



**MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, MAY 7, 2020**

The regular meeting of the Benbrook City Council was held on May 7, 2020 at 7:30 p.m. in the Council Chambers with the following Council members present:

Jerry Dittrich, Mayor
Renee Franklin-via Telephone Conference
Larry Marshall- via Telephone Conference
Dustin Phillips-via Telephone Conference
Jim Wilson-via Telephone Conference
Laura Mackey-via Telephone Conference
Jason Ward-via Telephone Conference

Also Present:

Andy Wayman, City Manager
Jim Hinderaker, Assistant City Manager
Joanna King, City Secretary
Wes Cooper, Systems Administrator
Cathy Morris, EDC Director
Rick Overgaard, Finance Director

I. CALL TO ORDER

Meeting called to order at 7:30 p. m. by Mayor Jerry Dittrich.

II. CITIZEN COMMENTS ON ANY AGENDA ITEM

Mayor Dittrich paused the meeting for any citizen comments on any agenda item via telephone conference. There were no calls.

III. MINUTES

1. Minutes of the regular meeting held April 16, 2020

Motion by Dr. Marshall, seconded by Ms. Franklin to approve the minutes of the regular meeting held April 16, 2020.

Vote on the Motion by Roll Call:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

IV. PRESENTATION BY BENBROOK ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

EDC-2020-01 Approve Economic Development and Performance Agreement between the Benbrook Economic Development Corporation and ABIC, LLC

Cathy Morris gave the following report: Timber Creek Shopping Center, 931 Winscott Road, was constructed in 1984, and offers 17,486 square feet of retail space. The current owners, ABIC, LLC, have recently invested in exterior improvements, to include a new pylon sign and new walkway lighting. ABIC intends to invest additional capital in aesthetic improvements.

In an effort to partner in an overall significant improvement to the aging center, the Benbrook Economic Development Corporation (BEDC) board of directors asked staff to encourage the property owners to expand the scope of their original ideas for exterior improvements, and to draft a developer agreement addressing the desires of all parties.

ABIC, LLC is seeking financial assistance from the BEDC in the amount of \$150,000 to offset anticipated total project costs of approximately \$200,000 for improvements to the exterior of the space, based on recent construction bids to perform parking lot improvements, new outside paint, new building façade materials, landscape features, and building signage.

The BEDC has determined that the proposed project and improvements will create or sustain jobs as defined by the Development Corporation Act of the Texas Local Government Code, and that the expenditure of the BEDC for improvements is suitable or required for the development of new and expanded business enterprise, and falls within the definition of a project.

The BEDC has also determined that improvements to the center will increase the taxable value of the center.

The Development and Performance Agreement between the Benbrook Economic Development Corporation and ABIC, LLC, outlines the entire project, and all covenants of each party. Per the agreement, ABIC, LLC agrees to complete the improvements no later than December 31, 2020, and to provide all appropriate documentation verifying costs. The BEDC agrees to reimburse ABIC for paid invoices to construct the improvements, not to exceed \$150,000, plus the cost of associated city building permit fees.

Attorneys for both parties have reviewed and approved the agreement. At their May 4, 2020 special meeting, the BEDC board approved the agreement, and is seeking city council ratification.

Mayor Dittrich opened the public hearing at 7:38 p.m. Mayor Dittrich allowed 3 minutes for any public comments via telephone conference. There were no public comments received.

Mayor Dittrich closed the public hearing at 7:41 p.m.

Motion by Ms. Franklin, seconded by Mr. Phillips to approve the Development and Performance Agreement between the BEDC and ABIC, LLC to reimburse ABIC for costs associated with improvements to Timber Creek Shopping Center, not to exceed \$150,000, plus the cost of associated city building permit fees.

Vote on the Motion by Roll Call:

Ayes: Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward, Ms. Franklin

Noes: None

Motion carried unanimously.

EDC-2020-02 Approve Converting the BEDC Storefront Grant to a Disaster Relief Grant with a Corresponding Budget Adjustment to Fund Emergency Grants for Small Businesses

Cathy Morris gave the following report: The Benbrook Economic Development Corporation (BEDC) promotes a diverse and vital economy by attracting new business, retaining and supporting existing businesses, facilitating desired development, and by promoting Benbrook to new residents and visitors.

In response to the COVID-19 pandemic, federal, state, and local governmental entities and other organizations have initiated legislation and programs designed to assist small businesses who have been negatively impacted by stay-at-home orders and subsequent loss of income. Many Texas cities and economic development corporations are crafting programs tailored to the needs of their business community.

In support of Benbrook's existing businesses, and as aligned with the BEDC mission, the BEDC board of directors has approved a temporary emergency grant to address the current needs of small businesses impacted by the COVID-19 pandemic.

BEDC recommends converting the current BEDC Storefront Grant Program to a temporary Disaster Relief Grant program. The Storefront Grant fund is currently near depletion for the remainder of the fiscal year, and the Disaster Relief can be funded and made available until the end of fiscal year 2020, or until funds are depleted. The BEDC may revisit the new program, its impact, and possible future funding at any time.

The BEDC Disaster Relief Grant program is solely intended to assist Benbrook commercial (retail/service/office) small businesses by funding mortgage and lease payments due. The grant will be available on a first-come, first-serve basis.

The goal of the program is to provide financial assistance in the form of a one-time, one-month mortgage or lease payment, up to \$5,000 per eligible local business.

BEDC reserves the right to review and approve an applicants' eligibility for a second month of mortgage/rental assistance, by making available any remainder of the \$5,000 original cap per business, and assuming all other eligibility criteria applies. A single business will not be eligible to receive more than a total of two months mortgage/lease grant assistance under this program, and no more than \$5,000 total per business.

To be eligible to participate in the BEDC Disaster Relief Grant program, a business must meet all the following criteria:

- A. Be a storefront commercial (retail sales, service, or office) business within the city limits of Benbrook, Texas.
- B. Currently pay a mortgage or lease/rent payment for the business.
- C. Have a financial need as a result of lost income due to the COVID-19 pandemic.
- D. Employ no more than 100 employees.
- E. At the time of grant application, have received no funding from the *Coronavirus Aid, Relief, and Economic Security (CARES) Act - Small Business Administration (SBA) Paycheck Protection Program (PPP)*.
- F. Not be a home-based business.
- G. Have been in operation in Benbrook prior to January 1, 2020.
- H. Have no outstanding code violations.
- I. Be in good standing, and up to date on all property taxes owed.
- J. Agree to provide requested mortgage/lease documentation to confirm current arrangement and verify mortgage/lease amount due.
- K. Agree to provide requested documentation to verify that BEDC Disaster Relief Grant assistance was used to pay mortgage/lease payments, per the terms of the mortgage/lease documentation provided.

The City attorney has reviewed and approved the grant application material.

At their May 4 special meeting, the BEDC board submitted a finding that converting the BEDC Storefront Grant to a temporary emergency grant is a project that aligns with their mission and is allowed and defined by their authority under Section 505.157 of the Texas Local Government Code. The board recommends the creation of a Disaster Relief Grant to support business expansion and retention by providing financial assistance in the form of mortgage or lease payments to eligible small businesses per application criteria and is seeking a budget adjustment of \$500,000 to fund the Disaster Relief Grant program.

Mayor Dittrich opened the public hearing at 7:48 p.m. Mayor Dittrich allowed 3 minutes for any public comments via telephone conference. There were no public comments received.

Mayor Dittrich closed the public hearing at 7:51 p.m.

Motion by Dr. Marshall, seconded by Mr. Ward to approve and ratify converting the Storefront Improvement Grant to the Disaster Relief Grant and approve a budget adjustment of \$500,000 to be made available to fund disaster relief mortgage/lease grants to eligible Benbrook businesses.

Vote on the Motion by Roll Call:

Ayes: Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall

Noes: None

Motion carried unanimously.

V. REPORTS FROM CITY MANAGER

G-2462 Accept Finance Report for period ending March 31, 2020

Rick Overgaard gave the following report: General Fund revenues for the month of March were \$1,498,696. Major revenues collected for the month include Property taxes of \$133,684, Franchise taxes of \$855,240, Fines and Forfeitures of \$60,811, Charges for Services of \$89,691, and Permits of \$30,427. Sales tax collected and recognized as revenue in March was \$315,310. Fiscal year to date sales tax is 22.73% greater than last year at this time. General Fund revenues collected through the end of March were \$16,645,945 and 79.0% of the budget.

General Fund expenditures for the month of March were \$1,256,384. Fiscal year to date expenditures were \$9,695,254 and 46.1% of the adopted budget.

Total General Fund revenues of \$16,645,945 were greater than General Fund expenditures of \$9,695,254 by \$6,950,691.

Debt Service revenues for the month of March totaled \$4,695 and were all from property tax. Fiscal year to date revenues total \$1,530,947. There were no expenditures in March. The next debt services payments will be made the end of July. Total revenues of \$1,530,947 exceeded total expenditures of \$1,497,770 by \$33,177.

EDC revenues as of March 31, 2020, were \$911,231. EDC expenditures through the end of March were \$566,628. Total revenues exceeded total expenditures by \$344,603.

Total revenues received through March 31, 2020 were \$1,557,341 from stormwater utility fees, mineral lease revenue, and interest earnings. Total expenditures for the Capital Projects Fund were \$2,226,343 through the end of March. March expenditures included the following projects: Claret Court Drainage and Clearfork Emergency Access Bridge. Total expenditures exceeded total revenues by \$669,002. Enough funds are available in the current fund balances of the Capital Projects Fund. This fund operates on a project basis rather than a specific fiscal year.

On March 31, 2020, the City had \$23,223,730 invested at varying interest rates; the EDC had \$4,725,616 available.

Motion by Ms. Franklin, seconded by Mr. Ward to accept the finance report for the period ending March 31, 2020.

Vote on the Motion by Roll Call:

Ayes: Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips

Noes: None

Motion carried unanimously.

G-2463 Approve Investment Report for the quarter ending March 31, 2020

Rick Overgaard gave the following report: The Public Funds Investment Act (PFIA), Texas Government Code and the City's Investment Policy require that an Investment Report be presented to City Council.

The Investment Committee met on April 22, 2020, to review the report and ensure compliance with the City's investment policy.

- The total portfolio for the City and EDC at March 31, 2020 is \$27,949,346, with 83% or \$23,223,730 belonging to the City, and 17% or \$4,725,616 to the EDC.
- 27% of the combined portfolio is in bank accounts, with 51% in local government investment pools, 2% in agency notes, and 20% in certificates of deposit.
- The weighted average maturity on the combined portfolio is 49 days with a 1.21% average yield to maturity.

The average yield to maturity increased slightly this quarter because of the purchase of securities prior to the continued decline in market interest rates.

Motion by Dr. Marshall, seconded by Mr. Phillips to accept the Investment Report for the quarter ending March 31, 2020.

Vote on the Motion by Roll Call:

Ayes: Mr. Wilson, Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich

Noes: None

Motion carried unanimously.

G-2464 Adopt Resolution denying Oncor Distribution Cost Recovery Factor Filing

Rick Overgaard gave the following report: The City of Benbrook is an electric utility customer of Oncor Electric Delivery Company LLC (“Oncor” or “Company”). The Oncor Cities Steering Committee (“OCSC”) is a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor’s service area in matters before the Public Utility Commission (“PUC” or “Commission”) and the courts.

On April 3, 2020, Oncor filed an Application to Amend its Distribution Cost Recovery Factor (“DCRF”) with each of the cities retaining original jurisdiction and with the Commission in Docket No. 50734. In the filing, the Company sought to increase distribution rates by \$75.9 million annually (an approximately \$0.88 increase to the average residential customer’s bill).

The resolution authorizes the City to join with OCSC to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

The purpose of the Resolution is to deny the DCRF application proposed by Oncor.

Motion by Mr. Wilson, seconded by Ms. Mackey to adopt Resolution Number 2020-05 denying the Distribution Cost Recovery Factor application proposed by Oncor.

Vote on the Motion by Roll Call:

Ayes: Ms. Mackey, Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson

Noes: None

Motion carried unanimously.

Resolution No. 2020-05 being “A RESOLUTION OF THE CITY OF BENBROOK, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC’S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOIULD BE DENIE; AUTHORIZING PARTICIPATION WITH ONCOR CITIES STEERING COMMITTEE; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; FINDING THAT THE CITY’S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.”

G-2465 Adopt Resolution for Participation in Tarrant County Community Development Block Grant Program 2021-2023

Jim Hinderaker gave the following report: federal funds to improve housing and neighborhoods for low to moderate income residents. There are three ways a community can participate in the CDBG Program:

1. As an entitlement city, for cities with a population of more than 50,000 people, or
2. Under the State and Small City program, where Benbrook would compete for funds with all other small cities in the State, or
3. Under the Urban County program, for counties with a population of more than 200,000.

The United States Department of Housing and Urban Development (HUD) has reduced program funding so Tarrant County has opted to allow entitled cities to participate in the program annually and the remaining cities to request funds every other year. This staggered approach allows the award amounts to be sufficient to fund larger projects. Benbrook is allowed to submit applications during odd years.

Benbrook has participated in Tarrant County's program since 1975, along with 20 other communities and has received over \$3.5 million in grant funds. Each grant award ranges from \$120,000 to \$150,000 depending on the amount of available funding.

To participate in the program, Benbrook must adopt a Resolution authorizing participation for a three-year period.

The Resolution states that Benbrook will continue to participate in the County's program through 2023, comply with all applicable federal laws and regulations, and not seek CDBG funds through other sources. Benbrook can opt out of the County program at any time.

Motion by Dr. Marshall, seconded by Ms. Franklin to adopt Resolution No. 2020-06 authorizing continued participation in the Tarrant County Community Development Block Grant (CDBG) Program through 2023.

Vote on the Motion by Roll Call:

Ayes: Mr. Ward, Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey

Noes: None

Motion carried unanimously.

Resolution No. 2020-06 being **"RESOLUTION REGARDING CITY OF BENBROOK PARTICIPATION IN TARRANT COUNTY'S COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP AND EMERGENCY SOLUTIONS GRANT CONSORTIUM FOR THE THREE PROGRAM YEAR PERIOD, FISCAL YEAR 2021 THROUGH FISCAL YEAR 2023."**

VI. INFORMAL CITIZEN COMMENTS

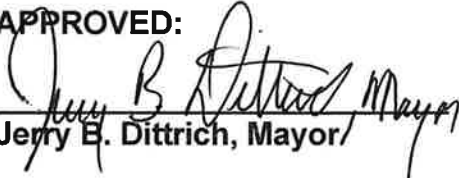
Mayor Dittrich paused the meeting for any informal citizen comments via telephone conference. There were no calls.

VII. COUNCIL MEMBER AND STAFF COMMENTS

Jim Hinderaker gave report on COVID-19.

VIII. ADJOURNMENT

Meeting adjourned at 8:22 p.m.

APPROVED:

Jerry B. Dittrich, Mayor

ATTEST:


Joanna King, City Secretary