

MINUTES OF AN ONLINE STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD VIA VIDEOCONFERENCE, AT 8:08 A.M. ON TUESDAY, JULY 6, 2021.

Prior to the study session, Joanna Mekeal, Town Secretary, explained that as provided by the State of Texas, this online Town Council study session could be viewed online, or listened to by telephone, and gave the toll-free and alternate telephone numbers, as well as the access number for the public to call. Mrs. Mekeal conducted a roll call of the Town Council Members. Present at the meeting were Mayor Margo Goodwin, Mayor Pro Tem David Dowler, and Town Council Members Jimmy Grisham, Marc Myers, Lydia Novakov, and Craig Penfold. Council Member Grisham exited during the meeting at 8:00 a.m. and returned approximately 30 minutes later during the discussion regarding the Highland Park Shopping Village.

UPCOMING AGENDA DISCUSSION

Future Agenda Discussion

Review and discuss current activities and development plans of the Highland Park Shopping Village. Hugh Pender, Director of Development Services, explained that this item is provided as an opportunity for the representatives of Planned Development 1, the Highland Park Shopping Village ("HPSV") to provide an update of current uses and development plans anticipated in the next several months. Town staff has reviewed the various uses and operation of the parking garage as they relate to the parking model. HPSV representatives discussed with Town staff, making a request that included the following five enhancements: (i) construction of a 8,329 square foot second floor addition, which includes interior and an exterior terrace space, with stair tower on the east end of Building B, (ii) construction of a water fountain near the Highland Park Theater, (iii) retention of the two outdoor dining areas ("parklets") located in the parking lot at Mi Cocina and Bistro 31 until September 6, 2021, (iv) a modification of the one-way angled parking from sixty degrees to sixty-five degrees, and (v) designation of appropriate fire lanes. These changes would require a comprehensive update to the site plan for HPSV. Council Member Myers commented that the proposed decorative water fountain would eliminate ten parking spaces, which contributes to the limited parking issue. Mayor Goodwin asked how the exterior terrace space will be utilized. Bill Lindley, Town Administrator, explained HPSV has indicated it could be used as a café in the future. Council Member Novakov asked if a separate approval is required to add a café on the terrace. Mr. Pender confirmed that is correct.

Mr. Pender explained, the Town adopted a companion parking model in 2014, designed by Nelson/Nygaard Consulting Associates ("NNG"), assessing parking needs for types of retail. The NNG model assumed 1054 surface parking spaces, including 244 garage parking spaces, was reduced to 173 garage parking spaces sometime after 2010. Application of the NNG model currently requires 1000 parking spaces with an inventory of 1008, yielding eight parking spaces in surplus. The parking garage is operated solely by the valet operator. After 2010, the parking garage was configured to park vehicles in bays holding two cars across and two cars deep. Town staff agrees the valet operator can park 16 of the HPSV's proposed 27 vehicles in the drive lanes on peak day/hour. Staff proposes to assess viability of the valet operator parking the additional vehicles identified by the HPSV. The valet-related parking spaces are not assessed in the parking model. The HPSV is under contract with the Central Christian Church ("CCC") to reserve 50

offsite parking spaces for staff. Remote parking by employees is incentivized with gift cards. Council Member Penfold asked if there is any data showing how many employees use the offsite parking option. Becki Snow, HPSV representative, stated with recent incentives added, about 20 – 30 employees utilize the parking at CCC. Council Member Penfold stated, while the HPSV is enjoyed by many, it causes an overflow of parking issues that affects surrounding residents. He requested that the HPSV present a permanent parking expansion proposal. Council Member Myers and Mayor Pro Tem Dowler agreed with Council Member Penfold. Council Member Myers noted the parking model shows that an 8,000 square foot fashion center only requires ten parking spaces; he believed the model needs to be reviewed thoroughly as he is not convinced the parking model is correct for HPSV.

Mr. Pender further explained, responding to the COVID-19 pandemic impact on local businesses, the Town administratively granted the HPSV the ability to install outdoor dining areas for restaurants. Granting this exception was based on the HPSV having surplus parking spaces and pending the Governor reopening businesses. There is a total of six parking spaces and 68 restaurant seats used for outside dining. The HSPV is requesting continuing outdoor dining until September 6, 2021, during such time that the tenant spaces previously occupied by Royal Blue Grocery and the Village Theater are vacant and therefore not contributing to the parking demand.

Mayor Goodwin asked the Town Council for further comments on the following items that would be in a future meeting referred to the Zoning Commission: (i) continuation of the outdoor dining parklets until September 6, 2021, (ii) consideration of amending PD-1 parking regulations allowing 65-degree angled parking, (iii) requiring HPSV to monitor employee parking over three months and provide the data evaluating the use of onsite parking spaces and correspondingly assess increasing administrative fines to its tenants for parking violations, (iv) consideration of HSPV proposed suspension of valet service on days and times when the garage and designated surface parking spaces are fully occupied, (v) requesting HSPV to collect and report parking metrics to better understand the operation of the parking garage, and (vi) consideration of no construction parking be allowed in any of the parking areas. Council Member Novakov recommended expanding the parking evaluation beyond three months to evaluate parking spikes during different seasons. The Mayor agreed that item can be adjusted for every three months before referring to the Zoning Commission. No other comments or suggestions were made.

Mayor Goodwin stated the Town Council received and reviewed the emails from Luke Crosland, 4215 Livingston Avenue, and Jennifer Morton, 4221 Livingston Avenue, regarding HPSV. Mr. Crosland, present at the meeting, stated the Town of Highland Park is a residential neighborhood, and HPSV has progressed into an outdoor mall with restaurants and bars near a school. He requested everyone consider, beyond the parking matter, the quality of the surrounding residential streets. Mayor Goodwin thanked Mr. Crosland and reassured him that when staff receives any public comment, it is forwarded to the Town Council for review. Mayor Goodwin asked if there are any further comments, to which there were none.

Reports

Review and discuss the Fiscal Year 2021 – 2022 Combined Operating and Capital Budget. Steve Alexander, Director of Administrative Services and Chief Financial Officer, explained the purpose of this agenda item is to provide an opportunity for staff to receive comments from the Town

Council relating to the Fiscal Year 2021-22 Combined Operating and Capital Budget (the "FY 2022 Budget") process or any items the Town Council would like staff to consider, study, or incorporate into the FY 2022 Budget. While there will be additional opportunities for the Town Council to provide direction regarding the FY 2022 Budget, Mr. Alexander provided the schedule of the future meeting dates. This meeting is designed to receive initial input from the Town Council at a time when the departments are in the process of making submittals to be incorporated into the Proposed Budget. As previously stated in the Town Council Meeting held on June 1, 2021, there have been initiatives underway for budget development which includes a water and wastewater rate study, employee compensation and benefit study, and health insurance provider bids. The water and wastewater rate study and employee compensation and benefit study are currently under development and review by Town staff. The results of the health insurance bids were well-received by Town staff due to a minimum of 5% rate decrease for fiscal year 2022. Mr. Alexander stated, regarding property taxes, the preliminary taxable assessed value is 4% above the current year. The FY 2022 Budget is anticipating a 2.5% increase in taxable assessed values, due to the time staff receives the preliminary value and time the certification comes, near the end of July, there is about a 1.5% decrease. There is an expected 3.98% increase in waste collection and recycling and a 3.43% increase in disposal fees. Mr. Alexander asked if there were any further comments or questions. Mayor Goodwin stated it was helpful to compare last year's budget and asked when the Town Council would review the budget for the upcoming year. Mr. Alexander stated on July 30, 2021, Town Council will receive the proposed budget and final approval is scheduled for September 14, 2021. Mayor Goodwin asked if there are any further comments, to which there were none.

Review and discuss the Financial and Investment Report for the period ending May 31, 2021. Karen Kurtin, Controller, presented highlights of the Financial and Investment Report. This report is for the periods ending May 31, 2021, which marks the completion of the eighth month of the 2020 - 2021 fiscal year. Therefore, the year-to-date percentage for budgetary comparison purposes is 66.7%. General and Utility Fund combined revenues as of May 31, 2021, amount to \$28,874,918, which is 81.0% of the annual budgeted amounts. As of May 31, the General and Utility Fund combined expenditures and encumbrances amount to \$22,966,766 or 62.1% of the Fiscal Year 2020-21 Combined Budget. The total market value of the Town's cash and investment portfolio on May 31, was \$44,570,770, yielding an average weighted return of 0.36%, with an average maturity of 62 days. Compared to year-to-date projections, property taxes are 102.2%, sales taxes are 135.4%, building permits are 153.1% and water sales are 95.9%. Mayor Goodwin asked the Town Council if they had any questions, to which there were none.

CLOSED SESSION

- 1. In accordance with the Texas Government Code Chapter 551, Subchapter D, Section 551.071 - CONSULTATION WITH ATTORNEY - the Town Council will convene into closed session for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: McCullers v. USAI, et al. (Cause No. DC-18-08709).*

Mayor Goodwin recessed the study session at 9:39 a.m. and convened a closed session pursuant to: (1) Section 551.071 of the Texas Government Code for consultation with and legal advice from the Town Attorney regarding pending or contemplated litigation: McCullers v. USAI, et al. (Cause No. DC-18-08709).

Mayor Goodwin ended the closed session at 9:58 a.m., and reconvened the study session in open session at 9:59 a.m.

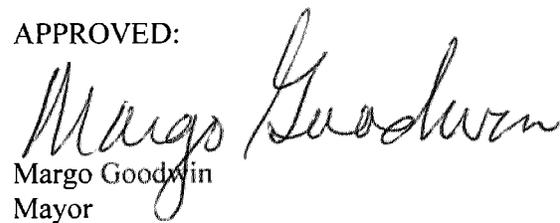
OPEN SESSION

Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item 1. above, shall be made, if any. No motion was made.

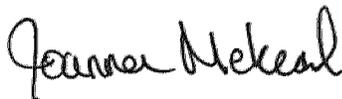
Mayor Goodwin adjourned the Town Council meeting at 10:00 a.m.

APPROVED on this 20th day of July 2021.

APPROVED:


Margo Goodwin
Mayor

ATTEST:



Joanna Mekeal
Town Secretary