

CITY OF ALAMO HEIGHTS
CITY COUNCIL
February 27, 2017

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at the Council Chambers, located at 6116 Broadway, San Antonio, Texas, at 5:30 p.m. on Monday, February 27, 2017.

Present and composing a quorum were:

Mayor Louis Cooper
Mayor Pro-Tempore Fred Prassel
Councilmember Lawson Jessee
Councilmember Bobby Rosenthal
Councilmember Lynda Billa Burke

Also attending were:

City Manager J. Mark Browne
Fire Chief/Assistant City Manager Buddy Kuhn
Assistant to the City Manager Marian V. Mendoza
City Attorney Mike Brenan
Community Development Services Department Director Jason Lutz
Finance Director Robert Galindo
Human Resource Manager Lori Harris
City Secretary Jennifer Reyna
Police Chief Richard Pruitt
Public Works Director Pat Sullivan

Absent was:

Councilmember John Savage

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Mayor Cooper opened the meeting at 5:32 p.m.

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Mayor Cooper announced the general election would be cancelled due to unopposed candidates. He congratulated Bobby Rosenthal who filed for mayoral position, incumbent Lawson Jessee to continue as Councilmember Place 2. He recognized Wes Sharples who filed for Councilmember Place 1.

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Item # 1 Approval of Minutes

Mayor Cooper asked City Council for any revisions to the minutes of the February 13, 2017 Council Meeting. A motion was made by Mayor Pro Tem Fred Prassel to approve the minutes of February 13, 2017 Council Meeting. The motion was seconded by Councilmember Lynda Billa Burke and passed by unanimous vote.

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Item # 2 Announcement

a. 28th Annual AH Band Association's Run to the Beat 5K, March 4, 2017

Community Development Services Department Director Jason Lutz announced that on Saturday, March 4, 2017, the Alamo Heights High School Band Association will host their 28th annual "Run to the Beat" 5K, beginning at 7:00 a.m. at the Alamo Heights ISD Administration Offices. He shared to call Mr. Ben Hub at (210) 861-8128 for additional information.

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Item # 3 Citizens to be heard concerning items not on the agenda

There were no citizens that signed up to speak.

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Items for Individual Consideration

Item # 4 Mayor Cooper read the following caption.

Presentation of Comprehensive Annual Financial Report for the fiscal year ended September 30, 2016 by Mike Del Toro, Audit Partner for ABIP for acceptance by City Council

Mike Del Toro, Audit Partner for ABIP began his PowerPoint presentation of the Comprehensive Annual Financial Report (CAFR).

Mr. Del Toro presented the CAFR and briefly explained the independent auditor's report, management discussion & analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplemental information, supplemental combining and individual financial statements and schedules, and statistical tables. Auditors issued an "unmodified opinion" on the CAFR which is the best opinion that can be given for an independent audit.

Mr. Del Toro highlighted financial information. He stated tax revenues increased \$415,000 due to the increase in property values. The net position increased from government activities by \$846,000 and increased by \$114,000 for business activities. He

briefly reviewed the governmental/business-type activities' net positions. The City complied with the Public Funds Investment Act. Mr. Del Toro also highlighted the fund financial statements. The General Fund's adopted budget anticipated a reduction of fund balance by \$573,000; actual results increased fund balance by \$296,000. The general fund revenues were more than budgeted by \$240,000 due to increased Telecom lease proceeds and higher than expected sales tax receipts. General Fund expenditures were less than budget by \$922,000 due to unfilled vacancies and turnover in personnel. He stated governmental funds overall fund balance increased \$842,423. The Capital Projects Fund increased \$6,000 due to transfer from the General Fund. The Street Maintenance Fund increased \$380,000 due to transfers from the General Fund. All other governmental funds increased \$160,000. A chart was displayed that included the different funds and fund balances. He stated the General Fund Unassigned Fund balance is approximately three months of average annual expenses. Mr. Del Toro briefly highlighted the Proprietary Fund to include water fund revenue, net position and unrestricted net position. He summarized the City had working capital of \$1.1M for the utility operations which is an increase by \$286,000 from prior year's working capital ratio.

Mr. Del Toro briefly explained the letter on conduct of audit to include accounting policies, accounting estimates, difficulties, misstatements, disagreements, management representations, consultations with other independent accountants, and compliance with the Public Funds Investment Act. He stated there are no deficiencies. He noted there were minor adjustments that were issued but no material statements. Mr. Del Toro thanked City Manager Mark Browne and Finance Director Robert Galindo for their assistance.

Mayor Cooper thanked Mr. Del Toro and Mr. Galindo for their efforts and congratulated Mr. Galindo on the achievement of receiving a positive audit.

Item # 5 Mayor Cooper read the following caption.

Planning and Zoning Commission Case # 387, public hearing, consideration, and action regarding a request to replat the property currently known as 636 Tuxedo Ave., identified as CB 4024, BLK 200, LOT 1 & P-100 (Formerly Ciruela St.)

Community Development Services Department Director Jason Lutz made a PowerPoint presentation that included background information, current and proposed plats.

Mr. Lutz identified the project and stated the applicant is requesting to subdivide an existing lot and an abandoned portion of Ciruela Street and establish two new lots. He explained this replat request would establish lots 15 & 16, Block 200, CB 4024. Each lot will have 74.9' of frontage along Tuxedo which meets zoning code regulations. A 14' utility easement is along the frontage adjacent to Tuxedo.

The Planning & Zoning (P&Z) Commission reviewed the request, conducted a public hearing on February 6, 2017 and approved the request. Staff did not receive any responses in opposition or in support.

Mayor Cooper opened the public hearing at 5:48 p.m. No one signed up to speak. Mayor Cooper closed the public hearing at 5:49 p.m.

A motion for approval was made by Councilmember Bobby Rosenthal. The motion was seconded by Councilmember Lynda Billa Burke and passed by unanimous vote.

Item # 6 Mayor Cooper read the following caption.

Planning and Zoning Commission Case # 386, public hearing, consideration, and action regarding proposed amendments to Chapter 3 Zoning, Article I. – In General, Article II. – Land Use, Article IV. – Two-Family Dwelling District (2F-C), Article VII. – Parking District (P), Article VIII. – Business (B) and Office (O-1) Districts, and Article X. – Special Regulations, of the Code of Ordinances, concerning definitions, land uses, lot area, lot width, lot coverage, setbacks, articulation, building heights, parking requirements and dimensions, landscaping, screening, sidewalks, and general site development regulations

Mr. Lutz made a PowerPoint presentation that included background information, proposed amendments, and images.

Council passed Resolution No. 2016R-078 to create a Commercial Code Committee (CCC) to review and make recommendations to the zoning code concerning commercial and multi-family zoned properties. Mr. Lutz thanked the Commercial Code Committee (CCC) that dedicated their time in meeting, reviewing, and making recommendations. The CCC comprised of Chair Jim Taylor, John Grable, Richard Garison, Mike McGlone, Bill Kiel Tiffany Robinson Long, Al Honigblum, and Jeff Scheick who served as Alternate. Mr. Lutz briefly identified the committee's goals and began with the proposed amendments.

Focused on Article II, Section 3-2 *Definitions*, Mr. Lutz highlighted the major changes within this section. The definition for height was changed to include height allowance modified in the zoning code for Broadway, south of Albany, limits exemption for basement stories, and an image was added for clarification. He explained the definition was changed and language was added to address height clarification. He stated additional language was for properties with frontage along Broadway, south of Albany and Austin Highway, a maximum height of fifty-five (55) feet, from average grade, but not to exceed four stories from the grade of land adjacent to the public rights-of-way frontage shall be permitted. The image referencing to height was presented. He stated Planning and Zoning (P&Z) Commission approved the proposed definition changes.

Mr. Lutz continued with Article II. Section 3-8 *Use of Land*. He stated "Hotel" required a Specific-Use Permit (SUP) in any Business (B) or Office (O) districts and is now permitted by right in any (B) or (O) district. "Motel, tourist court, or motor court" definition was deleted as it is covered under definition of "Hotel". Mr. Lutz stated P&Z approved with a recommendation: "Cleaning shop or laundry, Self-service", "Cleaning or laundry pick-up station", "Cleaning or pressing shop" and "Custom sewing and millinery" be permitted in all (B) districts.

Article V. *Two-Family Dwelling District (2F-C)* was presented next. Mr. Lutz stated related to the main structure, there was no height limitation found in the current code. The proposed height limit is 35' and 2.5 stories, 4' exemption for chimneys as similar to Single-Family: SF-A and SF-B Districts. Accessory structure height limit is proposed at 25', height looming 2:1 as similar to Single Family: SF-A and SF-B Districts. P&Z recommended approval with the following change to Section 3-32 *Lot Area* and Section 3-33 *Lot Width*. Mr. Lutz noted errors in the draft amendments document which had single-family dwelling attached and two-family dwellings grouped together concerning lot area for Section 3-32 and lot width for section 3-33. The original intent, from the commercial code committee and the recommendation from P&Z, was to separate the single-family attached and the two-family dwellings in regards to lot width (Section 3-33) and area (Section 3-32). For two-family dwellings a minimum lot area of 9,000 square feet and a minimum lot width of 50 feet. For single-family attached dwellings the recommendation was a lot area of three thousand seven hundred fifty (3,750) square feet. (The required lot area for the initial and final unit of one-family dwelling attached structures is three thousand seven hundred fifty (3,750) square feet for each unit. Each of the remaining (interior) units shall require a lot area equal to at least two thousand two hundred fifty (2,250) square feet per unit. This does not avoid the necessity to meet other requirements of the Zoning Code and other codes and ordinances). For single-family attached dwellings the recommendation was a lot width of 25'.

Mr. Lutz referenced Article VII. *Parking District* and presented proposed amendments related to land use, setbacks, height, and development standards. He stated front portion of structure, adjacent to rights-of-way to be utilized for retail/commercial (Broadway, South of Albany), will allow for structured parking garages and prohibit storage of vehicles for sale, boats, trailers & RVs. Side yard setbacks were increased from 8' to 15'. He noted there are no parking districts on Broadway, south of Albany. He noted no limit to the number of stories related to height and structural parking. Other changes included 2:1 height looming ratio adjacent to SF-A and SF-B districts, alternate setbacks for properties along Broadway, south of Albany to match updated Multi-Family District (MF-D) regulations. Related to height, 45' is the maximum and there are no limits to the number of stories; however, 55' on Broadway, south of Albany. Mr. Lutz stated screening of vehicles will be required on ground and upper floor as well as landscaping between building and setbacks.

Article VIII - *Business (B) and Office (O) Districts*' proposed changes included land uses, lot width, front/side/rear yard setbacks, lot coverage/impervious cover, and height. Mr. Lutz stated changes to land uses directs MF-D regulations to the appropriate section and prohibits single-family residential. He noted lot widths, setbacks, lot area regulations concerning single family residential has been deleted as land use is prohibited. Lot Width was added with 75' minimum. Based on P&Z, Architectural Review Board (ARB) and Council review, zero lot lines and reduction of lot width is allowed for final design. He noted this is to establish flexibility within the code. Related to front yard setback, he referenced the error of 20' noted in the draft that was provided and stated P&Z recommended 8' based on current regulations and CCC review. For properties on Broadway, south of Albany, it will be zero setbacks to match MF-D regulations. The side yard setbacks are 15' with a 2:1 height looming adjacent to SF-A and SF-B districts. Rear yard setbacks are 25', 15' along Broadway (south of Albany) to match MF-D regulations as well, and 2:1 height looming adjacent to SF-A and SF-B districts. Regarding lot coverage/impervious cover it is 85% impervious cover including building pavement. For buildings on Broadway, south of Albany, there is no impervious cover cap; however, it does not waive landscaping or storm water requirements found in the code. Changes related to height were an increase from 40' to 45', 55' for buildings located on Broadway, south of Albany, which also matches MF-D regulations. The minimum building height is 28'. Mr. Lutz explained the minimal height encourages mixed-used developments, noted an extra cost could make second story residential feasible without overburdening parking requirements and the goal is to encourage and increase mixed-used developments. P&Z recommended approval with the following change to Section 3-64(1): front yard setback changed from 20' to 8' as reviewed by the CCC.

Mr. Lutz presented information on Article X - *Special Regulations* related to parking, utilities, and specific-use permits. The proposed change allows a discount in parking ratios for mechanical rooms, bathrooms, and hallways. It would require one space per 750 square feet. Parking reductions are approved by ARB & Council as it was previously approved by the Board of Adjustment (BOA). Parking space reductions require a mitigation fee in the amount of \$20,000 per space based on structural space. He explained the mitigation fee is high to cover engineering fees and it keeps available parking spaces from being reduced in small increments over time. The City is able to collect funds and construct new spaces to offset any losses. The proposed changes prohibit the storage of trailers, RVs, ATVs, any vehicles marked "for sale" in parking areas adjacent to Broadway. He noted this goal is to keep the areas clean and the area not be utilized as a storage area. Overhead utilities should be relocated to the rear of the property behind the building or underground for any properties located in B, O, MF-D, 2F-C, or P districts. He stated there should be consideration of additional language for "properties with frontage along Broadway". Regulations were deleted for SUPs for MF-D and Hotel projects of 2.5 stories or more. Mr. Lutz noted that development standards are addressed in the height requirements of each section. He summarized that an SUP will no longer be used to exceed height limitations. P&Z recommended approval with the following changes: 1) under Section 3-84 (1)(f)(i) delete additional parking requirements for outside eating areas; 2) add "per space" to the \$20,000 parking

mitigation fee; and 3) add language in Section 3-84(9) that allows company service vehicles to be parked in front along Broadway if no rear parking is available. Mr. Lutz stated additional language allowing company service vehicles parking along Broadway may lead to enforcement issues and limit Code Enforcement's ability to properly regulate. Other recommended changes included a ratio of compact spaces provided in lieu of standard size spaces to be referenced in Section 3-84 *Special Parking Regulations*. P&Z recommended a table be included to show angles, depth and standardized parking sizes. Mr. Lutz commented that further study of vehicle sizes in Alamo Heights is needed to realize the effects the ratio may have on parking. One final change that P&Z recommended was additional language in Section 3-86(1) *Special Area and Building Location Regulations* regarding relocation of utilities "shall be approved and may be modified by Council, after ARB recommendations, as part of the final design review process."

Mayor Cooper complimented Mr. Lutz on the excellent work and the hard effort that went into it.

Mayor Pro Tem Prassel referenced 56' in height and commented that a structure with four floors make it easy to have nine foot ceilings which produces a tasteful high end luxury living space. He complimented Mr. Lutz on the great job he did.

Councilmember Jessee encouraged Mr. Lutz to define the type of screening in regards to structural or vegetative screening and cited examples where it would make sense to allow one vs. the other, inquired about abatement opportunities concerning impervious cover, front yard setbacks and minor requests that may be made to the various boards and commission in lieu of returning to Council. He asked why Austin Highway was not included in the proposed amendments.

Mr. Lutz responded to Councilmember Jessee's questions. He stated a certain type of screening was not required for development standards and that the code would allow both types to be utilized; however, commented that a facility of a large magnitude would need to go through ARB and Council. CCC member Bill Kiel added that another factor to consider related to screening is light. Light would need to be blocked and a specific portion may be different than necessary. Mr. Lutz stated there are no abatements for impervious cover; however, there is an option for a variance request and/or hardship. Mr. Lutz reported the CCC considered amending the process but placing the item with ARB allows the public to comment on the applicant's request. He stated that Austin Highway was not included in the proposed amendments because the area is not pedestrian friendly.

There was a brief discussion among Council regarding the relocation of utility power lines. Mayor Cooper expressed concern in moving the utility lines to the rear because neighbors would not want to see utility lines when they weren't there in the beginning. Mr. Kiel stated large projects may be suitable to accommodate utility power lines in the rear; however, added that cooperation with CPS Energy is a must in any case. Council discussed the possibilities that trigger requirements of relocating power utilities.

Council agreed to consider language that interior remodeling would be exempt from requiring the relocation of power utilities and those should only be triggered by major additions or new construction. Mayor Cooper concluded the discussion stating the project needs to return for consideration.

Council briefly discussed sheltered/covered area for outdoor eating as it relates to parking requirements. Mr. Lutz stated sheltered/covered area was not clarified specifically for outdoor eating but that the language could be added to include 1 space per 300 square feet for any "covered" outside eating areas. Mayor Cooper stated that Paloma Blanca Restaurant has permanent seating availability outside despite weather conditions. Councilmember Rosenthal suggested perhaps certain establishments may be exempted such as the BBQ restaurant that was located on Broadway. Mr. Lutz stated language may need to be provided to provide clarification regarding the parking ratios.

Council discussed trailers parked on Broadway and possible options for screening for trailers. Council disagreed with P&Z recommendation that a trailer may continue to be stored in front of the business if their location does not allow it. Council expressed concern for the Boy Scout trailer that is visible off Broadway and considered possible other locations to store trailers. Councilmember Rosenthal suggested staff conduct an inventory of how many businesses the trailer storage may affect. Mayor Cooper asked Mr. Lutz to speak with the business owner in a face-to-face conversation instead of sending a letter to them. Council agreed. Mr. Kiel stated at one time he observed four trailers at the Church and believes there is only one trailer now. Mr. Kiel recommended Council not make exceptions as trailers contain advertisements and are utilized as advertisement. Councilmember Rosenthal suggested staff conduct a survey about trailers that are utilized as signage as well. Mayor Cooper and Councilmember Rosenthal wanted to provide business owners ample time to make accommodations if proposed changes are adopted.

Mayor Cooper opened the public hearing at 6:52 p.m.

Pruyn Hildebrand, resident, reminded Council not to be harsh to business owners because she recalled how the City is encouraging business.

Debra Nason, resident, thanked Mr. Lutz, Mr. Kiel and the remaining members of the CCC for keeping her informed of the meetings. She commented that she attended some meetings and was impressed of the thoughts and the progress that was made. She stated it was a great learning experience.

Mayor Cooper closed the public hearing at 6:55 p.m.

City Manager Mark Browne summarized the areas to be further explored: 1) exterior portion of a building related to utility power lines, 2) the relocation of trailers along Broadway and 3) parking ratios for compact cars.

Councilmember Jessee added that P&Z recommendations were fine; however, with the exception of the trailer parking and compact parking. He encouraged a parking survey to be conducted. Councilmember Billa Burke stated the inclusion of Broadway and Austin Highway needed to be part of the proposed amendments. Council agreed that further research needed to be made so the item may be considered at a future Council meeting.

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Staff Report

Item # 7 Mayor Cooper read the following caption.

A Resolution supporting the Greater Bexar County Council of Cities in opposition to Senate Bill # 2 property tax revenue cap legislation affecting Texas Cities and Counties

City Manager Mark Browne made a PowerPoint presentation that included background information.

Mr. Browne shared this issue had been addressed to the various governmental organizational meetings he attended to include the Texas Municipal League (TML). He provided background information on Senate Bill # 2 which is to lower the property tax rollback rate from eight percent to four percent. Mr. Browne highlighted the concerns which included the reduction in the flexibility for cities and counties to manage their own property tax assessment that could potentially harm operations. He stated this proposed Senate Bill does not affect school districts; however, it will impact cities and counties.

Mr. Browne noted the savings of \$139 to an average homeowner in Alamo Heights based on the current year tax rate and savings would be realized only if the election was successful. He provided an example utilizing the 2016 effective date.

Mr. Browne commented that TML encouraged opposition to Senate Bill # 2. The Greater Bexar County Council of Cities (GBCCC) passed a resolution at their January 2017 meeting. The Cities of Live Oak and Schertz passed resolutions opposing Senate Bill # 2. He commented that the City of Terrell Hills was going to consider opposition of Senate Bill # 2 as well. Mayor Cooper commented that this bill may be a greater challenge for Bexar County since it significantly impacts them. Mr. Browne asked Council if they wanted to support a similar resolution as GBCCC and other municipalities did.

Councilmember Jessee recommended to table the item and return at a future meeting for further consideration. Council agreed.

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Staff Report

Item # 8 Mayor Cooper read the following caption.

Report on AH '09 5K Fun Run to be held in the City of Alamo Heights

Human Resources Manager Lori Harris made a PowerPoint presentation that included background information of a proposed 5K fun run.

Ms. Harris presented information about a 5K fun run to be hosted in Alamo Heights in connection to the launch of the City's rebranding. It will be held on Saturday, May 20, 2017 to include a route that begins and ends at City Hall. Donations will be asked from prospective sponsors to possibly offset costs. Ms. Harris stated the approximate cost is \$3,500 to include police officers, t-shirt logo, t-shirt, flyers, street banner, route signs, drinks and snacks. She stated a local food truck is being considered. She summarized that it will be a family fun event.

There was a brief discussion among Council regarding rental of portable toilets. Council agreed not to rent portable toilets and allow restrooms to be available at City Hall so residents may see facility if they hadn't had the opportunity to see the new building.

Mr. Browne stated this event will be family oriented similar to National Night Out.

Council expressed support in planning a 5K fun run.

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There being no further business, a motion was made by Mayor Pro Tem Prassel to adjourn the meeting. The motion was seconded by Councilmember Jessee and passed by unanimous vote. Mayor Cooper adjourned the meeting at 7:16 p.m.


Jennifer Reyna
City Secretary



Louis Cooper
Mayor