



College Station, TX

Meeting Agenda City Council Workshop

Phone: 888 475 4499 and Webinar ID: 998 0711 3729

Internet: <https://zoom.us/j/99807113729>

May 28, 2020

4:00 PM

1101 Texas Ave, College Station,
TX 77840

1. **Call to Order.**
2. **Executive Session is closed to the public and will be held in the Administrative Conference Room. The open meeting will resume no earlier than 5:00 pm.**

Consultation with Attorney {Gov't Code Section 551.071};

Possible action. The City Council may seek advice from its attorney regarding a pending or contemplated litigation subject or settlement offer or attorney-client privileged information. Litigation is an ongoing process and questions may arise as to a litigation tactic or settlement offer, which needs to be discussed with the City Council. Upon occasion the City Council may need information from its attorney as to the status of a pending or contemplated litigation subject or settlement offer or attorney-client privileged information. After executive session discussion, any final action or vote taken will be in public. The following subject(s) may be discussed.

Litigation

- a. Kathryn A. Stever-Harper as Executrix for the Estate of John Wesley Harper v. City of College Station and Judy Meeks; No. 15,977-PC in the County Court No. 1, Brazos County, Texas
- b. McCrory Investments II, LLC d/b/a Southwest Stor Mor v. City of College Station; Cause No. 17-000914-CV-361; In the 361st District Court, Brazos County, Texas
- c. City of College Station v. Gerry Saum, Individually, and as Independent Executrix of the Estate of Susan M. Wood, Deceased; Cause No. 17-002742-CV-361; In the 361st District Court, Brazos County, Texas
- d. Carrie McIver v. City of College Station; Cause No. 18-003271-CV-85; In the 85th District Court, Brazos County, Texas
- e. Veronica Alejandra Ibarra v. The City of College Station; Cause No. 20-000325-CV-361; In the 361st District Court, Brazos County, Texas

Legal Advice

- a. Legal advice regarding the FY20 funding agreements between the City and Experience Bryan College Station.
- b. Legal advice regarding special election runoff to elect City Councilmember Place 4.
- c. Legal advice concerning municipal regulation of short term rentals.

Personnel {Gov't Code Section 551.074};

Possible action. The City Council may deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer. After executive session discussion, any final action or vote taken will be in public. The following public officer(s) may be discussed:

- a. Self-Evaluation
- b. City Manager
- c. City Secretary

3. Reconvene from Executive Session and take action, if any.

4. Presentation, discussion, and possible action on items listed on the consent agenda.

5. Workshop Agenda

Speaker Protocol: An individual who wishes to address the City Council regarding any item on the Workshop Agenda other than those items posted for Executive Session shall register with the City Secretary prior to the meeting being called to order. To register the individual must provide a name and phone number by calling 979-764-3500 or emailing CSO@cstx.gov prior to the start of the meeting. To submit written comments to the Council email CSO@cstx.gov and they will be provided at the meeting. Upon being called to speak an individual must state their name and city of residence, including the state of residence if the city is located out of state. Speakers are encouraged to identify their College Station neighborhood or geographic location. Each speaker's remarks are limited to three (3) minutes. Any speaker addressing the Council through the use of a translator may speak for six (6) minutes. At the (3) minute mark the City Secretary will announce that the speaker must conclude their remarks.

5.1. Presentation, discussion, and possible action regarding the FY20 proposed bond issuance.

Sponsors: Mary Ellen Leonard

Attachments: None

5.2. Presentation, discussion, and possible action regarding the 2019 Incentive Compliance Report by the Brazos Valley Economic Development Corporation.

Sponsors: Natalie Ruiz

Attachments: 1. 2019 Compliance Report - 052820 College Station City Council

6. Council Calendar - Council may discuss upcoming events.

7. Discussion, review, and possible action regarding the following meetings:

Animal Shelter Board, Arts Council of Brazos Valley, Architectural Advisory Committee, Audit Committee, Bicycle, Pedestrian, and Greenways Advisory Board, Bio-Corridor Board of Adjustments, Brazos County Health Dept., Brazos Valley Council of Governments, Brazos Valley Economic Development Corporation, Bryan/College Station Chamber of Commerce, Budget and Finance Committee, BVSWMA, BVWACS, Compensation and Benefits Committee, Comprehensive Plan Evaluation Committee, Experience Bryan-College Station, Design Review Board, Economic Development Committee, Gulf Coast Strategic Highway Coalition, Historic Preservation Committee, Interfaith Dialogue Association, Intergovernmental Committee, Joint Relief Funding Review Committee, Landmark Commission, Library Board, Metropolitan Planning Organization, Operation Restart, Parks and Recreation Board, Planning and Zoning Commission, Research Valley Technology Council, Regional Transportation Committee for Council of Governments, Sister Cities Association, Spring Creek Local Government Corporation, Transportation and Mobility Committee, TAMU Student Senate, Texas Municipal League, Walk with the Mayor, YMCA, Zoning Board of Adjustments, (Notice of Agendas posted on City Hall bulletin board.)

8. Adjourn.

The City council may adjourn into Executive Session to consider any item listed on the agenda if a matter is raised that is appropriate for Executive Session discussion.

I certify that the above Notice of Meeting was posted on the website of the City of College Station at 5:00 p.m. on May 22, 2020.



City Secretary

This building is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need accommodations, auxiliary aids, or services such as interpreters, readers, or large print are asked to contact the City Secretary's Office at (979) 764-3541, TDD at 1-800-735-2989, or email adaassistance@cstx.gov at least two business days prior to the meeting so that appropriate arrangements can be made. If the City does not receive notification at least two business days prior to the meeting, the City will make a reasonable attempt to provide the necessary accommodations.

Penal Code § 30.07. Trespass by License Holder with an Openly Carried Handgun.

"Pursuant to Section 30.07, Penal Code (Trespass by License Holder with an Openly Carried Handgun) A Person Licensed under Subchapter H, Chapter 411, Government Code (Handgun Licensing Law), may not enter this Property with a Handgun that is Carried Openly."

Codigo Penal § 30.07. Traspasar Portando Armas de Mano al Aire Libre con Licencia.

"Conforme a la Seccion 30.07 del codigo penal (traspasar portando armas de mano al aire libre con licencia), personas con licencia bajo del Sub-Capitulo H, Capitulo

411, Código de Gobierno (Ley de licencias de arma de mano), no deben entrar a esta propiedad portando arma de mano al aire libre.”

May 28, 2020

Item No. 5.1.

Presentation, discussion, and possible action regarding the FY20 proposed bond issuance.

Sponsor: Mary Ellen Leonard, Director of Fiscal Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding the FY20 proposed bond issuance.

Relationship to Strategic Goals:

Good Governance

Financial Sustainability

Core Services & Infrastructure

Improving Mobility

Sustainable City

Recommendation(s): Staff recommends the City Council receive the information and provide any direction regarding the proposed FY20 bond issuance.

Summary: Staff will present the status of the proposed FY20 Bond issuance and the proposed issuance parameters. Staff will discuss some options related to changes in the FY20 Bond issuance based on recent economic events. The ordinances related to the parameters for issuance of certificates of obligation, series 2020 are schedule to be brought to Council for approval on June 11, 2020.

Budget & Financial Summary: Staff has strategically evaluated the impact of the series 2020 Certificates on the City's ability to meet debt service requirements and the effect they may have on the ad valorem tax rate. Project savings and rescheduling has resulted in a change in the parameters as originally budgeted. The recommendation is to move forward with this issuance with the revised parameters that will be presented. The impact on the tax rate and utility rates has been reviewed based on the most current information and will continually be reviewed as part of budget preparation.

Reviewed & Approved by Legal: No

Attachments:

None

May 28, 2020
Item No. 5.2.
BVEDC 2019 Incentive Compliance Report

Sponsor: Natalie Ruiz, Director of Economic Development

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding the 2019 Incentive Compliance Report by the Brazos Valley Economic Development Corporation.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Staff recommends the Council receive the compliance report.

Summary: This item is the annual presentation on project compliance from the Brazos Valley Economic Development Corporation.

Budget & Financial Summary: N/A

Reviewed & Approved by Legal: No

Attachments:

1. 2019 Compliance Report - 052820 College Station City Council



BRAZOS VALLEY
ECONOMIC DEVELOPMENT
CORPORATION

2019 Incentives Compliance Report

May 2020 – College Station City Council

Overview

- For 2019, six (6) projects under agreement were monitored for performance compliance by the Brazos Valley Economic Development Corporation on behalf of Brazos County, the City of Bryan, and the City of College Station.
- Incentive agreements with Nutrabolt closed in 2019 with all parties, as such no further monitoring is made.

2019 Compliance Report – Advanta US

Incentive:

BVEDC Incentives Grant	
MILESTONE	AMOUNT
Ribbon Cutting	\$25,000 Paid
Texas A&M R&D Agreement	\$50,000

Milestone Notes

November 2016 announcement to establish global biotech R&D center in College Station. January 2018 facility ribbon cutting ceremony.

Performance Metrics:

	PAYROLL		INVESTMENT VALUE		EMPLOYMENT	
	* REQUIRED	ACTUAL	* REQUIRED	ACTUAL / BCAD	* REQUIRED	ACTUAL
2017	\$2,300,000	\$2,415,775	\$2,800,000	\$2,804,274	20	25
2018	\$2,300,000	\$2,302,530	\$0	\$1,015,740	20	27
2019	\$2,300,000	\$2,381,420	\$2,000,000	\$928,660 **	20	25
2020	\$2,300,000		\$2,000,000		20	
2021	\$2,300,000		\$2,000,000		20	
2022	\$2,300,000		\$2,000,000		20	

** Company's 2019 asset book value of \$2,070,993 presented for BCAD review

- \$80,000 avg annual salary requirement: \$95,257 (2019)

2019 Compliance Report – Axis Pipe & Tube



Incentive:

Brazos County - Tax Abatement			
2013	100%	2018	70%
2014	100%	2019	70%
2015	100%	2020	50%
2016	100%	2021	40%
2017	80%	2022	30%

City of Bryan - Non-Annexation Agreement

During first 3 years of Agreement (2013, 2014 and 2015), no payment to the City. For every year thereafter, the payment is equivalent of 50% of the amount the City would have collected in Ad Valorem tax that year.

Performance Metrics:

	PAYROLL		INVESTMENT VALUE		EMPLOYMENT	
	* REQUIRED	ACTUAL	* REQUIRED	BCAD	* REQUIRED	ACTUAL
2013	0	\$37,150	0	\$1,393,920	0	5
2014	0	\$5,176,813	0	\$8,260,230	0	145
2015	0	\$8,396,837	0	\$179,046,540	0	142
2016	\$10,545,000	\$9,562,718	\$120,000,000	\$281,564,050	285	149
2017	\$10,545,000	\$11,472,493	\$120,000,000	\$262,073,740	285	204
2018	\$10,545,000	\$14,957,434	\$120,000,000	\$275,242,110	285	291
2019	\$10,545,000	\$16,844,104	\$120,000,000	\$301,187,830	285	199
2020	\$10,545,000		\$120,000,000		285	
2021	\$10,545,000		\$120,000,000		285	
2022	\$10,545,000		\$120,000,000		285	

2019 performance exceeds contracts' benchmark valuation+salary formula



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2019 Compliance Report – FUJIFILM Diosynth Biotechnologies Texas @ Biocorridor

Incentive:

Brazos County - Cash Incentive				Bryan - Cash Incentive				College Station - Cash Incentive			
2017	\$266.2K	2021	\$207.0K	2017	\$74.0K	2021	\$57.6K	2017	\$196.8K	2021	\$153.0K
2018	\$236.6K	2022	\$207.0K	2018	\$65.8K	2022	\$57.6K	2018	\$174.9K	2022	\$153.0K
2019	\$207.0K	2023	\$147.9K	2019	\$57.6K	2023	\$41.1K	2019	\$153.0K	2023	\$109.3K
2020	\$207.0K			2020	\$57.6K			2020	\$153.0K		

Performance Metrics:

	PAYROLL		INVESTMENT VALUE		EMPLOYMENT	
	REQUIRED	ACTUAL	REQUIRED	BCAD	REQUIRED	ACTUAL
2015	0	N/A	0	N/A	0	N/A
2016	0	\$7,462,958	0	* \$84,000,000	0	92
2017	0	\$12,000,000	\$70,000,000	\$26,045,160	0	153
2018	\$6,000,000	\$16,800,000	\$70,000,000	\$83,970,590	100	174
2019	\$6,000,000	\$20,800,000	\$70,000,000	\$79,759,250	100	257
2020	\$6,000,000		\$70,000,000		100	
2021	\$6,000,000		\$70,000,000		100	
2022	\$6,000,000		\$70,000,000		100	
2023	\$6,000,000		\$70,000,000		100	

- BCAD 2017 valuation reflected partial facility and only real property – While the Company reported \$73,236,000 improvements (real + personal property), the Company opted not to challenge BCAD 2017 valuation and consequently, 2017 incentives were foregone.
- Since 2018, BCAD reflects the updated valuation of facility complex.



2019 Compliance Report – LSPI

BVEDC Incentive - Paid

- \$31,250 - Bldg Permit
- \$31,250 - CO Issued

CoB 381 Agreement

- \$75K Rebate
Development Fees
(CO Issued)

Brazos County – Tax Abatement Cash Incentive (as % of ad valorem taxes assessed/paid)

2018	100%	2022	40%
2019	70%	2023	30%
2020	60%	2024	20%
2021	50%	2025	10%

City of Bryan – Tax Abatement Cash Incentive (Application of Tier 1 Percentage / Due to Construction by 12.31.17)

2018	100%	2021	50%	2024	20%
2019	70%	2022	40%	2025	10%
2020	60%	2023	30%		

New PAYROLL

* REQUIRED | ACTUAL

2016	0	N/A
2017	\$1,500,000	\$1,697,142
2018	\$1,500,000	\$2,464,386
2019	\$1,500,000	\$1,982,029
2020	\$1,500,000	
2021	\$1,500,000	
2022	\$1,500,000	
2023*	\$1,500,000	
2024	\$1,500,000	
2025**	\$1,500,000	

INVESTMENT VALUE

* REQUIRED | BCAD

0	N/A
0	\$4,489,720
\$20,000,000	\$41,962,870
\$20,000,000	\$39,367,630
\$20,000,000	
\$20,000,000	
\$20,000,000	
\$20,000,000	
\$20,000,000	
\$20,000,000	

New EMPLOYMENT

* REQUIRED | ACTUAL

0	N/A
24	28
24	59
24	31
24	
24	
24	
24	
24	
24	

Performance Metrics:

Contract End Dates

* BVEDC

** County/CoB-1st Tier

- NOV 2017 ribbon cutting (met DEC 2017 requirement)
- \$62.4M facility investment (met \$25M requirement)
- BVEDC cash incentives paid



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2019 Compliance Report – ViaSat



Incentives:

Brazos County 381 Agreement* and City of Bryan/College Station 380 Agreements			
County and Cities Cash Incentives (as % of ad valorem taxes assessed/paid)		(cont'd)	County and Cities Cash Incentives (as % of ad valorem taxes assessed/paid)
2019	80%	2022	30%
2020	60%	2023	20%
2021	40%	2024	10%

Performance Metrics:

	PAYROLL		INVESTMENT VALUE		EMPLOYMENT	
	* REQUIRED	ACTUAL	* REQUIRED	BCAD	* REQUIRED	ACTUAL
2016	0	N/A	0	N/A	0	N/A
2017	0	N/A	0	\$1,498,460	0	26
2018	0	\$20,910,000	0	\$12,235,320	0	243
2019	0	\$23,485,933	\$15,000,000	\$22,936,360	0	191
2020	\$9,600,000		\$15,000,000		150	
2021	\$9,600,000		\$15,000,000		150	
2022	\$9,600,000		\$15,000,000		150	
2023*	\$9,600,000		\$15,000,000		150	
2024**	\$9,600,000		\$15,000,000		150	

Contract End Dates

* County

** CoB and CoCS

- JAN 19th 2017 groundbreaking
- APR 10th 2018 ribbon cutting of \$30M facility (exceeds \$20M investment requirement)



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ECONOMIC DEVELOPMENT
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2019 Compliance Report – Wayfair



Incentive:

BVEDC Incentives Grant	
MILESTONE	AMOUNT
Lease Execution	\$33,333 Paid
End of 24-mos	\$33,333 Paid
End of 36-mos	\$33,333 Paid

BVEDC-BBC Contribution Agreement

BBC will release to BVEDC three \$16,666.50 tranches that correspond to the company meeting each incentives milestone.

Performance Metrics:

	PAYROLL		INVESTMENT VALUE		EMPLOYMENT	
	* REQUIRED	ACTUAL	* REQUIRED	BCAD	* REQUIRED	ACTUAL
2016	0	N/A	0	N/A	0	N/A
2017	0	\$10,243,419	\$350,000	\$1,199,940	0	337
2018	\$10,800,000	\$10,957,137	\$350,000	\$1,180,470	300	414
2019	\$10,800,000	\$14,349,920	\$350,000	\$1,227,880	300	396
2020	\$10,800,000		\$350,000		300	
2021	\$10,800,000		\$350,000		300	
2022	\$10,800,000		\$350,000		300	
2023	\$10,800,000		\$350,000		300	

- 1st incentive grant released with \$1.98M investment
- 2nd incentive grant released in July 2018
- 3rd / final incentive grant released in January 2020



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2019 Incentives Compliance Report

May 2020 – College Station City Council