

CITY OF ALAMO HEIGHTS
CITY COUNCIL
January 9, 2023

A regular meeting of the City Council of the City of Alamo Heights, Texas was held at the Council Chamber, located at 6116 Broadway, San Antonio, Texas, at 5:30 p.m. on Monday, January 9, 2023. A teleconference was held via Zoom; staff and meeting attendees were welcomed in the Council Chamber.

Composing a quorum were:
Mayor Bobby Rosenthal
Mayor Pro Tem Lawson Jessee
Councilmember Blake M. Bonner
Councilmember Lynda Billa Burke
Councilmember John Savage

Also attending were:
City Manager Buddy Kuhn
City Attorney Richard Lindner
Assistant City Manager Phil Laney
City Secretary Elsa T. Robles
Director of Finance Robert Galindo
Community Development Services Director Lety Hernandez
Police Chief Rick Pruitt
Fire Chief Michael Gdovin
Deputy Police Chief Cindy Pruitt
Public Works Director Pat Sullivan

Absent:
Councilmember Wes Sharples
Assistant to City Manager Jennifer Reyna
Human Resources Manager Brenda Jimenez

* * *

Mayor Bobby Rosenthal opened the meeting at 5:30 p.m.

* * *

Item # 1 Approval of Minutes

Mayor Rosenthal asked City Council for a motion on the December 12, 2022 City Council Meeting minutes. Mayor Pro Tem Lawson Jessee moved to approve the minutes as presented. The motion was seconded by Councilmember Blake M. Bonner and passed by unanimous vote.

* * *

Item # 2 Announcements

Mayor Rosenthal read the following caption.

a. Candidate Filing Period

City Secretary Elsa T. Robles announced the candidate filing period for the May 6, 2023 General Election, starting Wednesday, January 18, 2023 – February 17, 2023. Interested candidates can apply to serve a two-year term for Mayor, Councilmember Place 1, and Councilmember Place 2. To qualify, the candidate should be a resident of the City of Alamo Heights for at least one year and be a registered voter. She stated applications, along with a \$100.00 filing fee should be turned in by 5:00 p.m. on February 17, 2023. Additional information is available on the City’s website and kiosk. Candidate packets are available at City Hall and on the website.

b. Tree Trimming Update

Fire Chief Michael Gdovin announced Davey Tree Service provided a proposal to complete the project for La Jara Blvd. to include: Crown Cleaning or removal of deadwood 1 inch and larger and removal of 50% ball moss; Crown Thinning or removal of 1/3 interior sucker growth; Crown Raising to elevate canopy 8 feet over lawn/sidewalk, 14 feet over street; and paint Oak wounds and haul debris.

* * *

Item # 3 Citizens to be heard

No comments made.

* * *

Items for Individual Consideration

Item # 4 Mayor Rosenthal read the following caption.

Architectural Review Board Case No. 891F, request of NBD 6401 LP, owner, represented by Mark Johnson of Balance Site Design, for the final design review of a proposed detached new commercial use building with associated parking within the existing development located at the 6400 Blk of Broadway St, also known as 6401/6403 and 6421 Broadway St, under Chapter 2 Administration for Architectural Review

Community Development Services Department Director Lety Hernandez stated the applicant is seeking to build a new stand-alone commercial use building that would be located between Rise-up and Honchos businesses on the 6400 block of Broadway. The new building would be an estimated 4,000 sq ft. In addition, applicant proposes other site improvements to include parking. The Business District (B-1) property is located on the west side of Broadway between College Blvd and Inslee Ave.

Ms. Hernandez provided some background on the case. On September 12, 2022, applicant presented a Notice of Intent to City Council. On October 18, 2022 a preliminary review was presented to the Architectural Review Board (ARB). A replat went before the Planning and

Zoning Commission (P&Z) on November 7, 2022 including three (3) variances. City Council approved the replat request/variances with an additional modification to include a non-light permitting wall or fence at the rear property line. The final review was presented to the ARB on December 20, 2022.

Ms. Hernandez reviewed photos, existing and proposed site plans with improvements, elevations and renderings of proposed landscaping/lighting plans. She stated a formal review of plan documents has not been completed by Community Development staff and/or other required departments. New variances discovered upon completion of the formal review, would be subject to review by the Board of Adjustment (BOA), unless the applicant revises the proposed plan to comply with current regulations, prior to approval and issuance of a building permit.

On December 20, 2022, the ARB voted unanimously to recommend approval of the proposed design as presented.

Public notifications were mailed to property owners within a 200-foot radius. Notices were posted on the City's website and on the property. Staff received one response in opposition and none in support.

Mayor Rosenthal opened the floor for comments from the audience.

Mr. Howard Anderson, resident, stated he was opposed to the project and noted the proposed site looked too large and crowded in comparison the surrounding buildings and was not compatible to the area.

City Attorney Richard Lindner advised State Legislature prohibits cities to rule on any building materials along with platting. This action shifted the leverage away from cities making it favorable to developers.

Mayor Pro Tem Jessee announced the City is in the process of reviewing the building code regulations to address outdated material and moved to approve ARB Case No. 891F as presented. The motion was seconded by Councilmember Billa Burke and passed unanimous vote.

Item # 5 Mayor Rosenthal read the following caption.

RESOLUTION NO. 2023R - 160

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALAMO HEIGHTS, TEXAS ADOPTING THE CITY OF ALAMO HEIGHTS INVESTMENT POLICY AS REQUIRED BY TEXAS PUBLIC FUNDS INVESTMENT ACT AND DESIGNATING INVESTMENT OFFICERS FOR THE CITY; AND SETTING AN EFFECTIVE DATE

Finance Director Robert Galindo presented a resolution adopting the City of Alamo Heights Investment Policy as required by the Texas Government Code Chapter 2256, known as the Public Funds Investment Act (PFIA) establishing requirements for local governments for managing investments.

The Texas PFIA requires the following:

- Review and adoption of the investment policy and investment strategy annually
- Designate an investment officer (City Manager Buddy Kuhn and Finance Director Robert Galindo)
- Disclose personal/business relationships
- Provide policy for written certification
- Obtain annual audit
- Provide for training
- Provide quarterly reports

The investment policy includes strategies to: provide safety of principal, minimize risk to the City's portfolio, put money to work, and add yield but not risk to the portfolio.

Mr. Galindo provided some background on the changing interest rates within the last year. Interest rates increased from 0% to about 4.50%. On December 14, 2022 the Federal Reserve indicated it may increase rates to 5% or above and leave interest rates at a higher level in 2023 and possibly 2024. He noted this could provide an opportunity for a better return since 2009 with minimal risk (U.S. T-bills, U.S. agency bonds, municipal and school district bonds).

The proposed changes to the investment policy will clarify that investment pools include commercial paper and commercial paper is allowed up 80% of portfolio. In order to purchase treasury bills or U.S. agency bonds, the City needs to acquire a broker/dealer. Frost Bank agreed to help the City and provide safekeeping/custody of securities. Hilltop Securities can also be a Broker for the City. SWBC is also available to provide Broker / Investment Advisor services. Another option would be to have an investment management firm manage a portion of the City's portfolio when it's feasible to do so. The changes also allow the City to invest in Certificates of Deposit (CD's), outside of Texas.

Mr. Galindo advised the investment policy for the City of Alamo Heights complies with the Texas Government Code Chapter 2256, known as the Public Funds Investment Act (PFIA). He noted the proposed policy changes were reviewed by the Finance Director, City Manager, City Attorney, and Councilmember Savage.

The Resolution complies with the annual review of the investment policy and adoption of the investment policy as required by the Texas Public Funds Investment Act.

After a brief discussion, Mayor Pro Tem Jessee moved to approve Resolution No. 2023R-160 as presented. The motion was seconded by Councilmember John Savage and passed by unanimous vote.

* * *

Staff Reports

Item # 6 Mayor Rosenthal read the following caption.

Staff report on potential amendments to Chapter 5 – Building and Building Regulations

Assistant City Manager Phil Laney stated he was presenting a staff report outlining some options to help maintain the safety, quality, and appearance of residential neighborhoods. The staff report highlighted potential amendments drafted to address issues associated with residential construction projects. These issues are associated with a limited number of projects taking too long or being abandoned, negatively impacting neighborhoods. The proposed policies seek to encourage timely completion of projects and limit impact of non-performing contractors.

Mr. Laney provided some background on the potential policy changes pertaining to a limited, but not an insignificant number of residential projects where contractors have caused some disruptions and other adverse impacts during project. Neighborhoods are experiencing abandoned construction projects or projects progressing too slowly, partially-built projects may pose health/safety hazards and visual nuisance. The City's Code of Ordinance is limited in how to address these issues or prevent them from occurring in future.

Currently Chapter 5 – Building & Building Regulations oversees the adopted building code standards and building-related requirements involving contractors, permits and inspections. To minimize instances of abandoned residential building projects or construction taking too long, there are three main proposed approaches to address these issues:

- Additional contractor registration requirements (potential amendment #1)
- Additional enforcement tools (potential amendment #1)
- Adoption of substandard & dangerous structures declaration (potential amendment #2)

Mr. Laney stated the potential amendments are intended to encourage timely completion of residential projects, enhance enforcement efforts relating to residential construction in City, and limit contractors from beginning other major residential construction if a previous project(s) is deemed a public nuisance. Contractors may also be subject to enforcement efforts.

Additional contractor registration requirements will include: insurance requirements for contractors, affidavit submitted in permit application, and proof of contractor registration on site. Additional (potential) enforcement tools will include: suspended permits or contractor's registration for set time period, and a person/entity will be ineligible to receive new residential construction permits. A person or entity is ineligible to receive any new permit relating to residential construction until followed remedied:

- Unresolved notice of violation
- 3 or more stop work orders or notices of violation (w/in past 24 months)
- 3 or more open or unresolved permits for other residential projects
- Currently indebted to City
- Entered guilty or no contest plea or convicted of felony or misdemeanor for violation of building code or local amendment
- Convicted for penal offense or suffered civil action judgement for fraud relating to performance of residential building contract
- Violation of contractor registration requirements (w/in past 24 months)

In the event of an appeal of enforcement action, the impacted contractor/permit holder may appeal enforcement action to Board of Adjustment; however, their decision is final. These potential changes are not intended to prevent permits for minor construction, but to make project/residence safe and secure, or abate a nuisance.

Mr. Laney advised a substandard and dangerous structure declaration references abandoned residential construction projects which may be declared public nuisance and substandard structure. "Abandoned" may include not completing project within timeline on permit or reasonable extensions. Declared structures may be subject to enforcement actions such as: repair order, order to secure, demolition, etc. Any applicable changes from City Council feedback will be reviewed and considered at the next Council meeting.

After some discussion, Council decided to lower the stop work order number from three (3) to two (2) and leave the open permits at three (3). Mr. Kuhn agreed and stated staff would like to bring the item back at the next meeting for consideration.

* * *

Closed Session

Item # 7 Mayor Rosenthal read the following caption.

Executive session as authorized by the Texas Government Code Section §551.071 (consultation with attorney) to discuss Architectural Review Board.

Item # 8 Mayor Rosenthal read the following caption.

Executive Session per Section 551.071 (consultation with attorney) to discuss Broadway Infrastructure construction.

Item # 9 Mayor Rosenthal read the following caption.

Executive Session as authorized by the Texas Government Code Section 551.071 (consultation with attorney) to discuss pending or contemplated litigation: Cause No. 2020-CI-04375; Gillespie Real Estate, Inc, et al v. Lead Funding, LLC.

Item # 10 Mayor Rosenthal read the following caption.

Executive Session as authorized by the Texas Government Code Section 551.074 (personnel matters) to discuss the employment, evaluation, contract and duties of the City Manager

The City Council of the City of Alamo Heights convened into Executive Session at 6:22 p.m. and reconvened in Open Session at 7:29 p.m. in accordance with the Texas Open Meetings Act, Texas Government Code, Section §551.071 (Consultation with Attorney) and Section §551.074 (Personnel Matters).

* * *

Open Session

Item # 11 Mayor Rosenthal read the following caption.

Discussion and possible action resulting from Executive Session

No action taken.

* * *

With no further business to consider, Councilmember Bonner moved to adjourn the meeting at 7:30 p.m. The motion was seconded by Councilmember Savage and passed by unanimous vote.

PASSED AND APPROVED THIS 13rd DAY OF FEBRUARY, 2023.



Elsa T. Robles, TRMC
City Secretary





Bobby Rosenthal
Mayor