Two, Cleveland, Texas encompassing approximately 291.421 acres situated in the T.J. Williams Survey, Abstract 593, and the Lawrence Martin Survey, Abstract 310 in Montgomery County, Texas, generally located near the intersection of**

Morgan Cemetery Road and Rutherford Road, its boundaries, or the concept of tax increment financing in general.

Opened at 6:20 pm, no comments or questions were brought up so the public hearing was closed at 6:22 pm.

Presentations and Comments

3. Presentation by Police Chief Darrel Broussard on Annual Racial Profiling Report

Police Chief Broussard gave his annual report and stated there were no issues in the reporting period – 1/1/2017 to 12/31/2017. They are in compliance. Councilmember Clay asked about the retention period for body camera footage. Chief Broussard stated that for a Tier I facility the State of Texas requires 90 days storage for audio & video. However if they know a case may go to court they will save to DVD the footage so that it doesn't get destroyed after the retention period ends.

4. Public Comments.

Jim Carson gave the Chamber update.

5. Reports and comments from City Council, Mayor or City staff.

City Manager McDonald gave update on city events and sports park status.

Councilmember Clay recently went to a conference March 8th and found it very informative. She learned that most cities are battling the same challenges as Cleveland.

Consent Agenda

6. Consider acceptance of monthly financial report for month ending February 2018

7. Consider minutes from monthly City Council meeting on February 20, 2018 and Special Called City Council Meeting, February 28, 2018.

Councilmember Penry made a motion to approve the consent items 6 & 7 with a second from Councilmember Clay. All members present voted "AYE".

Discussion and Action

8. Consideration and possible action on proposed ordinance of the City of Cleveland, Texas, creating a Reinvestment Zone under section 311.005(a)(4) of the Texas Tax Code; designating a contiguous geographic area within the city near the intersection of Morgan Cemetery Road and Rutherford Road as a reinvestment zone to be known as Reinvestment Zone Number Two, Cleveland, Texas; describing the boundaries of the zone; creating a Board of Directors for the zone; establishing a Tax Increment Fund of the zone; containing findings related to the creation of the zone; providing a date for the termination of the zone; providing that the zone take effect immediately upon passage of the ordinance; providing for severability; and making other provisions related to the subject.

Councilmember Penry made a motion to approve the ordinance of the City of Cleveland, Texas, creating a Reinvestment Zone under section 311.005(a)(4) of the Texas Tax Code; designating a contiguous geographic area within the city near the intersection of Morgan Cemetery Road and Rutherford Road as a reinvestment zone to be known as Reinvestment Zone Number Two, Cleveland, Texas; describing the boundaries of the zone; creating a Board of Directors for the zone; establishing a Tax Increment Fund of the zone; containing findings related to the creation of the zone; providing a date for the termination of the zone; providing that the zone take effect immediately upon passage of the ordinance;

providing for severability; and making other provisions related to the subject with a second from Councilmember Lee. All members present voted "AYE". Motion carried.

9. **Consideration and possible action on proposed ordinance of the City Council of Cleveland, Texas, appointing members to positions one through seven of the Board of Directors of Reinvestment Zone Number Two, Cleveland, Texas.**

Councilmember Penry made a motion to approve ordinance of the City Council of Cleveland, Texas, appointing members to positions one through seven of the Board of Directors of Reinvestment Zone Number Two, Cleveland, Texas with a second from Councilmember Clay. All members present voted "AYE". Motion carried.

Item 11 was brought forward on the agenda as the Zoning Commission was not through with their meeting yet.

11. **Consider a resolution naming the T-Ball Field at the Cleveland Memorial Park in honor of Kade Dylan Contreras**

Councilmember Clay made a motion to approve the resolution as presented with a second from Councilmember McWaters. All members present voted "AYE". Motion carried.

12. **Consider possible action of a resolution regarding an Opportunity Zone, Tax Reform's New Economic Development Tool in compliance with the tax code.**

Mayor Cohn spoke on this topic as it is part of the tax reform bill that was passed by Congress. A tax advantage is given to developers for certain areas. City Attorney Olson stated that we are asking the Governor to create the tract by sending him our locations via letter. He can only do 25%. It was stated that this particular tract that is listed in the letter is not in the City limits. The tax deferral does not affect the city as it is on the developers' side. It helps the developers and not the city.

Councilmember Clay made a motion to approve the letter as written with the one tract with a second from Councilmember McWaters. All members present voted "AYE". Motion carried.

10. **Receive the final recommendation from the Zoning Commission concerning amending the zoning ordinance for a Specific Use Permit request for Edwards, Block 21, Lot 1, Tract 3 (addressed as 801 Liberty) and take possible action on an ordinance of the City of Cleveland, Texas, to reclassify 2.31 acres, being known as Edwards, Block 21, Lot 1, Tract 3 (addressed as 801 Liberty) presently classified in Zoning District (GC) General Commercial to be changed to the Zoning District (SUP) Specific Use Permit; providing for severability; and providing for repeal.**

Zoning Commission returned to the City Council meeting. Fred Terrell gave the zoning commission's final recommendation concerning amending the zoning ordinance as requested. The Zoning Commission approved the request as presented and recommends it be approved by Council.

Councilmember Penry made a motion to accept the formal recommendation to amend the zoning ordinance as per the Zoning Commission's recommendation with a second from Councilmember Lee. All members present voted "AYE". Motion carried.

Executive Session

13. Closed Executive Session under Texas Local Government Code 551.071 for Consultation with Attorney

Council left for executive session at 6:58 pm.

Open Session

14. Return to open session and take action on items from Executive Session if needed

Council returned to open session at 7:06 pm with no action taken.

Adjourn

Councilmember Penry made a motion to adjourn with a second from Councilmember Lee. Meeting adjourned at 7:06 pm. Zoning Commission closed their meeting.

PASSED AND APPROVED this 17th day of April 2018.

Signed & Approved
Mayor Otis Cohn

ATTEST:

Signed & Approved
Angela Smith, City Secretary