



# CITY COUNCIL AGENDA

**MARCH 1, 2016**

(For General Information and Rules of Courtesy, please see opposite side.)  
(La Información General y las Reglas de Cortesía que Deben Observarse Durante las Asambleas del  
Consejo Municipal Aparecen en el Lado Opuesto. Por Favor, Leerlas.)

## I. General Information

The Arlington City Council is comprised of a Mayor and eight City Council members. Elections are conducted every spring in May.

Arlington City Council meetings are broadcast live on the Arlington Government Channel (A.G.C.) and replayed throughout the week. Visit the City's Web site for the A.G.C. broadcast schedule.

[www.arlingtontx.gov](http://www.arlingtontx.gov)

### CITY COUNCIL SCHEDULE-2016

MONTH	SCHEDULED
January	12, 26
February	9, 23
March	1, 22
April	12, 26
May	10, 17*, 24***
June	7, 14, 28**
July	Break
August	2, 9**, 23
September	6, 15**, 20
October	11, 25
November	1, 29
December	6, 13

\* Special Meeting – Official Canvass of Votes  
\*\* Special Meeting - Budget Related Items Only  
\*\*\* Swear in newly elected Council members

## II. Support or Opposition on Agenda Items

Anyone wishing to speak or register their support or opposition on a given matter should fill out a card available at the entrance and give it to a staff member at the main table before the opening of the meeting. If you've signed up that you wish to speak, and your name is called:

- Please come to the microphone at the podium and state your name and address before you begin your presentation.
- To the extent possible, please refrain from repeating testimony which has already been given.
- Speakers in support or in opposition of an item will be given **two** minutes to make their statements.
- Public Hearings: an applicant has **five** minutes for their presentation and **two** minutes for any rebuttal.
- A bell will signal at the end of the speaker's time. Please wrap up your comments promptly.
- We ask that you address your comments to the Mayor and Council.

## III. Citizen Participation

Citizen participation gives the public an opportunity to make comments or address concerns that are not posted on the evening's agenda. Please understand that the Mayor and Council are not permitted by law to respond to or address your concerns at this time, as these items are not included on the posted Council Agenda for this evening. The Mayor and Council may only ask clarifying questions and/or direct staff to take appropriate action.

## IV. Rules of Courtesy

We ask that citizens and other visitors in attendance assist in preserving the order and decorum of this meeting. Any person making personal, profane, slanderous, or threatening remarks or who becomes disruptive while addressing the Mayor and the City Council or while attending the City Council meeting may be removed from the Council Chambers.

## I. Información General

El Ayuntamiento de la Ciudad de Arlington consiste de un Alcalde y ocho miembros del concilio municipal. Las elecciones se llevan a cabo cada Mayo en la primavera.

Las reuniones del Ayuntamiento de la Ciudad de Arlington se transmiten en vivo en el canal del Gobierno de Arlington (A.G.C.) y se repiten durante la semana. Visita la página web de la Ciudad para el horario del programa. [www.arlingtontx.gov](http://www.arlingtontx.gov)

### EL HORARIO DEL AYUNTAMIENTO-2016

EL MES	PROGRAMADO
Enero	12, 26
Febrero	9, 23
Marzo	1, 22
Abril	12, 26
Mayo	10, 17*, 24***
Junio	7, 14, 28**
Julio	Descanso
Agosto	2, 9**, 23
Septiembre	6, 15**, 20
Octubre	11, 25
Noviembre	1, 29
Diciembre	6, 13

\* Reunion especial – sólo para aprobar los votos oficiales de eleccion  
\*\* Reunions especial - sólo los artículos relacionados con el presupuesto de la ciudad  
\*\*\* Jurar los nuevos miembros electos del Ayuntamiento municipal

## II. Apoya u Opone los Artículos del Orden del Día

Alguno que desea hablar o registrar su apoyo u oposición en un asunto dado debe llenar una tarjeta disponible en la entrada y darlo a un empleado localizado en la mesa principal antes de la apertura de la reunión. Si usted se ha inscrito que desea hablar y tu nombre es llamado:

- Venga por favor al micrófono en el podio e indique su nombre y la dirección antes que empiece su presentación.
- Hasta el punto possible, por favor de abstenerse de repetir testimonio que ya ha sido dado.
- Los oradores en apoyo u oposición de un articulo sera dado **dos** minutos de hacer sus declaraciones.
- Las Audiciones Publicas: un solicitante tiene **cinco** minutos para su presentación y **dos** minutos para cualquier refutación.
- Una campana señalara a fines del tiempo del orador. Por favor, concluye tus comentarios inmediatamente.
- Pedimos que diriges sus comentarios al Alcalde y el Concilio.

## III. Participación de los Ciudadanos

La participación del ciudadano da el público una oportunidad a hacer comentarios o dirigir preocupaciones que no son anunciados en el orden del día o agenda. Comprenda por favor que el Alcalde y el concilio no son permitidos por ley a responder o abordar tus preocupaciones en este tiempo, porque estos artículos no son incluidos en los anunciados del orden del día del Ayuntamiento para esta tarde. El Alcalde y el Concejo sólo pueden pedir clarificación a preguntas y/o dirigen el personal a tomar acción apropiada.

## IV. Reglas de Cortesía

Pedimos que los ciudadanos y otros visitantes presente asisten en la preservación del orden y el decoro de esta junta. Cualquier persona que haga comentarios personales, profanos, difamatorios o intimidatorios, o alguien que lo haga en forma disruptivo durante dirigirse al Alcalde y el Ayuntamiento, o cuando está asistiendo la reunión del Ayuntamiento puede ser quitado de la Sala del Ayuntamiento.

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# Agenda



## Arlington City Council Meeting

City Hall Council Chamber  
101 W. Abram St.

Tuesday, March 01, 2016  
6:30 PM

- I. CALL TO ORDER
- II. INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND TEXAS FLAGS
- III. SPECIAL PRESENTATIONS
- IV. APPOINTMENTS TO BOARDS AND COMMISSIONS
- V. SPEAKER GUIDELINES AND GENERAL DECORUM
- VI. APPROVAL OF ITEMS FROM EXECUTIVE SESSION

- The Arlington City Hall is wheelchair accessible. For accommodations or sign interpretive services, please call 817-459-6100 no later than 24 hours in advance.
- Council meetings are broadcast live on Arlington's Government Channel, and rebroadcast throughout the week at the following times:

	Afternoon meetings	Evening Meetings
Sunday	1:00 p.m.	6:00 p.m.
Wednesday	1:30 p.m.	6:30 a.m.
Saturday	6:00 p.m.	6:30 a.m.

The Council agenda can be viewed on the City's website at [www.ArlingtonTX.gov](http://www.ArlingtonTX.gov)

- For a complete Arlington Government Channel program schedule, please visit [www.ArlingtonTX.gov/Broadcast](http://www.ArlingtonTX.gov/Broadcast)

## **VII. APPROVAL OF CONSENT AGENDA**

Approval of the Consent Agenda authorizes the City Manager to implement each item in accordance with staff recommendations and all votes on final reading will be recorded as reflected on first reading unless otherwise indicated. Public comment will be accepted on items, with the exception of those items on which a public hearing has been held and closed by Council, which will be indicated as **(CLOSED)** on the agenda.

### **A. Minute Orders**

#### **1. Purchase of Two Pickup Trucks for the Fire Department (MO#03012016-001)**

Authorize the City Manager or his designee to purchase two pickup trucks for the Fire Department from Caldwell Country of Caldwell, Texas, through the Texas Local Government Purchasing Cooperative (TLGPC) in the estimated amount of \$71,634, and execute any and all documents necessary to carry out such purchase. Funds are available in Fleet Services Account No. 790101-68200.

#### **2. Renewal of Annual Requirements Contract for Temporary Personnel Services, Bid Project 14-0016 (MO#03012016-002)**

Authorize the City Manager or his designee to exercise the first of three, one-year renewal options in the contract for temporary personnel services with Smith Temporaries, Inc., dba Cornerstone Staffing of Arlington, Texas in the estimated amount of \$1,450,250, and execute any and all documents necessary to carry out such renewal. Funds are budgeted in various departmental accounts.

#### **3. Arlington Landfill Gas Collection and Control System Improvements (MO#03012016-003)**

Authorizing the City Manager or his designee to negotiate and execute a contract with Landmarc Environmental Systems, LLC, of Naperville, IL, for gas wells and infrastructure improvements related to the Gas Collection and Control System (GCCS) at the City of Arlington Landfill in an amount not to exceed \$2,600,000. Bond Funds are available for this work.

### **B. Consent Agenda Ordinances – Final Readings**

Public comment will be accepted on items, with the exception of those items on which a public hearing has been held and closed by Council, which will be indicated as **(CLOSED)** on the agenda.

#### **1. Designation of Reinvestment Zone Number Forty-Three (CLOSED)**

Final reading of an ordinance establishing Reinvestment Zone Number Forty-Three; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading.

#### **2. Arlington Building Rehabilitation Fund**

Final reading of an ordinance amending the "Municipal Court" Chapter of the Code of the City of Arlington, Texas, 1987, through the amendment of Article IX, Administrative Adjudication, Section 9.01, Definitions, by the amendment of the first paragraph, the addition of the definition of "Administrator", and the amendment of the definition of "Director"; and Section 9.08, Arlington Building Rehabilitation Fund, by the amendment of Subsections (B) and (C), relative to eligibility to receive funds from the Arlington Building Rehabilitation Fund; providing this ordinance be cumulative; providing for severability, governmental immunity, injunctions, publication and becoming effective ten days after first publication.

3. **Special Event Zone in support of WrestleMania 32**  
Final reading of an ordinance prohibiting certain activities within a special event zone in connection with WrestleMania 32 and its Related Activities in the City of Arlington; providing for a fine of up to \$500 for each violation of the ordinance; providing this ordinance be cumulative; providing for severability, governmental immunity, injunctions, publication and an effective date.

C. Consent Agenda Resolutions

1. **Reappointment of Presiding Municipal Court Judge**  
A resolution reappointing the Presiding Municipal Court Judge of the Municipal Court of Record for the City of Arlington, Texas.
2. **Agreement Modification and Extension to Development Services and Option to Purchase Agreement- TCDFW OFFICE DEVELOPMENT, INC.**  
A resolution authorizing the execution of an Agreement Modification and Extension extending for one-year the Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc., relative to development services and option to sell property being approximately 18.37 acres out of the G.W. Ragan Survey, Abstract No. 1288, otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas.
3. **Ratify Expenditures for Emergency Fuel Leak Cleanup**  
A resolution declaring an emergency and ratifying expenditures to Cleaning Guys, LLC, of Arlington, Texas, in an amount not to exceed \$179,999.19; and W. Two Plus, Inc., of Kennedale, Texas, in an amount not to exceed \$55,938.07, for services rendered related to the cleanup of a diesel fuel leak at 1015 W. Main Street.

**END OF CONSENT AGENDA**

**VIII. ITEMS TO BE WITHDRAWN FROM THE CONSENT AGENDA**

**IX. CONSIDER AND VOTE ON WITHDRAWN ITEMS**

X. **RESOLUTIONS**

Public comment will be accepted at this time on the following items.

A. Resolutions:

1. **Southwest Restaurant Equipment, Inc. Tax Abatement Agreement**

A resolution authorizing the execution of an agreement by and between Southwest Restaurant Equipment, Inc. and the City of Arlington, Texas, relative to tax abatement for a project in Reinvestment Zone Number Forty-Three in the City of Arlington, Texas.

2. **(TABLED) Authorizing the Texas Coalition for Affordable Power to Negotiate an Electric Supply Agreement**

A resolution authorizing the Texas Coalition for Affordable Power, Inc. (TCAP) to negotiate an electric supply agreement for five years for deliveries of electricity effective January 1, 2018; authorizing TCAP to act as an agent on behalf of the City to enter into a contract for electricity; authorizing execution of an electric supply agreement for deliveries of electricity effective January 1, 2018 and committing to budget for energy purchases in 2018 through 2022 and to honor the City's commitments to purchase power for its electrical needs in 2018 through 2022 through TCAP.

XI. **ANNOUNCEMENTS**

XII. **CITIZEN PARTICIPATION**– Recognition of visitors with items of business not on the agenda.







# Staff Report

## Purchase of Two Pickup Trucks for the Fire Department, Bid Project 16-0092

City Council Meeting Date: 3-1-16

Action Being Considered: Minute Order

### **RECOMMENDATION**

Authorize the City Manager or his designee to purchase two pickup trucks for the Fire Department from Caldwell Country through the Texas Local Government Purchasing Cooperative (TLGPC) in the estimated amount of \$71,634.

### **PRIOR BOARD OR COUNCIL ACTION**

On June 25, 2002, the City Council passed Resolution 02-314, authorizing the City of Arlington to participate in the TLGPC.

### **ANALYSIS**

This purchase is for two 2016 Chevrolet 1500 Silverado Pickup trucks for the Fire Department. The pickup trucks will replace two existing units that have reached the end of their useful service life. The City's fleet management contract defines replacement criteria (age and usage) for every vehicle in the fleet. The new vehicles meet the most current U.S. EPA's Emission standards for pollutant emissions for both gasoline and diesel engines.

### **FINANCIAL IMPACT**

Caldwell Country of Caldwell, Texas, is under contract with the TLGPC and will provide the Chevrolet pickups for a total estimated amount of \$71,634. This is a one-time purchase. No additional maintenance and fuel costs will be incurred for the replacement vehicles. The projected three-year financial impact is as follows:

FY 2016  
\$71,634

FY 2017  
\$0

FY 2018  
\$0

Funds are available in Fleet Services Account No. 790101-68200.

### **ADDITIONAL INFORMATION**

Attached:	2016 Vehicle Replacement List
Under separate cover:	None
Available in the Purchasing office:	Bid File
Notarized Form 1295:	Yes
MWBE:	No

### **STAFF CONTACT(S)**

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### Vehicle Replacement List

Unit No.	Dept.	Year	Make	Model	Description		Current Mileage
2756	220601	2005	FORD	F150	1/2 TON PICKUP	MILES	72,418
2764	220201	2005	FORD	F150	1/2 TON PICKUP	MILES	40,633



# Staff Report

## Renewal of Annual Requirements Contract for Temporary Personnel Services, Bid Project 14-0016

City Council Meeting Date: 3-1-16

Action Being Considered: Minute Order

### **RECOMMENDATION**

Authorize the City Manager or his designee to exercise the first of three, one-year renewal options in the contract for temporary personnel services with Smith Temporaries, Inc., dba Cornerstone Staffing in the estimated amount of \$1,450,250.

### **PRIOR BOARD OR COUNCIL ACTION**

On October 29, 2013, City Council approved Resolution 13-280, authorizing a Request for Proposal (RFP) procurement method for temporary staffing services.

On April 8, 2014, City Council approved MO04082014-001 executing a two-year requirements contract for temporary personnel services with Smith Temporaries, Inc., dba Cornerstone Staffing of Arlington, Texas, in the estimated amount of \$1,450,250. The resulting contract will have three, one-year renewal options.

### **ANALYSIS**

This contract is based on routine position requirements requested by various City departments, and includes IT personnel, animal services staffing, general maintenance workers, call center personnel, deputy court clerks, secretaries, data clerks, accounting clerks and bilingual receptionists.

Original contract term: Two years/three one-year renewals  
Current term: First renewal (April 1, 2016 – March 31, 2017)

### **FINANCIAL IMPACT**

The Human Resources Department and the Purchasing Division have determined it's in the City's best interest to renew the contract for an additional term. The contract term is for one year and will be reviewed annually to determine subsequent renewal terms.

In accordance with bid specifications, the Purchasing Division has received a letter from Smith Temporaries, Inc., dba Cornerstone Staffing of Arlington, Texas requesting the first renewal at the current pricing. The projected financial impact for this contract term is as follows:

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$725,125	\$725,125	\$0

Funds are budgeted in various departmental accounts.

### **ADDITIONAL INFORMATION**

Attached:	None
Under separate cover:	None
Available in the Purchasing office:	Bid file
Notarized Form 1295:	Yes
MWBE:	No

### **STAFF CONTACT(S)**

Kari Zika, Director Human Resources 817-575-8987 <a href="mailto:Kari.Zika@arlingtontx.gov">Kari.Zika@arlingtontx.gov</a>	Janice Hughes, CPPB Sr. Purchasing Agent 817-459-6304 <a href="mailto:Janice.Hughes@arlingtontx.gov">Janice.Hughes@arlingtontx.gov</a>	Mike Finley Director of Finance 817-459-6345 <a href="mailto:Mike.Finley@arlingtontx.gov">Mike.Finley@arlingtontx.gov</a>
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# Staff Report

## Arlington Landfill Gas Collection and Control System Improvements

City Council Meeting Date: 03-01-16

Action Being Considered: Minute Order

### **RECOMMENDATION**

Authorize the City Manager or his designee to negotiate and execute a contract with Landmarc Environmental Systems, LLC, of Naperville, IL, for gas wells and infrastructure improvements related to the Gas Collection and Control System (GCCS) at the City of Arlington Landfill in an amount not to exceed \$2,600,000. The contract is exempt from state bidding requirements under Texas Local Government Code Sec. 252.022(a)(2).

### **PRIOR BOARD OR COUNCIL ACTION**

On January 12, 2016, City staff provided to Mayor and City Council an update about the next phase of the City of Arlington Landfill's Gas Collection and Control System.

On January 26, 2016, City Council approved Minute Order No. MO01262016-013, authorizing the City Manager or his designee to negotiate and execute a Memorandum of Understanding with Republic Waste Services of Texas, Ltd., to complete improvements for the Arlington Landfill Gas Collection and Control System with the City's financial impact in the amount of \$1.3 million.

### **ANALYSIS**

The GCCS is comprised of a piping network, condensate management system, blower/flare facility, and 117 gas extraction wells. The system must be upgraded as needed to ensure proper functioning and compliance with state permit requirements.

The need for an additional 32 gas extraction wells, 10 pumps, leachate collection and piping improvements, and new flare has been identified. These improvements will enable the landfill to keep up with existing operations and accommodate operations in the next few years. The estimated cost for these proposed improvements is approximately \$2.6 million.

Due to our existing contractual obligations and logistical site considerations, staff has determined the best approach is for the City to directly complete the GCCS improvements. The City will seek to recover costs when working on contract updates with Republic Waste Services of Texas, Ltd., the landfill operator, and Renovar Energy Corp, the third party energy developer which operates the gas system.

City staff will continue to assess the need for additional future GCCS improvements.

### **FINANCIAL IMPACT**

The financial impact is \$2,600,000, which was approved in the 2016 Capital Budget on February 23, 2016. Bond funds are available for this work.

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$2,080,000	\$520,000	\$

### **ADDITIONAL INFORMATION**

Attached: None  
Under separate cover: None  
Available in the Purchasing Division: None

**STAFF CONTACT(S)**

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# Staff Report



<b>Designation of Reinvestment Zone Number Forty-Three</b>	
City Council Meeting Date: March 1, 2016	Document Being Considered: Ordinance

**RECOMMENDATION**

Consider second reading of an ordinance designating Reinvestment Zone Number Forty-Three at 2909 E. Arkansas Ln.

**PRIOR BOARD OR COUNCIL ACTION**

On February 23, 2016, following the public hearing, City Council approved the first reading of the ordinance designating Reinvestment Zone Number Forty-Three by a vote of 9-0.

The Economic Development Committee was briefed on the proposed project on January 12, 2016.

**ANALYSIS**

Reinvestment Zone Number Forty-Three is proposed to accommodate Council consideration of a tax abatement agreement for a new mixed-use facility on approximately 3 acres of land located at 2909 E. Arkansas Ln.

**FINANCIAL IMPACT**

None.

**ADDITIONAL INFORMATION**

Attached:	Ordinance
Under separate cover:	None
Available in the City Secretary's Office:	None

**STAFF CONTACT(S)**

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Ordinance No. \_\_\_\_\_

**An ordinance establishing Reinvestment Zone Number Forty-Three; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on January 12, 2016, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Three; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Three, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Three has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Three should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Three are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Three is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Three for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Three of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Three of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

(2)

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

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W. JEFF WILLIAMS, Mayor

ATTEST:

---

MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY  

---

**Exhibit "A"**

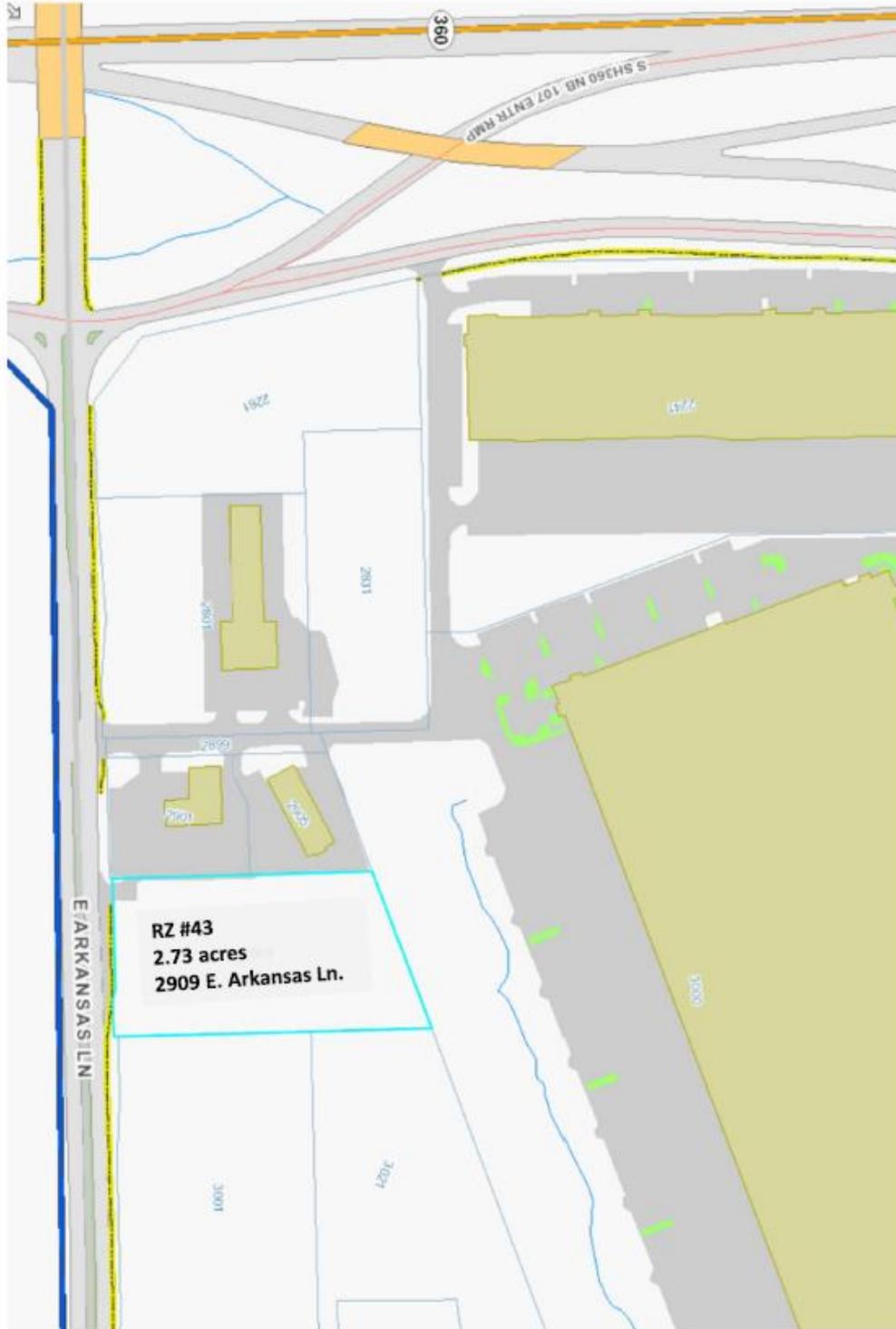
**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit "B"**

**MAP OF SUBJECT PROPERTY**

**2909 E. ARKANSAS LANE, ARLINGTON, TEXAS**



# Staff Report



<b>Arlington Building Rehabilitation Fund</b>	
City Council Meeting Date: 3-1-16	Document Being Considered: Ordinance

## **RECOMMENDATION**

Approve the final reading of an ordinance amending Article IX, Administrative Adjudication, Section 9.08 B. and C., Arlington Building Rehabilitation Fund, of the "Municipal Court Chapter" of the Code of the City of Arlington.

## **PRIOR BOARD OR COUNCIL ACTION**

On June 18, 2013, Council adopted a revision to the Municipal Court Chapter, allowing for the administrative adjudication of applicable City ordinance violations, via the issuance of civil citations.

On January 26, 2016, the Municipal Policy Committee discussed and vetted the proposed amendments.

On February 23, 2016, the City Council approved first reading of the ordinance.

## **ANALYSIS**

When residents are issued civil citations for applicable code violations, found liable, and pay the penalty assessed, \$25.00 of the penalty is designated to the Arlington Building Rehabilitation Fund (ABR). The ABR shall be used for the sole purpose of rehabilitating and repairing properties and premises in violation of applicable City ordinances.

After additional program review, staff is recommending the ordinance be revised to exclude the requirement that a person be issued a civil citation and be found liable before applying to receive funds. As proposed, to be eligible to receive funds from the ABR, a person must:

- Be financially unable to rehabilitate or repair the person's property or premises to comply with applicable City Ordinances; and
- File a written request with the Administrator for the purpose of rehabilitating or repairing the person's property or premises until it complies with City ordinances.

The Administrator may also establish additional uniform criteria for eligibility. The following additional criteria must be satisfied for program eligibility:

- Financial need will be established by utilizing 125% of the Federal Poverty Guidelines; and
- A person may not have received funds from the ABR within the preceding 60 months, unless authorized by the Administrator; and
- ABR will fund 100% of eligible rehabilitation or repair up to \$10,000, or an amount greater, as determined by the Administrator.

Additionally, staff is proposing to execute a Memorandum of Understanding between the City and the Arlington Housing Authority (AHA), that sets the terms and understanding between the partners, for administration of the fund. The AHA, utilizing its existing systems, staff and contractors, shall perform the following in accordance with the ordinance:

- Inspect the property and prepare a scope of work; and
- Prepare a bid document for the completion of the scope of work; and
- Solicit bids from its list of qualified contractors; and
- Execute an agreement with the contractor and homeowner; and
- Monitor work in progress and perform final inspection with Code Compliance staff to confirm work is fully and appropriately completed.

It is anticipated that the ABR will allow for the repair or rehabilitation of approximately one (1) to three (3) eligible homeowners' properties or premises per year. On average, the fund balance accrues approximately \$14,000 per fiscal year. The current ABR balance is \$34,679.31.

**FINANCIAL IMPACT**

The proposed amendment has no financial impact.

**ADDITIONAL INFORMATION**

Attached:	Ordinance
Under separate cover:	None
Available in the City Secretary's Office:	None

**STAFF CONTACT(S)**

Mike Bass Code Compliance Administrator 817-459-5341 <a href="mailto:Mike.Bass@arlingtontx.gov">Mike.Bass@arlingtontx.gov</a>	David Zappasodi, Asst. Director Community Development and Planning 817-276-6790 <a href="mailto:David.Zappasodi@arlingtontx.gov">David.Zappasodi@arlingtontx.gov</a>
--	---

Ordinance No. \_\_\_\_\_

An ordinance amending the "Municipal Court" Chapter of the Code of the City of Arlington, Texas, 1987, through the amendment of Article IX, Administrative Adjudication, Section 9.01, Definitions, by the amendment of the first paragraph, the addition of the definition of "Administrator", and the amendment of the definition of "Director"; and Section 9.08, Arlington Building Rehabilitation Fund, by the amendment of Subsections (B) and (C), relative to eligibility to receive funds from the Arlington Building Rehabilitation Fund; providing this ordinance be cumulative; providing for severability, governmental immunity, injunctions, publication and becoming effective ten days after first publication

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That the "Municipal Court" Chapter of the Code of the City of Arlington, Texas, 1987, is hereby amended through the amendment of Article IX, Administrative Adjudication, Section 9.01, Definitions, by the amendment of the first paragraph, the addition of the definition of "Administrator", and the amendment of the definition of "Director", so that said section shall be and read as follows:

**Section 9.01 Definitions**

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Article, except where the context clearly indicates a different meaning.

"Administrator" shall mean the person appointed by the City Manager to administer the Arlington Building Rehabilitation Fund or his or her designee.

"Building" shall mean any structure which is built for the support, shelter, or enclosure or partial enclosure of persons, animals, chattels, or movable property of any kind including pools.

"City" shall mean the City of Arlington, Tarrant County, Texas.

"Director" shall mean the director of the City department charged with the administration and enforcement of the provisions of this Article or his or her designee.

"Hearing" shall mean an administrative adjudication hearing for a violation under this Article, and may also include an appeal hearing at the municipal court.

"Hearing Officer" shall mean the Presiding Municipal Court Judge or Director or their designees appointed to conduct hearings in accordance with this Article.

"Issuing Officer" shall mean the person who issued the citation. The term includes a peace officer, or other enforcement agent as authorized by the Director.

"Municipal Court" shall mean the municipal court of the City of Arlington, Tarrant County, Texas.

"Owner" shall mean any person, agent, operator, firm or corporation having a legal or equitable interest in the property; or recorded in the official records of the state, county or municipality as holding title to the property; or otherwise having control of the property, including the guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

"Person" shall extend and be applied to associations, corporations, firms, partnerships, bodies politic, corporate as well as to individuals.

"Premises" or "Property" shall mean a lot, plot or parcel of land, easement or public way, including any structures thereon.

"Structure" shall mean fence, shed, awning, retaining wall, or partial building.

Further, **Article IX, Section 9.08, Arlington Building Rehabilitation Fund**, is hereby amended by the amendment of **Subsection (B)**, so that hereafter said Subsection shall read as follows:

- B. The Arlington Building Rehabilitation Fund shall be used for the sole purpose of rehabilitating and repairing properties and premises in the City for persons who are eligible to receive assistance from the Arlington Building Rehabilitation Fund under this Section.

Further, **Article IX, Section 9.08**, is hereby amended by the amendment of **Subsection (C)**, so that hereafter said Subsection shall read as follows:

- C. **Administration of the Arlington Building Rehabilitation Fund.**
  - 1. The City Manager, or his or her designee, shall appoint an Administrator of the Arlington Building Rehabilitation Fund. The Administrator shall adopt policies and procedures consistent with this Article for the administration of the Arlington Building Rehabilitation Fund.

2. Eligibility
  - a. To be eligible to receive funds from the Arlington Building Rehabilitation Fund, a person must:
    - (1) be financially unable to rehabilitate or repair the person's property or premises to comply with applicable City Ordinances, as determined by the Administrator; and
    - (2) file a request with the Administrator for the purpose of rehabilitating or repairing the person's property or premises until it complies with City ordinances.
  - b. The Administrator may establish uniform criteria for eligibility determination consistent with this Article. In determining whether a person is eligible to receive assistance from the Arlington Building Rehabilitation Fund, the Administrator may consider whether the person qualifies for other property repair or rehabilitation assistance available through the City.
3. A person who makes a request to the Administrator is voluntarily requesting that the Administrator use the Arlington Building Rehabilitation Fund to rehabilitate or repair the person's property or premises for the sole purpose of bringing the property or premises into compliance with city ordinances.
4. The Administrator is responsible for ensuring that the property or premises is inspected and that a detailed, written project plan is prepared that includes the work proposed, the amount of time the work will take, and the cost of the work.
5. A person who files a request with the Administrator does so voluntarily and agrees to indemnify the City against any liability resulting from the project, any damages that may occur related to the project, and any damages resulting from any early termination of the project.
6. If the project is terminated prior to completion for any reason, the Administrator may disburse money from the Arlington Building Rehabilitation Fund to pay the contractor for completion of work approved by the Administrator.
7. The project may be inspected by the City for the sole purpose of determining whether the property or premises complies with City ordinances.

8. No project plan may be initiated by the Administrator unless the project cost is less than or equal to the amount in the Arlington Building Rehabilitation Fund at any one time. If the Arlington Building Rehabilitation Fund is temporarily out of money, the Administrator may not initiate a project plan until such time as there are additional funds equal to or exceeding the amount of the project's cost.

2.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington, and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

3.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

4.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

5.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

6.

The caption of this ordinance shall be published in a newspaper of general circulation in the City of Arlington, in compliance with the provisions of Article VII, Section 15, of the City Charter. Further, this ordinance may be published in pamphlet form and shall be admissible in such form in any court, as provided by law.

7.

This ordinance shall become effective ten (10) days after first publication as described above.

PRESENTED AND GIVEN FIRST READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_  


# Staff Report



<b>Special Event Zone in Support of WrestleMania 32</b>	
City Council Meeting Date: 3-1-16	Document Being Considered: Ordinance

## **RECOMMENDATION**

Approve second reading of an ordinance supporting WrestleMania 32 and establishing a temporary Special Event Zone in the vicinity of AT&T Stadium.

## **PRIOR BOARD OR COUNCIL ACTION**

On February 23, 2016, City Council approved first reading of the proposed ordinance by a vote of 9 to 0.

## **ANALYSIS**

WWE Local Arrangements Committee, a local organizing committee for WrestleMania 32, requested that a Special Event Zone be established in support of this event.

The attached ordinance establishes the temporary Special Event Zone and stipulates that certain activities will be restricted or prohibited for a temporary time period. This ordinance is specific to WrestleMania 32. The attached map shows the boundary of the Protected Area.

## **FINANCIAL IMPACT**

None

## **ADDITIONAL INFORMATION**

Attached:	Ordinance with Boundary Map (Protected Area)
Under separate cover:	None
Available in the City Secretary's Office:	None

## **STAFF CONTACT(S)**

Theron Bowman  
Deputy City Manager  
(817) 459-6105  
[theron.bowman@arlingtontx.gov](mailto:theron.bowman@arlingtontx.gov)

Ordinance No. \_\_\_\_\_

**An ordinance prohibiting certain activities within a special event zone in connection with WrestleMania 32 and its Related Activities in the City of Arlington; providing for a fine of up to \$500 for each violation of the ordinance; providing this ordinance be cumulative; providing for severability, governmental immunity, injunctions, publication and an effective date**

WHEREAS, the World Wrestling Entertainment, Inc. (“WWE”) owns, produces and controls WrestleMania 32; and also owns, produces and controls certain other events associated with WrestleMania 32 ("Official Events"); and

WHEREAS, WrestleMania 32 will be held at AT&T Stadium Major Sports Complex in Arlington, Texas on April 3, 2016; and

WHEREAS, the City of Arlington along with the entire North Texas Region is desirous of hosting WrestleMania 32 and its related Official Events; and

WHEREAS, the City of Arlington has within its jurisdiction the AT&T Stadium Major Sports Complex in Arlington and other facilities and their premises, access roads, thoroughfares and other areas which may be used for the purposes of organizing, financing, promoting, accommodating, staging and conducting WrestleMania 32 and its related Official Events; and

WHEREAS, the WWE Local Arrangements Committee has requested the City of Arlington temporarily regulate temporary structures, outdoor sale/distribution of merchandise and temporary outdoor advertising displays visible from public streets in the vicinity of WrestleMania 32 and its related Official Events; and

WHEREAS, the North Texas Region hosting WrestleMania 32 and its related Official Events will generate goodwill, enhance the worldwide renown and prestige of the City of Arlington, create temporary jobs and create substantial beneficial economic and fiscal activity; and

WHEREAS, the City Council desires to promote and protect the festive image in and around the AT&T Stadium Major Sports Complex during a temporary period before and after WrestleMania 32 in the City of Arlington; and

WHEREAS, the City Council desires to promote and protect the public investment in the AT&T Stadium Major Sports Complex, and to exercise responsible public stewardship in furtherance of the unique economic opportunities for the city, region and state as site of WrestleMania 32; and

WHEREAS, the WWE Local Arrangements Committee has related to the City of Arlington experiences in other cities where failure to regulate temporary structures, outdoor sale/distribution of merchandise and temporary outdoor advertising displays visible from public streets in the vicinity of WrestleMania 32 and Official Events resulted in pedestrian and vehicular traffic issues that caused traffic and pedestrian safety problems, obscured lines of sight and affected public safety operations; and

WHEREAS, City officials who have familiarity with traffic and public safety issues have similar concerns that venues in which WrestleMania 32 and its related Official Events are conducted could become over-congested by attracting congregations of temporary structures, outdoor sales/distribution of merchandise and temporary signage visible from public streets in the vicinity of the WrestleMania 32 venue; and

WHEREAS, such congestion would unnecessarily increase the numbers of vehicles and pedestrians in the vicinity of the AT&T Stadium Major Sports Complex, obstruct lines of sight, hinder security operations and interfere with emergency vehicle access; and

WHEREAS, the City Council desires to promote and protect good order and aesthetic quality and to protect the safety and convenience of drivers and pedestrians in and around the AT&T Stadium Major Sports Complex relating to WrestleMania 32 and its related Official Events; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as a part of this Ordinance.

II.

Within the area surrounding the AT&T Stadium Major Sports Complex more particularly shown on the map and description attached hereto as Exhibit "A" (the "Special Event Zone"), during the period beginning at 12:01 a.m. April 1, 2015 through and until 12:01 a.m. April 5, 2016:

1. In addition to all other activities constituting a "temporary outdoor event" under Section 13.01 of the "Construction" Chapter of the Code of the City of Arlington, as may be amended from time to time, any construction, placement, occupation or use of any temporary structure (including but not limited to temporary retail locations, tents, canopies, and air-supported, air-inflated and tensioned membrane structures) visible from any public street shall be deemed a "temporary outdoor

event" for purposes of Article XIII of the "Construction" Chapter of the Code of the City of Arlington; and

2. Outdoor sale or distribution of merchandise (used in its broadest sense and shall include commercial property of every kind) to the public visible from any public street shall be prohibited, except merchandise sold or distributed in the ordinary course of business at a location for which a Certificate of Occupancy has been issued; and
3. Outdoor advertising displays (including but not limited to portable signs, flags, banners, video screens, cold air balloons, electronic message boards, nighttime projections of commercial messages, inflatables and building wraps) visible from any public street shall be prohibited, except as expressly authorized in the "Zoning" Chapter or the "Major Sports Complex" Chapter of the Code of the City of Arlington.

### III.

Any person, firm, corporation, agent or employee thereof who violates any of the provisions of this ordinance shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount not to exceed Five Hundred and No/100 Dollars (\$500.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

### IV.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington, and this ordinance shall not operate to repeal or affect any of such other ordinances, however, insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this ordinance, the provisions in this ordinance control over such conflicting provisions, if any, in such other ordinance or ordinances.

### V.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

### VI.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all

personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

VII.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

VIII.

The caption and penalty clause of this ordinance shall be published in a newspaper of general circulation in the City of Arlington, in compliance with the provisions of Article VII, Section 15, of the City Charter. Further, this ordinance may be published in pamphlet form and shall be admissible in such form in any court, as provided by law.

IX.

This ordinance shall become effective upon second publication and expire at 12:01 a.m. on April 5, 2016.

PRESENTED AND GIVEN FIRST READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_  


## **Exhibit “A”**

### **Special Event Zone**

#### **Description**

Beginning at the intersection of the south right-of-way line of Abram Street with the west right-of-way line of Cooper Street; thence north along the west right-of-way line of Cooper Street to the north right-of-way line of Interstate Highway 30; thence east along the north right-of-way line of Interstate Highway 30 to the east right-of-way line of State Highway 360; thence south along east right-of-way line of State Highway 360 to the South right-of-way line of Six Flags Drive; thence south along east right-of-way line of Six Flags Drive to the North right-of-way line of State Highway 180; thence east along the North right-of-way line of State Highway 180 to the East right-of-way line of State Highway 360; thence south along east right-of-way line of State Highway 360 to the South right-of-way line of Abram Street; thence west along the south right-of-way line of Abram Street, to the west right-of-way line of Cooper Street and to the point of beginning.

#### **Exclusion**

The Special Event Zone excludes the AT&T Stadium Complex as described by metes and bounds in the (1) Cowboys Complex Lease Agreement dated September 1, 2005 approved by Resolution 05-072 on February 8, 2005; and (2) the First Amendment to Cowboys Complex Lease Agreement dated February 14, 2006 approved by Resolution 06-039 on February 14, 2006; and (3) the Second Amendment to Cowboys Complex Lease Agreement dated August 1, 2007 approved by Resolution 06-040 on February 14, 2006 and ratified by Resolution 07-654 on October 23, 2007, and (4) the Third Amendment to Cowboys Complex Lease Agreement dated November 26, 2007 approved by Resolution 07-654 on October 23, 2007; and (5) the Fourth Amendment to Cowboys Complex Lease Agreement dated November 18, 2008 approved by Resolution 08-432 on November 18, 2008.

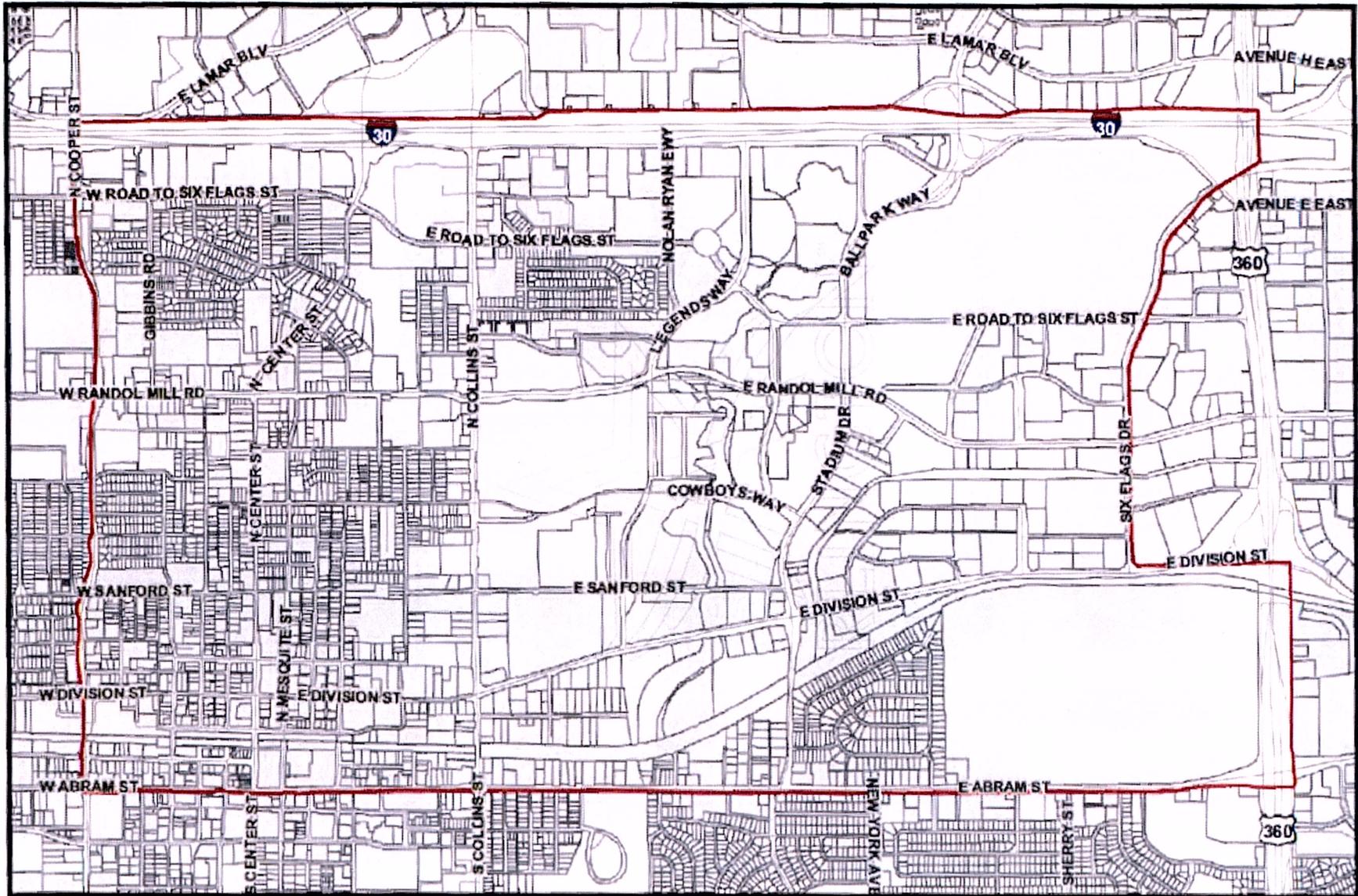
The Special Event Zone also excludes all parking lots identified on the attached AT&T Stadium Parking map.

***See the attached AT&T Stadium Parking map***

***See also the attached Special Event Zone Map***



# PROTECTED AREA



## Legend

 Boundary of Special Event Zone

Exhibit



# Staff Report

<b>Re-appointment of Presiding Municipal Court Judge</b>	
City Council Meeting Date: 03-01-16	Document Being Considered: Resolution

## **RECOMMENDATION**

Approve a resolution reappointing a Presiding Municipal Court Judge for the Arlington Municipal Court of Record.

## **PRIOR BOARD OR COUNCIL ACTION**

Appointment of Presiding Municipal Court Judge Stewart Milner in February 2014.

## **ANALYSIS**

The Texas Government Code (Chapter 30) and the City Code ("Municipal Court" Chapter, Article II) provide that the City Council shall appoint Judges for the Court and shall appoint one of the Judges as the Presiding Municipal Court Judge. The statute and ordinance provide that the Judges hold office for a term of two years, plus an additional period of up to ninety days.

The attached resolution provides for the reappointment of Stewart Milner as the Presiding Municipal Court Judge.

## **FINANCIAL IMPACT**

The financial impact is the salary and benefits over the next two years.

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$156,000	\$156,000	\$156,000

## **ADDITIONAL INFORMATION**

Attached:	Resolution
Under separate cover:	None
Available in the City Manager's office:	None

## **STAFF CONTACT(S)**

Stewart Milner  
Presiding Municipal Court Judge  
817-459-6981  
[stewart.milner@arlingtontx.gov](mailto:stewart.milner@arlingtontx.gov)

Resolution No. \_\_\_\_\_

**A resolution reappointing the Presiding Municipal Court Judge of the Municipal Court of Record for the City of Arlington, Texas**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That the City Council hereby officially reappoints and designates Stewart Milner to serve as Presiding Municipal Court Judge of the Municipal Court of Record for the City of Arlington, Texas, for a term of two years expiring February 2018.

PRESENTED AND PASSED on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_



# Staff Report



<b>Agreement Modification and Extension to Development Services and Option to Purchase Agreement- TCDFW OFFICE DEVELOPMENT, INC.</b>	
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City Council Meeting Date: 3/01/16	Document Being Considered: Resolution
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## **RECOMMENDATION**

Approval of a resolution authorizing the execution of an Agreement Modification and Extension relative to a Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc., relative to development services and option to sell property being approximately 18.37 acres, out of the G.W. Ragan Survey, Abstract No. 1288; otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas.

## **PRIOR BOARD OR COUNCIL ACTION**

Resolution No. 14-155, dated June 24, 2014, authorizing the City Manager, or his designee, to negotiate and execute the appropriate documents necessary to facilitate the purchase of fee simple property rights in approximately 18.37 acres of land, out of the G.W. Ragan Survey, Abstract No. 1288, City of Arlington, Tarrant County, Texas, otherwise known as 1608 N. Collins Street, City of Arlington, Texas.

Resolution No. 15-032, dated February 24, 2015, authorizing the execution of a Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc., relative to development services and option to sell property being approximately 18.37 acres, out of the G.W. Ragan Survey, Abstract No. 1288; otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas.

## **ANALYSIS**

On March 3, 2015, the City of Arlington executed a Development Services and Option to Purchase Agreement ("Agreement") with TCDFW Office Development, Inc. (TCDFW), relative to development services and option to sell approximately 18.37 acres of land. Under the terms of the Agreement TCDFW was granted exclusive marketing rights and option to purchase the land for one (1) year with an option to extend the agreement for an additional one (1) term with consent of the City.

The City received a letter, dated January 28, 2016, from TCDFW requesting an extension in accordance with the terms of the Agreement. An agreement has been reached to extend the Agreement for a one year term ending March 3, 2017. Additionally, the Agreement is modified to allow the City to terminate the Agreement upon thirty (30) days' notice at any time after September 3, 2016.

## **ADDITIONAL INFORMATION**

Attached:	Resolution Agreement to Modification and Extension
Under Separate Cover:	None
Available in the City Secretary's office:	None

## **STAFF CONTACTS**

Roger Venables Assistant Director Community Development and Planning 817-459-6613 <a href="mailto:Roger.Venables@arlingtontx.gov">Roger.Venables@arlingtontx.gov</a>	James F. Parajon, FAICP Deputy City Manager Community Development and Planning 817-459-6154 <a href="mailto:Jim.Parajon@arlingtontx.gov">Jim.Parajon@arlingtontx.gov</a>
--	--

**Resolution No. \_\_\_\_\_**

**A resolution authorizing the execution of an Agreement Modification and Extension extending for one-year the Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc., relative to development services and option to sell property being approximately 18.37 acres out of the G.W. Ragan Survey, Abstract No. 1288, otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas.**

WHEREAS, on June 24, 2014, Resolution No. 14-155 was approved authorizing the City Manager or his designee to negotiate and execute the appropriate documents necessary to facilitate the purchase of fee simple property rights in approximately 18.37 acres of land out of the G.W. Ragan Survey, Abstract No. 1288, City of Arlington, Tarrant County, Texas, otherwise known as 1608 N. Collins Street, City of Arlington, Texas; and

WHEREAS, as of February 3, 2015, the City of Arlington now owns fee simple interest 18.37 acres of land located at 1608 N. Collins Street, Arlington, Texas (the "Land"); and

WHEREAS, the City desires for the Land to be developed as a vibrant mixed-use project with an emphasis on primarily office use; and

WHEREAS, the City issued a Request for Proposals on August 22, 2014, soliciting proposals from prospective developers with experience in construction of new mixed-use projects consistent with the City's current long term vision for the Land; and

WHEREAS, on February 24, 2015, Resolution No. 15-032 was approved authorizing the City Manager or his designee to execute a Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc. relative to development services and option to sell property being approximately 18.37 acres out of the G.W. Ragan Survey, Abstract No. 1288, otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas; and

WHEREAS, TCDFW Office Development, Inc. has requested a one-year extension of the Development Services and Option to Purchase Agreement; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That the City Manager or his designee is hereby authorized to execute the Agreement Modification and Extension extending for one-year the Development Services and Option to Purchase Agreement with TCDFW Office Development, Inc. relative to development services and option to sell property being approximately 18.37 acres out of the G.W. Ragan Survey, Abstract No. 1288, otherwise known as 1608 N. Collins Street, City of Arlington, Tarrant County, Texas.

II.

A substantial copy of said Agreement Modification and Extension is attached hereto and incorporated herein for all intent and purposes.

PRESENTED AND PASSED on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY  \_\_\_\_\_

THE STATE OF TEXAS                    §  
   §        AGREEMENT MODIFICATION  
THE COUNTY OF TARRANT           §        AND EXTENSION

THIS AGREEMENT MODIFICATION AND EXTENSION is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the CITY OF ARLINGTON, Tarrant County, Texas, a municipal corporation, hereinafter called "CITY", and TCDFW OFFICE DEVELOPMENT, INC., a Delaware corporation, with an address of 2100 McKinney Avenue, Suite 800, Dallas, Texas 75201 ("TCC").

W I T N E S S E T H:

WHEREAS, on March 3, 2015, City and TCC entered into a Development Services and Option to Purchase Agreement ("Agreement") relative to 18.37 acres of land located generally at the northwest corner of Interstate Highway 30 and Collins Street, Arlington, Texas; and

WHEREAS, CITY and TCC would like to extend the Agreement for one year; NOW THEREFORE,

The Agreement is incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Agreement shall remain unchanged and shall remain in full force and effect. In consideration of the foregoing, and for other good and valuable consideration, the parties agree as follows:

I.

The Agreement is modified by extending the term for one year and shall now terminate on March 3, 2017. Notwithstanding the foregoing, CITY may terminate the Agreement upon thirty (30) days' notice at any time after September 3, 2016.

IN WITNESS WHEREOF, the parties hereto execute this Agreement Modification and Extension.

**TCDFW OFFICE DEVELOPMENT,  
INC.,** a Delaware corporation

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed/Typed Name

\_\_\_\_\_  
Printed/Typed Title

WITNESS:

\_\_\_\_\_

**CITY OF ARLINGTON, TEXAS**  
A home rule municipality

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed/Typed Name

\_\_\_\_\_  
Printed/Typed Title

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_

THE STATE OF TEXAS       §  
  §       **TCDFW OFFICE DEVELOPMENT, INC.**  
THE COUNTY OF DALLAS §       **Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of **TCDFW OFFICE DEVELOPMENT, INC.**, and as the \_\_\_\_\_ thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

[Seal]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Notary's Printed Name

THE STATE OF TEXAS       §  
  §       **CITY OF ARLINGTON, TEXAS**  
COUNTY OF TARRANT §       **Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared \_\_\_\_\_, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of **THE CITY OF ARLINGTON, TEXAS**, a municipal corporation in Tarrant County, Texas, and as \_\_\_\_\_ thereof, and for the purposes and consideration therein expressed and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

[Seal]

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Notary's Printed Name



# Staff Report

## Ratify Expenditures for Emergency Fuel Leak Cleanup

City Council Meeting Date: 3-01-16

Document Being Considered: Resolution

### **RECOMMENDATION**

Approve a resolution declaring an emergency and ratifying expenditures to Cleaning Guys, LLC, of Arlington, Texas in an amount not to exceed \$179,999.19 and to W. Two Plus, Inc., of Kennedale, Texas, in an amount not to exceed \$55,938.07, for services rendered related to the cleanup of a diesel fuel leak at 1015 W. Main St.

### **PRIOR BOARD OR COUNCIL ACTION**

None

### **ANALYSIS**

A diesel fuel leak was detected at the City of Arlington fueling depot at 1015 W. Main St. on November 28, 2015. There was a leak in an underground pipe between an above ground fuel tank and the fuel pumps. Upon discovering the leak, the line from the tank was shut off. The rains that weekend raised the groundwater levels beneath the pavement causing the fuel to weep through the expansion joints in the pavement. Some of the diesel fuel flowed into the storm drain and discharged into an unnamed tributary of Johnson Creek.

The spill was reported to and clean-up activities were coordinated with the Texas Commission on Environmental Quality (TCEQ). Cleaning Guys, LLC, completed cleanup of the fuel that the rain flushed offsite. W. Two Plus, Inc., repaired the leak and then completed cleanup onsite at the fueling depot. The amounts due to each for services rendered total \$235,937.26.

Now that cleanup activities are complete, the City must undertake and complete work mandated by TCEQ. This includes installation of monitoring wells and reporting. W. Two Plus, Inc., has submitted a proposal for the work in the estimated amount of \$90,000. City staff is reviewing the proposal with the assistance of TCEQ. If the proposal is accepted, City staff will present that to Council for consideration and approval at a future Council meeting.

These services are exempt from state bidding requirements under Texas Local Government Code Sec. 252.022(a)(2).

### **FINANCIAL IMPACT**

Funding is available in Public Works Fleet Account No. 791010-63108.

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$235,937.26	\$0	\$0

### **ADDITIONAL INFORMATION**

Attached:	Resolution
Under separate cover:	None
Available in the Purchasing Division:	None

### **STAFF CONTACT(S)**

Keith Melton, P.E., Director  
Public Works & Transportation  
817-459-6553  
[Keith.Melton@arlingtonx.gov](mailto:Keith.Melton@arlingtonx.gov)

Nora Coronado, Assistant Director  
Public Works & Transportation  
817-459-6567  
[Nora.Coronado@arlingtontx.gov](mailto:Nora.Coronado@arlingtontx.gov)

Resolution No. \_\_\_\_\_

**A resolution declaring an emergency and ratifying expenditures to Cleaning Guys, LLC, of Arlington, Texas, in an amount not to exceed \$179,999.19; and W. Two Plus, Inc., of Kennedale, Texas, in an amount not to exceed \$55,938.07, for services rendered related to the cleanup of a diesel fuel leak at 1015 W. Main Street**

WHEREAS, a diesel fuel leak was detected at the City of Arlington fueling depot at 1015 W. Main St. on November 28, 2015; and

WHEREAS, the rains that weekend raised the groundwater levels beneath the pavement causing the fuel to weep through the expansion joints in the pavement; and

WHEREAS, some of the diesel fuel flowed into the storm drain and discharged into an unnamed tributary of Johnson Creek; and

WHEREAS, the spill was reported to and clean-up activities were coordinated with the Texas Commission on Environmental Quality (TCEQ); and

WHEREAS, Cleaning Guys, LLC completed cleanup of the fuel that the rain flushed offsite; and

WHEREAS, W. Two Plus, Inc. repaired the leak and then completed cleanup onsite at the fueling depot; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Council declares an emergency in order to preserve and protect the public health and safety of the City's residents and authorizes the emergency repairs related to the cleanup of a diesel fuel leak at 1015 W. Main Street.

III.

Further, the City Manager or his designee is hereby authorized to ratify expenditures to Cleaning Guys, LLC, of Arlington, Texas, in an amount not to exceed

\$179,999.19, for the cleanup of the fuel that the rain flushed offsite; and to W. Two Plus, Inc., of Kennedale, Texas, in an amount not to exceed \$55,938.07, for repair of the leak and cleanup onsite at the fueling depot.

IV.

Further, the City Manager or his designee hereby authorizes the payment of any immediate appropriations necessary under the contracts to preserve the property of the City. This expenditure is exempt from competitive bidding in accordance with the Texas Local Government Code Section 252.022 (a) (2) procurement necessary to preserve or protect the public health or safety. Funding in the amount of \$235,937.26 is available in Public Works Fleet account 791010-63108.

PRESENTED AND PASSED on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY Eddie Martin

# Staff Report



<b>Southwest Restaurant Equipment, Inc. Tax Abatement Agreement</b>	
City Council Meeting: 03-1-16	Document Being Considered: Resolution

## RECOMMENDATION

Approve a resolution authorizing a real property tax abatement agreement with Southwest Restaurant Equipment, Inc. for construction of a new mixed-use facility located at 2909 E. Arkansas Ln.

## PRIOR BOARD OR COUNCIL ACTION

The Economic Development Committee was briefed on the proposed project on January 12, 2016.

On February 23, 2016, City Council approved first reading of the ordinance designating Reinvestment Zone #43 on approximately 2.73 acres of land by a vote of 9-0.

On March 1, 2016, City Council will consider second and final reading of the ordinance designating Reinvestment Zone #43 on approximately 2.73 acres of land.

## ANALYSIS

Southwest Restaurant Equipment, Inc. will construct a 55,000 square foot mixed-use facility on vacant land located at 2909 E. Arkansas Ln. The facility will consist of warehouse and showroom space as well as Class A office space on the top (second) floor. The new development will be located in southeast Great Southwest Industrial District. The new facility will employ a minimum of 15 people and create more desired modern industrial and office space within the District. There will be onsite improvements to existing infrastructure, median and decel lane as a result of this project. It is anticipated to open in June 2017.

Staff recommends a base real property tax abatement of 25% under the Level I-Great Southwest Category for five years with a possible additional 30% under bonus categories; 10% for Target Industry, 10% for above average wages and 10% for use of MWBE companies. The recommended abatement is consistent with the City's policy. The tax abatement will be on added value to real property at the subject site, estimated at a minimum of \$2,500,000 up to \$7,000,000. The base year value will be established as of January 1, 2016 and the tax abatement period will extend from January 1, 2018 through the tax year beginning January 1, 2023. The requested incentives are necessary to help offset on and off-site development costs.

## FINANCIAL IMPACT

Based on a proposed 5-year, 45% real property tax abatement, the city will receive approximately \$24,948 in new taxes annually from this project. Current property value is \$269,233 generating \$1,745 annually to the City. The table below shows the breakdown.

Incentive Type	Est. Taxable Value	Proposed Agrmt.	Annual SWR Savings	Annual City Benefit	5-Year SWR Savings	5-Year City Benefit
Current Property	\$269,233	None	\$0	\$1,745	\$0	\$8,723
<b>Real Property</b>	<b>\$7M</b>	<b>45% X 5 years</b>	<b>\$20,412</b>	<b>\$24,948</b>	<b>\$102,060</b>	<b>\$124,740</b>
Business Personal Property	\$1M	None	\$0	\$6,480	\$0	\$32,400
<b>Total Value</b>	<b>\$8M</b>		<b>\$20,412</b>	<b>\$31,428</b>	<b>\$102,060</b>	<b>\$157,140</b>

**ADDITIONAL INFORMATION**

Attached:  
Under separate cover:  
Available in the City Manager's office:

Resolution with Tax Abatement Agreement  
None  
None

**STAFF CONTACT(S)**

Bruce Payne  
Economic Development Manager  
817-459-6114  
[Bruce.Payne@arlingtontx.gov](mailto:Bruce.Payne@arlingtontx.gov)

Marcus Young  
Economic Development Specialist  
817-459-6117  
[Marcus.Young@arlingtontx.gov](mailto:Marcus.Young@arlingtontx.gov)

**Resolution No. \_\_\_\_\_**

**A resolution authorizing the execution of an agreement by and between Southwest Restaurant Equipment, Inc. and the City of Arlington, Texas, relative to tax abatement for a project in Reinvestment Zone Number Forty-Three in the City of Arlington, Texas**

- WHEREAS, Southwest Restaurant Equipment, Inc. (hereinafter referred to as “SRE”) has submitted to the City of Arlington (“CITY”) an application for tax abatement for its added real and business personal property generated as a result of SRE’S construction of a new 55,000 sq. ft. 2-story mixed-use facility at 2909 E. Arkansas Lane, in Reinvestment Zone Number Forty-Three in the City of Arlington, more particularly described in Exhibits “A” and “B” attached hereto and incorporated herein for all purposes; and
- WHEREAS, the Arlington City Council has elected to participate in tax abatements in accordance with TEX. TAX CODE ANN. Chapter 312, and has adopted policy statements, guidelines, criteria and procedures for evaluating and considering applications and agreements for such incentives; and
- WHEREAS, the ultimate goal and public purpose of agreements and programs established under the CITY’S economic development policies is to protect and enhance CITY’S fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of CITY residents; and
- WHEREAS, the CITY finds that the administration of a program of incentives to SRE (“Program”) in exchange for SRE’S completion of the project proposed by SRE, which would contribute to the retention or expansion of employment in the CITY and would attract major investment, which would contribute to the economic development of the CITY; and
- WHEREAS, the CITY has determined that the Program will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the Program contain sufficient controls to ensure that the public purpose is carried out; and
- WHEREAS, the CITY finds that the Project meets the applicable guidelines, criteria, and minimum requirements previously established by CITY; and
- WHEREAS, based on these findings, CITY proposes to execute a tax abatement agreement with SRE allowing for a base tax abatement of 25% annually with a possible additional 10% for providing jobs with an above average wage, a possible additional 10% for meeting the qualifications of Target Industry, and an additional 10% for the hiring and utilization of Arlington contractors and/or certified minority/women-owned contractors for a

minimum of 30% of the total costs of the Eligible Property construction, for a total maximum tax abatement of 55%, for five (5) years; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is hereby authorized to execute an agreement with SRE and other necessary or required parties. A substantial copy of the agreement is attached as Exhibit "C".

III.

In authorizing the execution of and in executing the referenced agreement, the City of Arlington, Texas, through its City Council and City officials, hereby exercises a governmental function in accordance with but not limited to Section 101.0215 of the Texas Civil Practices and Remedies Code.

PRESENTED AND PASSED on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY Ryan Mitchell

**Exhibit "A"**

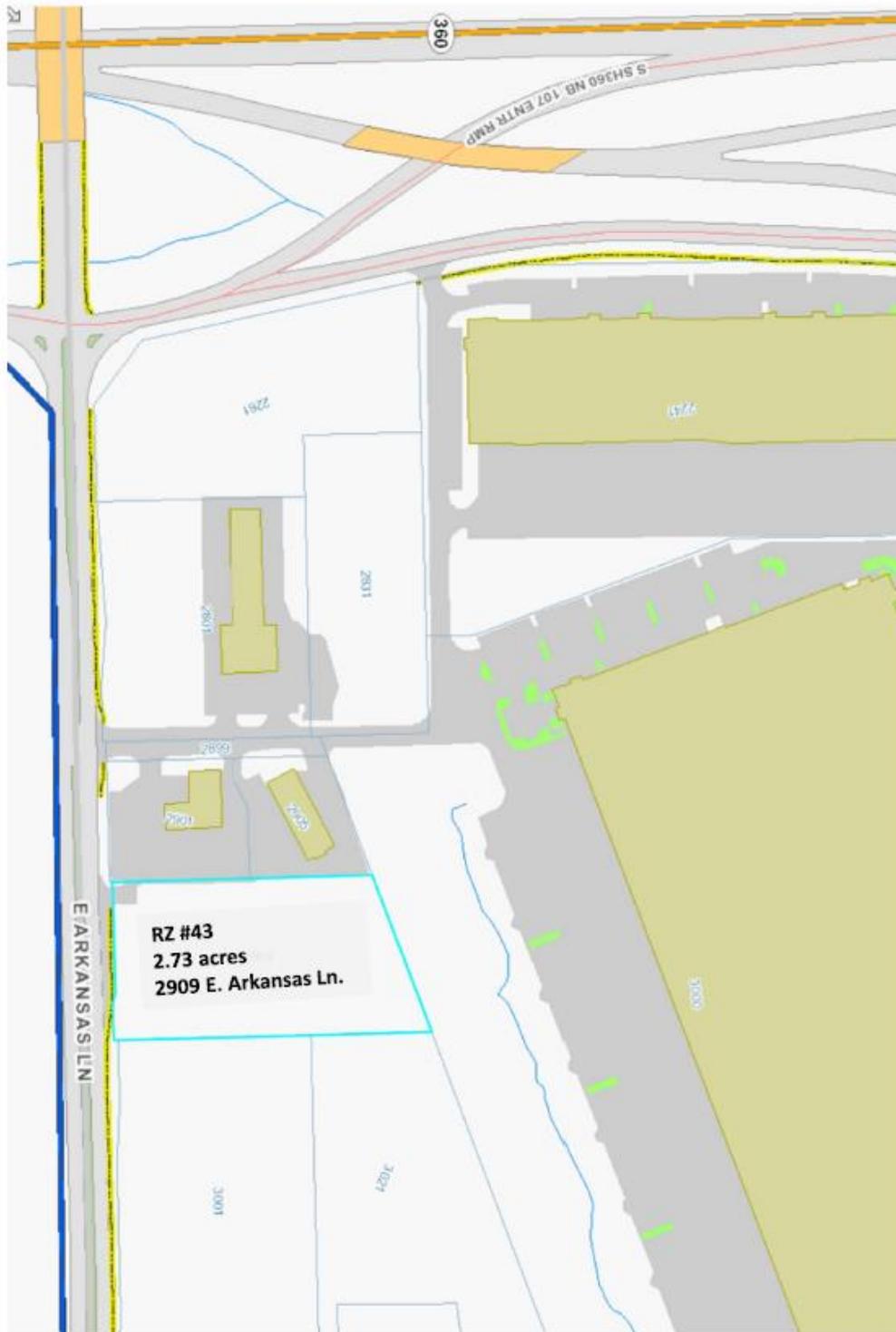
**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit "B"**

**MAP OF SUBJECT PROPERTY**

**2909 E. ARKANSAS LANE, ARLINGTON, TEXAS**



**Exhibit “C”**

**Tax Abatement Agreement**

THE STATE OF TEXAS     §  
  §  
COUNTY OF TARRANT   §

**Tax Abatement Agreement**

THIS TAX ABATEMENT AGREEMENT (“Agreement”) is executed by and between **SOUTHWEST RESTAURANT EQUIPMENT, INC.**, duly authorized to do business in the State of Texas, acting by and through its authorized officer (hereafter referred to as “**OWNER**”) and the **CITY OF ARLINGTON, TEXAS**, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as “**CITY**”).

W I T N E S S E T H:

- WHEREAS, the City Council of CITY has resolved that the CITY may elect to participate in tax abatement; and
- WHEREAS, the City Council, in accordance with law, has adopted a Policy Statement for Tax Abatement; and
- WHEREAS, prior to executing this Agreement, the CITY has adopted a Policy Statement consistent with this Agreement; and
- WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing tax abatement agreements to be entered into by the CITY; and
- WHEREAS, the City Council passed Ordinance No. 16-\_\_\_\_\_ establishing Reinvestment Zone Number Forty-Three in the City of Arlington, Texas, being a commercial-industrial reinvestment zone for tax abatement as authorized by Texas Tax Code Chapters 311 and 312 (hereafter referred to as “the Code”); and
- WHEREAS, the use of the Premises (as hereafter defined), the Eligible Property (as hereafter defined) and the other terms hereof are consistent with encouraging development within Reinvestment Zone Number Forty-Three, and are in compliance with the Policy Statement and the Ordinance and similar guidelines and criteria adopted by CITY and all applicable law; and
- WHEREAS, the City Council finds that the terms of this Agreement meet applicable guidelines and criteria adopted by the City Council; and
- WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises to be subject to this Agreement is located; and

WHEREAS, the City Council finds that it is in the public interest to provide the tax abatement; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual premises and promises contained herein, do hereby agree, covenant and contract as set forth below:

**I.**  
**Definitions**

- A. “Added Value” is defined as the value of the Eligible Property, as determined by the Tarrant Appraisal District, above the Base Year Value.
- B. “Base Year Value” is defined as the tax year 2016 taxable value of OWNER’s real property located at the Premises in Reinvestment Zone Number Forty-Three, on January 1, 2016, as finally determined by Tarrant Appraisal District. Such amount shall be \$\_\_\_\_\_ for purposes of this agreement. (TAD Account Number: \_\_\_\_\_.)
- C. “Eligible Property” is defined as the Real Property Improvements specified in **Exhibit “A”**, erected on or affixed to the Premises between the date this agreement is signed and December 31, 2017. **Exhibit “A”** is attached hereto and incorporated herein for all purposes.
- D. “Job” is defined as a permanent, full-time employment position that results in employment of at least 1,820 hours each calendar year.
- E. The “Median Wage” for Arlington will be determined by the Median Earnings for Workers as reported by the most recent release of the American Community Survey available at the time the application is submitted to CITY. To qualify, an applicant’s median wage must exceed the figure determined by multiplying the reported Margin of Error for Median Earnings for Workers times 1.20 and adding this figure to the reported estimate of Median Earnings for Workers. If Margin of Error is not reported, the figure that an applicant’s median wage must exceed will be determined by taking the difference between the reported High Estimate and Estimate and multiplying the difference by 1.20 and adding this figure to the Estimate.
- F. “Premises” are defined as the real property (land and improvements) owned and operated by OWNER within Reinvestment Zone Number Forty-Three.
- G. “Real Property Improvements” are defined as improvements to the Premises and shall include buildings, structures, or fixtures erected on or affixed to land.

- H. “Reinvestment Zone Number Forty-Three” is defined as the real property described in **Exhibit “B”**, which is attached hereto and incorporated herein for all purposes. Such property was designated as Reinvestment Zone Number Forty-Three by City of Arlington Ordinance No. 16-\_\_\_, which is attached hereto as **Exhibit “C”**.
- I. “Target Industry” is defined as an industry identified as a target industry in CITY’s Policy Statement for Tax Abatement and exhibits thereto, as amended from time to time.

**II.**  
**General Provisions**

- A. The Premises are not in an improvement project financed by tax increment bonds.
- B. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.
- C. It is acknowledged and agreed by the parties that the completion of the Eligible Property Improvements is consistent with the purposes of encouraging development or redevelopment of the Reinvestment Zone.

**III.**  
**Improvement Conditions and Requirements**

- A. OWNER shall complete construction of the Eligible Property described in **Exhibit “A”** on or before December 31, 2017.
- B. OWNER’s completion of the Eligible Property described in **Exhibit “A”** must result in Added Value of at least Two Million Five Hundred Thousand Dollars (\$2,500,000) not later than January 1, 2018.
- C. OWNER shall operate and maintain on the Premises the Eligible Property described in **Exhibit “A”** for the term of this agreement.
- D. OWNER shall create: a minimum of five jobs on the Premises on or before December 31, 2018; a minimum of five additional jobs (ten total) on the Premises on or before December 31, 2019; and a minimum of five additional jobs (fifteen total) on the Premises on or before December 31, 2020. OWNER shall maintain these created jobs throughout the duration of this agreement.
- E. OWNER shall ensure that all Eligible Property conforms to applicable building codes, zoning ordinances, and all other ordinances and regulations.

- F. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty.
- G. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- H. OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.01(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of taxes abated under Section IV of this Agreement, plus 10% per annum from the date the abatement was made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code, OWNER shall not be liable for a violation by a subsidiary, affiliate, or franchisee of OWNER or by a person with whom OWNER contracts.

**IV.**  
**Abatement Allowed**

- A. If the Improvement Conditions and Requirements set forth in Section III are met, then CITY agrees to exempt from taxation twenty-five percent (25%) of the Added Value of the Eligible Property. The exemption shall be for a period from the tax year beginning January 1, 2018, through and including the tax year beginning January 1, 2022.
- B. OWNER shall be eligible to receive additional tax abatement based on the following:
  - 1. An additional 10% abatement in each year in which OWNER meets the qualifications of Target Industry.
  - 2. An additional 10% abatement in each year in which the median wage of the persons employed at the Premises exceeds the CITY's Median Wage as defined in Section I.
  - 3. An additional 10% abatement annually for the duration of this agreement if OWNER hires and utilizes Arlington contractors and/or certified minority/women-owned contractors for a minimum of 30% of the total costs of the Eligible Property's construction, and meets reporting requirements.
- C. Under no circumstances shall the total abatement in any tax year exceed 55% of the Added Value.

- D. Only the Real Property Improvements described in **Exhibit “A”** shall be eligible for abatement. Any other Real Property Improvements on the Premises shall be fully taxable in accordance with the Texas Property Tax Code.

**V.**

**Reports, Audits and Inspections**

- A. Annual Certification, TAD Application, and Reports - Pursuant to state law, OWNER shall certify annually to taxing units that OWNER is in compliance with the terms of this Agreement, and shall provide taxing units with reports and records reasonably necessary to support each year of this Agreement, as follows:
1. Annual Certification -- OWNER shall complete and certify a Tax Abatement Certification to be provided by CITY for each year of this Agreement, to be due annually not later than April 1. This certification shall include reports on Eligible Property values and costs, a narrative description of the project’s progress, and other submittals required by this Agreement.
  2. TAD Application -- OWNER shall submit a completed application for Property Tax Abatement Exemption to the Tarrant Appraisal District by the statutory deadline of April 30 in each year that OWNER intends to claim the abatement exemption, with no expectation of prompting or reminding from the Tarrant Appraisal District or CITY. The application for Property Tax Abatement Exemption must be obtained by OWNER from the Forms section of the Tarrant Appraisal District’s website at <http://www.TAD.org>.
  3. Additional Reports -- Additionally, throughout the term of this agreement, OWNER shall furnish CITY any additional records and information reasonably requested to support the reports required by this agreement.
- B. Right to Audit Books and Records - CITY shall have the right to audit the books and records related to the Eligible Property and supporting the Eligible Property reports. CITY shall notify OWNER in advance in writing of their intent to audit in order to allow OWNER adequate time to make such books and records available.
- C. Inspection - At all times throughout the term of this Agreement, CITY and the Tarrant Appraisal District (“TAD”) shall have reasonable access to the Premises for the purpose of inspecting the Premises to ensure that the Eligible Property is constructed, installed, maintained and operated in accordance with the terms of this Agreement. All inspections shall be conducted in a manner as to not unreasonably interfere with the installation of the Eligible Property or the operation of the Premises. The inspections shall be conducted within a reasonable

time period after notice by CITY or TAD to OWNER, provided, however, that all inspections shall be made with one (1) or more representative(s) of OWNER present and in accordance with the safety standards of OWNER.

**VI.**  
**Use of Premises**

The Premises at all times shall be used in a manner that is consistent with CITY's zoning ordinances and consistent with the general purpose of encouraging development within Reinvestment Zone Number Forty-Three.

**VII.**  
**Breach and Recapture**

- A. **Breach** - A breach of this Agreement may result in termination or modification of this Agreement and recapture by CITY of taxes which otherwise would have been paid since the execution of this Agreement to CITY without the benefit of the Abatement. Penalty and interest on recaptured taxes will be charged at the statutory rate for delinquent taxes as determined by Section 33.01 of the Property Tax Code of the State of Texas. Recaptured taxes shall become due sixty (60) days following notice of breach and after the expiration of any cure period as provided in Section VII(B). The following conditions shall constitute a breach of this Agreement:
1. OWNER terminates the use of the Premises for its Business Operations at any time during the duration of this Agreement; or
  2. OWNER fails to meet the Conditions and Requirements specified in Section III above.
- B. **Notice of Breach** - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such default. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such breach or this Agreement may be terminated by CITY and recapture of abated taxes may occur. Notice of default shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in Section IX of this Agreement.
- C. **Recapture** - During the term of this Agreement, should OWNER commit a breach of this Agreement according to items A(1) or A(2) of this Section VII, CITY may terminate this Agreement and recapture all taxes abated under this Agreement up to the time of breach. It shall be the duty of CITY to determine whether to require recapture and payment of abated taxes and to demand payment of such. The right of CITY to require recapture and demand payment of abated taxes and the obligation of OWNER to repay such shall survive termination of this agreement.

D. Tax Lien Not Impaired - It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Premises and Eligible Property described herein.

**VIII.**  
**Effect of Sale or Lease of Property**

The abatement granted by this Agreement shall not be assignable to any new owner of all or a portion of the Premises or Eligible Property unless such assignment is approved in writing by the CITY with approval of the City Council.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER: Southwest Restaurant Equipment, Inc.  
Attention: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CITY: City of Arlington  
Attention: Economic Development Manager  
Post Office Box 90231  
Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the City Council authorizing the City Manager or his designee to execute this Agreement on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase or word is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be

enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the abatement in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**Owner's Standing**

OWNER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions or City Council actions authorizing same, and OWNER shall be entitled to intervene in said litigation.

**XIV.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XV.**  
**Indemnification**

**It is understood and agreed between the parties that the OWNER, in performing its obligations hereunder, is acting independently, and CITY assumes no responsibility or liability to third parties in connection therewith, and OWNER agrees to indemnify and hold harmless CITY from any such responsibility or liability. It is further understood and agreed among the parties that CITY, in performing its obligations hereunder, is acting independently, and the OWNER assumes no responsibility or liability to third parties in connection therewith, and CITY agrees to the extent allowed by law to indemnify and hold harmless OWNER from any such responsibility or liability.**

**XVI.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that the parties shall not be found in default of this Agreement if any party's failure to meet the requirements of this Agreement is delayed by reason of war, Act of God, fire, or other casualty of a similar nature.

**XVII.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified or supplemented only by an instrument or instruments in writing executed by the parties.

**XVIII.**  
**Recordation of Agreement**

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

**XIX.**  
**Procurement of Goods and Services from Arlington Businesses and/or Historically Underutilized Businesses**

In performing this Agreement, OWNER agrees to use diligent efforts to purchase all goods and services from Arlington or Tarrant County businesses whenever such goods and services are comparable in availability, quality and price.

As a matter of policy with respect to CITY projects and procurements, CITY also encourages the use, if applicable, of qualified contractors, subcontractors and suppliers where at least fifty-one percent (51%) of the ownership of such contractor, subcontractor or supplier is vested in racial or ethnic minorities or women. In the selection of subcontractors, suppliers or other persons or organizations proposed for work on this Agreement, the OWNER agrees to consider this policy and to use their reasonable and best efforts to select and employ such companies and persons for work on this Agreement.

**XX.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XXI.**  
**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators and assigns to the other party of this Agreement and to the successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator or assign is valid in the place of the parties to this Agreement without the written consent of CITY and such consent shall not be unreasonably withheld.

**XXII.**  
**Counterparts**

This Agreement may be executed in any number of counterparts, each of which may be executed by anyone or more of the parties hereto, but all of which shall constitute one instrument, and shall be binding and effective when all of the parties hereto have executed at least one counterpart.

**XXIII.**  
**No Third-Party Beneficiaries**

For purposes of this Agreement, including its intended operation and effect, the parties specifically agree that: (1) this Agreement only affects matters/disputes between the parties to this Agreement, and is in no way intended by the parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with CITY or OWNER or both; and (2) the terms of this agreement are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either CITY or OWNER.

**XXIV.**  
**Remedies**

No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this agreement.

**XXV.**  
**Survival of Obligations**

All obligations under this Agreement shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

**XXVI.**  
**Termination**

This Agreement shall terminate in accordance with the terms of this Agreement unless extended by written agreement of the parties or a written instrument signed by all parties evidencing a delay by force majeure. However, in no event shall the abatement exceed ten (10) years.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

**SOUTHWEST RESTAURANT  
EQUIPMENT, INC.**

BY \_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed or Printed Title

WITNESS:

\_\_\_\_\_

**CITY OF ARLINGTON, TEXAS**

BY \_\_\_\_\_  
JIM PARAJON  
Deputy City Manager

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_

THE STATE OF TEXAS     §  
  § **SOUTHWEST RESTAURANT EQUIPMENT, INC.**  
COUNTY OF TARRANT   §                    **Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared \_\_\_\_\_, known to me (or proved to me on the oath of \_\_\_\_\_ or through \_\_\_\_\_ (*description of identity card or other document*)) to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **SOUTHWEST RESTAURANT EQUIPMENT, INC.**, and as the \_\_\_\_\_ thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Notary Public in and for  
The State of Texas

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary's Printed Name

THE STATE OF TEXAS     §  
  §                    **CITY OF ARLINGTON, TEXAS**  
COUNTY OF TARRANT   §                    **Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON, TEXAS**, a municipal corporation of Tarrant County, Texas, and as the **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Notary Public in and for  
The State of Texas

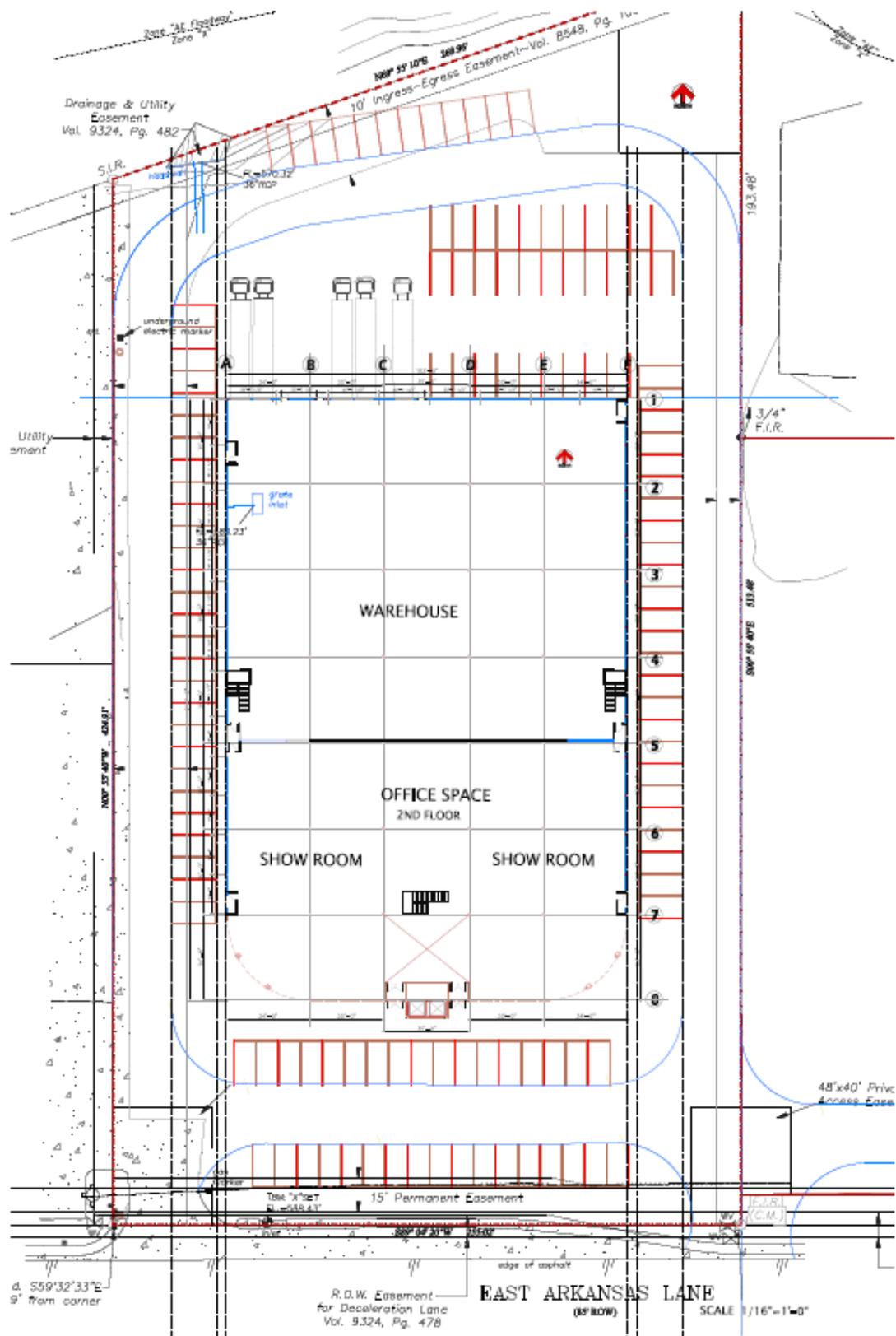
\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary's Printed Name

**Exhibit “A”**

**ELIGIBLE PROPERTY**

Construction of a new 55,000 square foot, two-story mixed-use facility on a vacant site located at 2909 E. Arkansas Lane.



**Exhibit "B"**

**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit “C”**

**Ordinance 16-\_\_\_\_  
creating  
Reinvestment Zone Forty-Three**

Ordinance No. \_\_\_\_\_

**An ordinance establishing Reinvestment Zone Number Forty-Three; providing this ordinance be cumulative; providing for severability; providing for governmental immunity; providing for injunctions; and becoming effective upon second reading**

WHEREAS, the City Council of the City of Arlington, Texas, desires to promote the development or redevelopment of a certain area within its jurisdiction by the establishment of a Reinvestment Zone for commercial-industrial tax abatement; and

WHEREAS, on April 7, 2009, the City Council of the City of Arlington, Texas passed Resolution No. 09-079 authorizing staff, following a briefing to City Council regarding creation of the zone, to give notice required by law to call public hearings relative to creation of reinvestment zones for tax abatement; and

WHEREAS, on January 12, 2016, staff briefed City Council on the creation of Reinvestment Zone Number Forty-Three; and

WHEREAS, a public hearing was held at which time interested persons were entitled to speak and present evidence for or against the designation of the property described in Exhibit "A" as Reinvestment Zone Number Forty-Three, and notice of such public hearing was published in a newspaper of general circulation in the City of Arlington not later than the seventh day before the date of the scheduled hearing; and

WHEREAS, the City Council of the City of Arlington has established guidelines and criteria governing tax abatement agreements and has stated that the City elects to become eligible to participate in tax abatement; NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

1.

That all of the recitals contained in the preambles of this ordinance are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

2.

The City Council, after conducting a public hearing and having considered all relevant evidence and testimony, has made the following findings and determinations based on such evidence and testimony:

- A. That a public hearing on the designation of Reinvestment Zone Number Forty-Three has been properly called, held and conducted, and that notice of such hearing was published in accordance with the law; and
- B. That the boundaries of Reinvestment Zone Number Forty-Three should be the proposed area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and
- C. That the improvements sought to be made in Reinvestment Zone Number Forty-Three are feasible and practical and would be a benefit to the land to be included in the Zone and to the City of Arlington following the expiration of an executed Tax Abatement Agreement; and
- D. That the proposed area of land to be designated Reinvestment Zone Number Forty-Three is reasonably likely, as a result of this designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property, thereby contributing to the economic development of the City of Arlington.

3.

In accordance with State law, the City of Arlington hereby officially creates Reinvestment Zone Number Forty-Three for commercial-industrial tax abatement, which Zone shall hereafter encompass only that certain area of land more fully described in the property description attached hereto as Exhibit "A" and depicted on the map attached hereto as Exhibit "B"; and such Reinvestment Zone shall be officially designated as Tax Abatement Reinvestment Zone Number Forty-Three of the City of Arlington, Texas.

4.

The designation of Reinvestment Zone Number Forty-Three of the City of Arlington, Texas shall expire Five (5) years after the effective date of its designation and may be renewed.

5.

This ordinance shall be and is hereby declared to be cumulative of all other ordinances of the City of Arlington; and this ordinance shall not operate to repeal or affect any of such other ordinances except insofar as the provisions thereof might be

(2)

inconsistent or in conflict with the provisions of this ordinance, in which event such conflicting provisions, if any, in such other ordinance or ordinances are hereby repealed.

6.

If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional, such holding shall not affect the validity of the remaining portions of this ordinance.

7.

All of the regulations provided in this ordinance are hereby declared to be governmental and for the health, safety and welfare of the general public. Any member of the City Council or any City official or employee charged with the enforcement of this ordinance, acting for the City of Arlington in the discharge of his/her duties, shall not thereby render himself/herself personally liable; and he/she is hereby relieved from all personal liability for any damage that might accrue to persons or property as a result of any act required or permitted in the discharge of his/her said duties.

8.

Any violation of this ordinance can be enjoined by a suit filed in the name of the City of Arlington in a court of competent jurisdiction, and this remedy shall be in addition to any penal provision in this ordinance or in the Code of the City of Arlington.

9.

This ordinance shall become effective upon second reading.

PRESENTED AND GIVEN FIRST READING on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, at a regular meeting of the City Council of the City of Arlington, Texas; and GIVEN SECOND READING, passed and approved on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

---

W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_

**Exhibit "A"**

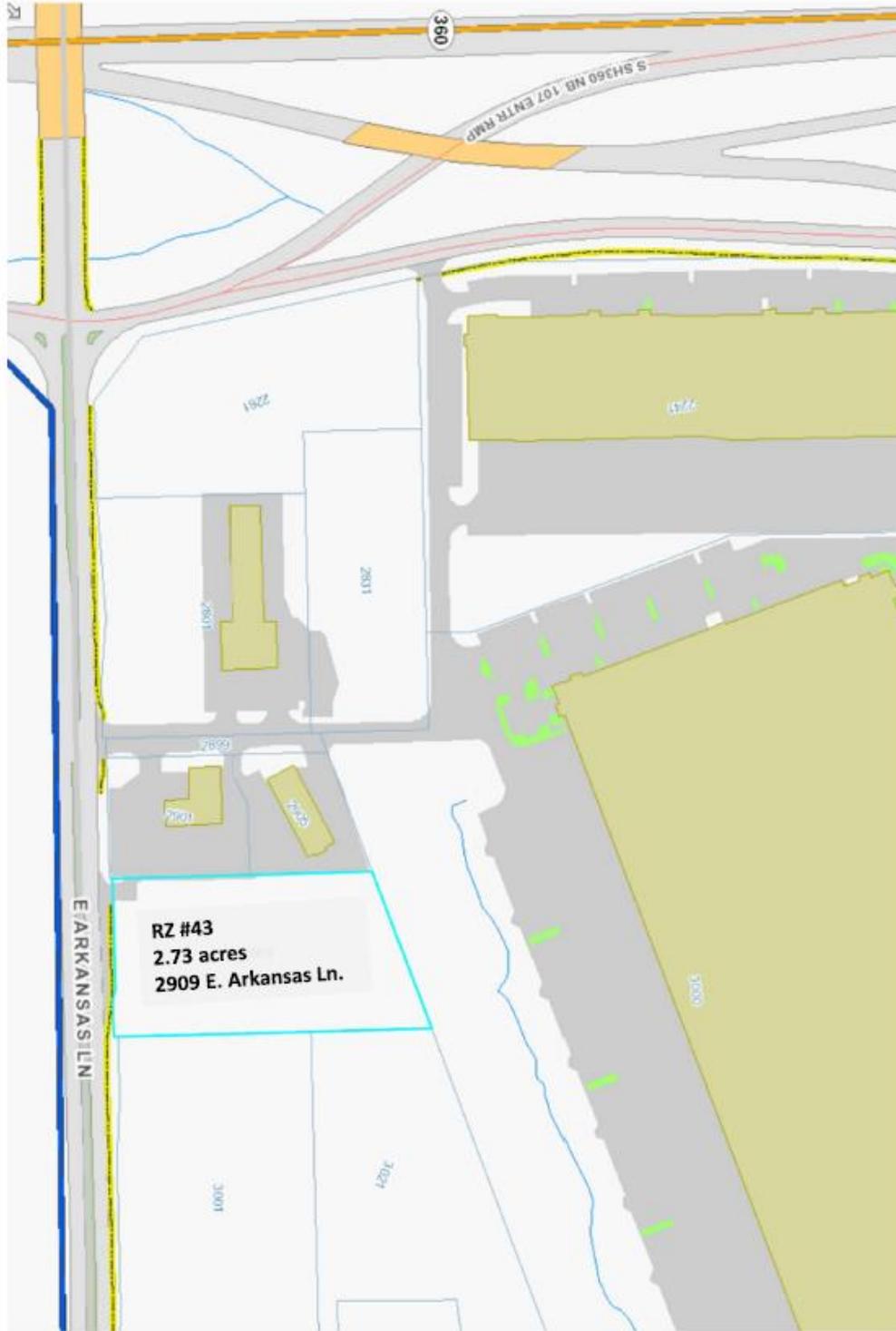
**PROPERTY DESCRIPTION**

Lot 3C, Tract V, of FORUM 303 ADDITION, an addition to the City of Arlington, Tarrant County, Texas, according to the revised plat thereof recorded in Cabinet A, Slide 2087, of the Plat Records of Tarrant County, Texas.

**Exhibit "B"**

**MAP OF SUBJECT PROPERTY**

**2909 E. ARKANSAS LANE, ARLINGTON, TEXAS**



# Staff Report



## Resolution Authorizing the Texas Coalition for Affordable Power to Negotiate an Electric Supply Agreement

City Council Meeting Date: 03-01-16

Document Being Considered: Resolution

### **RECOMMENDATION**

Approve a resolution authorizing the Texas Coalition for Affordable Power (TCAP) to negotiate an electric supply agreement for five years for deliveries of electricity.

### **PRIOR BOARD OR COUNCIL ACTION**

On December 7, 2010, the City Council authorized the Cities Aggregation Power Project (predecessor to TCAP) to negotiate an extension to the City's electric supply agreement.

On February 23, 2016, the City Council tabled this resolution by a vote of 8-0-1.

### **ANALYSIS**

The City's current *Commercial Electricity Service Agreement* is through the Texas Coalition for Affordable Power (TCAP) and is effective through December 31, 2017. Pursuant to City Council direction, the attached resolution authorizes TCAP to negotiate an electric supply agreement for the Option 1 fixed-price, full-requirements contract at a price not to exceed 4.1 cents per kWh for a five year term which would go into effect January 1, 2018.

The authorizing resolution must be passed by the City Council by February 25, 2016. After TCAP member cities pass their authorizing resolutions and the size of the load is defined, TCAP's supplier will look for an opportunity to lock prices for the five-year term at or below the 4.1 cents per kWh benchmark. When that supply scenario is locked, each TCAP member city that passed the authorizing resolution must sign a contract for that power within 24 hours. The attached resolution authorizes Trey Yelverton, Gilbert Perales or Mike Finley or their designee to sign the agreement.

### **FINANCIAL IMPACT**

Wholesale suppliers demand assurance that TCAP will pay for all contracted load, therefore, TCAP needs assurance that the City will budget for energy purchases in 2018-2022 and honor its commitments to purchase power for its electrical needs through TCAP during that time period.

### **ADDITIONAL INFORMATION**

Attached:	Resolution
Under Separate Cover:	None
Available in City Secretary's Office:	None

### **STAFF CONTACT(S)**

Teris Solis	David Barber
City Attorney	Assistant City Attorney
817-459-6878	817-459-6878
<a href="mailto:Teris.Solis@arlingontx.gov">Teris.Solis@arlingontx.gov</a>	<a href="mailto:David.Barber@arlingontx.gov">David.Barber@arlingontx.gov</a>

**Resolution No. \_\_\_\_\_**

**A resolution authorizing the Texas Coalition for Affordable Power, Inc. (TCAP) to negotiate an electric supply agreement for five years for deliveries of electricity effective January 1, 2018; authorizing TCAP to act as an agent on behalf of the City to enter into a contract for electricity; authorizing execution of an electric supply agreement for deliveries of electricity effective January 1, 2018 and committing to budget for energy purchases in 2018 through 2022 and to honor the City's commitments to purchase power for its electrical needs in 2018 through 2022 through TCAP**

WHEREAS, the City of Arlington, Texas (City) is a member of Texas Coalition For Affordable Power, Inc., a non-profit, political subdivision corporation dedicated to securing electric power for its more than 170 members in the competitive retail market; and

WHEREAS, TCAP has unique rights under Texas law to negotiate directly in the wholesale market and arrange separate contracts for power supply and retail services which provides TCAP leverage to achieve contract provisions that single city negotiations with a Retail Electric Provider (REP) would be unlikely to produce; and

WHEREAS, TCAP's geographic diversity across all four ERCOT zones produces an aggregated peak load that is lower than the total of individual peak loads of the individual TCAP members, allowing price benefits in the wholesale market that are not likely to be available to any given TCAP member alone; and

WHEREAS, TCAP and its predecessor organizations, Cities Aggregation Power Project, Inc. (CAPP) and South Texas Aggregation Project, Inc. (STAP), negotiated favorable contract terms that resulted in rebates from the wholesale supplier and reasonable commodity prices for delivered electricity since 2002 resulting in stable budgets for electricity for members; and

WHEREAS, commodity prices for electricity experienced significant volatility between 2002 and 2009, with prices ranging from 4 cents to over 13 cents per kWh, causing CAPP and STAP members to welcome a five year contractual commitment that came close to cutting the 2008 prices in half, with that contract being extended until December 31, 2017, with a negotiated price reduction of about 1 cent per kWh; and

- WHEREAS, TCAP has become a forceful voice for consumer protections and market reform to benefit the public as well as cities and other political subdivisions; and
- WHEREAS, TCAP is owned by its members and distributes monetary and other resources according to relative load size of members and is controlled by a 15 member Board of Directors, all of whom must be city employees of members who represent diversity in size and geography; and
- WHEREAS, wholesale power prices within the deregulated Texas market are largely determined by the NYMEX gas futures prices for natural gas which are currently low and relatively stable, but which change daily; and
- WHEREAS, daily price changes require retail customers to execute a contract immediately upon receipt of a favorable offer; and
- WHEREAS, pursuant to Texas Local Government Code Section 252.022(a)(15) expenditures for electricity are exempt from competitive bidding requirements; and
- WHEREAS, on any given day, TCAP is able to capture a favorable wholesale price for any period of time, comparable to or better than any given REP or broker; and
- WHEREAS, TCAP intends to continue to contract with its current wholesale supplier, NextEra, because the relationship with NextEra is such that NextEra is willing, after it knows the size of a given load, to execute a contract at or below prescribed price and terms; and
- WHEREAS, the City desires to execute a contract for electricity for the period beyond the expiration of its current contract on December 31, 2017, that locks-in favorable wholesale prices under the Option 1 fixed-price, full-requirements contract at a price not to exceed 4.1 cents per kWh; and
- WHEREAS, TCAP will allow members six weeks from receipt of this resolution to consider whether to participate in this opportunity to contract for post-2017 electrical supply, and thereafter allow NextEra until June 30, 2016 to contract for power for five years at a price not to exceed 4.1 cents per kWh in the North zone; and
- WHEREAS, wholesale suppliers demand assurance that TCAP will pay for all contracted load; and

WHEREAS, the City needs to assure TCAP that it will sign a Commercial Electric Supply Agreement (CESA) reflecting the contract extension and budget for energy purchases for the post-2017 period and honor its commitment to purchase power for its electrical needs for 2018 through 2022 through TCAP; NOW THEREFORE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That the TCAP Board of Directors and its consultants and advisors are agents authorized to negotiate for the City's electricity needs as a member of TCAP for the period 2018 through 2022 at a price not to exceed 4.1 cents per kWh for the North and West zones.

II.

The City prefers to participate in the Option 1 fixed-price, full-requirements contract at a price not to exceed 4.1 cents per kWh.

III.

Assuming this resolution is passed before February 25, 2016 and NextEra is able to provide TCAP an opportunity prior to June 30, 2016 to contract for power to be delivered to members at a price not to exceed 4.1 cents per kWh for the North and West zones for supply Option 1 for the period January 1, 2018 through December 31, 2022, any one of the following individuals is hereby authorized to sign an electric supply agreement for the City within 24 hours of receipt of a contract that has been approved and recommended by the TCAP Board of Directors: Trey Yelverton, Gilbert Perales, or Mike Finley, or their designee.

IV.

That the City will commit to purchase power to meet all of its electricity needs eligible for competition pursuant to the TCAP approved supply agreement and approve funds necessary to pay electricity costs proportionate to the City's load under the supply agreement (whether wholesale or retail) arranged by TCAP and signed by TCAP's Executive Director or President or other TCAP representatives authorized by the TCAP Board.

V.

That a copy of this resolution shall be sent to Jay Doegey, Executive Director, TCAP, 15455 Dallas Parkway, Suite 600, Addison, Texas 75001 and Geoffrey M. Gay, legal counsel to TCAP at 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PRESENTED AND PASSED on this the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by a vote of \_\_\_\_\_ ayes and \_\_\_\_\_ nays at a regular meeting of the City Council of the City of Arlington, Texas.

\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

ATTEST:

\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY 