

CITY COUNCIL SPECIAL MEETING

OCTOBER 25, 2017

The City Council of the City of McKinney, Texas met in special session at Nature Nate's (North Dallas Honey Company LP), 2910 Nature Nate Farm, McKinney, TX 75071 on October 25, 2017 at 12:00 p.m.

Council Present: Mayor George C. Fuller, Mayor Pro Tem Rainey Rogers, Council members: Charlie Philips, Tracy Rath, and La'Shadion Shemwell. Absent: Council members Scott Elliott and Chuck Branch.

Mayor Fuller called the meeting to order at 12:00 p.m. after determining a quorum was present.

Staff Present: City Manager Paul Grimes; Assistant City Manager Barry Shelton; Assistant City Manager Steve Tilton; City Attorney Mark Houser; City Secretary Sandy Hart; Executive Director of Development Services Michael Quint; Planning Director Brian Lockley; Director of Public Works David Brown; Assistant Director of Public Works Paul Sparkman; Assistant to the City Manager Trevor Minyard; Planning Manager Jennifer Arnold; Fire Chief Danny Kistner; Video Production Technician Joey Barr; Fire – Chad Nester, Mike Smith, and Craig Eskridge; Public Works – Jared Baker, Carlos Davalos; Josh Dellinger, and Ryan Hall; and Police Sergeant Sherwood Holmes.

There were approximately 75 guests present.

17-249A3 Mayor Fuller called for a Public Hearing to Consider/Discuss/Act on a Request by the City of McKinney to Annex Approximately 3,821 Acres of Land along the Northwestern Boundary of the City of McKinney's Corporate Limits Generally Located in Areas Described as Being: Along and Extending to the North and the South from the East-West Section of FM 1461 from FM 2478 to East of CR 166 and Extending to the North, South and East from and about Geren Trail; at and Around Stover Creek and the North-South Section of CR 161 Between US Highway 380 (University Drive) and CR 123 and Extending along and from a Portion of CR 124; at and Around the North Side of US Highway 380 (University Drive) Between Ridge Road and Lake Forest Drive; at and Around the Northeast Quadrant of Lake Forest Drive and Wilmeth Road Extending to

the Western Boundary of Erwin Park and Extending as far North as CR 1006; at and Around the Northwest Quadrant of Hardin Boulevard and Wilmeth Road Extending to the North and West; at and Around CR 164 South and East of Erwin Park and at and Around CR 201 Extending to the Eastern Boundary of Erwin Park and Extending North to CR 1006; and Extending to the South from the Southern Boundary of the McKinney Municipal Utility District No. 1 of Collin County (Trinity Falls M.U.D.) and FM 543 and Along and Around Both the North-South Section and the East-West Section of CR 202 in a Southerly Direction to the City's Current Northern Corporate Boundary Extending in an Easterly Direction from CR 201 and CR 1200 and Extending to the East and West Along and Around Both Sides of Trinity Falls Parkway into the City of McKinney's Corporate Limits. Planning Manager Jennifer Arnold stated that this is a public hearing to consider and discuss the proposed annexation of approximately 3,800 acres into the corporate limits of McKinney. This is the third public hearing for consideration of this item. Also available with this item is the service plan for the proposed annexation. The proposed service plan would only apply to those properties following the annexation. Properties subject to a development agreement would not be subject to that service plan until after those properties were annexed. Mayor Fuller stated that the purpose for this public hearing is to allow residents to speak. Council will listen and evaluate your concerns as well as the concerns of the City as a whole. This is a long, arduous process in which we will have to make a difficult decision. No decision will be made today. The decision on the annexations and the zoning of the properties will be held on November 15, 2017 at 6:00 p.m. in the City Council Chambers, 222 N. Tennessee Street. The passing of S.B. 6 unfortunately put us in a position with restricted timelines whereby we must conduct due diligence concurrently with this process. For that we apologize, we did not expect that nor did

we ask for it but that is where we are at today. Mayor Fuller called for public comment.

The following individuals spoke against the annexations:

Mrs. Lori Dobransky, 6423 CR 161, McKinney

Mr. Jimmy Teeling, 3704 Lankdowne Drive, McKinney

Mr. Bill Tate, 7145 Armadillo Ridge, McKinney

Mr. Rhett Preston, 5702 Four Seasons, McKinney

Mrs. Misty Ventura, 9406 Biscayne Blvd., Dallas

Mr. Jim Wiggins, 6400 CR 124, McKinney

Mr. Darrell Hale, 3705 Amon Carter, McKinney

Mr. John Mahar, 4995 FM 1461, McKinney

Mrs. Dalana Squires, 6762 CR 202, McKinney

Mrs. Beverly Covington, 7532 CR 202, McKinney

Mrs. Kaye Galloway, 3420 FM 1462, McKinney

Mrs. Tamlynn Clyde, 6919 CR 123, McKinney

Mrs. Charles Petmer, 5000 CR 164, McKinney

Mr. Paul Powell, 4811 Geren Trail, McKinney

Mr. Bernd Fitzau, 6551 CR 161, McKinney

Mrs. Lisa Smith, 5778 Lawrence Lane, McKinney

Mr. Andy Mondy, 2233 CR 1084, McKinney

Mrs. Lynn Cooper, 4692 CR 164, McKinney

Mrs. Sathu Sabbiah, 6631 CR 124, McKinney

Mr. Billy Cook, 470 Adriatic Pkwy., McKinney

Mr. Chris Cooper, 4292 CR 164, McKinney

Mr. Randy Hickman, 4870 CR 1006, McKinney

Mrs. Tricia Hickman, 54870 CR 1006, McKinney

Mr. Wiltoud Prescott, 2019 Hillcrest Ct., McKinney

Mrs. Shannon Blake, 800 CR 1200, McKinney

Mr. Brian Newman, 609 Bristlewood, McKinney

Mr. Joe Hooten, 5334 CR 206, McKinney

Dr. Jeff Nyberg, 6828 CR 202, McKinney

Mrs. Angela Nyberg, 6700 Trinity Falls, McKinney

Mr. Bryan Swenson, 6810 Trinity Falls Pkwy, McKinney

Mr. Jason Blake, 800 CR 1200, McKinney

Mrs. Maggie Whitt, 316 Heatherbrook, Murphy

Mrs. Stephanie Weyenberg, 5861 Baxter Well Road, McKinney

Mr. Danny Florence, 6161 CR 124, McKinney

Mrs. Stephanie Weyenberg, 5861 Baxter Well Road, McKinney

The following individuals did not wish to speak but wanted their
opposition entered into the record:

Mr. Terry Self, 7293 CR 124, McKinney

Mrs. Marilyn Geren, 6112 CR 166, McKinney

Mr. Hugh McAdams, 5416 CR 206, McKinney

Mrs. Elizabeth Plummer, 3513 Provine Road, McKinney

Mr. David Plummer, 3513 Provine Road, McKinney

Mrs. Terri Hopkins, 7231 CR 202, McKinney

Mr. Brandee Tate, 7145 Armadillo Ridge, McKinney

Mrs. Joyce Dougherty, 4824 Geren Trail, McKinney

Mr. Terry Dougherty, 4824 Geren Trail, McKinney

Mr. Keaton Blake, 800 CR 1200, McKinney

Mr. Liam Blake, 800 CR 1200, McKinney

Mr. Cailin Blake, 800 CR 1200, McKinney

Mr. Loch Blake, 800 CR 1200, McKinney

Mrs. Kelly Blake, 800 CR 1200, McKinney

Mr. Douglas Hopkins, 7231 CR 202, McKinney

Mr. Larry Kelly, 1429 Mapleview, Carrollton

Mrs. Renee Kelly, 1420 Mapleview, Carrollton

Mr. Doak Taylor, 1716 Stapleton Drive, McKinney

Mrs. Tina Marr, 5855 Baxter Well Road, McKinney

Mrs. Connie Luna, 3444 FM 1461, McKinney

Mr. Billy J Barbo, 4496 CR 1006, McKinney

Mrs. Jan Clare, 8469 CR 858, McKinney

Mr. Joe Covington, 7532 CR 202, McKinney

Mr. Harlan & Mrs. Sue Stauffer, 3804 Hackberry Lane, Bedford

Mr. Lanny and Mrs. Melba Greer, 2174 CR 943, McKinney

Mrs. Anna Davis, 2921 Nature Nate Farms, McKinney

Mr. Jason Lowe, 7015 Sleepy Hollow Road, McKinney

Mrs. Beth Douglas, address unknown

Mrs. Lynette Terrell, 8564 CR 858, McKinney

Mr. Garreth Johnson, 4799 Garreth Lane, McKinney

Mr. Will Cooper, 4692 CR 164, McKinney

Mr. Mark Matthews, 1513 Poplar Drive, McKinney

Mr. Landon Blake, 800 CR 1200, McKinney

Mrs. Jacqueline Brunson, 6228 White Pine Drive, McKinney

Mr. Paul Reber, 2709 High Pointe Blvd., McKinney

Mr. Bob Jed, 3212 Candido Lane, McKinney

Mrs. Brenda Ludwig, 7162 Armadillo Ridge, McKinney

Mr. Kody Ludwig, 7162 Armadillo Ridge, McKinney

Mr. Randy Ludwig, Armadillo Ridge, McKinney

Mrs. Lori Harrell, 4806 Geren Trail, McKinney

Mr. Keith Harrell, 4806 Geren Trail, McKinney

Mrs. Dawn Walker, 7160 Sleepy Hollow Road, McKinney

Mr. Hoby Miller, 6828 CR 202, McKinney

Mr. Aaron Lemmon, 4879 Geren Trail, McKinney

Mrs. Charlotte Hooten, 5334 CR 206, McKinney

Mr. Danny Florence, 6161 DR 124, McKinney

Mr. Fabio Aveva, 3530 MF 1461, McKinney

Mr. Michael Ford, 7391 CR 124, McKinney

Mr. Paul Powell, 4811 Geren Trail, McKinney

Mrs. Emily Plummer, 3513 Provine Road, McKinney

Mr. Larry Malone, 6557 CR 124, McKinney

Mr. James Plummer, 3513 Provine Road, McKinney

Mr. Don Bourland, 7729 CR 20, McKinney

Mrs. Sarah Van Trump, 5770 Baxter Well Road, McKinney

Mrs. Ann Cramer, 1123 Brook Hill Road, McKinney

Council unanimously approved the motion by Council member Shemwell, seconded by Mayor Pro Tem Rogers, to close the public hearing.

Mayor Fuller stated that staff acts at our direction and does a fantastic job. If there is anyone to blame it is the people at this table. They do not attempt to influence. They do nothing but provide us the facts when we ask for the facts. The buck stops right here with Council. I will take the full brunt as the one who presides over this Council. I have seen things written about our staff and that is so misguided and it should stop. We've been elected and we are directing staff. This has been tough and a lot has been said. I understand there is a lot of emotion here. You have homes and families and properties and it doesn't help when you get those who have mixed this with a political platform. As I have stated, my mind is not made up. S.B. 6 put us in a situation where we had to act very quickly if we wanted to preserve a right for an action. At the time, we didn't know if that action was the right thing or not. We did not have all the information. Last year, 1,600 acres was initiated for annexation and 1,200 was negotiated and agreements were signed. However, approximately 400 acres and 25 property owners were forcefully annexed. That annexation was supported unanimously by Council last year. Again, I want to applaud staff and thank them for all their efforts during this process. Staff and Council have devoted countless hours and energy in support of and defense of ETJ residents. The Wilmeth Road alignment, Custer to Stonebridge, was a big deal to ETJ residents. The Laud Howell Parkway alignment study and the residents of Geren Trail. This was a big issue to those residents. You came to the City for help

and assistance. You got it. The US 380 alignment, you came to the City wanting the City to get involved and stop TxDOT from putting that road through your home and your property. The City got involved and stopped TxDOT and put our 2040 Comp Plan on hold so we could take the time and make sure that TxDOT and the City spoke with you and did all the impact studies to find where that US 380 alignment least impacted the ETJ. You have had representation without taxation. There are comments that you are happy with the roads in the ETJ. The County budget is made up of \$116 billion of ad valorem value. Of that \$116 billion, \$4 billion is in the ETJ, \$112 billion is in the city limits of the entire County. That translates to about 97%, so 97 cents of every dollar in the County budget actually comes from City taxpayers. I like dealing in facts. For fire service, you reimburse the City around \$67,000 for an expense that is hundreds of thousands of dollars. So there has been a lot of representation in the ETJ. With all that said, I'm going to ask Council to join me today and give direction to our staff to offer every single person, homestead, AG exemption, AG property, single house, one acre or a billion acres, a development agreement with a 45 year annexation deferment. If you sign that agreement, it is only enforceable if the motion passes on November 15th. Staff will be asked to prepare that agreement, if the annexation passes, that agreement will stand. If it doesn't pass, that agreement is torn up and thrown in the trash. I believe that will address a lot of the concerns. City Manager Grimes requested that as the additional Council members speak, if they are in favor of that and four of the members support it, that will be direction for staff to proceed and prepare the documents reflecting those changes. Mayor Fuller stated that what he is suggesting is only if annexation is passed. I am asking that Council indicate if they are for the 45 year deferment if the annexation passes. City Attorney Houser stated that he understands if staff is directed to prepare an agreement for 45 years of continued status,

rather they would execute such an agreement in lieu of annexation of their property. The item on November 15th will be to authorize Mr. Grimes to execute those agreements in lieu of the City Council annexing property. That can be done on November 7th if we have time to get that completed and on the agenda. Mayor Fuller stated he is trying to do the right thing for everybody involved. I have been tremendously moved by a lot of people who have spoken. Council member Shemwell stated he is not sold either way on his decision. I have received a lot of emails and heard all the comments. I want to make the best decision for our City going forward. Some things we are facing is due to poor planning by people before us. Right now we are a sleeper town and we don't have the commercial base that we need to provide our residents with affordable property taxes. Many years ago, it was the desire to be a sleeper town but now that taxes are going up and they are on a fixed income, they are asking why we do not have a commercial tax base to balance that. So we are charged not for today or the four years we are in office, but for the 20 and 25 years ahead to make sure we are making the best decision for the City. I want to make sure our team is doing everything in order and legal. At the end of the day, I can be proud of my decision. A lot of comments about slavery being a way for me to connect to where you are coming from. That's not cool. I live with being black every day of my life. I don't need to be reminded of the segregation that I face every day of my life. If you want to connect with me, invite me for coffee and get to know me. I appreciate being in McKinney in a safe environment where I can let my kids play. I appreciate it and the kind words and I'll give you my vote when it's time. Council member Philips thanked each and every person who came out and spoke over the course of the last month or so. I appreciate the work you have put into it and how eloquently you have spoken and more importantly the passion you have shown. I am proud to say I have been a servant in McKinney much

longer than I have been a public official. I know the two most important commandments and I know who my neighbor is. I will encourage each of you to consider the 45 year deal because that gives you more say in your future than what you have if it goes to an annexation vote, which I anticipate that it will. And I anticipate if it goes to an annexation vote, I will vote against the annexation, but for today's purposes I want each of you to have as many options available to you as possible. More than anything else I want to simply say thank you for caring about McKinney and caring about your community. Mayor Pro Tem Rogers stated he has appreciated this whole process. When we first looked at it I voted to start the annexation process to evaluate what it entails. I also voted to make sure everybody got at least a three year tax break. Not everybody knows this but I grew up out here in McKinney's ETJ. I have no problem making a difficult decision if I think it is the right decision. The Mayor and I were talking about the 45 year agreements and I think that might be the right thing for a couple of reasons. I don't know how long this law might stay on the books. If the legislature changes and cities complain enough, you might very well have forced annexation again. If you sign the 45 year deal, it doesn't matter if the law changes, you have a 45 year agreement that you will not be annexed. I've appreciated the process as I've gotten to meet a lot of you all and to hear from you in emails and texts. I'm going to do the right thing but you all have made a difference so I appreciate your efforts. Councilwoman Rath stated that she too has appreciated the opportunity. Over the past two years I have heard you talk about a lot of things. I was there in 2009 when the tree line at Geren Trail was a big issue. Back then, like today, the Council has not held a distinction between ETJ or City residents. Everybody that comes before Council is a resident who has a need and Council listens to everybody the same way. There is not an address requirement for us to listen, to hear you, and to direct staff to act. We have been successful in treating

everybody the same way. Bloomfield Farms, we stopped that zoning change which gave residents the time to pursue the legal issue that was already in a court room. We helped with that and we listened to that. Much has been said about political grandstanding. If you haven't noticed, we aren't paid \$100,000 a year. We ask a lot of questions, we ask for guidance from our legal staff and other staff because we all have day jobs and things we have to do to support our families. It certainly is not done on the \$4,000 a year that we make for serving. But that does not mean we haven't spent hours and hours listening to every one of you because it's important. Back when the Unique by Nature logo was being discussed, I sat on that focus group. A lot is said when we talk about trees in McKinney. We see the beautiful topography of what McKinney branded as Unique by Nature. But what a lot of people don't know because they didn't get to participate in those focus groups, while the land that you see and the trees played a part of it, it was never about that. It was about the people that make McKinney unique. The people who come forward when one of us is injured or hurt or a tragedy occurs. That's what makes McKinney Unique by Nature. I agree with the Mayor, I am absolutely open to providing direction to staff. To our staff, I would like to say you have answered more questions than I ever thought could be asked. In my two and a half years being on Council, this has been the largest issue and the most well attended meetings from residents who have questions and I really appreciate how hard you all have worked, the hours you have put in. It has been difficult going through this, especially in that we have not been in our Council Chambers. We have had video and audio issues and our staff has worked so hard to make sure everyone hears the meetings and that the caption notes are done. Our City Secretary is out along streets putting signs up directing people. We want to hear from you and if you've never believed that before now, please believe it. We care about what people have to say. Mayor Fuller

stated that I have not addressed those that have signed a three year agreement. City Attorney Houser stated that City Manager Grimes has not signed any agreements that have been tendered. Mayor Fuller stated a 45 year agreement will be presented and anything else that was signed will go in the trash. If the annexation does not pass, all the agreements will go in the trash and nothing will have changed from two months ago. City Attorney Houser stated that if people want certainty in a development agreement, irrespective of what the vote is on annexation, we would put that in front of the Council. Mayor Fuller stated that what Mr. Houser is saying that some people see the importance of a development agreement, they want the development agreement, whether annexation passes or doesn't pass. Mr. Houser stated that the City will honor the 45 year agreements if folks want to enter into those irrespective of the vote on annexation on November 15th. Mayor Fuller stated that some people want to sign the development agreement regardless of the outcome of the annexation vote, however, there are some that are only comfortable signing it if they knew the annexation didn't pass and the agreement would be null and void. As long as we can achieve both of those and everyone is clear that would be my goal. The development agreement would only kick in if you sold your property to a developer coming in who wanted to put in a tire factory. That property would then be annexed by the City and the City would have the authority to not allow that to happen. The development agreement maintains that the property remains the same and you continue to enjoy it. The only difference is that if the guy next door to you wants to sell to North Texas Municipal Water District for a sewage treatment plant, he may not be able to do that. It is happening right now and those residents are coming in asking us to annex the property and stop the sewage treatment plant from coming in there. City Attorney Houser stated staff will work with Ms. Ventura to answer any questions that the residents have regarding the 45 year agreements and

the development agreements. Mayor Fuller stated the goal and intent behind what I am saying is to keep doing what you're doing, keep living how you're living, and the use that you've got. City Attorney Houser stated that the options we are going to have to put together is whether the resident or owners want their certainty irrespective of the vote on annexation. We will offer two different agreements that will be identical in language with the exception that one agreement will say that it is conditional upon approval of the annexation and the other will not have that language and will stand alone so that owners can have the certainty of the continuation of their use.

Council unanimously approved the motion by Councilwoman Rath, seconded by Council member Shemwell, to adjourn. Mayor Fuller adjourned the meeting at 2:12 p.m.

GEORGE C. FULLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary