



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Electronic Agenda Packet - Final

City Council

Tuesday, March 1, 2016

6:00 PM

Council Chambers

Study Session Meeting to be held at 4:00 PM in the Study Session Room

A. STUDY SESSION

- A.1 [16-056](#) Discuss regular City Council meeting agenda items.
- A.2 [16-020](#) Discuss a proposed Business License Program.
- A.3 [16-063](#) Receive a presentation on City Marketing Plans.
- A.4 [16-009](#) Discuss a proposed comprehensive False Alarm Reduction Ordinance.
- A.5 [16-064](#) Discuss the Curbside Recycling Committee as a Standing Committee to evaluate recycling sustainability.
- A.6 [16-065](#) Discuss recycling drop off locations for Oakbrook.
- A.7 [16-057](#) Discuss agenda items for future City Council meetings.

B. INVOCATION & PLEDGE OF ALLEGIANCE

C. REPORT ON STUDY SESSION ITEMS

D. CITY MANAGER'S REPORT AND ITEMS OF COMMUNITY INTEREST

Pursuant to Section 551.0415 of the Texas Government Code, the City Council or City Administration may report information on the following items: 1) expression of thanks, congratulations or condolences, 2) information about holiday schedules, 3) recognition of individuals, 4) reminders about upcoming City events, 5) information about community events, and 6) announcements involving an imminent threat to public health and safety.

E. CITIZEN COMMENTS

This agenda item provides an opportunity for citizens to address the City Council on any matter that is not posted on the agenda. Anyone wishing to address the City Council should complete a Citizen Comments Registration Card and submit it to the City Secretary or City Administration prior to the start of the City Council meeting. There is a three (3) minute time limit for each citizen to speak. Anyone wishing to speak shall be courteous and cordial. No disparaging or inflammatory remarks directed at any member of the City Council or City staff will be allowed.

The City Council is not permitted to take action on any subject raised by a speaker during Citizen Comments. However, the City Council may have the item placed on a future agenda for action; refer the item to the City Manager and/or City Administration for further study or action; briefly state existing City policy; or provide a brief statement of factual information in response to the inquiry.

F. CONSENT AGENDA

- F.1 [16-059](#) Consider approving minutes of the Regular City Council meeting held on February 16, 2016; and take appropriate action.
- F.2 [R2016-024](#) Consider approving Resolution No. 2016-024 authorizing the purchase of replacement cubicles and office furniture for Public Works Department in the total amount of \$51,256.74 from Wilson Office Interiors through the State of Texas Multiple Award Schedule; and take appropriate action.
- F.3 [R2016-028](#) Consider approving Resolution No. 2016-028 awarding the bid for the reconstruction of a section of retaining wall along Cooks Creek to Cam-Crete Construction, Inc.; and take appropriate action.
- F.4 [R2016-030](#) Consider approving Resolution No. 2016-030 awarding a contract to Fuquay, Inc. for sanitary sewer main cleaning and inspection through the Local Government Purchasing Cooperative Buy Board contract; and take appropriate action.
- F.5 [R2016-025](#) Consider approving Resolution No. 2016-025 rejecting the bid of Zenner Performance Meters and awarding the 2015-2016 annual supply of small water meters in a unit price purchase to Mueller Systems, LLC; and take appropriate action.
- F.6 [R2016-029](#) Consider approving Resolution No. 2016-029 adopting the City's 2016 Strategic Plan; and take appropriate action.

G. PUBLIC HEARINGS

- G.1** [ORD-3359](#) **Conduct a public hearing and consider adopting Ordinance No. 3359 to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99); and take appropriate action. The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses.**

H. REGULAR AGENDA ITEMS

- H.1** [ORD-3360](#) **Consider adopting Ordinance No. 3360 Amending Chapter 66 of the City of Farmers Branch Code of Ordinances related to solid waste and recycling; and take appropriate action.**

The City Council may convene into executive session at anytime during the Study Session or Regular Session pursuant to Texas Government Code Section 551.071(2) for the purpose of seeking confidential legal advice from the City Attorney on any regular or study session agenda item.

I. EXECUTIVE SESSION

- I.1** [16-062](#) **Council may convene into closed Executive Session pursuant to Section 551.074 of the Texas Government Code to deliberate regarding:
Personnel Matters - City Manager's 90 day progress report.**

**J. RECONVENE INTO REGULAR SESSION AND TAKE ANY ACTION
NECESSARY AS A RESULT OF THE CLOSED SESSION**

K. ADJOURNMENT

Farmers Branch City Hall is wheelchair accessible. Access to the building and special parking are available at the main entrance facing William Dodson Parkway. Persons with disabilities planning to attend this meeting who are deaf, hearing impaired or who may need auxiliary aids such as sign interpreters or large print, are requested to contact the City Secretary at (972) 919-2503 at least 72 hours prior to the meeting.

Certification

I certify that the above notice of this meeting was posted on the bulletin board at City Hall on 2/26/16 by Amy Piukana, City Secretary on or before 5 p.m.

City Secretary



City of Farmers Branch

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Staff Report

File Number: 16-056

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.1

Discuss regular City Council meeting agenda items.



City of Farmers Branch

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Staff Report

File Number: 16-020

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.2

Discuss a proposed Business License Program.

BACKGROUND:

The City Council asked that the Economic Development Department look into a program to keep track of businesses in Farmers Branch. The Department has researched the issue, including reviewing programs in other cities, and will make a report concerning the information that was gained from looking into the possible program during the study session.

ATTACHMENTS:

1. PowerPoint Presentation.



F A R M E R S B R A N C H

BUSINESS LICENSE

Presentation by
Economic Development and Fire Department

JANUARY 19, 2016
City Council Study Session

Background

○ Sales Tax Repayment Issue

○ How Do we Track Businesses?

- When they come - certificate of occupancy
- When they leave - ?

○ How is this Handled in Other Communities?

Research

○ Town of Addison

○ Farmers Branch Fire Department

Fire Prevention Division

- Performs an Articulated Business Function
 - Certificate of Occupancy Inspections
 - Plan Review
 - Construction Inspections

Fire Prevention Division

- Strategic Goal has been to inspect 65% of the commercial base buildings
- Completes 131 inspections per month
- Adjusted benchmark to a 23-month interval due to an increase in commercial buildings over the course of several years.

Combined Business License Program: Mechanics

Fire Prevention Division performs inspection

Applicant provides pertinent data important to both Fire and Economic
Development

Business License Permit fee schedule reviewed – 45 days to register

Penalty for failure to obtain a Business License Permit

Combined Business License Program: Fee Structure

Commend Simplistic Schedule

Based on Square Footage

Addresses each Individual Occupancy

Complexity of the Inspection

Estimated Annual Revenue of \$200,000

○ Handout

Combined Business License Program: Staffing

| | |
|---------------------------------|-----------|
| Department | |
| Inspector | \$ 83,000 |
| Vehicle | \$ 25,000 |
| Computer/Uniform | \$ 1,500 |
| Economic Development | |
| Business Development Specialist | \$ 83,000 |
| Travel | \$ 5,000 |
| Technology | \$ 2,500 |
| Total | \$200,000 |

Combined Business License Program: Highlights

- provide critical intelligence for business retention and expansion
- create additional resource for business recruitment
- achieve goal of 100% commercial inspections in a 12-month cycle
- correct more fire hazards/ fire safety equipment violations
- assist in achieving an ISO Class 1 rating
- Decreasing commercial fire insurance premiums

Questions?



City of Farmers Branch

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Staff Report

File Number: 16-063

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.3

Receive a presentation on City Marketing Plans.

BACKGROUND:

In 2011, the City rolled out the Love the Branch campaign with the goal of positively promoting the City as a place to relocate and raise a family. Additionally, the Love the Branch campaign has actively promoted the Demo/Rebuild program.

With the Love the Branch campaign now approaching five years old, Staff began evaluating what the future of the campaign should be. During this evaluation and in evaluating the Love the Branch marketing campaign and the marketing needs of the City as a whole, it has become apparent that the City could greatly benefit from a global marketing plan that addresses several key areas that should be promoted. These include: Tourism, Special Events, and Residential Relocation. Additionally, the marketing and communication activities to the City's internal residents needs a thorough evaluation to determine what works, what doesn't and what can be improved upon.

With these ideas in mind, Staff embarked upon a Request for Proposal process to hire an agency with the following goals and objectives:

1. Evaluate current branding and marketing to identify areas for change or improvement.
2. Improve and connect the branding and messaging of the City's key areas.
3. Create a strategic global marketing plan that incorporates the needs of each of the key areas.
4. Develop new messaging and advertising where needed.
5. Develop new website to replace current visitfarmersbranch.com and lovethebranch.com sites and to promote the key areas.
6. Work alongside City staff in each of the key areas to augment the city's internal abilities.
7. Work within the City's marketing budget to maximize exposure.

Unfortunately, the response the RFP process received only 3 responses. Staff elected to decline all three proposals and continue looking for a firm that not only had the necessary skill sets, but also would be a good fit for Farmers Branch. (note: Marketing is a professional service, legally it is not required to use the RFP process. After declining the responses from the RFP, staff elected to interview two additional agencies without going through another RFP process.)

One of the additional agencies Staff interviewed was Dallas based Pyro Agency. Pyro Agency is a division of the Richards Group, the largest privately held agency in the U.S. Pyro is a separate

unit which allows them to operate more like a small agency, which offers accessibility, streamlined performance, the culture and cost-efficiency of a smaller agency along with the resources of a very large agency.

Locally the Pyro Agency has worked on Dallas CVB, ClubCorp, and Hilton Anatole among many others. After extensive evaluation, Staff is impressed by the experience and abilities of Pyro and are confident they will deliver a marketing program that exceeds expectations.

DISCUSSION:

Staff is in the process of preparing a Professional Services Agreement with the Pyro Agency to bring to City Council for approval at the March 15, 2016 meeting. This Study Session presentation is an opportunity for City Council to see the goals and objectives of the marketing agreement, to ask any questions about the work to be completed or offer suggestions, and to meet John Beitter, Principle and Founder of Pyro Agency.

MARKETING

FARMERS BRANCH



Background

- **Time to Evolve**
 - Love the Branch is over 5 years old
 - The City has multiple marketing needs
- **Request for Proposal Process**
 - Delivered to 12 agencies
 - Received 3 proposals
 - Declined all 3 proposals
 - Kept looking for the right agency
- **Selection of an Agency**
 - Narrowed down to two fantastic options
 - Staff is recommending the Pyro Agency

Pyro Agency

John Beitter – Principle and Founder



STEP 1

Brand & Marketing Audit

KEY ACTIVITIES

- Audit current messaging, competitor messaging and identify strength and weaknesses
- Interviews with key leadership/stakeholders
- Discovery presentation – identify real and perceptual challenges
- Additional consumer research if needed

STEP 2

Brand & Messaging Reposition/Evolution

Updating messaging and positioning of current logos

KEY ACTIVITIES

- Brand strategy development workshop that results in:
 - Brand Vision
 - Brand Personality
 - Brand Positioning
 - User Affiliation

These results help achieve consistency in all communications and guide the City's brand growth and direction. These branding strategies will also be the basis for future creative briefs, online messaging, public relations messaging, website communication, among other touchpoints.

STEP 2 Cont.

Brand & Messaging Reposition/Evolution

Updating messaging and positioning of current logos

We'll take it a step further to answer the following:

Culture

What are the behaviors, symbols, and other characteristics that exist across the organization that will make people feel they are a part of something really big?

Customer Service

Beyond the fundamentals, what are the unique ways that the City engages its visitors, residents, and employees?

Promotions

Do the current marketing communications visually and verbally reinforce the brand?

Causes

Besides a bottom line, does the City have a conscience too? How well do the causes the City aligns itself with further the brand strategy?

Product Innovation

Does the City "package" its offerings in a manner that compels people into action?

STEP 3

Global Strategic Marketing Plan

KEY ACTIVITIES

- **PLAN DEVELOPMENT:**
Using the results of the workshops, Pyro will develop a marketing communication plan designed to create awareness and preference among the various target audiences (**Residential Relocation, Tourism, Special Events, Internal Residents**)

STEP 4

Implementation of Marketing Plan

KEY ACTIVITIES

- Pyro Agency will work with staff on a project-by-project basis to implement the marketing plan
- Provide creative and production services for needed advertising and the City's annual Visitors Guide
- Pyro Agency will augment the skills and abilities of City Staff to execute the plan in the most cost-effective manner

STEP 5

Replace Existing Visit Farmers Branch and Love the Branch websites

KEY ACTIVITIES

- Streamline existing websites
- Geared towards visitors/prospective residents
- Provide better functionality for Special Events and Tourism
 - Interactive maps, online booking, plan a trip, etc.
- Easily maintained by City Staff
- Responsive to multiple size devices

STEP 6 Report monthly on goals, metrics, and results

KEY ACTIVITIES

- Agency will propose recommendations on what goals and metrics to track
- Will work with City Staff to provide on a monthly basis



FARMERS BRANCH

Questions?



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Staff Report

File Number: 16-009

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.4

Discuss a proposed comprehensive False Alarm Reduction Ordinance.

DISCUSSION:

Police responding to false alarms is a huge problem. False alarms tax police resources, cause response times to increase because police are unavailable for calls, and take police away from proactive policing or self-initiated activities. Nationwide, approximately 98% of the time police are dispatched for an alarm call, it is false. (Partnership for Priority Verified Alarm Response). In Farmers Branch the experience is even worse. In 2014, the Police Department responded to 3188 alarms of which 31 were valid, or .97%.

The current Alarm System Ordinance for the City of Farmers Branch is outdated. The goal of the revised ordinance is, first and foremost, to reduce the number of false alarm calls. This would help free up police officers for proactive activities and help keep response times down. Second, since data indicates that 73% of false alarm calls come from businesses, the revised ordinance mitigates the cost of responding to business alarms by increasing commercial alarm fees from \$30 to \$100. Residential alarm fees will remain the same. Third, the revised ordinance increases the fees for repeated false alarm calls to the same location, hopefully providing an incentive for the resident or business to reduce false alarms.

Finally, the revised ordinance provides for a modified form of “verified response” to business alarms that have been revoked due to nonpayment of false alarm fees or revoked for too many false alarms. “Verified response” means that police would not respond to the location of a business alarm where the permit has been revoked unless there is independent verification that a crime has occurred or is occurring.

Other notable changes to the current ordinance include;

- Master apartment complex fee of \$100 added for apartments providing alarm systems within individual units.
- Service charge for repeated false alarm notifications documented in a 12 month period would be amended as follows; False alarm fee in excess of three (3) but fewer than six (6), \$50; False alarm fee in excess of five (5) but fewer than eight (8), \$75; False alarm fee eight (8) or more \$100; as compared to the current \$50 fee for each false alarm over five (5) in a 12 month period.
- Requirement for alarm companies to notify the City within 30 days of installation and or activation of alarm systems.
- Increase maximum fine amounts for violation(s) of the ordinance from \$200 to \$500.

- Exemption from fees for local government and school district(s).
- Allows for the revocation of an alarm permit after eight or more false alarms in a 12 month period.
- The above changes should mean a significant increase in revenue from permits and false alarm fees.

If Council agrees to these changes a new ordinance will be drafted and presented at a future meeting.



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Staff Report

File Number: 16-064

Agenda Date: 3/1/2016

Version: 2

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.5

Discuss the Curbside Recycling Committee as a Standing Committee to evaluate recycling sustainability.

BACKGROUND:

This agenda item was requested by Council Member Reyes.



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Staff Report

File Number: 16-065

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.6

Discuss recycling drop off locations for Oakbrook.

BACKGROUND:

This agenda item was requested by Council Member Bomgardner.



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Staff Report

File Number: 16-057

Agenda Date: 3/1/2016

Version: 1

Status: Study Session

In Control: City Council

File Type: Report

Agenda Number: A.7

Discuss agenda items for future City Council meetings.



City of Farmers Branch

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Staff Report

File Number: 16-059

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Report

Agenda Number: F.1

Consider approving minutes of the Regular City Council meeting held on February 16, 2016; and take appropriate action.



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
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Meeting Minutes

City Council

Tuesday, February 16, 2016

6:00 PM

Council Chambers

Study Session Meeting to be held at 4:00 PM in the Study Session Room

- Presiding:** 1 - Mayor Bob Phelps
- Present:** 5 - Mayor Pro Tem Kirk Connally, Deputy Mayor Pro Tem Harold Froehlich, Council Member John Norwood, Council Member Ana Reyes, Council Member Mike Bomgardner
- Staff:** 16 - Gary D. Greer City Manager, Pete Smith City Attorney, Amy Piukana City Secretary, John Land Managing Director Operations, Shawna Eikenberry Management Analyst, Charles Cox Managing Director, Brian Beasley Human Resource Director, Allison Cook Economic Development Manager, Shane Davis Environmental Services & Solid Waste Manager; Katy Evans Environmental Health Manager, Andy Gillies Director of Community Services, Alexis Jackson Planning Manager, Jeff Harting Parks & Recreation Director, Steve Parker Fire Chief, Tim DeDear Deputy Fire Chief, Randy Walhood Public Works Director

A. **STUDY SESSION**

Mayor Phelps called the meeting to order at 4:01 p.m.

A.1 **16-045 Discuss regular City Council meeting agenda items.**

Council Member Bomgardner pulled Agenda Item H.4, Resolution No. 2016-018 authorizing the construction of the Joint Fire Department. Council Member Bomgardner had questions regarding the type of fuel system being used and the annual maintenance cost. Chief Parker explained propane tanks are being used and costs would be minimal.

Council Member Bomgardner asked if the facility is leasable to other cities and what the life expectancy is of this facility. Chief Parker explained the facilities will be leasable to other cities and noted life expectancy could be 40 plus years as long as maintenance is kept up.

Council Member Bomgardner pulled Item H.5, regarding update on the Bureau of Land Management Gas Leases for parcels located at Lake Lewisville. Council Member Bomgardner asked what options the city has regarding this item. Chief Parker explained the City Council will review this item to consider a possible letter of opposition.

A.2 16-044 Receive a presentation regarding Texas Municipal Settings Designation Program.

Managing Director Charles Cox introduced Mr. David Rodriguez, Senior Regional Manager of Texas Municipal Retirement System (TMRS) who briefed City Council regarding Farmers Branch benefits through TMRS.

City Council members discussed the option to reduce retirement years from 25 to 20 years and the effects of these changes. No changes were recommended.

A.3 16-021 Receive a report on Municipal Settings Designation Program

Environmental Health Manager Katy Evans briefed City Council regarding the Municipal Settings Designation (MSD) Program. Ms. Evans explained MSD is an official state designation given to properties within a municipality that certifies designated groundwater on the property will not be used as potable water and prohibits future use.

Ms. Katy Evans noted the city has been approached by several developers that have expressed interest in three sites in Farmers Branch. Ms. Evans noted these sites include GNB Battery Plant, the old dry cleaner at Josey and Valley View, and the east side truck yard storage area at Tuesday Morning location.

Council discussed liabilities, future development using the MSD designation, and costs associated with the application and environmental studies on the properties.

Council Member Norwood recommended that the applicant pay all fees associated with studies through the application fee process in order to recoup costs incurred by the city.

A.4 16-052 Receive a presentation of the Police Traffic Stop Data Analysis report for calendar year 2015, as required by the Texas Code of Criminal Procedures, Section 2.132.

Police Chief Sid Fuller briefed City Council regarding the Police Traffic Stop Data Analysis report (Racial Profiling Analysis) for calendar year 2015 noting the city is compliant and received no complaints regarding racial profiling.

A.5 16-055 Discuss Public Improvement District Bonds and Tax Increment Reinvestment Zone.

Mayor Phelps addressed City Council regarding his concerns with a developer who has expressed interest in developing a PID project on the West Side, and campaign finance funding donations from this developer to certain elected officials.

After discussion, the City Attorney advised City Council Members that the item being discussed is regarding Public Improvement District Bonds and Tax Increment Reinvestment Zone subject matters.

City Attorney Pete Smith introduced Prosecutor Evan Fisher with Nichols, Jackson, Dillard, Hager & Smith, LLP, who serves as the City Prosecutor.

A.6 16-046 Discuss agenda items for future City Council meetings.

Council Member Reyes asked that Curbside Recycling Committee be discussed as a future agenda item to consider as a standing committee to evaluate recycling sustainability. Council Member Bomgardner asked for a future agenda item to discuss recycling drop off locations for Oakbrook. Council Member Norwood asked that Oakbrook infrastructure be added as a future agenda item. City Manager Gary Greer noted Oakbrook Infrastructure has been added to the March 8, 2016, agenda for City Council discussion.

City Council recessed at 5:20 p.m. into closed Executive Session to discuss the following items:

Council may convene into a closed executive session pursuant to Section 551.071 of the Texas Government Code to deliberate regarding:

- Consultation with City Attorney regarding Texas Commission on Environmental Quality (TCEQ) Report No. 119885 relating to TCEQ Permit Nos. 5383 and 5383A to Town of Addison for use of water in Farmers Branch Creek, pending TCEQ Complaint regarding Farmers Branch Creek and related mediation.

Council may convene into a closed executive session pursuant to Section 551.072 of the Texas Government Code to deliberate regarding:

- Discuss the purchase, exchange lease, or sale of real property known as a portion of the Robert J. West Survey Abstract No. 1576, also known as 13605 Webb Chapel, Famers Branch, Texas

City Council recessed from Executive Session at 5:57 p.m.

REGULAR MEETING –

Mayor Phelps called the Regular meeting to order at 6:05 p.m.

B. INVOCATION & PLEDGE OF ALLEGIANCE

Council Member Norwood provided the invocation and led the pledge of allegiance.

C. REPORT ON STUDY SESSION ITEMS

Council Member Bomgardner provided a brief summary report regarding Study Session items.

D. CITY MANAGER'S REPORT AND ITEMS OF COMMUNITY INTEREST

City Manager Greer gave a report and reviewed the following items of community interest.

- AT HOME will be taking over the large retail space on Midway at LBJ, previously occupied by WalMart.
- The Farmers Branch Aquatics Center's Dive in Movies will be held Saturday, February 20th at the Margaret Young Natatorium. Beginning at 6:30 p.m.
- Coffee with a Cop is coming up on Saturday, February 27 from 9 a.m. until 10 a.m. at the Victoria restaurant, 13435 Bee Street.
- The Community is seeking applicants to fill vacancies on the Community Watch Committee and youth vacancies on the Family Advisory Board.

E. CITIZEN COMMENTS

There were no citizens that wished to speak under this item.

F. CONSENT AGENDA

- F.1 16-047 Consider approving minutes of the Regular City Council meeting held on February 2, 2016; and take appropriate action.**
- F.2 16-049 Consider excusing the absence of Council Member John Norwood from the February 2, 2016 City Council meeting; and take appropriate action.**
- F.3 R2016-022 Consider approving Resolution No. 2016-022 authorizing the purchase of digital video storage hardware, implementation services, and support in an amount not to exceed \$60,000 from EST Group; and take appropriate action.**
- F.4 R2016-023 Consider approving Resolution No. 2016-023 awarding a contract to Stark Built, LTD for concrete sidewalk gap in-fills and concrete sidewalk repairs through a Local Government Purchasing Cooperative contract; and take appropriate action.**
- F.5 ORD-3357 Consider adopting Ordinance No. 3357 abandoning a sanitary sewer easement on Lots 1, 2, and 5, Block B, The Centre; and take appropriate action.**

Motion to approve Consent Agenda Items F.1 thru F.5 made by Deputy Mayor Pro Tem Froehlich. Motion seconded by Council Member Reyes. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

These items were approved.

G. PUBLIC HEARINGS

- G.1 TMP-1596 Conduct a public hearing and consider a request for final plat approval of Lots 1-34, Block A and Lot 1X, Block B of Vita on Spring Valley addition; and take appropriate action.**

Community Services Director Andy Gillies briefed City Council regarding the proposed final plat. Mr. Gillies noted the applicant is final platting the property in order to construct future townhomes. Texas Local Government Code requires a public hearing for all residentially zoned replats that do not vacate a preceding plat.

Mayor Phelps opened the public hearing. There were no citizens that wished to speak.

After discussion, Council Member Norwood moved to close the public hearing and approve Lots 1-34, Block A and Lot 1X, Block B of Vita on Spring Valley addition, as presented. Motion seconded by Mayor Pro Tem Connally. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

- G.2 ORD-3356 Conduct a public hearing and consider adopting Ordinance No. 3356 amending Planned Development No. 88 (PD-88) by rezoning an approximate 30.1 acre site from "Commerce" subdistrict to "Mid Density Residential" subdistrict and establishing a Conceptual Site Plan for a new multi-family residential community containing approximately 840 dwelling units. This site is located along the future Knightsbridge Road, approximately 600 feet east of Luna Road; and take appropriate action.**

Director of Community Services Andy Gillies briefed City Council regarding this item noting this is a PD-88 Zoning. Mr. Gillies noted the applicant is rezoning from Commerce to Mid Density Residential in order to develop a multi-family Community that will include (3) and (4) story high buildings with approximately 840 total dwelling units.

Mr. Gillies noted the Conceptual Site Plan includes the following exceptions:

Exception #1 – Allowing the leasing office combined with the clubhouse to exceed 7,500 square feet in area; the applicant is proposing this combination of large amenity centers for both phases.

Exception #2 – Allowing more than 85% of the proposed building façade facing future Knightsbridge Road to be located off of the Required Building Line (RBL) as shown on the Conceptual Site Plan.

Mr. Gillies noted that the Planning and Zoning Commission recommended approval.

The Applicant with JPI provided a presentation reviewing the following information: JPI's history, recent projects, rent comparisons, market demands, standards, and designs.

After discussion, Mayor Phelps opened the public hearing. There were no citizens that wished to speak.

Deputy Mayor Pro Tem Froehlich moved to close the public hearing. Motion second by Mayor Pro Tem Connally. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

After discussion, Council Member Reyes made a motion to approve, Ordinance No. 3356, as presented. Motion seconded by Deputy Mayor Pro Tem Froehlich. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

This item was approved.

H. REGULAR ITEMS

- H.1 ORD-3355 Consider adopting Ordinance No. 3355 calling for a Bond Election in the total amount of \$12,400,000 for the purpose of Fire Station No. 2, relocation in the amount \$5,500,000, Justice Center improvements in the amount of \$2,700,000, to be held within the City on May 7, 2016, making provisions for the conduct of the election and other provisions relating thereto; and take appropriate action.**

Managing Director Charles Cox briefed City Council regarding this item. Mr. Cox noted the proposed ordinance and ballot language, has been prepared by the City's bond counsel Bracewell & Giuliani, LLP who is present to answer any questions.

Council Member Reyes had questions regarding the location of the Fire Station #2, and asked if voter referendum is required for this park land area. City Attorney Pete Smith replied this park land does not require a voter referendum.

City Council discussed the options to have the Bond Committee review and prioritize bond items, and combine recommendations into (1) bond election.

The following citizen wished to speak regarding this item:

Resident Becky Fisher, President of the Animal Shelter Advisory Committee, spoke in support of the expansion of the Animal Center Adoption Center bond item.

Mayor Pro Tem Connally had questions regarding the Bond Committee's structure, asking for clarification if the Bond Committee is restricted to review Quality of Life Bonds. City Attorney Pete Smith read aloud the resolution creating the Bond Committee, noting it is not limited to strictly Quality of Life Bond items, but open to all bond types.

After discussion, Council Member Norwood made a motion to deny Ordinance No. 3355, and direct the City Manager to review the list of Justice Center improvements and bring forward funding options this year which would allow any funding methods to be used for immediate needs for Public Safety which include certificates of obligation. Motion seconded by Council Member Reyes. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

This item did not pass.

- H.2 R2016-20 Consider approving Resolution No. 2016-020 accepting a grant from the Criminal Justice Division of the Governor's Office for Body-Worn Cameras in the amount of \$29,400 and authorizing a 25% grant match of \$7,350 from the City; and take appropriate action.**

Police Chief Sid Fuller briefed City Council regarding this item. Chief Fuller noted these cameras enhance officer interactions with the public and allow evidence to be captured in the field.

After discussion, motion made by Deputy Mayor Pro Tem Froehlich to approve Agenda Item H.2, Resolution No. 2016-020 and Agenda Item H.3, Resolution No. 2016-021, as presented. Motion seconded by Council Member Bomgardner. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

This item was approved.

- H.3 R2016-021 Consider approving Resolution No. 2016-021 authorizing the City Manager to negotiate a contract for the purchase of body worn cameras and associated video equipment and accessories in an amount not to exceed \$142,400; and take appropriate action.**

This item was approved in one motion with Item H.2.

- H.4 R2016-018 Consider approving Resolution No. 2016-018 authorizing the construction of the Farmers Branch, Carrollton, and Coppell Joint Fire Training Facility to be located at Fire Station No. 3 in an amount not to exceed \$2,383,750; and take appropriate action.**

Fire Chief Steve Parker briefed City Council providing a power point presentation reviewing the project. Chief Parker noted the City Council approved an interlocal agreement to fund, build, and operate the joint fire training facility. He noted City of Farmers Branch has an assigned shared cost of 26.80% and is responsible for scheduling the use of the facility.

Chief Parker noted City Administration recommends approving Resolution No. 2016-018, authorizing the construction of the Joint Fire Training Facility: Farmers Branch, Carrollton, & Coppell in the amount of \$2,383,750.00.

After discussion, Council Member Reyes made a motion to approve Resolution No. 2016-018, as presented. Motion seconded by Mayor Pro Tem Connally. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

- H.5 16-054 Discuss and consider action resulting from update on the Bureau of Land Management Gas Leases for parcels located at Lake Lewisville; and take appropriate action.**

Chief Parker introduced Emergency Management Coordinator Ashley Feryan who briefed City Council regarding this item. Ms. Feryan noted the United States Department of Interior Bureau of Land Management plans to auction oil and gas leases for its holdings under Lake Lewisville. Ms. Feryan noted the concerns are related to drilling, environmental effects such as water quality, safety, and possible seismic activity as a result of drilling. Ms. Feryan further explained there are risks to the Lewisville dam which have not been adequately considered.

After discussion, Mayor Phelps directed City Staff to submit a letter of opposition. Motion made by Deputy Mayor Pro Tem Froehlich. Motion prevailed by the following vote:

Aye: 5 - Mayor Pro Tem Connally, Deputy Mayor Pro Tem Froehlich, Council Member Reyes, Council Member Norwood and Council Member Bomgardner

Mayor Phelps recessed for a (10) minute break at 7:25 p.m.

Mayor Phelps reconvened into Executive Session at 7:37 p.m.

EXECUTIVE SESSION

- I.1 [16-004](#) Council may convene into a closed executive session pursuant to Section 551.071 of the Texas Government Code to deliberate regarding:
- Consultation with City Attorney regarding Texas Commission on Environmental Quality (TCEQ) Report No. 119885 relating to TCEQ Permit Nos. 5383 and 5383A to Town of Addison for use of water in Farmers Branch Creek, pending TCEQ Complaint regarding Farmers Branch Creek and related mediation.

Council may convene into a closed executive session pursuant to Section 551.072 of the Texas Government Code to deliberate regarding:

- Discuss the purchase, exchange lease, or sale of real property known as a portion of the Robert J. West Survey Abstract No. 1576, also known as 13605 Webb Chapel, Farmers Branch, Texas

Mayor Phelps recessed from Executive Session at 9:03 p.m. and reconvened into Open Session at 9:04 p.m.

J. RECONVENE INTO REGULAR SESSION AND TAKE ANY ACTION NECESSARY AS A RESULT OF THE CLOSED SESSION

City Council took no action as a result of Executive Session.

K. ADJOURNMENT –

Council Member Bomgardner made a motion to adjourn. Motion seconded by Council Member Reyes. The meeting adjourned at 9:08 p.m.

Bob Phelps, Mayor

ATTEST:

Amy Piukana, City Secretary



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: R2016-024

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: F.2

Consider approving Resolution No. 2016-024 authorizing the purchase of replacement cubicles and office furniture for Public Works Department in the total amount of \$51,256.74 from Wilson Office Interiors through the State of Texas Multiple Award Schedule; and take appropriate action.

BACKGROUND:

The Public Works 2015-16 Operating Budget Fund includes the replacement of City Hall Public Works cubicles and office furniture as a part of the City Hall renovation project. City Hall is over 25 years old and is being renovated, supporting the City of Farmers Branch Guiding Principles.

DISCUSSION:

The City of Farmers Branch requested a quotation from the State of Texas Multiple Award Schedule. City Administration evaluated the quotations as to meeting specifications and desires to award the purchase of the replacement cubicles and office furniture to Wilson Office Interiors.

The Public Works 2015-16 Operating Budget Fund has allocated \$90,000 for this purpose.

RECOMMENDATION:

City Administration recommends approving Resolution No. 2016-024 authorizing the purchase of replacement cubicles and office furniture for Public Works in the total amount of \$51,256.74 from Wilson Office Interiors through the State of Texas Multiple Award Schedule.

POSSIBLE COUNCIL ACTION:

1. Motion to approve Resolution No.2016-024 authorizing the purchase of replacement cubicles and office furniture for Public Works in the total amount of \$51,256.74 from Wilson Office Interiors through the State of Texas Multiple Award Schedule.
2. Motion to approve Resolution No.2016-024 authorizing the purchase of replacement cubicles and office furniture for Public Works in the total amount of \$51,256.74 from Wilson Office Interiors through the State of Texas Multiple Award Schedule with modifications.
3. Motion to table the issue for further study or take no action.

ATTACHMENTS:

1. Resolution No. 2016-024



RESOLUTION NO. 2016-024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, AUTHORIZING THE PURCHASE OF REPLACEMENT CUBICLES AND OFFICE FURNITURE FOR PUBLIC WORKS DEPARTMENT FROM WILSON OFFICE INTERIORS THROUGH THE STATE OF TEXAS MULTIPLE AWARD SCHEDULE IN THE TOTAL AMOUNT OF \$51,256.74; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the 2015-16 Public Works Operating budget provides \$90,000 for the purchase of replacement cubicles and office furniture for Public Works Department located at City Hall; and

WHEREAS, City Administration prepared specifications and requested a quotation from the State of Texas Multiple Award Schedule; and

WHEREAS, having evaluated the quotation received and determining the cubicles and office furniture meeting specifications can be purchased from Wilson Office Interiors through the City's cooperative purchasing agreement with the State of Texas Multiple Award Schedule for the amount of \$51,256.74; and

WHEREAS, City Administration recommends such purchase of replacement cubicles and office furniture from Wilson Office Interiors in the amount of \$51,256.74; and

WHEREAS, the City Council of the City of Farmers Branch, finds it to be in the public interest to concur in such recommendation;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to purchase, on behalf of the City, replacement cubicles and furniture from Wilson Office Interiors through the City's cooperative purchasing agreement with State of Texas Multiple Award Schedule in an amount of \$51,256.74.

SECTION 2. This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THIS 1st DAY OF MARCH, 2016.

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
(kbl:2/24/16:75705)



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: R2016-028

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: F.3

Consider approving Resolution No. 2016-028 awarding the bid for the reconstruction of a section of retaining wall along Cooks Creek to Cam-Crete Construction, Inc.; and take appropriate action.

BACKGROUND:

A retaining wall failure occurred along Cooks Creek drainage channel located north of Valwood Parkway east of Josey Lane. The project involves the replacement of approximately 150 feet of a concrete retaining wall. The retaining wall failed because it had not been designed to retain additional soil placed on private property immediately adjacent to the wall by the property owners several years after construction of the wall.

The 2015-2016 Storm Water Utility Fund will provide the funding for the reconstruction of this section of the Cooks Creek retaining wall.

DISCUSSION:

Four bids were received and opened on February 9, 2016; all bids met specifications. The low bid was received from Cam-Crete Construction, Inc. in the amount of \$72,200. Cam-Crete Construction, Inc. has provided adequate qualifications for the project.

RECOMMENDATION:

City Administration recommends approving Resolution No. 2016-028 awarding the bid for the reconstruction of a section of retaining wall along Cooks Creek to Cam-Crete Construction, Inc. in an amount of \$72,200.

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2016-028 awarding the bid for the reconstruction of a section of retaining wall along Cooks Creek to Cam-Crete Construction, Inc.
2. I move to approve Resolution No. 2016-028 awarding the bid for the reconstruction of a section of retaining wall along Cooks Creek to Cam-Crete Construction, Inc., with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENTS:

1. Location Map
2. Bid Tabulation
3. Resolution No. 2016-028



LOCATION MAP



**City of Farmers Branch
Bid Tabulation**

**BID NO.: 16-
Bid Opens: :**

PROJECT: Cooks Creek Retaining Wall Repair

| |
|--|
| CAM-CRETE CONTRACTING, INC. |
|--|

| Item | Description | Unit | Bid Qty | Unit Price | Total |
|------------------------|-------------|------|---------|------------|-------------|
| Total Amount Base-Bid: | | | | | \$72,200.00 |

All corrections on the Bid Proposal shall be initialed by the bidder

-07

2/9/2016 Time: 2:00 p.m.

| JIM BOWMAN CONSTRUCTION CO., L.P. | | McMAHON CONTRACTING, L.P. | | REBCON, INC. | |
|---|-------------|------------------------------|--------------|---------------|--------------|
| Unit Price | Total | Unit Price | Total | Unit Price | Total |
| | \$75,595.00 | | \$115,274.76 | | \$169,450.00 |

All corrections on the Bid Proposal shall be initialed by the bidder



RESOLUTION NO. 2016-028

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, A CONTRACT WITH CAM-CRETE CONSTRUCTION, INC. IN THE AMOUNT OF \$72,200.00 FOR THE RECONSTRUCTION OF A SECTION OF RETAINING WALL ALONG COOKS CREEK; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, a portion of retaining wall along Cooks Creek has failed and requires repair; and,

WHEREAS, having received, opened, and reviewed bids for the repair of the Cooks Creek retaining wall (“the Project”), City Administration has determined the lowest qualified bid for the Project meeting specifications was received from Cam-Crete Construction, Inc. in the amount of \$72,200.00 and recommends awarding the bid to Cam-Crete Construction, Inc.; and,

WHEREAS, the City Council of the City of Farmers Branch, Texas finds it to be in the public interest to approve the recommendation of the City Administration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS THAT:

SECTION 1. The City Manager is authorized to execute, on behalf of the City of Farmers Branch, a contract with Cam-Crete Construction, Inc. for the Project as set forth in its response to Bid No. 16-07 and to sign such change orders to said contract as the City Manager deems reasonable, necessary, and in the public interest which are in compliance with applicable law and City policy and, in the case of an increase in contract price, subject to the availability of current funds.

SECTION 2. This resolution shall be effective immediately upon final passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, and THIS 1st DAY OF MARCH 2016.

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

Peter G. Smith, City Attorney
(kbl:2/24/16:75707)



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: R2016-030

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: F.4

Consider approving Resolution No. 2016-030 awarding a contract to Fuquay, Inc. for sanitary sewer main cleaning and inspection through the Local Government Purchasing Cooperative Buy Board contract; and take appropriate action.

BACKGROUND:

The Public Works Department is taking proactive steps to avoid potential breaks and stoppages by cleaning and televising large diameter pipelines in the City's sanitary sewer system. There are three areas to be cleaned and televised with this contract. The first is along the Farmers Branch Creek sewer main between Josey Lane and Denton Drive. The second is along the Farmers Branch Creek sewer main from Woodhaven Drive to Marsh Lane. The third area is along the Rawhide Creek sewer main between Coral Harbour and Marsh Lane. The 2015-2016 Capital Improvement Program Non-bond Utility fund provides \$125,000 for sanitary sewer main cleaning and inspection.

DISCUSSION:

The Public Works Department negotiated a discounted cooperative purchasing contract with Fuquay, Inc. for sanitary sewer main cleaning and inspection in the amount of \$124,342.00. Fuquay has completed similar projects in the past for the City.

This item supports the City's core value to provide functional, sustainable, and well maintained infrastructure, facilities and equipment.

RECOMMENDATION:

Recommendation by City Administration to approve Resolution No. 2016-030 awarding a contract to Fuquay, Inc. for sanitary sewer main cleaning and inspection through the Local Government Purchasing Cooperative (BuyBoard) Contract # 462-14.

PROPOSED COUNCIL ACTION:

- 1) Motion to approve Resolution No. 2016-030 awarding a contract to Fuquay, Inc. for sanitary sewer main cleaning and inspection through the Local Government Purchasing Cooperative Buy Board contract.
- 2) Motion to approve Resolution No. 2016-030 awarding a contract to Fuquay, Inc. for sanitary sewer main cleaning and inspection through the Local Government Purchasing Cooperative Buy Board contract, with modifications.
- 3) Motion to table the issue for further study or take no action.

ATTACHMENTS:

1. Location Map
2. Buy Board Quote
3. Resolution No. 2016-030



 PROJECT LOCATIONS

LOCATION MAP



Date: 2/11/2016

SPECIAL PROJECT NOTES

- 1) **OWNER TO SUPPLY INGRESS AND EGRESS TO MANHOLES ALONG PROJECT SITE**
- 2) **OWNER TO PROVIDE DUMP SITE AND PAY ALL COSTS FOR DUMPING OF WASTE/SLUDGE REMOVED FROM CLEANING OPERATIONS**
- 3) **FLOW WILL BE REDUCED FOR CCTV ASSESSMENT OF MAIN AND NOT COMPLETELY STOPPED. CLEANING WORK WILL BE PERFORMED TO ALLOW CCTV EQUIPMENT THE ABILITY TO CAMERA THE LINE SEGMENT UNDER FLOW.**

ALL MATERIAL IS GUARANTEED TO BE AS SPECIFIED, AND THE WORK TO BE PERFORMED IN ACCORDANCE WITH THE DRAWING AND SPECIFICATIONS SUBMITTED FOR THE ABOVE WORK AND COMPLETED IN A SUBSTANTIAL WORKMANLIKE MANNER. ANY ALTERATION OR DEVIATION FROM SPECIFICATIONS AND DRAWINGS INVOLVING EXTRA COSTS WILL BE EXECUTED ONLY UPON WRITTEN ORDERS AND WILL BECOME AN EXTRA CHARGE OVER AND ABOVE THE QUOTATION. WORKER'S COMPENSATION AND PUBLIC LIABILITY INSURANCE ON ABOVE WORK TO BE FURNISHED BY FUQUAY, INC. **THERE MAY BE AN ADDITIONAL CHARGE FOR PROVIDING A WAIVER OF SUBROGATION AND/OR BEING LISTED AS AN ADDITIONAL INSURED ON FUQUAY'S INSURANCE. THE CHARGE SHALL BE EQUAL TO THE AMOUNT CHARGED TO FUQUAY FOR SAID SERVICE.**

EXCLUSIONS:

**SALES TAX
PERMITS, BURDENS, FEES
WASTE HAUL-OFF
SURVEYING
SITE CLEARING
PROVIDING AND/OR PERFORMING ANY TESTING**

**BARRICADES, SIGNS, TRAFFIC HANDLING
INFILTRATION REPAIR
DEWATERING
ALL BYPASS PUMPING AND PIPE PLUGGING
BOND, SALES TAX, AND OCP**

TERMS:

PAYMENT FOR SERVICES SHALL BE DUE AND PAYABLE WITHIN THIRTY DAYS OF THE DATE/MONTH THE WORK IS PERFORMED. THIS PROPOSAL MAY BE WITHDRAWN BY US IF NOT ACCEPTED WITHIN THIRTY DAYS.

RESPECTFULLY SUBMITTED,

FUQUAY, INC.

ACCEPTED BY:

COMPANY:

NAME:

TITLE:



RESOLUTION NO. 2016-030

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, AWARDING A CONTRACT TO FUQUAY, INC. FOR SANITARY SEWER MAIN INSPECTION AND CLEANING THROUGH THE LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUYBOARD) CONTRACT # 462-14; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Public Works Department has determined that in order to avoid potential breaks and stoppages in the City's sanitary sewer system, the sanitary sewer mains along portions of Farmers Branch Creek from Josey Lane to Denton Drive and Woodhaven Drive and Marsh Lane and portions of Rawhide Creek from Coral Harbour to Marsh Lane need to be inspected and cleaned ("the Project"); and

WHEREAS, having reviewed various options, City Administration recommends awarding a unit price contract to Fuquay, Inc. for the Project through The Local Government Purchasing Cooperative (BuyBoard) contract # 462-14 in the amount \$124,342.00; and

WHEREAS, the City Council of the City of Farmers Branch, Texas finds it to be in the public interest to approve the recommendation of the City Administration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS THAT:

SECTION 1. The City Manager is authorized to sign on behalf of the City a unit price contract with Fuquay, Inc. in the amount of up to \$124,342.00 through The Local Government Purchasing Cooperative (BuyBoard) contract # 462-14 for the Project and to sign such change orders to said contract as the City Manager deems reasonable, necessary, and in the public interest which are in compliance with applicable law and City policy.

SECTION 2. This resolution shall be effective immediately upon final passage.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THIS 1st DAY OF MARCH, 2016.

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
(kbl:2/24/16:75708)



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: R2016-025

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: F.5

Consider approving Resolution No. 2016-025 rejecting the bid of Zenner Performance Meters and awarding the 2015-2016 annual supply of small water meters in a unit price purchase to Mueller Systems, LLC; and take appropriate action.

BACKGROUND:

The Public Works Department requested bids for the 2015-2016 annual supply of small water meters. Bids were prepared using estimated quantities and are awarded on a unit price basis. The proposed contract is for a one year period with an option for one renewal period, if agreeable by both parties. Funds are available in the 2015-2016 Public Works Operating Budget and the Utilities Capital Improvement Program for the purchase of small water meters needed throughout the City.

DISCUSSION:

Two bids were received and opened on February 3, 2016. Zenner Performance Meters submitted the lowest unit price bid in an amount of \$92,938.50, however the Zenner's meter does not meet specifications. Mueller Systems, LLC submitted the second low bid in the amount of \$97,747.40. Mueller Systems, LLC has supplied the City with Hersey meters in the past with satisfactory performance.

RECOMMENDATION:

City Administration recommends approving Resolution No.2016-025 rejecting the bid of Zenner Performance Meters and awarding the 2015-2016 annual supply of small water meters in a unit price purchase to Mueller Systems, LLC in the amount of \$97,747.40.

POSSIBLE COUNCIL ACTION:

- 1) Motion to approve Resolution No.2016-025 rejecting the bid of Zenner Performance Meters and awarding the 2015-2016 annual supply of small water meters in a unit price purchase to Mueller Systems, LLC.
- 2) Motion to approve Resolution No.2016-025 rejecting the bid of Zenner Performance Meters and awarding the 2015-2016 annual supply of small water meters in a unit price purchase to Mueller Systems, LLC, with modifications.
- 3) Motion to table the issue for further study or take no action.

ATTACHMENTS:

1. Bid Tabulation
2. Resolution No. 2016-025

City of Farmers Branch
 Bid Tabulation

BID NO.: 16-06
Bid Opens: 2/3/2016 Time:10:00 a.m.

SMALL METER PURCHASE 2015-2016

| | | | | Mueller Systems, LLC | | Zenner Performance Meters, Inc | | Atlas Utility Supply Company | | Badger Meter, Inc. | |
|-------------------------------|-------------|------|---------|----------------------|--------------------|--------------------------------|--------------------|------------------------------|-------|--------------------|-------|
| Item | Description | Unit | Bid Qty | Unit Price | Total | Unit Price | Total | Unit Price | Total | Unit Price | Total |
| Total Amount Base-Bid: | | | | | \$97,747.40 | * | \$92,938.50 | No Bid | | No Bid | |

* Not a qualified bidder



RESOLUTION NO. 2016-025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, REJECTING THE BID OF ZENNER PERFORMANCE METERS AND AWARDING A BID TO AND AUTHORIZING A CONTRACT WITH MUELLER SYSTEMS, LLC FOR THE UNIT PRICE PURCHASE OF SMALL WATER METERS; AUTHORIZING RENEWALS OF SAID CONTRACT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, bids for the 2015-2016 Small Meter Purchasing (“Bid No. 16-06”) were opened on February 3, 2016, with Zenner Performance Meters submitting the lowest unit price bid for water meters; and

WHEREAS, the water meters quoted by Zenner Performance Meters were determined by City staff to not meet specifications; and

WHEREAS, City Administration recommends rejecting the bid submitted by Zenner Performance Meters as non-compliant and awarding a unit price contract for the annual supply of small water meters to Mueller Systems, LLC, which submitted the next lowest bid and water meters that complied with specifications; and

WHEREAS, the City Council of the City of Farmers Branch, Texas finds it to be in the public interest to approve the recommendation of the City Administration.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS THAT:

SECTION 1. Finding that the water meters offered by Zenner Performance Meters have failed to meet specifications, the apparent low bid of Zenner Performance Meters with respect to Bid No. 16-06 is hereby rejected.

SECTION 2. The City Manager is authorized to sign on behalf of the City a unit price contract with Mueller Systems, LLC to supply small water meters to the City in accordance with its unit prices set forth in its response to Bid No. 16-06 and to sign such change orders to said contract as the City Manager deems reasonable, necessary, and in the public interest which are in compliance with applicable law and City policy.

SECTION 3. The City Manager is authorized to sign a renewal of the unit price contract authorized by Section 2, above, for one additional annual period at the unit prices set forth in the contract subject to the availability of funds to make such purchases in the then current City budget.

SECTION 4. This resolution shall be effective immediately upon final passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS
BRANCH, TEXAS, and THIS 1st DAY OF MARCH 2016.**

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

Peter G. Smith, City Attorney
(kbl:2/24/16:75706)



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: R2016-029

Agenda Date: 3/1/2016

Version: 1

Status: Consent Agenda

In Control: City Council

File Type: Resolution

Agenda Number: F.6

Consider approving Resolution No. 2016-029 adopting the City's 2016 Strategic Plan; and take appropriate action.

BACKGROUND:

On January 21, the City Council and City Administration came together for the 2016 City Council Planning Retreat. As a result of this meeting, the attached Guiding Principles and goals were established and comprise the proposed 2016 Strategic Plan.

DISCUSSION:

In 2007, City Council and City Administration engaged in the first City Council Planning Retreat that resulted in the creation of a strategic planning process to serve as a guide to accomplishing the City's mission. Since that time, the City Council conducts an annual retreat to provide guidance and develop goals that will enable the City to successfully pursue its mission. The Guiding Principles framed by Council in conjunction with City Administration and the accompanying goals are what make up the City's Strategic Plan. Once adopted, this plan will become the guide for departmental projects and the framework for the budgeting process. This plan will be revisited during the FY 2017 budget process to ensure funding priorities align with strategic priorities.

RECOMMENDATION:

Recommended motion by City Administration to approve Resolution No. 2016-029 adopting the City's 2016 Strategic Plan.

ATTACHMENTS:

1. Resolution No. 2016-029
2. 2016 Strategic Plan - Exhibit "A"



RESOLUTION NO. 2016-029

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ADOPTING THE 2016 STRATEGIC PLAN ATTACHED AS EXHIBIT “A”; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the strategic plan for the City of Farmers Branch is a continuously evolving guide to build a vibrant, dynamic community that consistently seeks to improve the quality of life for the residents of the City; and

WHEREAS, the City Council has received presentations and recommendations from the City Manager and staff as to the Guiding Principles of the City of Farmers Branch and desires to adopt the 2016 Strategic Plan for the City of Farmers Branch as being in the public interest of the citizens of Farmers Branch.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The 2016 Strategic Plan attached hereto as Exhibit “A” is hereby adopted.

SECTION 2. This resolution shall be effective immediately upon approval.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THIS THE 1st DAY OF MARCH, 2016.

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
(kbl:2/18/15:75612)

BUILD • DYNAMIC • QUALITY

Our mission at the City of Farmers Branch is to build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.

Guiding Principles

- Act with ethics and integrity.
- Practice financial stewardship.
- Be open and accessible.
- Promote public safety.
- Pursue sustainable economic growth.
- Provide thriving neighborhoods.
- Provide excellent quality of life.
- Offer first-rate infrastructure, facilities, and assets.
- Employ the highest quality workforce.
- Offer phenomenal service.

Act with ethics and integrity.

- I. Establish standard operational practices designed to deliver consistent high performance.
 - a. Institutionalize standard operational practices designed to deliver consistent high performance.
 - b. Evaluate the need for current services and for future services.
 - c. Implement organizational development initiatives designed to deliver increased performance.
- II. Pursue transparency and accountability wherever possible.
 - a. Continue to implement improvements to the City Records Management Program.
 - b. Develop Council and citizen directed bond initiatives.
 - c. Increase Library Board involvement and development.
- III. Pursue opportunities to strengthen relationships across internal departments and with area cities, counties, school districts, chambers of commerce, and state and federal agencies.
 - a. Explore and implement opportunities for shared service delivery.

Practice financial stewardship.

- IV. Maintain responsible stewardship of taxpayers' investments in the community.
 - a. Monitor implementation of the current fiscal year budget to maintain or improve fund balance levels.
 - b. Develop a conservative, balanced budget proposal for the coming fiscal year.
 - c. Seek to augment taxpayers' investments with grant funding.
 - d. Review current Risk Management strategies to minimize risk exposure.
 - e. Conduct a fee analysis for all City fees and fines for appropriateness.
 - f. Conduct an independent analysis to determine the highest and best use of available funds in the Hotel/Motel Fund.

Be open and accessible.

- V. Improve internal and external communications efforts.
 - a. Use professional, high quality media and programs that reflect the City's reputation for excellence and reinforces the City's brand.
 - b. Increase public awareness of library resources offered.
 - c. Improve external communication efforts.
 - d. Improve internal communication efforts.
 - e. Enhance public engagement through improved feedback.
 - f. Work more effectively with the news media.

Promote public safety.

- VI. Provide professional and timely public safety services which meet or exceed industry benchmarks.
 - a. Continue implementation of the Marshal's Office.
 - b. Research alternative means of final adjudication.
 - c. Ensure Courtroom security is adequate.
 - d. Perform at or above public safety benchmark standards for emergency responses.
 - e. Address the emergency management needs of the community.
 - f. Work with Marshal's Office to work more efficiently.
- VII. Engage stakeholders to employ best practices in the proactive planning for and prevention of public safety incidents.
 - a. Perform at or above public safety benchmark standards for prevention planning.
 - b. Address the emergency management needs of the community.
 - c. Ensure that citizens are prepared to handle emergencies.
 - d. Focus efforts on keeping the crime rate low.

Pursue sustainable economic growth.

- VIII. Promote business expansion, retention, and relocation to Farmers Branch.
 - a. Increase residential valuation by \$18,000,000.
 - b. Increase commercial valuation by \$125,000,000.
 - c. Promote redevelopment in the Mustang Station Area.
 - d. Improve the City's marketing efforts.
 - e. Promote the City as a great place to live, work, and play.
- IX. Promote visits to and around the City.
 - a. Increase Hotel Occupancy Tax Fund revenues.

Provide thriving neighborhoods.

- X. Plan, provide for, and promote the maintenance of vibrant residential and commercial neighborhoods.
 - a. Continue to evaluate land use policies and make changes as dictated by the market and the community.
 - b. Develop the East Side Plan.
 - c. Develop a Multi-Family Market Study.
 - d. Update City policy for Code Enforcement.
 - e. Improve Code Enforcement responsiveness to the community.
 - f. Continue to implement the Central Area Neighborhood Revitalization Plan.

Provide excellent quality of life.

- XI. Provide community center spaces in which the public can gather for collaboration, cultural development, and individual improvement.
 - a. Enhance library customer service through the expedited return of materials to the public floor for patron accessibility.

- b. Review current Library programming for effectiveness and customer satisfaction.
- XII. Maintain and develop infrastructure and beautification of City parks, trails, rights-of-way, and other green spaces.
- a. Enhance park infrastructure.
 - b. Advance the Trails Master Plan.

Offer first-rate infrastructure, facilities, and assets.

- XIII. Maintain and improve the current infrastructure, facilities, and equipment assets of the City.
- a. Continue implementation of the Long Range Building Revitalization Plan.
 - b. Develop plans and apply for a permit to install a well to provide flow to Farmers Branch Creek.
 - c. Design, engineer, conduct, and manage contracted street construction, resurfacing, and maintenance projects.
 - d. Provide professional engineering services for the design of minor CIP projects, Community development review, plat review, and Floodplain administration.
 - e. Improve the safety and functionality to the Justice Center facility.
 - f. Improve information technology business continuity.
 - g. Design, engineer, and manage contracted utility maintenance and improvement projects.
- XIV. Plan and prepare for the future infrastructure, facilities, and equipment needs of the City.
- a. Continue efforts to prepare for the future solid waste management needs of the community.
 - b. Address the current and future needs of Fleet Technicians and field crews working in or from the Service Center.

Employ the highest quality workforce.

- XV. Provide workforce investments to maximize employee expertise, wellness, safety, and effectiveness.
- a. Support firefighter health, wellness, and safety initiatives.
 - b. Provide quality fire and emergency medical services (EMS) training programs.
 - c. Continue to advance the Branch Life cultural initiative.

- d. Ensure the compensation policies and practices of the City align with comparable market ranges.
- e. Provide for professional development and the opportunity and incentive for all police employees to stay physically and mentally fit for duty and fit for life.

Offer phenomenal service.

- XVI. Employ innovative programs, updated technologies, and objective analytics to optimize efficiencies and enhance services.
- a. Aggressively develop and promote original ideas and creative solutions for Council consideration.
 - b. Improve Facilities Team service and performance.
 - c. Ensure that our emergency responders and citizens have access to modern public safety dispatch and radio systems.
 - d. Ensure that emergency responders utilize the latest technology, tools, and equipment to deliver emergency services to our citizens.
 - e. Ensure that City staff has access to a fully functional Emergency Operations Center.
 - f. Create a more centralized file system for all planning related documents.
 - g. Complete the relocation of dispatch operations to the North Texas Emergency Communications Center (NTECC).
 - h. Maximize the use of innovative programs, social media, and technology to increase police service levels to the citizens.
 - i. Leverage new or expanded technologies to improve services.



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: ORD-3359

Agenda Date: 3/1/2016

Version: 1

Status: Public Hearing

In Control: Planning and Zoning Commission

File Type: Ordinance

Agenda Number: G.1

Conduct a public hearing and consider adopting Ordinance No. 3359 to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99); and take appropriate action. The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses.

BACKGROUND:

The applicant, Centurion American Acquisitions LLC, is proposing the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses. These 268 acres within the proposed PD-99 are composed of two tracts. Tract 1 consists of approximately 248 acres and is generally located along both sides of Luna Road south of Valley View Lane. Tract 2 consists of approximately 20 acres and is located approximately 1,100 feet east of intersection of Luna Road and the LBJ Freeway (I-635) along the eastbound frontage road. The site is located within Planned Development District No. 88 (PD-88).

RECOMMENDATION:

On February 8th, the Planning and Zoning Commission voted to recommend approval of this rezoning to establish Planned Development No. 99 (PD-99) as outlined in Ordinance No. 3359.

*****Note: The applicant has requested this public hearing be continued until the next Regular City Council meeting on March 15th.***

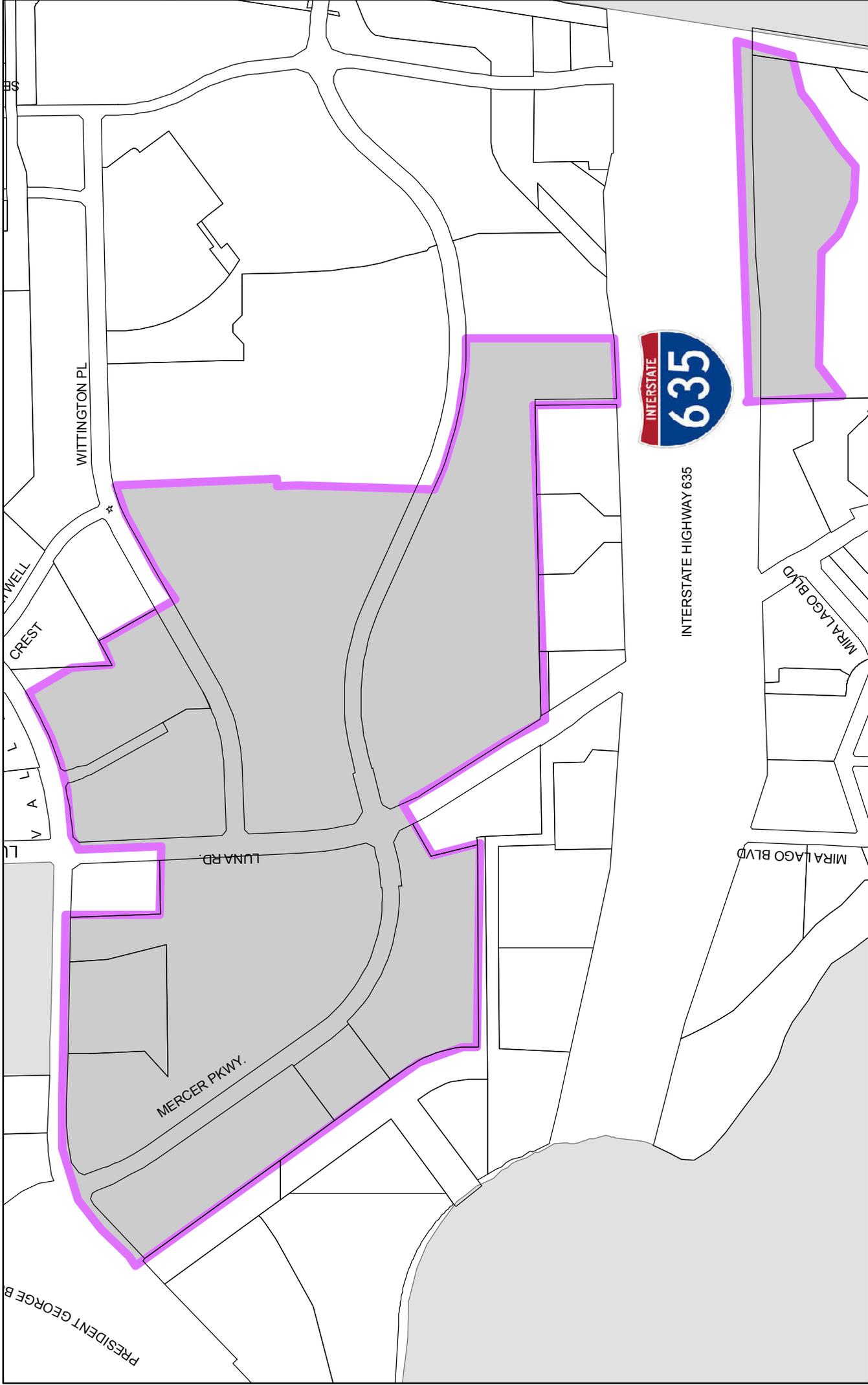
POSSIBLE COUNCIL ACTION:

1. I move to continue discussion on this public hearing until the next regular City Council Meeting on March 15th, 2016.

ATTACHMENTS:

1. Location Map
2. Aerial Map
3. Information Memorandum
4. Development District Map, version 2.23.2016
5. Land Use Map, version 2.23.2016
6. Gas Well Site Map
7. Parks, Open Space, Trails and other Recreational Facilities Map, version 2.23.2016
8. Street Classification Map, version 2.23.2016
9. Street Sections, version 2.23.2016

10. Conceptual Elevations
11. Typical Lot Configuration
12. Development Phasing Map, version 2.23.2016
13. RSI Market Study
14. Catalyst Land Use Value Comparison
15. MetroStudy Fiscal Analysis Summary provided by Valwood Improvement Authority
16. Site Photographs
17. Opposition Letters inside the notification area
18. Opposition Letters outside the notification area
19. Minutes of the February 8th P&Z Meeting



Parcels2015

Zoning Case Boundary

Case 15-ZA-04 - Location Map

FARMERS BRANCH

INTERSTATE HIGHWAY 635

0 750 1,500 Feet

North

Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data. For pictorial reference only.

EXHIBIT K – Conceptual Building Elevations

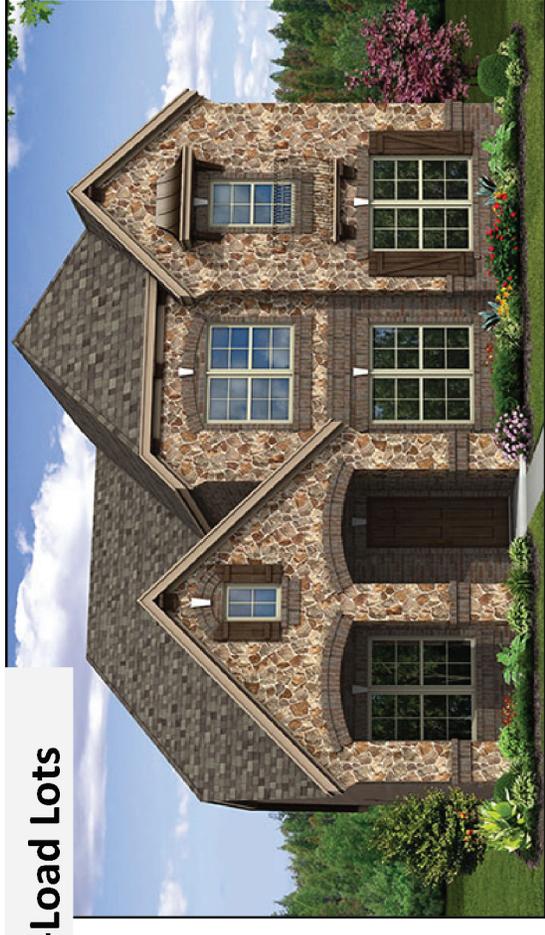
Conceptual Elevations



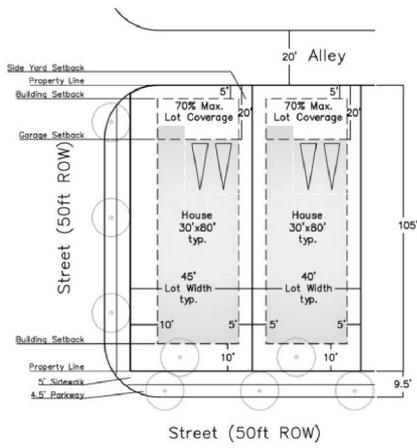
40' Rear-Load Lots



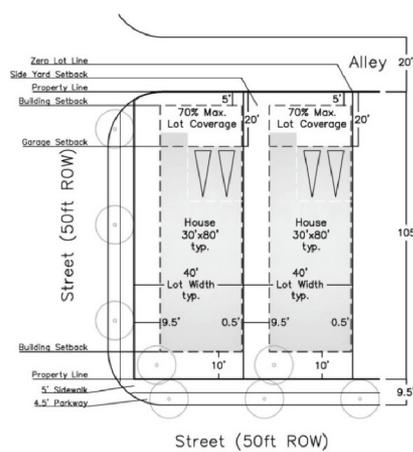
50' Rear- / Front-Load Lots



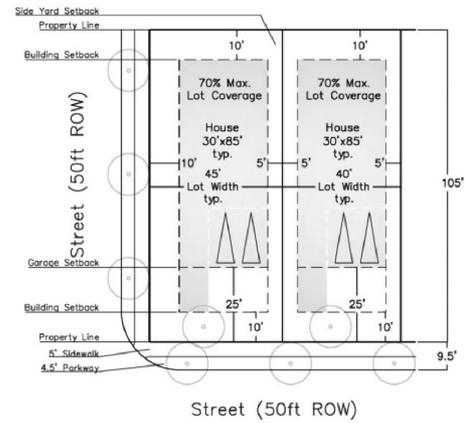
Typical Lot Configuration



40'
Rear-Loaded Lots
(Typical)



40'
Rear-Loaded Zero Lot Lines
(Typical)



40'
Front-Loaded Lots
(Typical)

Townhomes
(Typical)

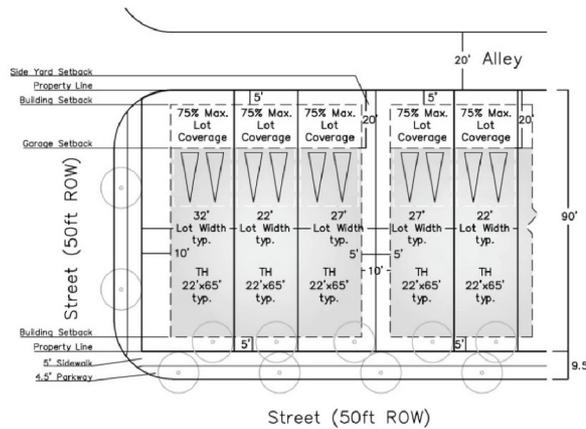
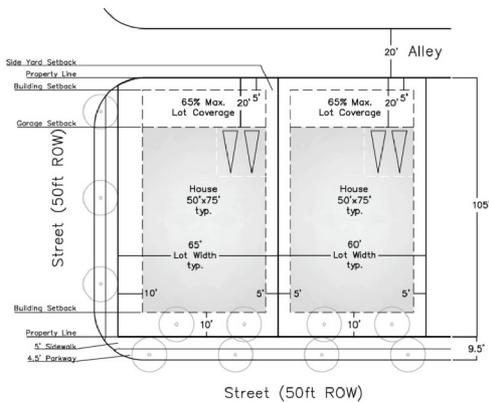
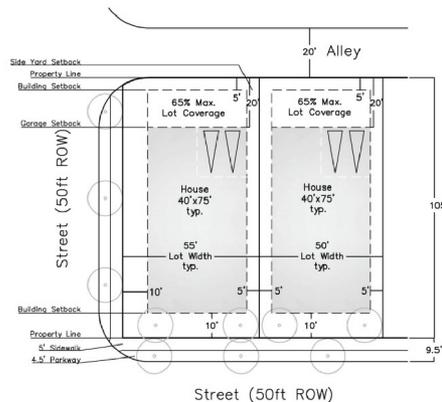


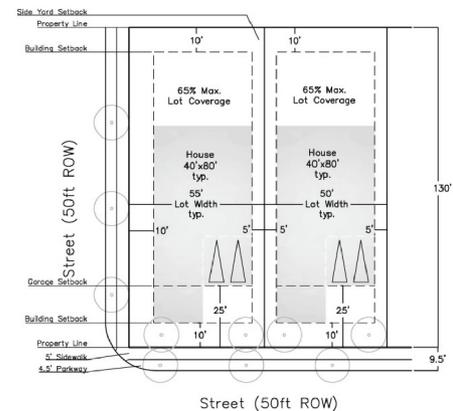
EXHIBIT J – Typical Building Lot Setbacks and Coverages



60'
Rear-Loaded Lots
(Typical)



50'
Rear-Loaded Lots
(Typical)



50'
Front-Loaded Lots
(Typical for 130' Deep Lot)

Development Phasing Map, version 2.23.2016

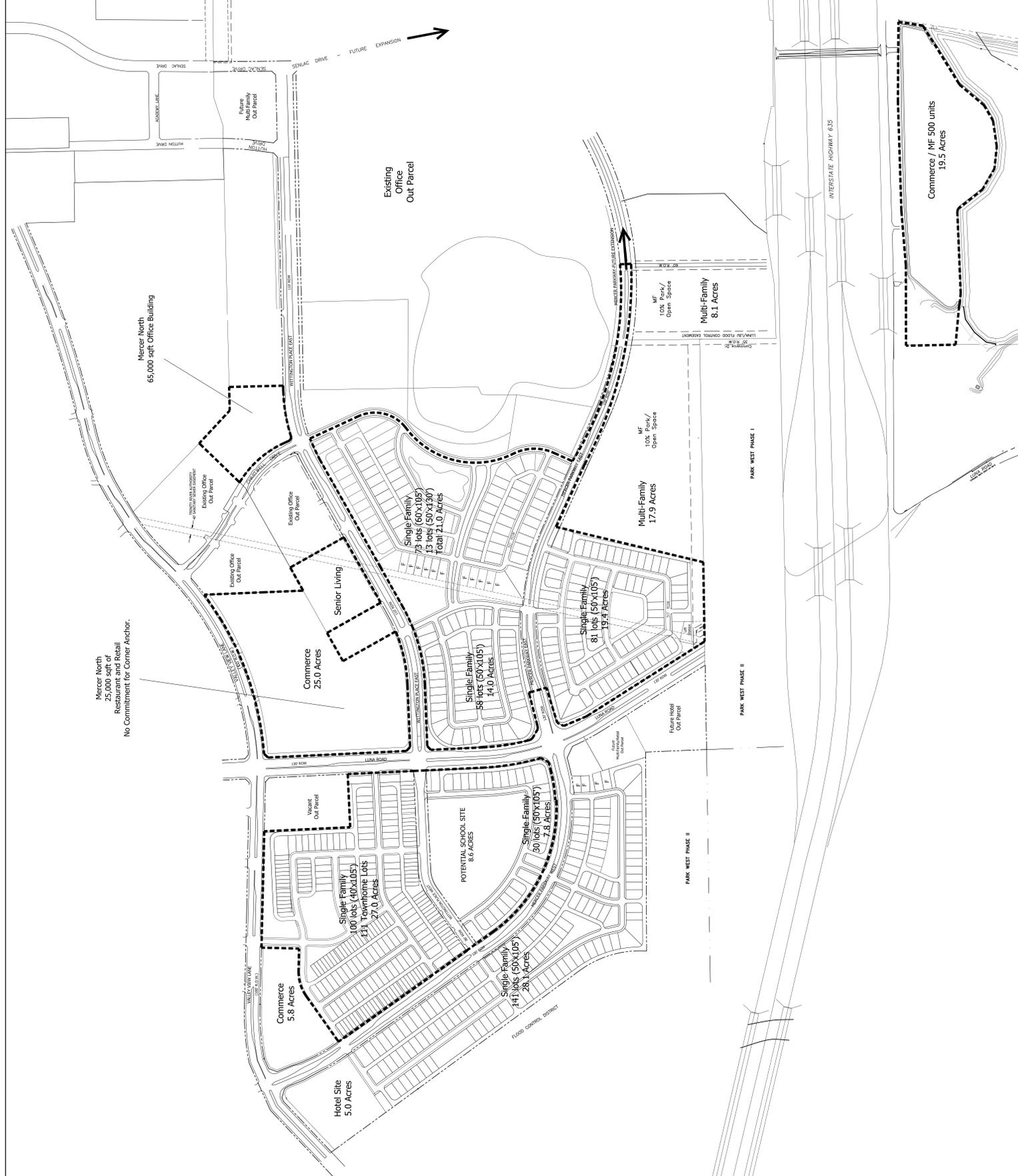
DEVELOPMENT PHASING MAP

Legend

Phasing Boundary - - - - -

NOTICE: Land use, lot yields, road alignments, park/open space and trails are illustrative in nature and may change due to final surveys, field conditions and environmental findings, utilities, final site plan, and other factors. The City of Farmers Branch, Texas, and Mercer Crossing Layout, LLC are not responsible for any loss of lots and land use changes due to these factors. Land use allocations and densities by 10%.

Mercer Crossing Layout
 CITY OF FARMERS BRANCH, DALLAS COUNTY, TEXAS
Ion Design Group
 3025 East 11th Ave
 Dallas, Texas 75241
 214.343.8400
 214.343.8405



Mercer Crossing
Farmers Branch, Texas
Development Review & Market Study

Prepared for: Centurion American
January 28, 2016

Residential Strategies

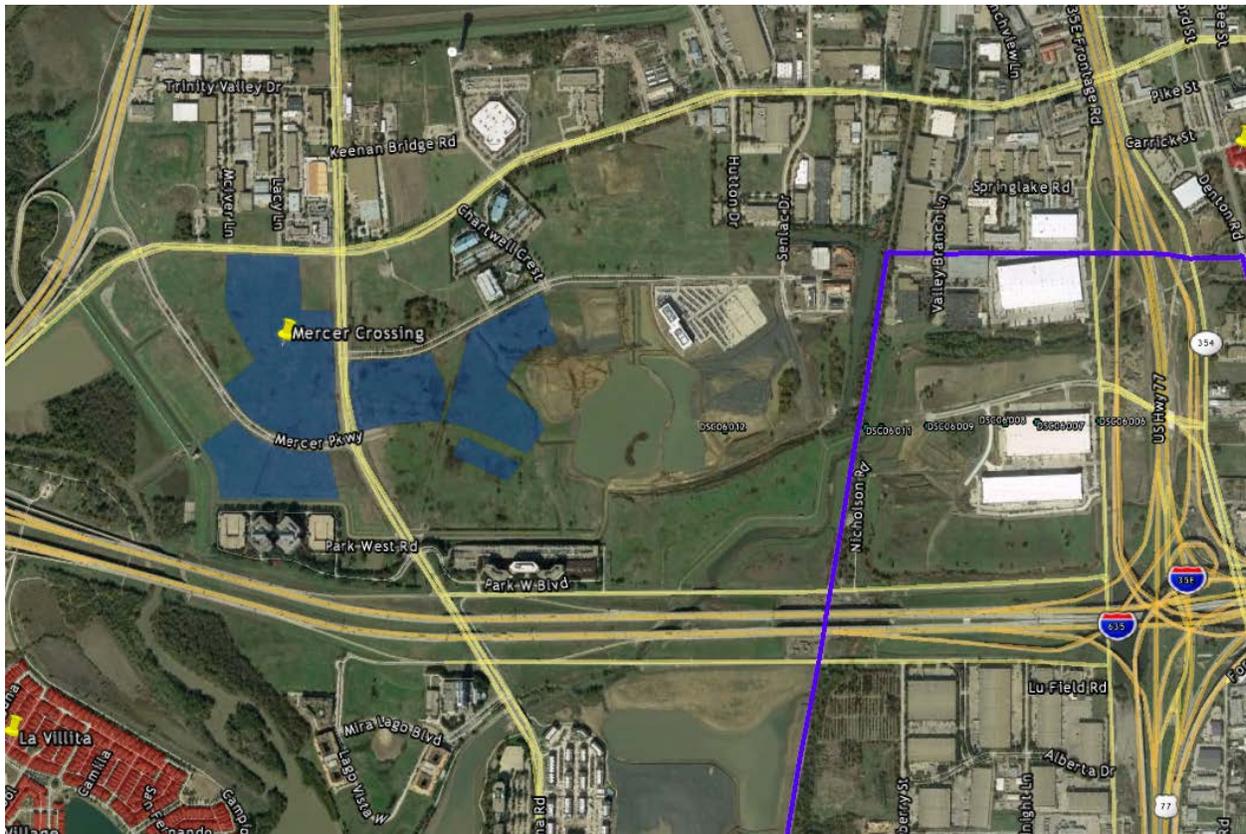
Mercer Crossing, Farmers Branch, Texas

Residential Strategies, Inc. (RSI) was asked to prepare a review of the proposed Mercer Crossing residential development for Centurion American including current and future market conditions, lot pricing, new home activity and absorption and potential future competition.

Project Description and Evaluation

Centurion American plans to develop the Mercer Crossing tract for single-family homes. The property is located within Farmers Branch and served by Carrollton-Farmers Branch School District. The site will yield approximately 600 total single-family lots ranging in size from 25' wide townhomes to 60' wide detached homesites.

The property is located on the north side of the LBJ (I-635) Extension at Luna Road. The residential portion will be part of a larger, comprehensive mixed-use development.



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Each builder will have approximately 100 lots with a takedown requirement of 8 units per quarter

- On the approximately 200 40'x105' lots, there will be three builders—Lennar (70 lots), Beazer (70 lots) and M/I Homes (60 lots)

Lennar will offer units 2100-3400 sf with pricing \$394-479K (\$141-188 psf)

Beazer will offer units 2100-3400 sf with pricing \$415-469.2K (\$138-198 psf)

M/I Homes will offer units 2100-3400 sf with pricing \$436-499.8K (\$147-208 psf)

Each builder will have a takedown requirement of 8 units per quarter

- On the approximately 150 50' lots, there will be three builders—Lennar (50 lots), Beazer (50 lots) and M/I Homes (50 lots)

Lennar will offer units 2400-4000 sf with pricing \$445-516K (\$160-185 psf)

Beazer will offer units 2400-4000 sf with pricing \$456-620K (\$155-190 psf)

M/I Homes will offer units 2400-4300 sf with pricing \$480-688K (\$160-200 psf)

Each builder will have a takedown requirement of 8 units per quarter

- On the approximately 50 60' lots, there will be three builders—Lennar (15 lots), Beazer (15 lots) and M/I Homes (20 lots)

Lennar will offer units 2600-4100 sf with pricing \$495-595K (\$185-190 psf)

Beazer will offer units 2800-4100 sf with pricing \$546-676.5K (\$165-195 psf)

M/I Homes will offer units 2800-4500 sf with pricing \$560-697.5K (\$155-200 psf)

Each builder will have a takedown requirement of 2 units per quarter

Schools

Mercer Crossing will be served by the Carrollton-Farmers Branch ISD. This school district received the Texas Education Agency (TEA) “Met Standard” distinction in 2015, the year for which the most current ratings are available.

The schools listed below represent the campuses that children would currently attend, according to district attendance zone boundaries as well as the Distinction Designations for each.

Tom Landry Elementary—“Met Standard”

Distinctions Earned: Top 25 % Student Progress; Postsecondary Readiness

Barbara Bush Middle School—“Met Standard”

Distinctions Earned: Academic Achievement in Reading/ELA; Academic Achievement in Social Studies; Top 25 % Student Progress; Top 25% Closing Performance Gaps; Postsecondary Readiness

Ranchview High School

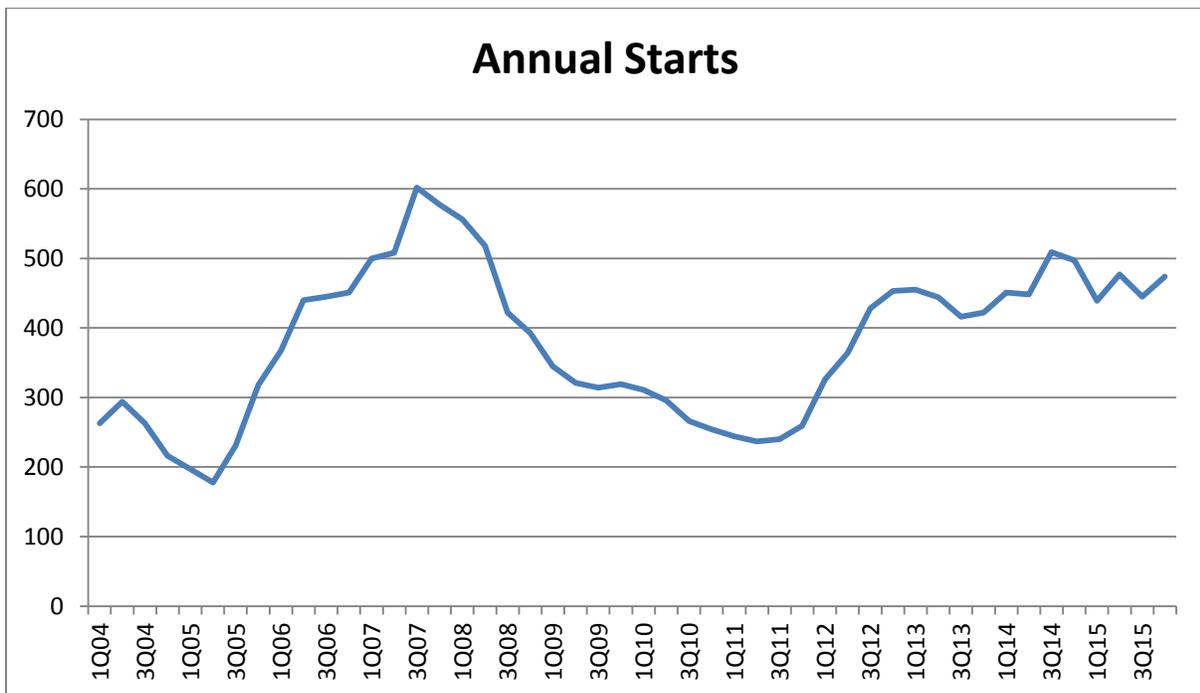
Distinctions Earned: Academic Achievement in Reading/ELA; Academic Achievement in Mathematics; Academic Achievement in Science; Academic Achievement in Social Studies; Top 25 % Student Progress; Top 25% Closing Performance Gaps; Postsecondary Readiness

Competitive Submarket Review

The subject property is extremely well located with high visibility on the I-635 extension. Households living in Mercer Crossing will have quick access to the large employment centers found at Las Colinas, the DFW Airport, and North Dallas.

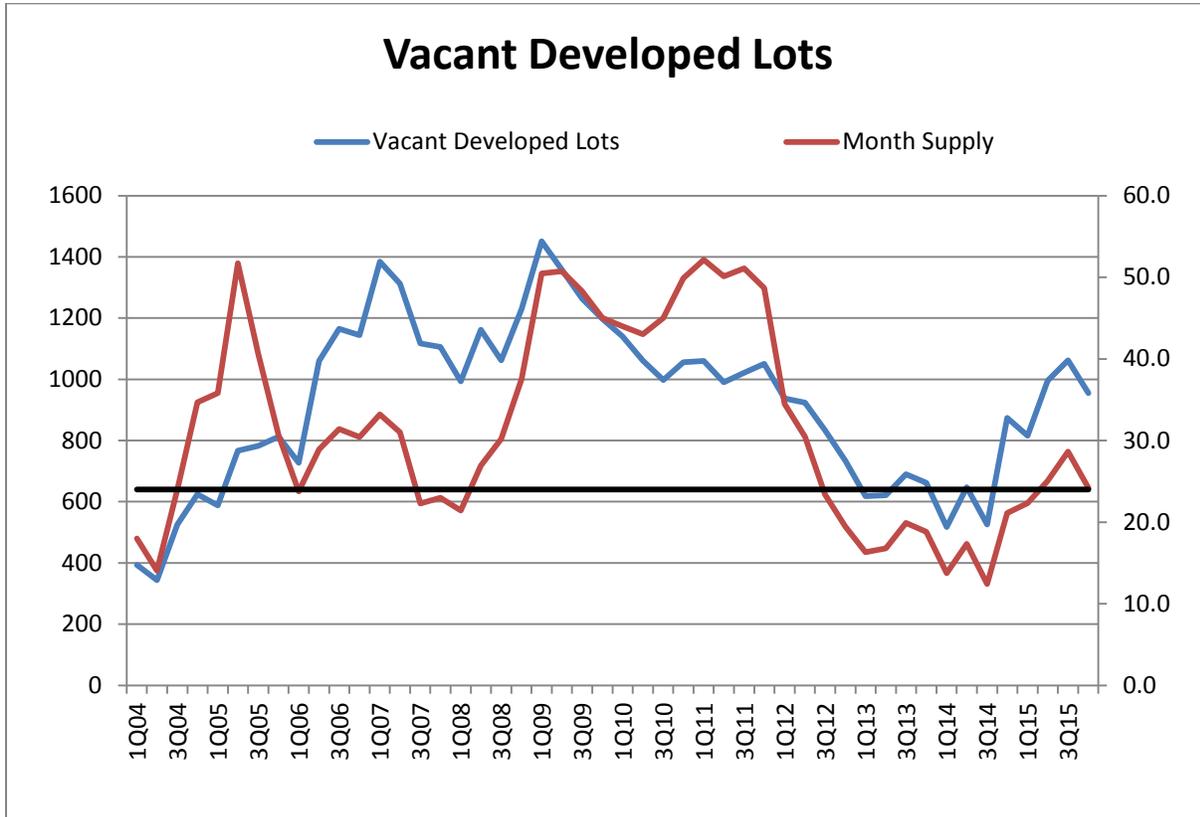
The recently improved I-635 Corridor has greatly improved commute times to points east. Likewise, the 190 George Bush Turnpike to the west and the I-35E corridor to the east (under construction) will afford quick drive times to points north and south.

A review of the annual start activity for the combined submarket areas of Irving-Las Colinas, Irving-Valley Ranch and Farmers Branch is outlined below.



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The vacant lot inventory and related month supply for this area is outlined in the following chart. Due to the infill nature of this submarket there is an ebb and flow to developments. New developments coming on line tend to cause the month supply of inventory to appear large due to a lack previous start activity; however, the month supply of lot inventory quickly subsides as the projects come on line.



There were several developments in the submarket area that had rapid startups. Two key historical comps located nearby were both located in the Carrollton-Farmers Branch ISD:

La Villita—Hines Development

Offered TH, 40', 50' & 60' lots for Darling, K Hovnanian, City Homes and Portrait

Active from 2005 to 2012, crested in activity in 2006 at 192 units per year

Median Price of \$368K in 2006

Riverside Village—Hines Development

Offered 40', 50', 60' & 70' lots for Darling, Highland and Coventry

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Active from 2007 to 2015, crested in activity at 106 units per year in 2Q12

Median Price of \$401K in 2012

RSI has defined the Competitive Submarket as consisting of the portions of Irving-Las Colinas, Irving-Valley Ranch and Farmers Branch that lie within the Coppell and Carrollton-Farmers Branch ISD.

The metrics for these areas at the conclusion of 4Q15 were as follows:

Competitive Submarket Carrollton-Farmers Branch ISD—2015 Activity

Annual Starts: 129

Annual Closings: 137

Finished Vacant Housing Supply: 28 units at YE (1.6 MS)

Vacant Developed Lot Supply: 50 (4.7 MS) 25-MS equilibrium

Lots Under Development: 226 (21.0 MS)

Median New Home Price: \$413,592

Competitive Submarket Coppell ISD—2015 Activity

Annual Starts: 264

Annual Closings: 173

Finished Vacant Housing Supply: 50 (3.5 MS)

Vacant Developed Lot Supply: 448 (20.4 MS)

Lots Under Development: 125 (5.7 MS)

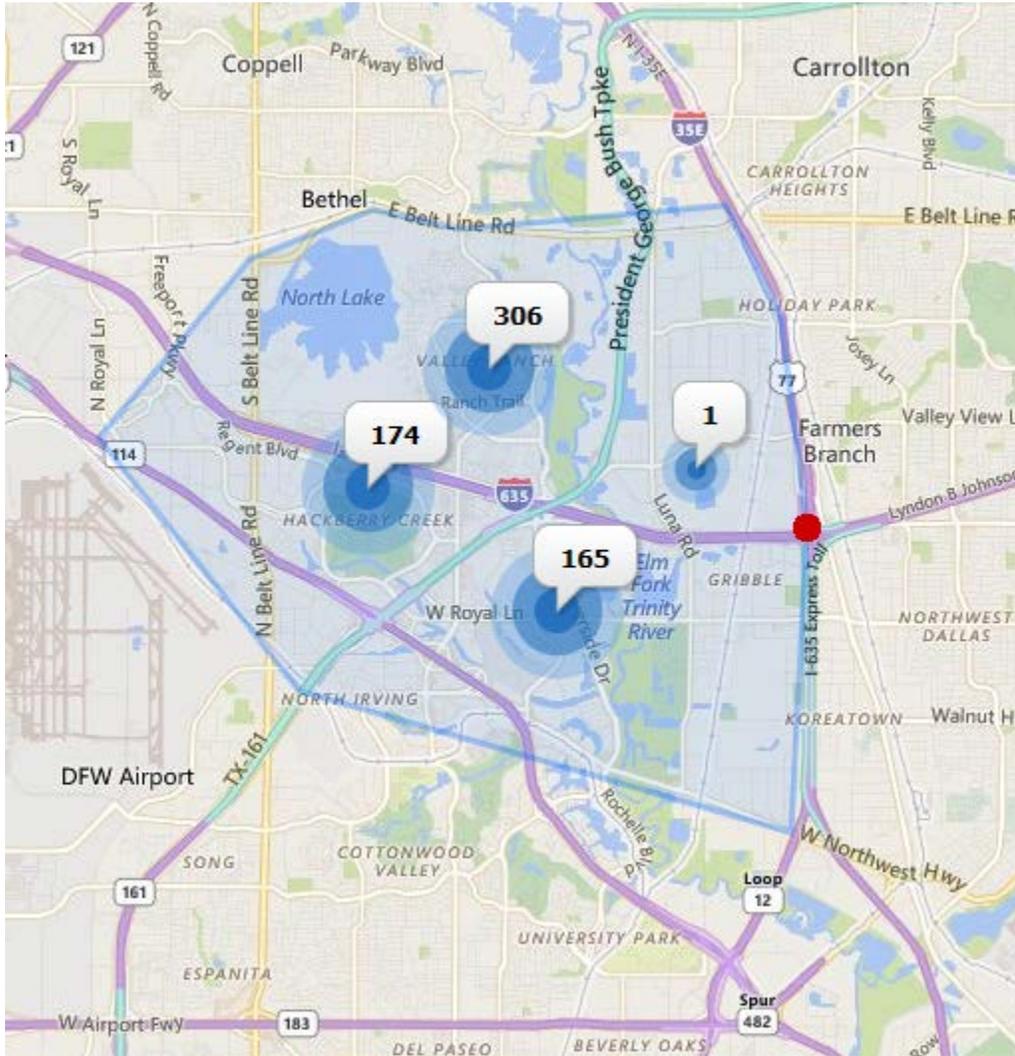
Median New Home Price: \$595,690

The metrics of the market look quite favorable at 2015YE with a balanced supply of existing vacant lots and only a modest amount of new lot inventory under development.

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Resale Overview

RSI gathered resale information for the geography that lies in the Mercer Crossing submarket. See map below:



During 2015, there were 646 sales recorded by MLS. The median existing home sale price was \$328,250 with a square footage of 2,422 (\$135.73 psf). The median age of the house was fairly young, built in 2001.

The proposed sales range for Mercer Crossing will be \$279-697K. 215 of the 646 sales (33%) were priced below the starting sales price of the proposed community. Detail of the houses sold in this area can be found in the addendum.

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Active Development Review

RSI has provided a review of the most relevant comparable developments within the custom market area below.

Bridges at Las Colinas: Developed by Hines Development, Bridges at Las Colinas yielded 118 starts in 2015. Highland (39 starts) and Meritage (21 starts) compete on the 50' lots with prices ranging \$479-584K. There are 31 VDLs remaining on the 50's with a final 23 lots under development. On the 60' program, Meritage (26 starts) and Darling (32 starts) compete with prices ranging \$528-713K. There are 47 VDLs with 28 60' lots under development. This community lies in the Coppell ISD. Bridges at Las Colinas likely will build-out by 2016YE.

Parkside East and West: Another community by Hines Development, Parkside East and West is situated on the south side of SH 114 at Belt Line, across from Bridges at Las Colinas in Coppell ISD. All phases of this development saw 141 starts in 2015. Lots in the initial phase of this development were priced at \$2850 pff with heavy takedown requirements. In Parkside East, Weekley (25 starts) operates in the Ivy Hill section on 35' lots with houses priced \$375-438K. There are 64 VDLs remaining here. In the 50' section called Memorial Place, Highland (28 starts) and Plantation (22 starts) are the builders with product priced \$468-616K. There are 111 VDLs remaining here. Parkside East should reach build-out by 2017YE. The Parkside West phase offers 40', 50' & 60' lots. Lennar (26 starts) operates on 40' lots in Promton Ridge with product priced \$449-509K. There are 57 VDLs here. In the 50' Arches Point section, Plantation (10 starts) and Village (14 starts) are the builders with houses priced \$468-600K. There are 69 VDLs here. In the 60' Arches Point section, Plantation (5 starts) and Darling (11 starts) are the builders with houses \$502-613K. There are 40 VDLs here. Parkside West was delivered after Parkside East, and current start activity only reflects about 8 months of construction activity. The current VDLs therefore likely will be worked through by 2017 YE. However, development activity has commenced on 74 new 35' lots as well as a blend of 320 50' and 60' lots. These phases should be delivered by 2016 YE and likely will push start activity to 2018YE.

Villas of Escena: David Weekley Homes has been building on 30'x115' RE lots in FRAM's Villas of Escena. Weekley had 32 starts on homes priced \$345-388K in 2015. There are only 11 lots remaining here, thus the community will be buyilt out by mid-2016. Ph. 3 lots were priced \$80K (\$2667 pff). This community is in Carrollton-FB ISD.

Campion Hollows: On the north side of I-635 in Carrollton-FB ISD is another Hines development called Campion Hollows. David Weekley (25 starts) and K Hovnanian (29

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starts) have been building on 50-54' lots with product priced \$390-517K. There are only 18 lots remaining here, thus this community will build out in mid-2016.

Avalon Square: There are a general lack of new townhome developments in the area. Avalon Square, located near the Exxon Mobil headquarters, offers 20'x80' lots with product priced \$293-332K. Ashton Woods had 24 starts here in 2015 and only 19 lots left, thus they should build out in 2016 as well.

Future Development Review

Future competition will be limited due to the lack of developable land in the submarket. However, RSI is aware of the following projects:

Encore of Las Colinas: Paul Taylor will receive 20 lots here for product on 50'x115 lots. Reportedly lots were initially marketed at \$3000 pff here. This community is in Carrollton-FB ISD. This should build out in 1 year.

Las Colinas Equestrian Center: Across Riverside Drive from here, Provident Development is set to break ground on Las Colinas Equestrian Center in March, 2016. This tract is in a split school district, divided between Carrollton-FB ISD (preferred) and Irving ISD. David Weekley Homes will receive 71 lots 45'x90' priced \$113,500 (\$2522 pff). This community should build out in 2 years.

Silver Leaf: Prime Ventures is developing Silver Leaf to the west of Campion Hollow. The timing of this community suggests it will be a replacement for Campion Hollow which operated at a 50+ start rate. There are 95 50'x120 lots here suggesting a build out by 2017YE. This community is in Carrollton-FB ISD.

Villas at Mustang Park: Hines Development is under way on 77 50'x100' lots in Villas at Mustang Park located on Kinwest Parkway adjacent to I-635. This community is in Carrollton-FB ISD. Reportedly, K Hovnanian will pay \$138,000 (\$2760 pff) for lots here with a takedown requirement of 8 units per quarter. This should be a 2 year development as well, with build out in mid-2018.

TREZ Tract: Trez Capital (Amalgamated Development) is moving forward with the development of 41 50' lots for American Legend Homes. The tract is situated near the intersection of Las Colinas Boulevard and Customer Way. This community is in Carrollton-FB ISD. Reportedly these lots will be sold for cash \$160K (\$3200 pff) at substantial completion. Development has not yet begun here. With 41 lots, this community should build out in under 2 years

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Irving ISD Tracts: While technically outside the Competitive Submarket area (to the west in Irving ISD near the intersection of SH 161 and Belt Line) are two other developments worth mentioning. First is The Dominion. Centurion American recently delivered 137 lots here for Ryland and Megatel. These 40' lots reportedly were priced \$75,000. Likewise, on the south side of SH 161, Hines is planning Estancia. This is a 95 50' lot development for K Hovnanian with lots priced \$95,000.

Conclusion: Evaluation of Market Potential

Residential Strategies, Inc. (RSI) was asked to prepare a review of the proposed Mercer Crossing development for Centurion American including current and future market conditions, lot pricing, new home activity and absorption and potential future competition.

Project Review and Summary

- The Mercer Crossing tract is one of the largest, vacant infill tracts remaining along the I-635 extension. With the potential to develop into approximately 600 total homesites, this project would be one of the largest planned developments in the DFW area and is especially significant given its proximity to the core DFW employment centers.
- Residents will have quick access to DFW Airport and Las Colinas, as well as ample restaurant, retail and medical amenities.
- Children will attend the Carrollton-Farmers Branch ISD. All campuses that the site is currently zoned for have met the basic state standards and each has also received at least one of the distinctions meant to distinguish schools that outperformed state standards. While the adjacent Coppell ISD has a higher valued perception among home buyers, there is ample track record showing success of sales to new homebuyers in this school district. It should also be reiterated that Carrollton-Farmer Branch ISD has a superior perception than Irving ISD.

Project Considerations

The subject property represents one of the last large infill locations along the I-635 extension and is one of the 'high-profile' land developments that will hit the DFW market in 2017-2018. Without question, the DFW builder community recognizes this location as one that will greatly benefit from the massive job growth emanating from the Las Colinas and DFW Airport areas.

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With the tremendous builder interest that this location has generated, it is not a surprise that Lennar, Beazer, M/I Homes, Siena and Megatel are willing to pay top of market lot prices and agree to strong deal terms. With today's high lot prices, there is some deal risk regarding the pace of housing absorption should mortgage rates suddenly surge, but these are more overall market risks as opposed to site specific challenges. Due to the infill nature of the property, there will be limited competition that could impact the future of this development.

The location of the property should have broad appeal to prospective home buyers that are seeking a convenient commute to work as well as proximity to nightlife, shopping and restaurants.

The initial house pricing on the TH, 40' and 50' lots (which represents the bulk of Mercer Crossing) is generally targeted at under \$600K. This should keep the proposed housing community within the price range of a large percentage of the surrounding neighborhoods. It is also reflective of the pricing of other area neighborhoods that are finding success today. A reasonably priced new home community that is well-executed in design will be imperative to reach the sales velocities anticipated by both the builders and developers—goals that should be achievable given the high levels of demand and lack of area competition in an infill position.

While RSI believes that its forecast is indicative of recent absorption characteristics elsewhere in the submarket and reflects the historical surges experienced at locations such as La Villita and Riverside, it also recognizes that the very tight inventory levels of both new and existing homes, in conjunction with the strong demand stemming from relocations, could potentially result in near-term absorption results that exceed this forecast.

Lot Pricing

Centurion American has represented that the proposed lot price for the Mercer Crossing development will be \$3,000 per front foot.

As noted in the above lot comparables, the generalized lot pricing for well-located developments currently on the ground (and planned 2-3 years ago), was for lots in Carrollton-Farmers Branch ISD to be priced \$2600-2700 pff and those in the Coppell ISD to be priced \$2900-3000 pff. With increased land and development costs, it now appears that the next generation of lots in Carrollton-Farmers Branch ISD are now pushing to the \$2900-3000 pff level. Clearly, Centurion American's ability to achieve these superior lot prices will be predicated on their ability to produce an extremely

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high quality development in a top-tier location as has been presented in their collateral material.

Lot prices in the \$2,900 to \$3,000 per front foot range can be found in other submarkets in DFW including Frisco, the State Farm corridor, Grapevine-Colleyville ISD, Southlake (for smaller 50' lots), and other desirable infill locations.

The areas mentioned above have similar characteristics to the Mercer Crossing submarket in terms of access to employment/commuter corridors, proximity to shopping, restaurants and medical services.

Centurion American has shared with RSI the following generalized house pricing

- Townhomes: \$279-395K
- 40' lots: \$394-500K
- 50' lots: \$445-688K
- 60' lots: \$495-698K

Considerations for Anticipated Buyer Demand

RE 25'x90' TH

There are few townhome communities currently active in the competitive submarket. The closest comparable has been Avalon Square which has yielded 2 upm for Ashton Woods. Sienna will be priced akin to the offering by Ashton Woods. While Mercer Crossing is a superior location to Avalon Square, it will have a building partner in Megatel. Megatel's product will be priced more closely to some of the TH offering in Las Colinas core area. Assuming Centurion American has the mixed-use component of Mercer Crossing underway, the higher priced Megatel offering should compete favorably with these other area Urban Center developments. Appropriately, Megatel's upper end offering is priced just below the starting price of the 40' detached product at the development. RSI projects 2.5 upm for Sienna and 1.5 upm for Megatel.

RE 40'x105' Zero Lot Line

Having three builders on each the 40', 50' and 60' lots in Mercer Crossing will make the development very competitive. Lennar is positioned to be the price-leader of the group and likely will have the strongest absorption. Its pricing of \$394-479K is below its offering on 40' lots in Parkside West-Prompton Ridge (\$449-509K) which is appropriate given the difference in school districts. RSI believes Lennar can achieve 24 upy here. Beazer's pricing is similar to Lennar's and the 2 builders should be able

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to go toe-to-toe. M/I's pricing is somewhat higher. Despite an assumed higher quality product offering, with the potential overlap with Coppell ISD offerings, RSI projects 1 upm for this builder.

RE 50'x105-130'

The Lennar offering on 50' lots with prices \$445-516K is also in the wheel-house of the market. Lennar is priced below the \$468-600K offering in the Parkside-East Arches Point section. Beazer is priced somewhat higher, and again, M/I appears to be providing an offering that is priced akin to the Coppell ISD builders. This could provide some challenges for M/I as the Parkside neighborhood likely will overlap with the first phase of Mercer Crossing.

RE 60'x105'

With only 60 or so 60' lots in Mercer Crossing, builders likely will treat this product as a move-up for 50' buyers. With a handful of lots on the water, builders will be able to command strong premiums for these lots. Lennar appears to be priced directly with the competition elsewhere in the submarket, while both Beazer and M/I would be offering houses at a premium.

Sources of Demand

Existing households: One source of demand for the project comes from households within relatively close proximity that are interested in moving up, but staying within the same general area. As noted in the resale portion of the report, about 2/3 of the existing homes in the submarket will have some overlap price-wise with the offerings in Mercer Crossing.

Relocation buyers: With large employers, such as those Fortune 500 companies found at Las Colinas and the DFW Airport area, located near the subject site, RSI anticipates a certain percentage of relocation buyers will also be interested in the subject community.

Residential Strategies

Projections

RSI’s projections for the pace of new home starts during the initial year of sales are as follows:

| Lot Size | Lot Price | Estimated Home Price Range | Builder | Monthly Starts | Annual Start Pace |
|--------------|-----------|----------------------------|---------|----------------|-------------------|
| 25' x 90' TH | \$75K | \$279-360K | Sienna | 2.5 | 30 |
| | | \$325.5-395K | Megatel | 1.5 | 18 |
| 40' Lots | \$120K | \$394-479K | Lennar | 2.0 | 24 |
| | | \$415-469.2K | Beazer | 2.0 | 24 |
| | | \$436-499.8K | M/I | 1.0 | 12 |
| 50' Lots | \$150K | \$445-516K | Lennar | 2.0 | 24 |
| | | \$456-620K | Beazer | 1.5 | 18 |
| | | \$480-688K | M/I | 1.0 | 12 |
| 60' Lots | \$180K | \$495-595K | Lennar | 1.5 | 18 |
| | | \$546-676.5K | Beazer | 0.5 | 6 |
| | | \$560-697.5K | M/I | 0.5 | 6 |
| Total | | | | 16.0 | 192 |

As builder competition diminishes in competitive neighborhoods, absorption rates may be able to increase, assuming housing affordability in Mercer Crossing remains intact.

Assumptions & Limiting Conditions

Although Residential Strategies, Inc. (RSI) has used commercially reasonable efforts to obtain information from sources it believes to be reliable and accurate, RSI does not guarantee the accuracy or completeness of such information. Information presented in this report represents RSI’s estimates as of the date of the report and is subject to change without notice. This report is not intended as a recommendation or endorsement of any action taken by you or any third party in regard to the subject matter of this report or any other real estate activity. RSI WILL HAVE NO LIABILITY FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING (BUT NOT LIMITED TO) LOST PROFITS, OR DIMINUTION IN VALUE OF YOUR BUSINESS OR PROPERTY, ARISING FROM OR RELATING TO RSI’S SERVICES HEREUNDER, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE REASONABLE OR FORESEEABLE UNDER THE APPLICABLE CIRCUMSTANCES. RSI’S LIABILITY ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, FOR ANY LOSS OR DAMAGE ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THIS REPORT OR THE SERVICES PROVIDED BY RSI SHALL IN NO SINGLE CASE, OR IN THE AGGREGATE, EXCEED THE AMOUNTS ACTUALLY PAID TO RSI IN CONNECTION WITH THE REPORT.

Residential Strategies

The following contingencies and limiting conditions are noted as fundamental assumptions that may affect the accuracy or validity of the analysis and conclusions set forth in this report. Specifically, the parties assume:

- that the Dallas/Fort Worth metropolitan area, the State of Texas, and the nation as a whole will not suffer any major economic shock during the time period of the forecast contained in this report;
- that general population levels will continue to increase at or above the rate forecast;
- that the public and third party sources of statistical data and estimates used in this analysis are accurate and complete in all material respects, and that such information is a reasonable resource for project planning purposes;
- the proposed real estate development project described herein, when completed, will be designed, promoted, and managed in a manner that will have an impact on the local market that is reasonably consistent with other similar projects in the past; and
- that the recommendations set forth in this report will be acted upon within a reasonable period of time to preclude major changes in the factual conditions evaluated.

Any change in facts affecting the proposed project or any of the assumptions noted above or in the attached report could materially affect the conclusions set forth in this report or necessitate the re-evaluation of all or any portion of this report.

| PD 88 | |
|--|----------------|
| Single Family | Totals |
| New Single Family Units (2015 - 2040) | - |
| Total Ad Valorem (2015 - 2040) | \$ - |
| Total Single Family Value (Value in 2045) | \$ - |
| Single Family Cost of Service | |
| Cumulative Residents (2015 - 2040) | - |
| Estimated Cost of Service (Catalyst) | \$ - |
| Estimated Cost of Service (Farmers Branch) | \$ - |
| Multifamily | |
| New Multifamily Units | 2,556 |
| Total Ad Valorem | \$ 173,898,832 |
| Total Multifamily Value | \$ 366,673,807 |
| Multifamily Cost of Service | |
| Cumulative Residents | 4,601 |
| Estimated Cost of Service (Catalyst) | \$ 18,470,314 |
| Estimated Cost of Service (Farmers Branch) | 91766108.61 |
| Retail | |
| Net New Retail SF | 1,435,158 |
| Retail Ad Valorem | \$ 92,897,290 |
| Retail Sales Tax | \$ 100,352,011 |
| Total Retail Value | \$ 222,783,589 |
| Retail Cost of Service | |
| Cumulative Employees | 1,914 |
| Estimated Cost of Service (Catalyst) | \$ 4,816,089 |
| Estimated Cost of Service (Farmers Branch) | 23224323 |
| Office | |
| Net New Office SF | 3,917,133 |
| Office Ad Valorem | \$ 224,322,083 |
| Total Office Value | \$ 572,995,592 |
| Office Cost of Service | |
| Cumulative Employees | 7,834 |
| Estimated Cost of Service (Catalyst) | \$ 17,444,347 |
| Estimated Cost of Service (Farmers Branch) | \$ 56,080,521 |
| Hospitality | |
| Net New Hospitality SF | 354,143 |
| Hospitality Ad Valorem | \$ 14,801,047 |
| Hotel Tax | \$ 13,466,808 |
| Total Hospitality Value | \$ 49,645,281 |
| Hospitality Cost of Service | |
| Cumulative Employees | 354 |
| Estimated Cost of Service (Catalyst) | \$ 645,136 |
| Estimated Cost of Service (Farmers Branch) | \$ 3,861,143 |
| Civic | |
| Net New Civic SF | - |

| PD 99 | |
|--|----------------|
| Single Family | Totals |
| New Single Family Units | 571 |
| Total Ad Valorem | \$ 177,963,204 |
| Total Single Family Value | \$ 369,648,623 |
| Single Family Cost of Service | |
| Cumulative Residents | 1,001 |
| Estimated Cost of Service (Catalyst) | \$ 3,624,661 |
| Estimated Cost of Service (Farmers Branch) | \$ 42,111,985 |
| Multifamily | |
| New Multifamily Units | 2,346 |
| Total Ad Valorem | \$ 195,129,480 |
| Total Multifamily Value | \$ 380,694,017 |
| Multifamily Cost of Service | |
| Cumulative Residents | 4,222 |
| Estimated Cost of Service (Catalyst) | \$ 16,075,023 |
| Estimated Cost of Service (Farmers Branch) | \$ 85,658,490 |
| Retail | |
| Net New Retail SF | 260,489 |
| Retail Ad Valorem | \$ 18,566,539 |
| Retail Sales Tax | \$ 20,056,446 |
| Total Retail Value | \$ 42,911,436 |
| Retail Cost of Service | |
| Cumulative Employees | 347 |
| Estimated Cost of Service (Catalyst) | \$ 830,755 |
| Estimated Cost of Service (Farmers Branch) | \$ 4,006,100 |
| Office | |
| Net New Office SF | 324,740 |
| Office Ad Valorem | \$ 20,289,823 |
| Total Office Value | \$ 51,418,472 |
| Office Cost of Service | |
| Cumulative Employees | 433 |
| Estimated Cost of Service (Catalyst) | \$ 926,789 |
| Estimated Cost of Service (Farmers Branch) | \$ 4,469,197 |
| Hospitality | |
| Net New Hospitality SF | 129,888 |
| Hospitality Ad Valorem | \$ 4,172,602 |
| Hotel Tax | \$ 3,796,463 |
| Total Hospitality Value | \$ 17,501,217 |
| Hospitality Cost of Service | |
| Cumulative Employees | 130 |
| Estimated Cost of Service (Catalyst) | \$ 156,946 |
| Estimated Cost of Service (Farmers Branch) | \$ 1,009,111 |
| Civic | |
| Net New Civic | |

| Total PD 88 Numbers | |
|---|------------------|
| Total Net New Retail Sq. Ft. | 1,435,158 |
| Total Net New Office Sq. Ft. | 3,917,133 |
| Total Net New Hospitality Sq. Ft. | 354,143 |
| Total Net New Residential (Multifamily) Units | 2,556 |
| Total Net New Residential (Single Family) Units | - |
| Total Net New Added Sq. Ft. | 8,693,217 |
| Total PD 88 Values | |
| Total Retail Value (in 2040) | \$ 222,783,589 |
| Total Office Value (in 2040) | \$ 572,995,592 |
| Total Hospitality Value (in 2040) | \$ 49,645,281 |
| Total Multifamily Value (in 2040) | \$ 366,673,807 |
| Total Single Family Value (in 2040) | \$ - |
| Annual Ad Valorem | \$ 17,445,491 |
| Annual Sales Tax | \$ 3,460,414 |
| Annual Hotel Tax | \$ 464,373 |
| Annual Cost of Service (Catalyst) | \$ 1,426,755 |
| Estimated Cost of Service (Farmers Branch) | \$ 6,032,141 |
| Totals (2015 - 2040) | |
| Total Value (All by 2040) | \$ 1,212,098,269 |
| Total Added Employment (2015 - 2040) | 10,102 |
| Total Added Population (2015 - 2040) | 4,601 |
| Revenue Totals (2015 - 2040) | |
| Annual Revenue | \$ 21,370,278 |
| Annual Revenue (Minus CoS; Catalyst) | \$ 19,943,524 |
| Annual Revenue (Minus CoS; Farmers Branch) | \$ 15,338,137 |

| Total PD 99 Numbers | |
|---|----------------|
| Total Net New Retail Sq. Ft. | 260,489 |
| Total Net New Office Sq. Ft. | 324,740 |
| Total Net New Hospitality Sq. Ft. | 129,888 |
| Total Net New Residential (Multifamily) Units | 2,346 |
| Total Net New Residential (Single Family) Units | 571 |
| Total Net New Added Sq. Ft. | 4,026,073 |
| Total PD 99 Values | |
| Total Retail Value (in 2040) | \$ 42,911,436 |
| Total Office Value (in 2040) | \$ 51,418,472 |
| Total Hospitality Value (in 2040) | \$ 17,501,217 |
| Total Multifamily Value (in 2040) | \$ 380,694,017 |
| Total Single Family Value (in 2040) | \$ 369,648,623 |
| Annual Ad Valorem | \$ 14,349,022 |
| Annual Sales Tax | \$ 691,602 |
| Annual Hotel Tax | \$ 130,913 |
| Annual Cost of Service (Catalyst) | \$ 745,316 |
| Estimated Cost of Service (Farmers Branch) | \$ 4,732,927 |
| Totals (2015 - 2040) | |
| Total Value (All by 2040) | \$ 862,173,765 |
| Total Added Employment (2015 - 2040) | 910 |
| Total Added Population (2015 - 2040) | 5,223 |
| Revenue Totals (2015 - 2040) | |
| Annual Revenue | \$ 15,171,536 |
| Annual Revenue (Minus CoS; Catalyst) | \$ 14,426,220 |
| Annual Revenue (Minus CoS; Farmers Branch) | \$ 10,438,609 |

Fiscal Impact Analysis-Mercer Crossing

Prepared for Valwood Improvement District, February 2016

Metrostudy — 10707 Corporate Drive, Suite 200, Stafford, Texas 77477

Phone: 713.622.9909 Email: ggray@metrostudy.com

web: www.metrostudy.com

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Introduction

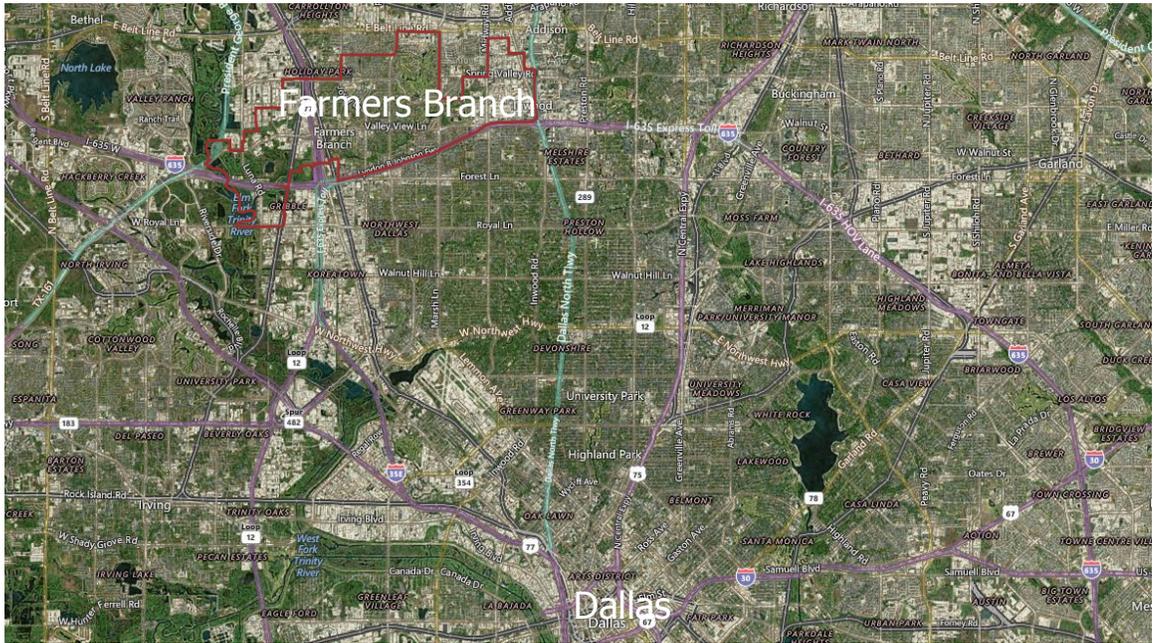
Purpose and Methodology

The purpose of this market analysis is to forecast the annual and total forecast tax revenues generated at buildout for the following landplans considered for the future Mercer Crossing Development Area in the City of Farmers Branch:

- **PD-88**: The existing baseline landplan currently applied to the Mercer Crossing site generated by the City of Farmers Branch that includes a variety of residential and commercial uses that calls for a dense mix of office, retail, multifamily, and other uses that contribute to create a more urban entertainment district;
- **PD-99**: Proposed landplan for Mercer Crossing submitted by Centurion, with a significant single-family component and a traditional mix of lower density retail and office uses.

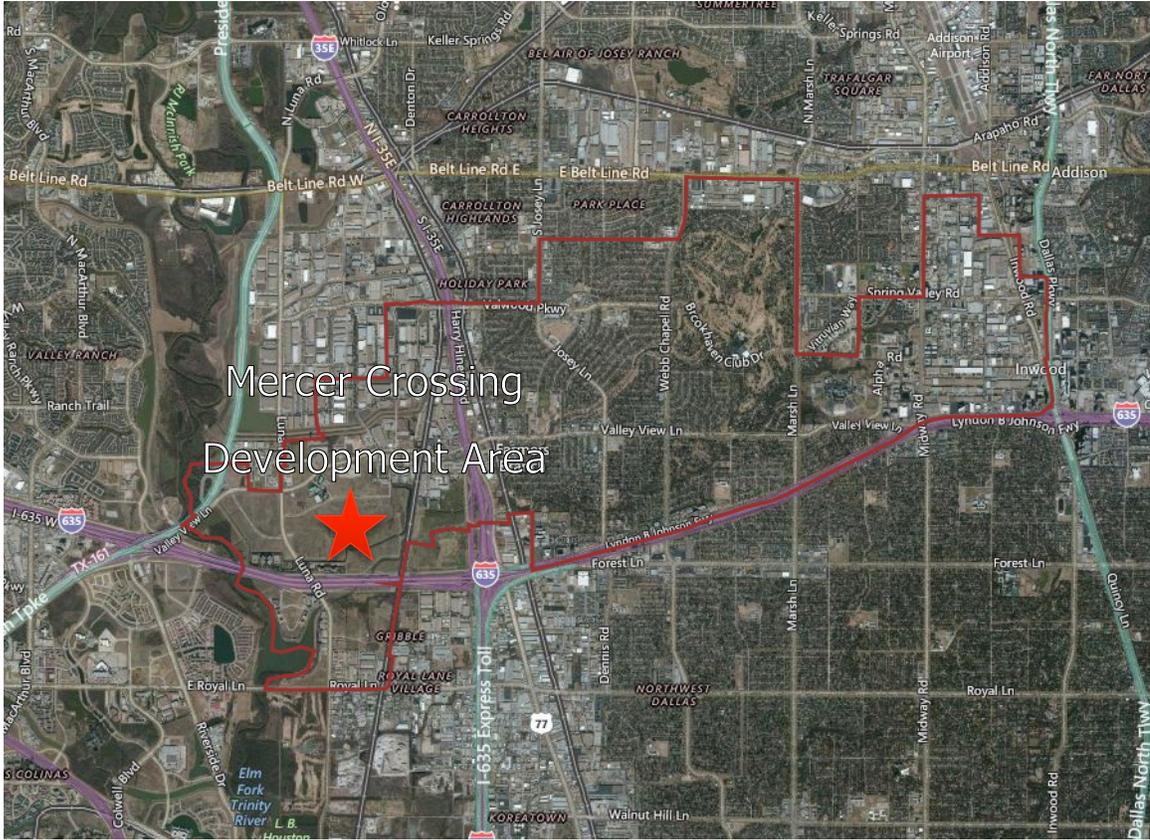
In order to achieve this, Metrostudy has analyzed and projected the expected single-family, entertainment, hotel, multifamily, retail, and office demand within a defined Competitive Market Area (CMA) surrounding the Mercer Crossing Development Area, as well as existing deed information to analyze current assessed valuations of properties. It is from within the CMA that the subject development will draw much of its market support.

Metrostudy evaluated the overall Dallas/Ft. Worth economy, particularly the trends in household formation and employment growth, to determine the correlation between economic expansion and single-family/commercial demand. By analyzing these historical trends, Metrostudy established a forecast for housing starts in the Dallas/Ft. Worth and the City of Farmers Branch



Development Area Location and Characteristics

The proposed Mercer Crossing Development Area is located in the City of Farmers Branch, north of Interstate-635 and east of Luna Road, in the sub-north Dallas/Ft. Worth market. Mercer Crossing is a proposed mixed-use District identified as the primary development area to be analyzed. Much of the developed land nearby is built in the traditional post-WWII suburban development pattern, predominantly consisting of low-density single-family and mid-density multifamily residential uses surrounding low-density retail centers anchored by grocery stores and other neighborhood-serving shops.



I. **Executive Summary**

Regional Overview

Dallas Employment Overview

- The Dallas-Ft. Worth job growth rate for the 12 months ending September 2015 was an increase of 3.0%. This marks the 9th consecutive quarter of growth at or above 3.0%
- Dallas' economy continues to create jobs at a pace that is among the top three areas in the nation (behind New York and Los Angeles). As of 3Q 2015, the Dallas Market has added 98,700 new jobs in previous 12 months; however, this is the first time since December 2013 Dallas-Ft. Worth's annual employment growth rate dropped below 100,000 jobs. The dip in employment may be attributed partially to the impact of lower oil prices.
- Much of the growth in employment occurred in the Trade, Transportation & Utilities sector and the high-income sectors of Professional Services and Education & Health. Manufacturing and Mining & Construction suffered losses most likely due to lower oil prices.
- New home developers and builders in DFW continue to suffer the consequences of construction related job losses. The constrained labor market forces construction process to escalate and cause delays in both home building and land development.

Farmers Branch

- The population and household estimates (by Claritas) indicate that by 2020, there will be an estimated 29,573 people in 11,258 households in Farmers Branch.
- On average, households within Farmers Branch have similar incomes to those in the Dallas-Ft. Worth Area. The Farmers Branch estimated median household income for 2015 is \$56,962 and estimated average household income is \$73,908. (The Dallas Market's median is \$58,865, and its average is \$79,759.) The slightly lower incomes can primarily be attributed to the flight of higher income households to more suburban areas of the Dallas/Ft. Worth region.

Conclusions

The existing baseline PD-88 landplan is forecast to create total future improvements equaling \$1.01 billion in market value and \$825 million in assessed improvement value at buildout, while the proposed PD-99 landplan is forecast to create total future improvements equaling \$776 million and \$629 million in market and assessed values. Given the forecast improvement values and associated sales and BPP taxes expected, the baseline PD-88 landplan is projected to generate approximately \$75.4 million in annual property, sales, and BPP tax revenues at buildout, while the proposed PD-99 landplan is forecast to create an estimated \$33.5 million annually. At buildout, the PD-88 landplan is projected to generate approximately \$41.9 million more in annual total tax revenues at buildout than the proposed PD-99 landplan.

| Fiscal Projection Summary at Buildout PD-88 (Baseline) and PD-99 (Proposed) | | | | |
|--|-----------------------------|--------------|--------------|---------------------------------------|
| Land Plan | Annual Tax Estimates | | | Total Tax Revenues at Buildout |
| | Property | Sales | BPP | |
| PD-88 | \$23,251,978 | \$25,840,033 | \$26,323,605 | \$75,415,616 |
| PD-99 | \$17,719,824 | \$13,322,205 | \$2,507,511 | \$33,549,539 |

Under the 2016-2040 development schedule scenario, the PD-88 landplan is projected to generate a total of approximately \$980.4 million in total property, sales, and BPP tax revenues, while the proposed PD-99 landplan is estimated to generate a total of \$436.1 million in tax revenues over the course of the same development schedule.

| Fiscal Projection Forecast Summary, 2016-2040 PD-88 (Baseline) and PD-99 (Proposed) | | | | | | | |
|--|---------------------------------------|------------------|------------------|------------------|------------------|------------------|----------------------|
| Land Plan | Total Tax Revenues at Buildout | 2016-2020 | 2021-2025 | 2026-2030 | 2031-2035 | 2036-2040 | Total |
| PD-88 | \$75,415,616 | \$45,249,370 | \$120,664,986 | \$196,080,602 | \$271,496,218 | \$346,911,834 | \$980,403,010 |
| PD-99 | \$33,549,539 | \$20,129,724 | \$53,679,263 | \$87,228,803 | \$120,778,342 | \$154,327,882 | \$436,144,013 |

Note 1: Assumes 4% of projected development per year for the years 2016-2040.

Note 2) 2015 Dollars.

The Mercer Crossing site is forecast to generate approximately \$4.75 million annually at buildout from property and BPP tax revenues for the Valwood Improvement District under the baseline PD-88 scenario, while the proposed PD-99 landplan is estimated to generate approximately \$1.94 million annually at buildout. Overall, the baseline PD-88 scenario is forecast to generate approximately \$2.81 million more in annual property and BPP tax revenues for the Valwood Improvement District than the proposed PD-99 landplan.

| Valwood Improvement District Fiscal Projection Summary at Buildout PD-88 (Baseline) and PD-99 (Proposed) | | | |
|---|-----------------------------|-------------|---|
| Land Plan | Annual Tax Estimates | | Total Tax Revenues at Buildout |
| | Property | BPP | |
| PD-88 | \$2,228,848 | \$2,523,283 | \$4,752,131 |
| PD-99 | \$1,698,556 | \$240,361 | \$1,938,917 |

Under the long-term 2016-2040 development schedule scenario, the PD-88 landplan is forecast to generate a total of \$61.8 million in property, sales, and BPP tax revenues for the Valwood Improvement District between 2016 and 2040, while the proposed PD-99 landplan is estimated to generate a total of \$25.2 million in tax revenues over the course of the same development schedule. Overall, the existing PD-88 landplan is forecast to generate approximately \$36.6 million more in total property and BPP tax revenues for the Valwood Improvement District during the 2016-2040 time-frame.

| Valwood Improvement District Fiscal Projection Forecast Summary, 2016-2040 PD-88 (Baseline) and PD-99 (Proposed) | | | | | | | |
|---|---------------------------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Land Plan | Total Tax Revenues at Buildout | 2016-2020 | 2021-2025 | 2026-2030 | 2031-2035 | 2036-2040 | Total |
| PD-88 | \$4,752,131 | \$2,851,278 | \$7,603,409 | \$12,355,540 | \$17,107,671 | \$21,859,802 | \$61,777,700 |
| PD-99 | \$1,938,917 | \$1,163,350 | \$3,102,267 | \$5,041,184 | \$6,980,101 | \$8,919,018 | \$25,205,920 |

Note 1: Assumes 4% of projected development per year for the years 2016-2040.

Note 2) 2015 Dollars.

These projections assume the following:

- Mortgage interest rates will remain relatively stable.
- Programs for each land use will begin at approximately the same time.
- The development areas will be marketed in an appropriate manner.

Site Photographs



East of Luna Rd



West of Luna Rd



Existing Wittington Rd



existing Mercer Parkway from Luna Rd



South of LBJ Freeway



Site along LBJ Freeway Frontage Rd, north of LBJ Freeway





FARMERS
BRANCH

**CITY OF FARMERS BRANCH
NOTICE OF PUBLIC HEARING
ZONING CASE NO. 15-ZA-04**

The City of Farmers Branch has received a request from Centurion American Acquisitions LLC to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99). The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses. These 268 acres within the proposed PD-99 are composed of two tracts. Tract 1 consists of approximately 248 acres and is generally located along both sides of Luna Road south of Valley View Lane. Tract 2 consists of approximately 20 acres and is located approximately 1,100 feet east of intersection of Luna Road and the eastbound frontage road of LBJ Freeway (I-635). (See map on back).

The hearing will take place on **Monday, February 8th, 2016 at 7:00p.m.** in the City Council Chambers of City Hall located at 13000 William Dodson Parkway, City Hall Plaza, Farmers Branch, Texas.

If you have any questions concerning this request, please call Andy Gillies, AICP, at (972) 919-2546.

As a property owner likely to be affected by this request, you are requested to make your views known by attending these hearings. If you cannot attend these hearings, please express your views on this form.

Return to: City of Farmers Branch
Planning Department
P.O. Box 819010
Farmers Branch, Texas 75381-9010

Date: 2-1-16

As a property owner likely to be affected by this request, I (oppose) (favor) the request for the following reasons:

SEE ATTACHED

Name: ROYAL HOSPITALITY LLC
Address: 12101 @ 12301 LUNA ROAD FARMERS BRANCH, TEXAS

FARMERS BRANCH CITY HALL IS WHEEL CHAIR ACCESSIBLE. ACCESS TO THE BUILDING AND SPECIAL PARKING ARE AVAILABLE AT THE MAIN ENTRANCE FACING WILLIAM DODSON PARKWAY. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO ARE DEAF OR HEARING IMPAIRED AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS A SIGN INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-919-2503 AT LEAST 72 HOURS PRIOR TO THE MEETING.

I OPPOSE the request for the following reasons:

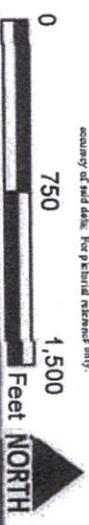
1. I believe the current zoning (PD88) will result in a better development and higher tax base for this area and for the overall City of Farmers Branch.
2. I oppose the city using a P.I.D. to assist development of this area as it could adversely affect the city tax base
3. This area on freeways with good visibility, near DFW Airport is ideal for a high quality commercial development such a development would a great asset for the city.

2.14

2/11

-  Parcels2015
-  Zoning Case Boundary

Case 15-ZA-04 - Location Map



Where official and unofficial sources were used to gather this information, every effort was made to ensure the accuracy of this data; however, no guarantee is given or implied as to the accuracy of said data. For official reference only.





FARMERS
BRANCH

CITY OF FARMERS BRANCH
NOTICE OF PUBLIC HEARING
ZONING CASE NO. 15-ZA-04

The City of Farmers Branch has received a request from Centurion American Acquisitions LLC to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99). The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses. These 268 acres within the proposed PD-99 are composed of two tracts. Tract 1 consists of approximately 248 acres and is generally located along both sides of Luna Road south of Valley View Lane. Tract 2 consists of approximately 20 acres and is located approximately 1,100 feet east of intersection of Luna Road and the eastbound frontage road of LBJ Freeway (I-635). (See map on back).

The hearing will take place on Monday, February 8th, 2016 at 7:00p.m. in the City Council Chambers of City Hall located at 13000 William Dodson Parkway, City Hall Plaza, Farmers Branch, Texas.

If you have any questions concerning this request, please call Andy Gillies, AICP, at (972) 919-2546.

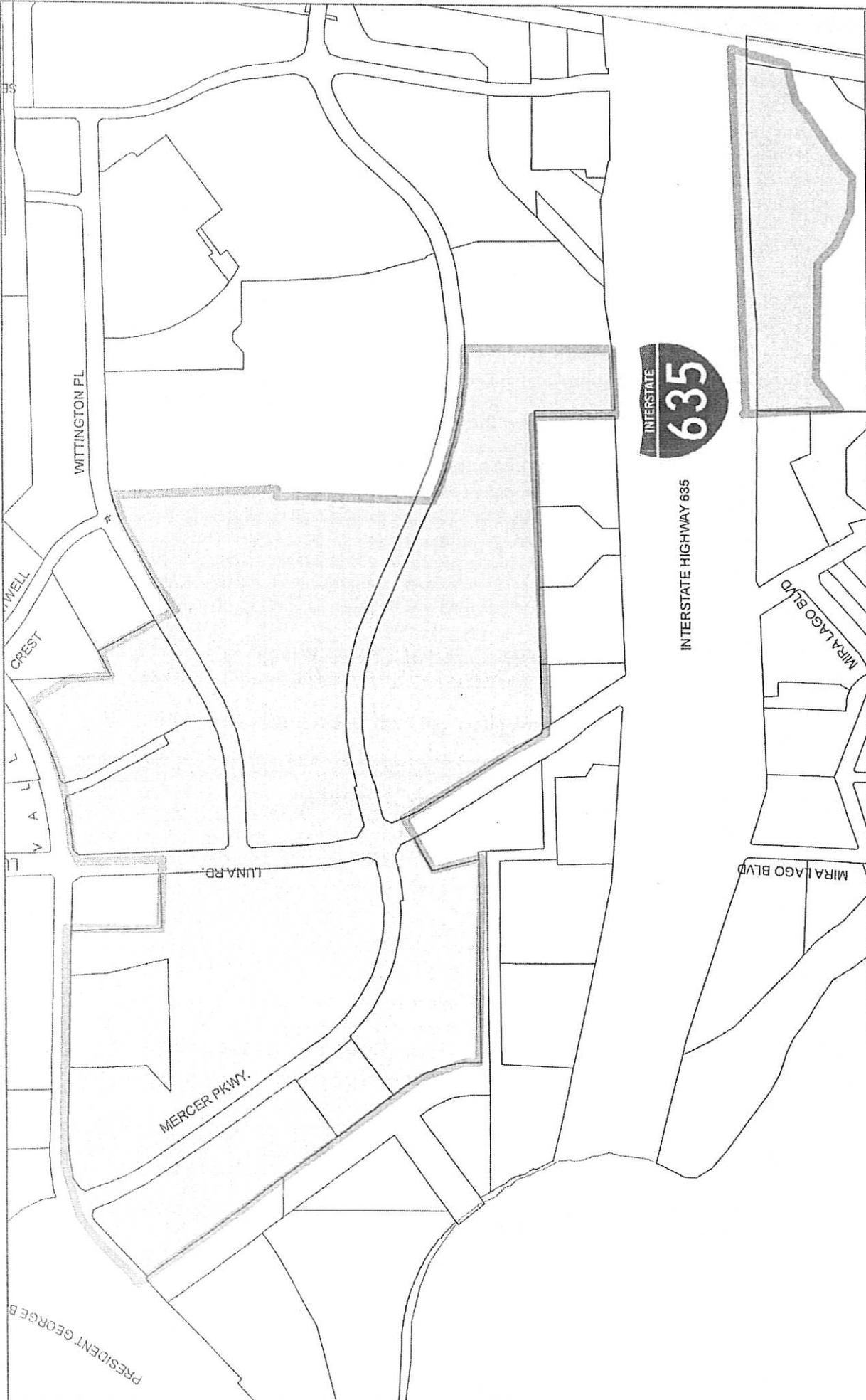
As a property owner likely to be affected by this request, you are requested to make your views known by attending these hearings. If you cannot attend these hearings, please express your views on this form.

Return to: City of Farmers Branch Date: FEBRUARY 1, 2016
Planning Department
P.O. Box 819010
Farmers Branch, Texas 75381-9010

As a property owner likely to be affected by this request, I (oppose) ~~(favor)~~ the request for the following reasons:
THE PROPOSED CHANGE WILL ADVERSELY AFFECT OUR
PROPERTY ALONG WITH THE SURROUNDING AREA.

Name: PARK WEST HOLDING, LLC
Address: 1505 LBJ FREEWAY, SUITE 180
FARMER'S BRANCH, TX 75234

FARMERS BRANCH CITY HALL IS WHEEL CHAIR ACCESSIBLE. ACCESS TO THE BUILDING AND SPECIAL PARKING ARE AVAILABLE AT THE MAIN ENTRANCE FACING WILLIAM DODSON PARKWAY. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO ARE DEAF OR HEARING IMPAIRED AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS A SIGN INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-919-2503 AT LEAST 72 HOURS PRIOR TO THE MEETING.



Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data. For pictorial reference only.



Case 15-ZA-04 - Location Map

-  Parcels 2015
-  Zoning Case Boundary



INTERSTATE HIGHWAY 635

SE

WELL

CREST

V A L L

LUNA RD

MIRALAGO BLVD

MIRALAGO BLVD

MIRALAGO BLVD

MIRALAGO BLVD

PRESIDENT GEORGE B

WITTINGTON PL

MERCER PKWY.

MIRALAGO BLVD

MIRALAGO BLVD

NORTH

0

750

1,500

Feet

PARK WEST HOLDCO, LLC
1505 LBJ Freeway, Suite 180
Farmers Branch, TX 75234

February 16, 2016

City of Farmer's Branch
Planning Department
P.O. Box 819010
Farmers Branch, Texas 75381-9010

Re: Written Opposition to Zoning Case No. 15-ZA-04 (the "Centurion Zoning Case")

To Whom It May Concern:

Park West Holdco, LLC ("Park West Owner") is the owner of the office buildings commonly referred to as the Park West Office Complex located at 1501-1507 LBJ Freeway, Farmer's Branch, Texas 75234 ("Park West"). Park West is located directly adjacent to the property which is subject to the Centurion Zoning Case

On February 1, 2016, Park West Owner submitted the attached written evidence of opposition to the Centurion Zoning Case to Andy Gillies of the City of Farmer's Branch. In addition, Park West Owner attended and participated in the Public Hearing which took place on Monday, February 8, 2016 (the "Public Hearing").

Park West Owner is still **OPPOSED** to the Centurion Zoning Case because it will adversely affect Park West along with the surrounding area. In addition, the change will allow numerous single family homes into the area which will result in lower tax revenues than the current classification.

The highest and best use of the property affected by the Centurion Zoning Case is not a master planned community. In the opinion of Park West Owner, the access at LBJ and Luna Road is far superior to the Cypress Waters area which is being successfully developed by the Billingsley Companies located west of Farmer's Branch. Park West continually receives evidence of demand from brokers representing potential corporate users which are looking to potentially relocate to Farmer's Branch.

Sincerely submitted,

PARK WEST HOLDCO, LLC



Ted Dameris, Authorized Signatory



**FARMERS
BRANCH**

**CITY OF FARMERS BRANCH
NOTICE OF PUBLIC HEARING
ZONING CASE NO. 15-ZA-04**

The City of Farmers Branch has received a request from Centurion American Acquisitions LLC to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99). The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses. These 268 acres within the proposed PD-99 are composed of two tracts. Tract 1 consists of approximately 248 acres and is generally located along both sides of Luna Road south of Valley View Lane. Tract 2 consists of approximately 20 acres and is located approximately 1,100 feet east of intersection of Luna Road and the eastbound frontage road of LBJ Freeway (I-635). (See map on back).

The hearing will take place on **Monday, February 8th, 2016 at 7:00p.m.** in the City Council Chambers of City Hall located at 13000 William Dodson Parkway, City Hall Plaza, Farmers Branch, Texas.

If you have any questions concerning this request, please call Andy Gillies, AICP, at (972) 919-2546.

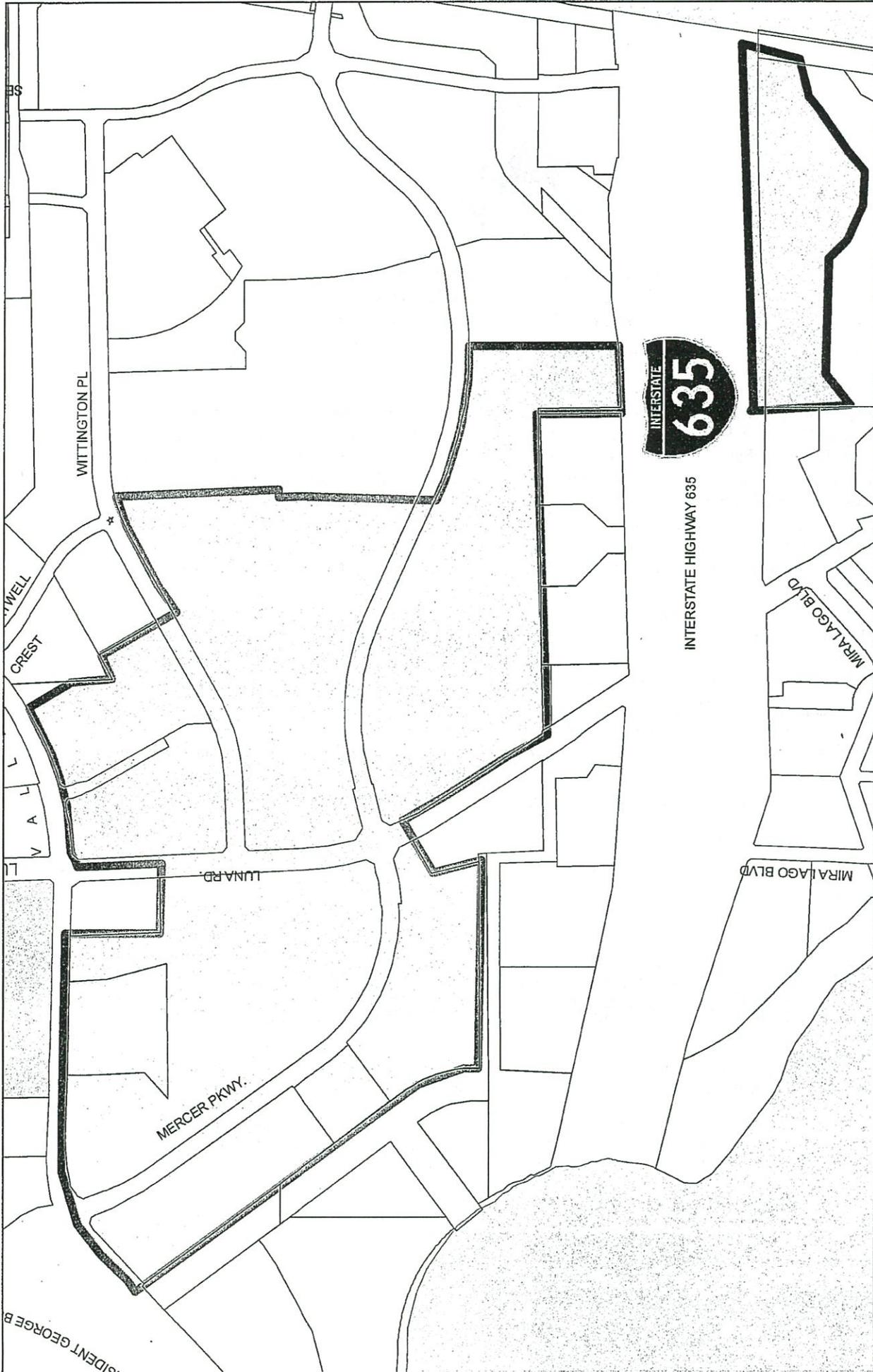
As a property owner likely to be affected by this request, you are requested to make your views known by attending these hearings. If you cannot attend these hearings, please express your views on this form.

Return to: *City of Farmers Branch* Date: 2/2/16
Planning Department
P.O. Box 819010
Farmers Branch, Texas 75381-9010

As a property owner likely to be affected by this request, I (oppose) (favor) the request for the following reasons:

Name: Valwood Improvement Authority
Address: 1740 Briarcrest Court, Carrollton, TX 75006

FARMERS BRANCH CITY HALL IS WHEEL CHAIR ACCESSIBLE. ACCESS TO THE BUILDING AND SPECIAL PARKING ARE AVAILABLE AT THE MAIN ENTRANCE FACING WILLIAM DODSON PARKWAY. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO ARE DEAF OR HEARING IMPAIRED AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS A SIGN INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-919-2503 AT LEAST 72 HOURS PRIOR TO THE MEETING.



Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data. For pictorial reference only.



Case 15-ZA-04 - Location Map

Parcels 2015
 Zoning Case Boundary



INTERSTATE HIGHWAY 635

SIDENT GEORGE B



VALWOOD IMPROVEMENT AUTHORITY

1740 Briercroft Ct.
Carrollton, Texas 75006
(972) 245-5235 • Fax (972) 245-5285
www.valwood.com

VALWOOD IMPROVEMENT AUTHORITY

RESOLUTION NO. 86

A RESOLUTION EXPRESSING THE VALWOOD IMPROVEMENT AUTHORITY OPPOSITION TO CITY OF FARMERS BRANCH ZONING CASE #15-ZA-04 FILED BY CENTURION AMERICAN ACQUISITIONS, LLC SEEKING A CHANGE IN ZONING FROM PD-88 TO PD-99

WHEREAS, Valwood Improvement Authority of Dallas County, Texas (the "District"), a conservation and reclamation District created pursuant to Article 16, Section 59 of the Texas Constitution, is located within the cities of Farmers Branch and Carrollton, Dallas County, Texas, generally located West of Interstate 35 and East of the Elm Fork of the Trinity River, originally created in 1979 as the Farmers Branch-Carrollton Flood Control District and subsequently reorganized as the Valwood Improvement Authority in 1989 by a Special Act of the Texas Legislature, H.B. 3088 sponsored by Representative Kenny Marchant, for the purpose of reclaiming floodplain land and allowing and encouraging development of the property within the District; and

WHEREAS, the District has issued municipal bonds in the total amount of \$22,547,976, secured by a tax pledge and the levy of an ad valorem tax against all the taxable property in the District; and

WHEREAS, the District used the proceeds of said Bonds to build dams and levees to recover the floodplain property which then allowed development of commercial and industrial uses and as a result the assessed valuation is now \$1,811,402,897; and

WHEREAS, the District is primarily devoted to office, commercial, multi-family, and retail uses, and the current zoning of the property within the City limits of Farmers Branch is PD-88; and

WHEREAS, said zoning allows as principal uses offices, restaurant, multi-family, mixed use, hotel, and entertainment uses; and

WHEREAS, the 2015 ad valorem tax rate for the District is \$0.27 per \$100 of assessed valuation, a very low and competitive tax rate which is very encouraging to prospective developers; and

WHEREAS, the City of Farmers Branch has received a zoning application filed by Centurion American Acquisitions, LLC seeking to change the zoning from PD-88 to PD-99, the Mercer Crossing case, which proposed zoning District dramatically changes the current principal uses for office, commercial, and multi-family to primarily single family uses; and

WHEREAS, the 2015 Certified Taxable Value is \$1,811,402,897 consisting primarily of offices, commercial, and multi-family uses; and

WHEREAS, the Board of Directors and management of the District, after reviewing the subject zoning application became concerned that the significant changes in the principal uses within the District could adversely impact the growth in assessed valuations, the District's ad valorem tax rate and its ability to finance its current outstanding debt and any future debt that may have to be incurred to provide the necessary flood protection for the District's property owners and to pay its ongoing and continuing operation and maintenance expenses; and

WHEREAS, due to these initial concerns the Board of Directors decided to retain the services of an experienced land planning and financial firm, Metrostudy - Texas to evaluate the potential impact of the PD-99 zoning case and the District's financial ability to maintain its legal and financial obligations; and

WHEREAS, the Mercer Crossing Farmers Branch, Texas, fiscal analysis study by Metrostudy - Texas dated January 20, 2016, attached hereto as Exhibit "A" has been completed, reviewed by the District's administrative staff and its Board of Directors, and accepted; and

WHEREAS, the Mercer Crossing study reflects that the annual tax revenues at buildout under the current PD-88 zoning will be \$23,251,978 in real property taxes and \$26,323,605 in business personal property taxes for a total of \$49,575,583 and that the PD-99 annual tax revenues at buildout are projected to be \$17,719,824 for real property taxes and \$2,507,511 in business personal property taxes for a total of \$20,227,335 a difference of \$29,348,248, a 60% annual difference; and

WHEREAS, the total real property and business personal property taxes for the period of 2016-2040 is projected to be \$61,777,700 in PD-88 and \$25,205,920 in PD-99 a difference of \$36,571,780;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VALWOOD IMPROVEMENT AUTHORITY:

Section 1. That all matters stated in the above preamble are found to be true and correct and are incorporated herein as if copied in full.

Section 2. That the Mercer Crossing study prepared by Metrostudy - Texas, attached hereto as Exhibit "A" is hereby accepted and approved.

Section 3. That the Mercer Crossing study is well thought out, is reasonable and reflects that the current zoning of PD-88 will likely encourage a high quality of growth within

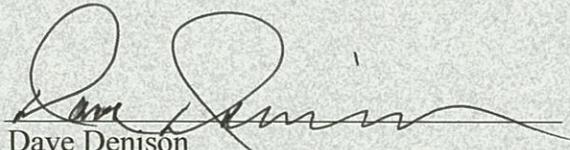
the District resulting in higher assessed valuations, a lower ad valorem tax rate, and tremendously more security for the payment of the District's outstanding debt and will permit it to meet and satisfy its legal and financial obligations now and in the future and to pay its ongoing and continuing operation and maintenance expenses.

Section 4. Based on these conclusions supported by the strong evidence in the Mercer Crossing study, the Board of Directors does hereby oppose the City of Farmers Branch zoning application requesting PD-99 zoning, Mercer Crossing Case #15-ZA-04, and as the owner of property within 200' of the subject area of the zoning case, does hereby register its objections to the proposed change in zoning pursuant to Section 212.006 of the Texas Local Government Code.

Section 5. That this resolution shall be filed with and submitted to the Planning and Zoning Commission of the City of Farmers Branch, the Mayor and City Council of the City of Farmers Branch, the City Secretary for the City of Farmers Branch, the Department of Planning and Zoning for the City of Farmers Branch, and the City Manager of the City of Farmers Branch.

Section 6. That this resolution shall be effective immediately upon its passage.

PASSED AND APPROVED by the Board of Directors of Valwood Improvement Authority this the 20th day of January, 2016.

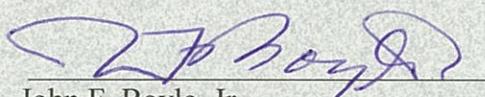

Dave Denison
Chairman of the Board

ATTEST:


Mike Fitzpatrick
Treasurer

[SEAL]

APPROVED AS TO FORM:


John F. Boyle, Jr.
General Counsel

Kenecia Brown

From: Andy Gillies
Sent: Monday, February 08, 2016 3:38 PM
To: Kenecia Brown
Subject: FW: Retain PD-88

Print and include with other letters

From: Amy Piukana
Sent: Monday, February 08, 2016 3:16 PM
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: FW: Retain PD-88

Email for P&Z below.

From:
Sent: Monday, February 08, 2016 3:15 PM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: Retain PD-88

I am a Farmers Branch resident and tax-payer. I hereby express my desire to retain PD-88 and keep the zoning of the Mercer Crossing area as commercial.

Understand there is a home lot developer that wants to see PD-88 scrapped. Please do not let this happen.

Thank you.

John Drevicky
14130 Southern Pines Dr.
75234-3718



This email has been sent from a virus-free computer protected by Avast.
www.avast.com

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Andy Gillies

From: Amy Piukana
Sent: Monday, February 08, 2016 4:13 PM
To: Andy Gillies
Subject: FW: HOUSES-APARTMENTS- AND MORE MEXICANS

Another email...

From: [redacted]
Sent: Sunday, February 07, 2016 8:22 PM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: HOUSES-APARTMENTS- AND MORE MEXICANS

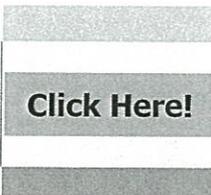


NO! NO! AND NO AGAIN! NO MORE MISTAKES LIKE THE SO CALLED WATER PARK AFTER THE CITIZENS VOTED AGAINST IT. WHAT'S WITH YOU PEOPLE? YOU WERE DOING PRETTY GOOD AFTER THE MESS WITH THE ANIMAL SHELTER.

BUDDY BEENE



FREE Animations for your email



Andreea D. Udrea

From: Andy Gillies
Sent: Monday, February 08, 2016 12:39 PM
To: Kenecia Brown; Andreea D. Udrea; Alexis Massaro Jackson
Subject: FW: Keep PD-88

Categories: Red category

Add to the file and copies for tonight.

From: Amy Piukana
Sent: Monday, February 08, 2016 12:08 PM
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: FW: Keep PD-88

Email for P&Z below.

From:
Sent: Monday, February 08, 2016 12:06 PM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: Keep PD-88

There is no reason to give this developer concessions and tax breaks for the Mercer Crossing area. In information I have previously read, PD-88 was a concession to the developer to begin with. There should not be single family homes in that area and in my opinion, apartments are "iffy". Granting this developer any concessions is voting against the citizens of the City of Farmers Branch!

Thank you!
Cyndy Roark
14434 Sunrose Ln.
Farmers Branch, TX 75234
972-620-1170



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Kenecia Brown

7

From: Andy Gillies
Sent: Monday, February 08, 2016 12:39 PM
To: Kenecia Brown; Alexis Massaro Jackson; Andreea D. Udrea
Subject: FW: Zoning Request at Mercer Crossing for residential use

Add to the list

From: Amy Piukana
Sent: Monday, February 08, 2016 12:09 PM
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: FW: Zoning Request at Mercer Crossing for residential use

Another email below for P&Z.

From:
Sent: Monday, February 08, 2016 11:37 AM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: Zoning Request at Mercer Crossing for residential use

Dear Zoning Commissioners:

Before I invested in a home in Farmers Branch, I owned a residence in Valley Ranch. Like my neighbors, I "bought into" the master-plan of that community with its mix of residential, commercial and entertainment uses. At that time, the Dallas Cowboys Training Facility was surrounded by undeveloped land designated for a hotel, convention center and office/retail development.

Then along came a builder who wanted to build zero-lot-line homes. We residents begged the Irving P & Z and Irving City Council to adhere to the master-plan and resist the temptation to give in to the first greedy builder. We lost. Now, with the Cowboys hemmed-in by that residential development, they are relocating to Frisco where they can have the hotel and entertainment complex which Irving and Valley Ranch initially promised them.

Locations with prime access to both the Bush Tollway and LBJ Freeway like Mercer Crossing are few and far between. The master-plan recognized the commercial/office/retail potential of the site and designated land use accordingly. The property is ill-suited for residential homes and the financial burden on the City of Farmers Branch onerous. Please do not betray the plan.

Jeanne Macejko
13131 Pennystone Drive
Dallas, TX 75234
jeannegenie@tx.rr.com
214-272-3569

5

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Andreea D. Udrea

From: Andy Gillies
Sent: Monday, February 08, 2016 9:03 AM
To: Alexis Massaro Jackson; Andreea D. Udrea; Kenecia Brown
Subject: Fwd: Panning & Zoning Meeting

Lets make copies.

Sent from my iPhone

Begin forwarded message:

From: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Date: February 8, 2016, 8:38:38 AM CST
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: FW: Panning & Zoning Meeting

See below...

From
Sent: Monday, February 08, 2016 8:34 AM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: Panning & Zoning Meeting

As a long time resident of Farmers Branch I would vote to keep PD-88 and not allow the residential buildings West of I-35.

Patricia Boudreau
3451 Ridgeoak Way
Farmers Branch, TX



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5
Andreea D. Udrea

From: Andy Gillies
Sent: Monday, February 08, 2016 9:05 AM
To: Andreea D. Udrea; Alexis Massaro Jackson; Kenecia Brown
Subject: Fwd: Comments for P&Z committee members on West Side

Lets make copies

Sent from my iPhone

Begin forwarded message:

From: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Date: February 8, 2016, 8:35:29 AM CST
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: FW: Comments for P&Z committee members on West Side

One more....

From:
Sent: Sunday, February 07, 2016 10:52 PM
To: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Subject: Comments for P&Z committee members on West Side

Ms. Piukana, would you please forward this email to P&Z members as soon as you can (so they can see this before tonight's meeting)? Thank you.

To P&Z members:

I am teaching a class tonight and so cannot attend the P&Z meeting.

At UNT, I teach a class on urban economics and so this piece of land has been on my mind for years. Any way you look at it, it is one of the most desirable locations left in the Metroplex for a large scale development. I think the master plan for the west side of I-35 is sound and, with current market conditions, I think it might be possible to do even better than the plan. From what I can tell, this developer's plan is less than ideal. Given that your decision will likely affect the development of that part of the city for 100 years, I would like you to reject the PD-99 proposal.

We can do better than PD-99.

Regards,
-Jeffrey Rous
12938 Epps Field Rd

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Andreea D. Udrea

From: Andy Gillies
Sent: Sunday, February 07, 2016 3:24 PM
To: Andreea D. Udrea; Kenecia Brown; Alexis Massaro Jackson
Subject: Fwd: PD-99 Zoning Request

Add to file and print copies for p&z. Extra for applicant and file.

Sent from my iPhone

Begin forwarded message:

From: Amy Piukana <amy.piukana@farmersbranchtx.gov>
Date: February 7, 2016, 2:29:04 PM CST
To: Andy Gillies <Andy.Gillies@farmersbranchtx.gov>
Subject: Fwd: PD-99 Zoning Request

Andy,
Please see below email, requesting forwarding the email to P&Z Commissioners. Are you able to assist?

Sent from my iPhone

Begin forwarded message:

From: '
Date: February 7, 2016 at 10:15:58 AM CST
To: "amy.piukana@farmersbranchtx.gov" <amy.piukana@farmersbranchtx.gov>
Subject: PD-99 Zoning Request
Reply-To: "Fred K. Harvey, Jr." <fkhdad@yahoo.com>

Dear Amy:

Please advise the P&Z committee that my wife and I are against changing the current zoning plan West of I-35. I live at 3279 Golfing Green in Farmers Branch and I work in Irving. I drive Valley View and Luna everyday. We already have an extensive group of multi-family apartments being put up on the north side of Royal on both sides of Luna on the South side of I-635. The traffic does not need to increase substantially from it's already busy status.

We do not see the City benefiting from the proposed zoning change and ask that the zoning change request be denied.

Sincerely,

Fred and Melissa Harvey
3279 Golfing Green Dr.
Farmers Branch, TX 75234



February 7, 2016

To: Members of the Planning and Zoning Commission

From: Carol Dingman, Farmers Branch Councilwoman 1981 – 87

Re: Zoning change of PD -88

Please follow the staff recommendation and deny the proposal to change the zoning of PD – 88. You will hear many justifications to deny this change from a zoning standpoint. But you are also charged with examining it from a planning perspective. The city's comprehensive plan exists to provide a context for zoning decisions that enhance the quality of life and financial strength of the city.

Back in the late 1970's and 1980's our city was at a turning point. Explosive development was at our doorstep due to the opening of the Dallas North Tollway, LBJ freeway and S & L lending. At that time the city had a comprehensive plan from 1968 that defined the land use as Eastside commercial, residential central, and Westside commercial. The City Council initiated a visioning process by residents and business leader in the 1980's that essentially confirmed and refined the 1968 land uses and defined what quality of life residents wanted. Our current Comprehensive Plan is based on this process.

It is instructive to review four major land use decisions from the 1970-80's time frame to see how they affect our city today. I was involved in all these decisions either as a resident, a Planning and Zoning member or as a council woman. They were all controversial at the time and hard fought. But try to imagine our city without them.

- Brookhaven College – This tract was originally zoned residential. Many did not want to lose the tax revenue from the residential use to put in the College which would not pay taxes. It was decided that the benefits of the College would outweigh the loss of revenue and the use would stimulate business and residential development in the city.
- Valley View Park Estates – There were many proposals to develop the corner of Valley View and Marsh to other uses from its R-2 zoning. These included proposals for apartments, strip retail and The Word of Faith Church. Council decided to bypass quick development to retain the R-2 zoning. The land was vacant virtually until the mid-1990's when the market favored that development. The result of waiting is one of the most desirable residential areas in our city.
- Farmers Branch Park – In the 1980's a developer made a request to change the existing zoning to multi-family and build 800 apartment units. City officials looked at the existing apartment complexes and observed that they did not wear well although they were revenue generators for the owners. Neighbors to the site were fiercely opposed to the apartments. As a result of the recent visioning process, residents expected to be able to determine the direction of development in their neighborhood as part of their quality of life. The land owner was determined to sell. Final solution, the city purchased the property and turned it into Farmers Branch Park which is much needed open space in our central residential area.
- Our Historic Park – When the city purchased the Historic Park property it was zoned for residential development. If it had been developed that way, the Gilbert house and its ancient oak trees would have been destroyed. A zoning change was needed to make it an historic site. Opposition came from neighbors, those who thought it would be a waste of money and people who wanted it to remain on the tax rolls. Council made the decision to purchase and develop the Park. It is now recognized as an integral of Dallas County history, preserved open space in

our central city, an event venue, a tourist attraction and source of pride and recognition for our city.

These four decisions were made in the context of the comprehensive plan which calls for enhancement of the central residential area. Although property was removed from the tax rolls, Council was confident that our commercial base would be in place to support our city in the future. The uses provided benefits far beyond taxes gained from building more houses.

As a land locked city, Mercer Crossing is the last piece of easily developable property. In the Comprehensive plan of the 1980's we considered it our "Golden Goose" that once developed would continue laying a golden egg of revenue for us every year. Because we were confident of the city's financial future we were able to make decisions 30 and 40 years ago to enhance our residential area and improve the quality of life for our residents. That is why the planning part of your job is just as, if not even more important than the zoning responsibilities.

Incorrect zoning is not the reason Mercer Crossing has not developed. At the intersection of I-35 and LBJ, 20 minutes from DFW, its highest and best use is commercial. The Valwood Improvement Authority was founded and implemented on the premise of commercial zoning. Our Westside commercial has been and continues to be an important source of revenue for the city. The market has been ready to develop this area as commercial since the 1980's. The high rise offices on the south side of LBJ were built then. The 1980's real estate bust halted that development and the land was acquired by the current owner in the 1990's. This owner has withheld the land from development until now. The latest offer the owner rejected was from J. P. Morgan Chase which wanted to move from the Tollway in Farmers Branch and a build a 100 acre corporate headquarters in Mercer Crossing. The owner refused to sell and Chase is now moving out of our city to Legacy in Plano.

This zoning proposal is a departure from our Comprehensive Plan which has served us well. Changing the planned revenue stream from the Westside will have bad consequences 10, 20, 30+ years from now. And to those who say we've waited long enough and something needs to happen there, my answer is "haste makes waste". We waited 20 year for housing in Valley View Park Estates and I believe, most everyone thinks the wait was worth it.

You owe us your best efforts to evaluate this plan to make sure it ensures a prosperous future for our city. Deny this zoning change.

Andreea D. Udrea

From: Andy Gillies
Sent: Sunday, February 07, 2016 3:25 PM
To: Andreea D. Udrea; Kenecia Brown; Alexis Massaro Jackson
Subject: Fwd: Zoning case 15-ZA-04
Attachments: UDF_Overview_Presentation_1_28_16(1).pdf; ATT00001.htm

Same as other letter. Thanks

Sent from my iPhone

Begin forwarded message:

From: "Amy Piukana" <amy.piukana@farmersbranchtx.gov>
To: "Andy Gillies" <Andy.Gillies@farmersbranchtx.gov>
Subject: Fwd: Zoning case 15-ZA-04

Andy, See below email from Mr. Dingman. Please let me know if you are able to forward this to P&Z or need me to assist.

Thank you,
Amy

Sent from my iPhone

Begin forwarded message:

From: [Redacted]
Date: February 7, 2016 at 1:20:42 PM CST
To: Amy.Piukana@farmersbranchtx.gov<<mailto:Amy.Piukana@farmersbranchtx.gov>>
Subject: Zoning case 15-ZA-04

Amy, would you forward this email to P&Z members Monday morning (so they can receive and review prior to their meeting Monday at 6 PM)? Thank you.

To P&Z members:

I am traveling and cannot attend your meeting February 8. I ask that you accept staff's recommendation and vote to deny subject application. My additional thinking is as follows:

1. The City has long benefited from an outsized ratio of commercial to residential tax base, something like 80:20. This allows lower taxes and better municipal services than surrounding cities. It would be foolish to back zone a major piece of property to allow for more single family homes. I believe Charles Cox will back me up when I say that single family produces a net cost to the City (i.e., tax revenue is less than the costs allocable to it) and commercial is the reverse.
2. The request is incompatible with the Comprehensive Plan. Of course, plans can and sometimes should be changed. But when we do vary from carefully considered plans, we should

have a good reason. In this case there is no reason to do so other than the land owners' desire to make a buck.

3. The proposal involves a risky form of financing the infrastructure that has the effect of shifting the cost into the future, burdening all the property within the proposed Public Improvement District ("PID") with a property tax ~ equal to the current City tax rate. This is on top of the Valwood Improvement District tax. The result is a very top heavy plan which will leave PID property uncompetitive. The lot developer proposes to correct this by allocating much of the future tax increment to subsidize this top heavy plan. If we do this, we give away the upside for 30 years. If we need to subsidize something, we should subsidize commercial development.

4. Character matters. The lot developer is allegedly involved in a controversy described as a Ponzi scheme. See the attached document which describes this. I urge you to get a third party to investigate this; if it is true, you want nothing to do with the lot developer.

5. Who is actually the applicant? Please consider the form of the land "sale" to the applicant. No developer ever closes on a land purchase without entitlements in place. The deed indicates "seller" didn't get paid in cash; \$50 MM of the purchase price was in the form of seller debt. (Another \$26 MM was other debt, from a rather unlikely lender.) These facts indicate the "sale" was a sham transaction. The note securing debt on this land was purchased for \$30 MM not long ago. How can the land suddenly be worth \$76 MM? And if it is, how can it carry another \$41 MM PID debt? I believe the land "seller" is a member of the land "buyer", perhaps even substantially all of it. We owe nothing to the land "seller". They have used the City for 20 years.

Denying the zoning might delay development of the land. Waiting has a small opportunity cost relative to the benefit of waiting. And denial also sends a clear message that the City will not settle for less than optimum development, which staff calculates will produce 50% more tax revenue than the proposal. This should motivate the land owner to sell into the strongest real estate market in years.

Thank you for your consideration and your vote to deny the application.

--

Joseph W. Dingman, 13223 Glad Acres Drive, Dallas, TX 75234
972-241-1272 Off; 214-616-1202 Mob

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ANATOMY OF A BILLION DOLLAR HOUSE OF CARDS:

THE CASE AGAINST UDF IV (Nasdaq: UDF)

January 2016

“Only when the tide goes out do you discover who’s been swimming naked.”

– Warren Buffet

UDF OVERVIEW

- UDF IV is a real estate investment trust (REIT) that issues loans to acquire and develop single-family residential lots or mixed-use master planned residential communities across Texas
- UDF IV was formed by Hollis M. Greenlaw, Chairman and CEO, and Todd Etter, a senior executive with various UDF funds, as a non-traded REIT in 2009 and later listed on the Nasdaq exchange in 2014
- UDF IV is one of a series of non-traded REITs and real estate companies – including United Mortgage Trust (UMT), UDF I, UDF III and UDF V



NASDAQ Ticker:

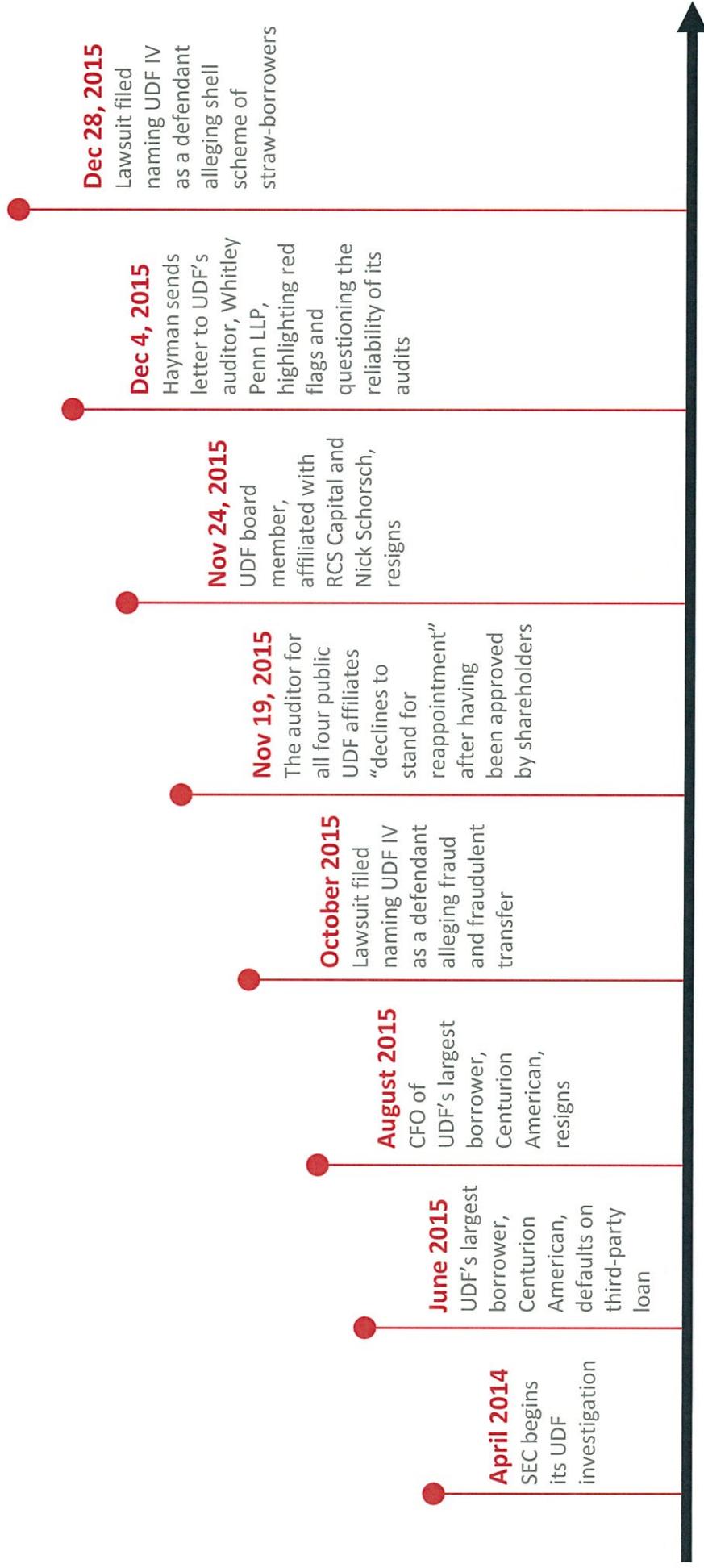
UDF

Headquartered:

Grapevine, Texas

| Public UDF Affiliates | Total Assets (Book Value) |
|---|---------------------------|
| United Mortgage Trust | \$182.3 million |
| United Development Funding III, L.P. | \$391.6 million |
| United Development Funding IV | \$684.1 million |
| United Development Funding Income Fund V | \$55.6 million |
| Book Value of Assets – UDF Public Affiliates | \$1.3 billion |

TIMELINE OF RECENT EVENTS



THE UDF STRUCTURE IS A BILLION DOLLAR PROBLEM

Shareholders in UDF IV and UDF's other real estate investment trusts (REITs) are being victimized by UDF management's Ponzi-like real estate scheme:

1. New capital is used to finance distributions to existing investors
2. UDF loans are dangerously concentrated with just two borrowers, both of which are already in financial distress
3. Development activities are not taking place at many UDF-funded sites
4. Recent events, including lawsuits and key resignations, suggest the UDF network of funds is under significant distress

The combination of near-term debt maturities and the financial distress of major debtors creates significant bankruptcy risk for UDF IV; a bankruptcy would leave its shares virtually worthless.

PARTICIPANTS IN UDF'S PONZI-LIKE REAL ESTATE SCHEME



Retail Capital

Unsuspecting, retail investors



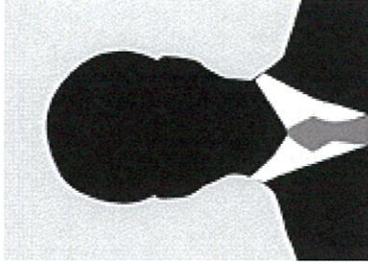
Average Joe

Numerous news reports linked Schorsch and an RCAP-affiliated public entity to investigations by the FBI and the SEC in late 2014. RCS Capital subsequently announced plans to file for bankruptcy in January 2016 and its shares were then delisted from the NYSE. A share of RCAP common stock is currently worth less than one cent.



Someone to Raise the Capital

Network of 12,000 brokers and RIAs, many sacrificing best interests of clients for high fees and commissions.



Brokers/RIAs



Nick Schorsch
Founder and Former
Chairman of RCS Capital
(RCAP)

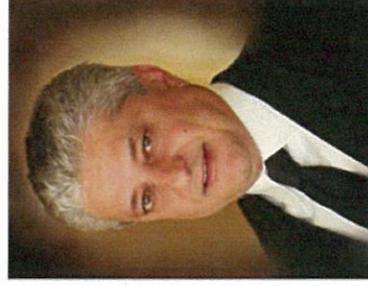


Key Players in a House of Cards

Unregulated lender and a complicit borrower at the center of the structure.



Hollis Greenlaw
Chairman of BoD and
CEO of UDF IV
Real Estate – Lender



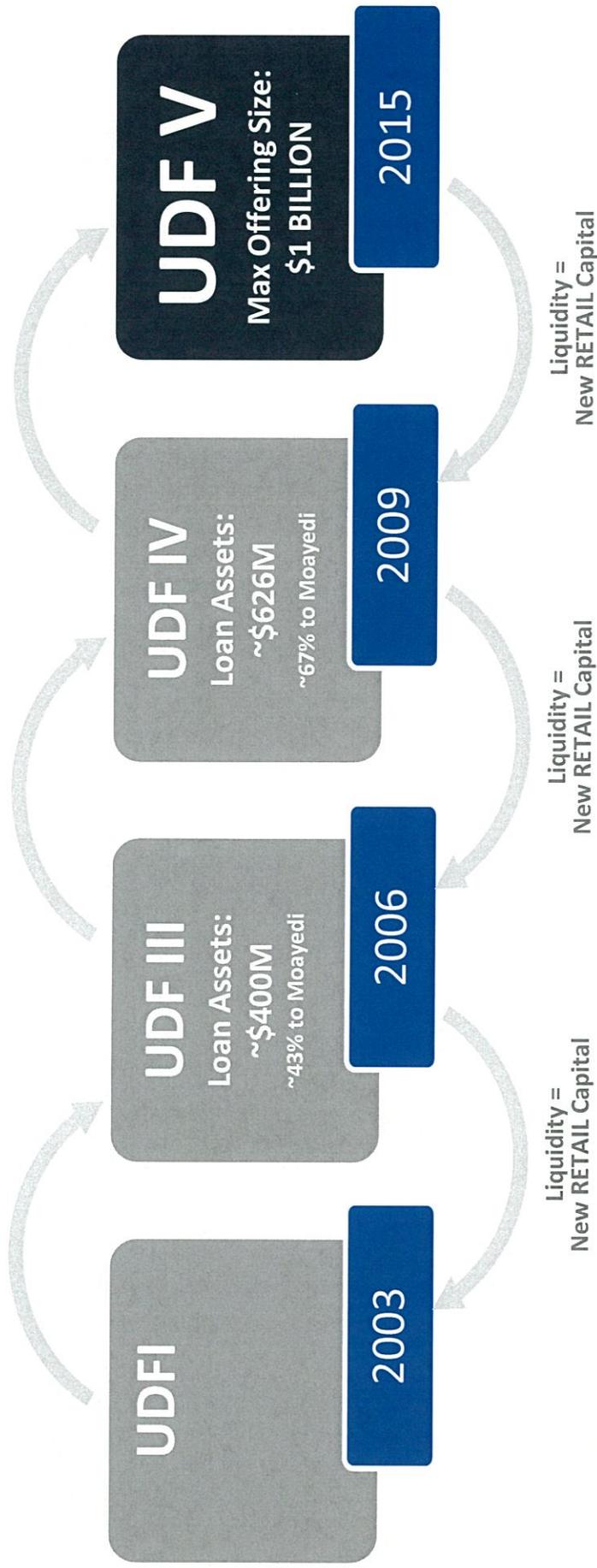
Mehrdad Moayed
CEO and Founder
Centurion American
Real Estate – Developer



United Development Funding (UDF) has raised over \$1bn across 4 different public entities; RCS Capital (RCAP) raised the capital for UDF IV and is currently raising capital for UDF V, representing ~60% of equity raised to date.

NEW CAPITAL FUNNELED TO REPAY EXISTING INVESTORS

UDF V has provided liquidity to UDF IV, which has provided liquidity to UDF III (among other affiliates), which has provided liquidity to UDF I (among other affiliates).



To date, UDF V has only issued 8 loans, but 6 of 8 have been to UDF III & UDF IV's largest borrower, Mehrdad Moayedli



HOW CAPITAL IS FUNNELED TO REPAY EXISTING INVESTORS

UDF raises new capital and funnels it to repay existing investors in FOUR primary ways:

- **Later UDF funds acquire loans from earlier UDF funds**
 - Example: UDF III issues a loan. Years later, UDF IV acquires the loan, which has accrued interest and become significantly larger from UDF III (i.e. doubling from origination to today); the loan UDF IV acquires from UDF III is secured almost entirely by undeveloped land 6 years after UDF III initially originated the loan. The result: UDF IV investor capital is used to repay UDF III investors.
- **Later UDF funds make loans directly to earlier UDF funds that are unable to repay their loans**
 - Example: UDF III lends money to a subsidiary of UDF I; the UDF I subsidiary is unable to repay the loan. UDF IV makes a loan to the same UDF I subsidiary and the loan owed to UDF III is repaid. The result: UDF IV capital is used to repay UDF III investors, which provided liquidity originally into UDF I.
- **Later UDF funds make loans to third-parties that owe loans to earlier UDF funds**
 - Example: UDF I lends money to an entity affiliated with UDF's largest borrower; years later, UDF III makes a loan to the same entity. UDF V then issues a loan to the same entity, which uses it to repay UDF III. The property securing the loan is undeveloped land and never generated any cash for the borrower. The result: UDF V investor capital is used to repay UDF III investors.
- **UDF uses primary equity and debt proceeds to pay distributions to existing investors in the same UDF fund**
 - Example: UDF IV raises equity from investor A; UDF IV raises equity from investor B and partially uses investor B's funds to pay "distributions" to investor A. UDF IV then raises debt from a bank, pledging its assets as collateral and uses the proceeds to pay "distributions" to investor A and investor B.

EXAMPLE OF HOW UDF FUNDS DISTRIBUTIONS WITH NEW CAPITAL

UDF IV (Former Non-Traded REIT)



As a consequence of issuing loans that do not generate any cash income, ~34% of shareholder distributions, or \$56 million, have been funded by new capital as reported by company; the actual dollar figure and % of distributions funded by new capital is likely much higher as cash from operations appears to be misstated and overstated.

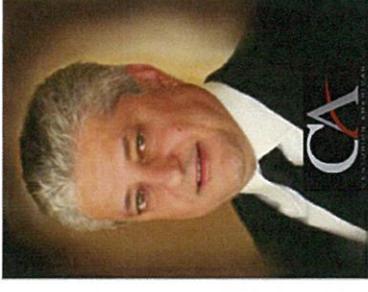
Hallmark of a Ponzi Scheme – Funding Distributions to Earlier Investors with Capital from New Investors



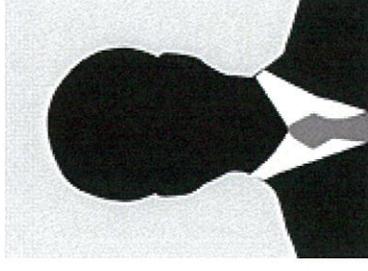
DANGEROUSLY CONCENTRATED LOAN PORTFOLIO

UDF loans are dangerously concentrated with just two borrowers, both of which are already in financial distress and which combine to account for over two-thirds of both UDF III and UDF IV

- UDF's largest borrower is a private real estate developer based in Dallas, Texas, whose principal is noted Dallas business executive **Mehrdad Moayed**
 - Loans to Moayed-controlled companies (collectively "Centurion") constitute \$615 million, or 57% of total lending across UDF III, UDF IV, and UDF V
 - These loans pay an average interest rate of 13%, more than double the current market average for development loans
 - Public records indicate this borrower is unable to service its financial obligations
 - Centurion loans typically accrue larger and larger balances, do not generate cash receipts and are extended (and not repaid) upon maturity
- UDF's second largest borrower is a private real estate developer based in Austin, Texas, whose principal executive is **Thomas Buffington**
 - Buffington loans appear to account for approximately 25% of the loan assets of UDF III and 10% of UDF IV
 - Six UDF IV loans to Buffington have matured without being extended or repaid
 - A lawsuit alleging fraud was filed in October against UDF IV, Buffington and others
 - UDF III filed an involuntary bankruptcy petition related to a Buffington affiliate on November 30, 2015

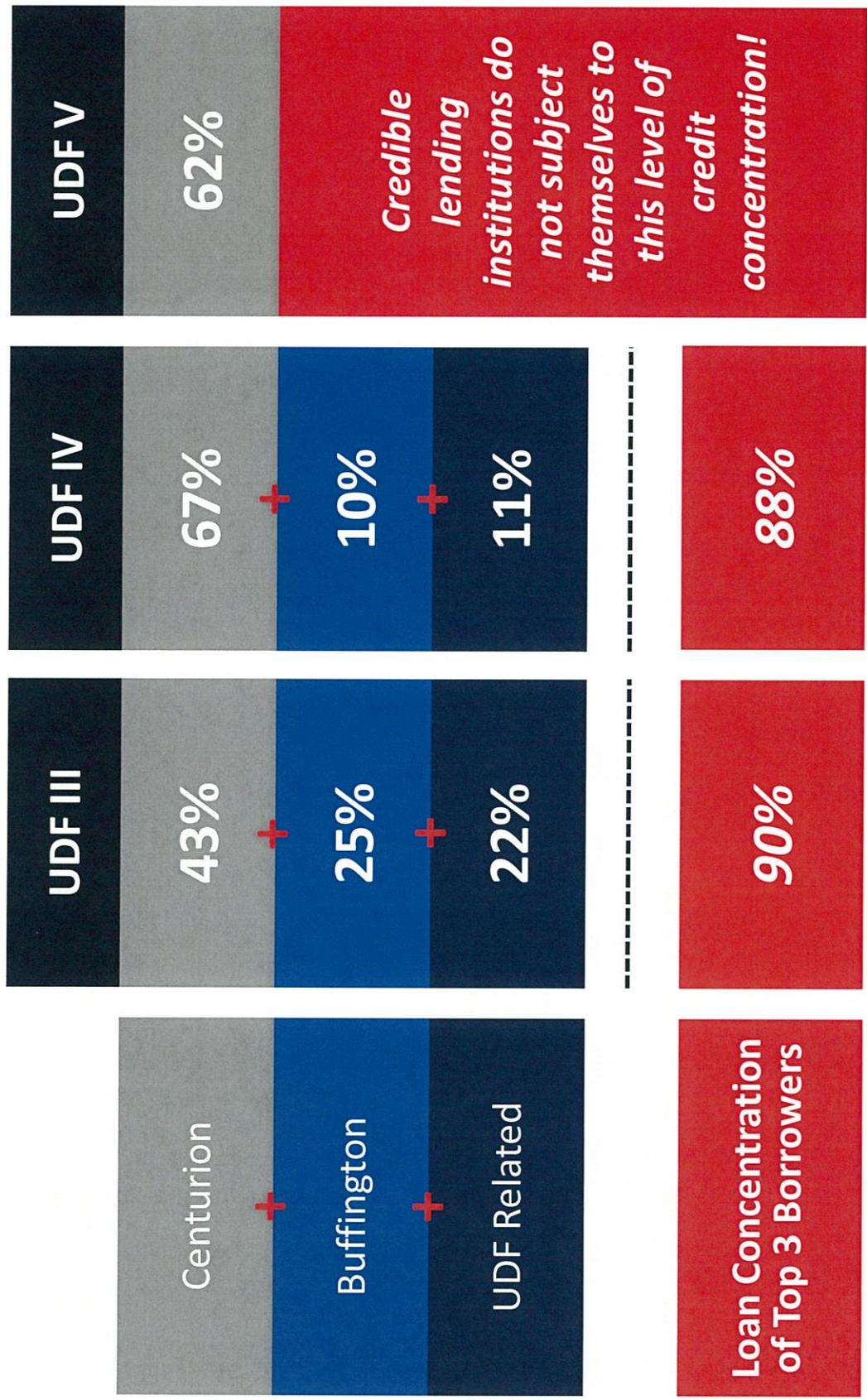


Mehrdad Moayed
CEO and Founder
Centurion American
Real Estate Developer



Thomas Buffington
Real Estate Developer

(CONTINUED) DANGEROUSLY CONCENTRATED LOAN PORTFOLIO



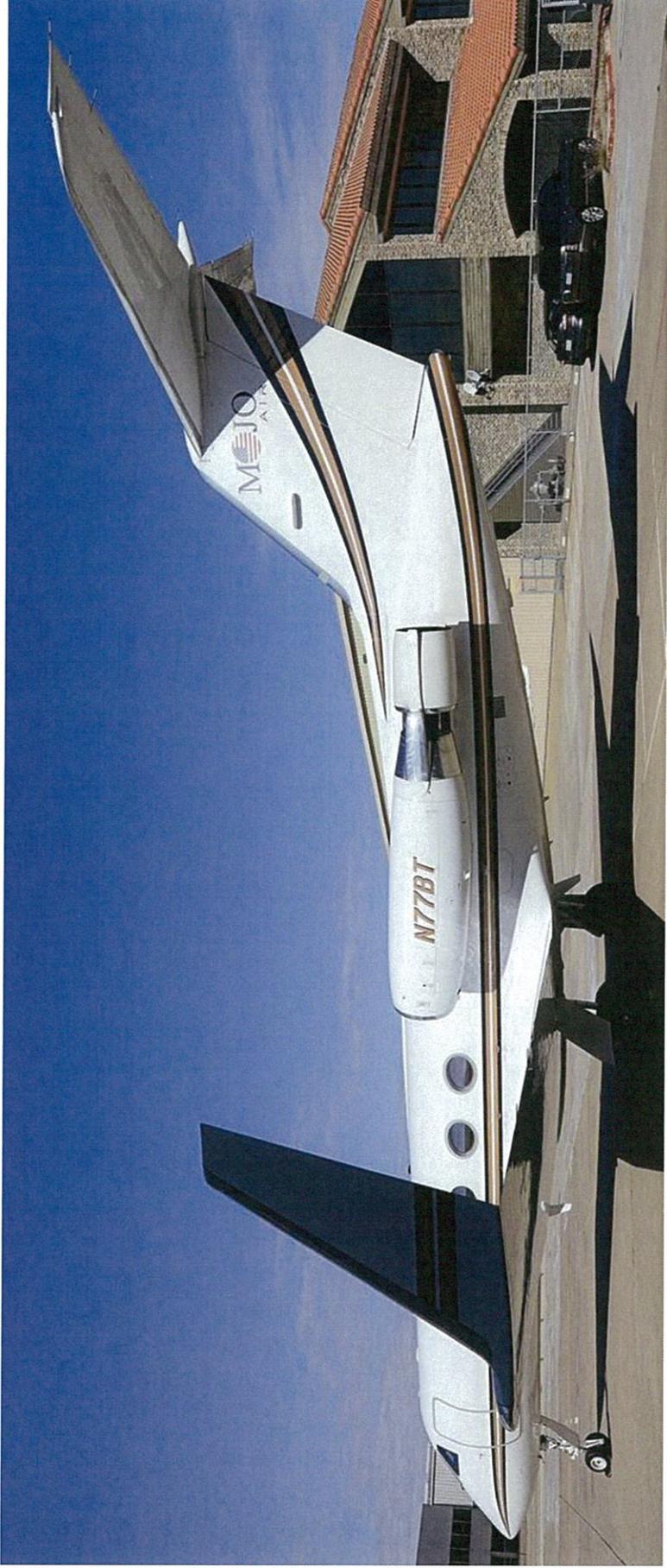
Loan Concentration of Top 3 Borrowers



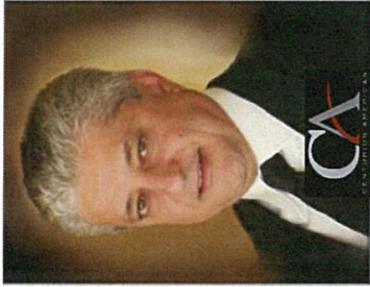
RELATIONSHIPS GOES FAR BEYOND THAT OF LENDER (UDF) AND BORROWER (MOAYEDI)

Not only do **UDF III**, **UDF IV** and **UDF V** all have a dangerous concentration in loans to Centurion, the principal executive of Centurion, Mehrdad Moayed, owns or recently owned a private jet (“MojoAir” pictured below) with the principal executive of UDF, Hollis Greenlaw.

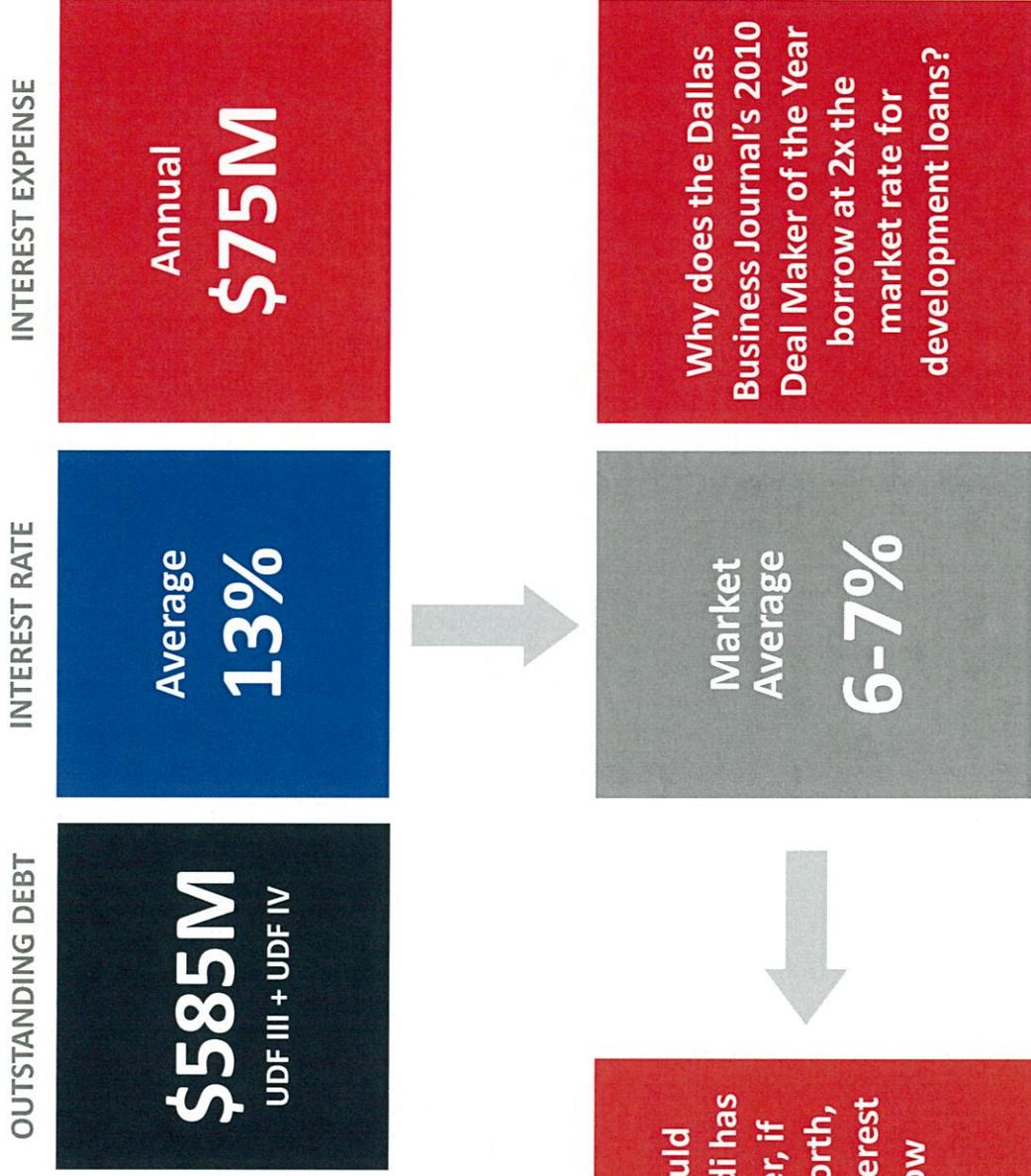
The relationship between Greenlaw and Moayed goes far beyond that of lender and borrower. Not only is there a concentration and undisclosed business relationship, but **the economics also do not add up.**



THE TOP-DOWN REASON WHY THE ECONOMICS DO NOT ADD UP



Mehrdad Moayed
 CEO and Founder
 Centurion American
 Real Estate – Developer



THE BOTTOM-UP REASON WHY THE ECONOMICS DO NOT ADD UP

The three examples shown below are summaries of actual loans issued by UDF IV to Moayedti entities. These examples demonstrate how loans to Moayedti regularly behave over time: the loans accrue larger and larger balances, have no cash receipts, and are extended when the maturity date comes due

| | LOAN EXAMPLE 1 (Originated 2012) | LOAN EXAMPLE 2 (Originated 2012) | LOAN EXAMPLE 3 (Originated 2010) | TOTAL BALANCE: 1 + 2 + 3 |
|---------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|---|
| Loan Balance at 12/31/2012 | \$18 million | \$11 million | \$7 million | \$36 million |
| Cash Receipts Since Origination | ZERO | ZERO | ZERO | ZERO |
| Loan Balance at 9/30/2015 | \$31 million | \$22 million | \$16 million | \$68 million or >10% of UDF IV loans |

These loans are 2nd lien development loans and 3 to 5 years later, the collateral securing these loans is still undeveloped land with no sign of development. If there is no development,

WHERE DID ALL THE MONEY GO?

DEVELOPMENT ACTIVITIES ARE NOT TAKING PLACE AT MANY UDF-FUNDED SITES

Lack of Value Creation Among UDF Investments

- UDF IV has disclosed in its SEC filings that it has not invested in loans secured by unimproved real property
- However, visits to many Centurion developments, funded by UDF, show no construction is taking place
- The Centurion developments are not income producing, several years after high interest-bearing loans were issued
- The irregular pattern of these loans secured by development sites without any development activity demonstrates that UDF's management lacks credibility and is misleading investors

Alpha Ranch Development site outside of Ft. Worth



“A Centurion American Development”



(CONTINUED) DEVELOPMENT ACTIVITIES ARE NOT TAKING PLACE AT MANY UDF-FUNDED SITES

As a result, loans accrue larger and larger balances, do not generate cash receipts and, upon maturity, the loans are not repaid but simply extended. Below is an example of a typical loan to UDF's largest borrower secured by Alpha Ranch, the property shown on the prior page.

| Entity | Date | Security | Collateral | Outstanding Balance | Maturity Date | Cash Receipts | | | | |
|-------------------|------------|----------|------------------|---------------------|---------------|---------------|-------|-------|-------|-------|
| | | | | | | 2015A | 2014A | 2013A | 2012A | 2011A |
| CTMGT Alpha Ranch | 12/31/2012 | 2nd Lien | 1,122 acres | \$ 10,960,159 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 3/31/2013 | 2nd Lien | 1,122 acres | \$ 12,275,621 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 6/30/2013 | 2nd Lien | 1,122 acres | \$ 12,533,731 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 9/30/2013 | 2nd Lien | 1,122 acres | \$ 14,111,540 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 12/31/2013 | 2nd Lien | 1,122 acres | \$ 14,402,932 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 3/31/2014 | 2nd Lien | 1,122 acres | \$ 14,647,153 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 6/30/2014 | 2nd Lien | 3,026 paper lots | \$ 14,948,798 | 7/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 9/30/2014 | 2nd Lien | 3,026 paper lots | \$ 17,423,383 | 10/31/14 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 12/31/2014 | 2nd Lien | 3,026 paper lots | \$ 18,101,263 | 10/31/15 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 3/31/2015 | 2nd Lien | 3,026 paper lots | \$ 18,344,045 | 10/31/15 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 6/30/2015 | 2nd Lien | 3,026 paper lots | \$ 19,182,736 | 10/31/15 | \$ - | \$ - | \$ - | \$ - | \$ - |
| CTMGT Alpha Ranch | 9/30/2015 | 2nd Lien | 3,026 paper lots | \$ 21,757,358 | 10/31/15 | \$ - | \$ - | \$ - | \$ - | \$ - |

Source: UDF IV SEC filings (Form 10-Ks and 10-Qs)

“A Rolling Loan Gathers No Loss”

VARIOUS UNDEVELOPED DEVELOPMENT SITES

Frisco 122 development site near Frisco, Texas



Shahan Prairie development site in Oak Point, Texas



Windsor Hills development site near Midlothian, Texas



Knox Ranch development site near Granbury, Texas



CRACKS IN UDF'S FACADE ARE STARTING TO SHOW

Recent events, including lawsuits and key resignations, suggest the UDF network of funds is under significant distress

- In June 2015, UDF's largest borrower, Centurion, defaulted on a first lien loan due to a third party and a second lien loan due to UDF IV
- In July or August 2015, the Chief Financial Officer of UDF's largest borrower, Centurion, resigned abruptly
- On or about October 30, 2015, a lawsuit was filed in Travis County, Texas naming UDF IV as a co-defendant in a case involving allegations of fraud, breach of contract, tortious interference and fraudulent transfer
- On November 24, 2015, all four public UDF companies each filed a Form 8-K with the SEC and revealed their independent registered public accounting firm, Whitley Penn LLP, declined to stand for reappointment
- On November 24, 2015, William Kahane, former CEO of RCAP, which raised money from retail investors for UDF IV and UDF V, resigned as a director of UDF V; RCAP subsequently announced plans to file for bankruptcy
- On November 30, 2015, UDF III filed an involuntary bankruptcy petition in the United States Bankruptcy Court for the Western District of Texas against UDF III and UDF IV's second largest borrower, Buffington
- On December 28, 2015, another lawsuit was filed against UDF IV, by an independent third-party development firm in Fort Bend County, Texas, alleging a scheme involving a shell-game of straw borrowers orchestrated by UDF management

UDF'S SCHEME HAS NEGATIVE IMPLICATIONS FOR ITS SHAREHOLDERS

The combination of near-term debt maturities and the financial distress of major debtors will have a substantial impact on UDF IV's equity valuation

- UDF IV has a significant amount of debt coming due in the next 12 months, representing 78% of its total debt
- If UDF's two largest borrowers – Centurion and Buffington, which have both shown signs of financial distress – cannot repay UDF IV in a timely manner, UDF IV will become insolvent
- When UDF's creditors/lenders become concerned about the solvency of UDF IV, these creditors/lenders will likely attempt to force UDF IV into a bankruptcy proceeding
- The combination of near-term debt maturities and the financial distress of major debtors creates significant bankruptcy risk for UDF IV; a bankruptcy would leave its shares virtually worthless.



October 21, 2015

VIA: Andy.Gillies@FarmersBranchTx.gov

City of Farmers Branch
ATTN: Andy Gillies, AICP
Community Services Director, Planning & Zoning
13000 William Dodson Parkway
Farmers Branch, TX 75234

RE: Mercer Crossing

Dear Mr. Gillies,

On September 29, 2015, I received an email from Melissa Randle, VP of Public Relations for Mooreland, in regards to a new "proposed zoning change for the Mercer Crossing Development." Shortly thereafter, I received an assertive phone call from the same group encouraging me to go along with the proposed zoning change.

Since then I have done some research, and understand that you are the person that I need to direct my thoughts to on this matter. In researching the City of Farmers Branch zoning districts online, specifically PD-77 (zoning district for V H Printing) and PD-88 (zoning district for Mercer Crossing Code), I have noted the following: PD - 77 is zoned for commercial and industrial type uses, and NONE for Residential. PD-88, per the Mercer Crossing Regulating Plan 2014, is zoned for Commerce and Office type uses with a minimal use of Mid-Density Residential.

In an attachment to the September 29, 2015 email that I received is a "Land Development Map" proposing the zoning change of PD-88 to include a majority of residential, which would flank my business on two sides by 40 x 105 Single Family Lots and 25 x 90 Townhome Lots. This is not acceptable. When we moved our business to this location in August of 2005, we understood that this area was earmarked for a commercial/office development, not residential.

In reviewing the definition of Zoning, "it is intended to promote an orderly pattern of development and to separate land uses that are incompatible such as commercial/industrial uses and residential homes." I believe that the proposed zoning change for a majority of Residential directly contradicts the original zoning of Mercer Crossing for Commerce and Office type uses, and I oppose this change request of zoning. It is my understanding that there is a Meeting on October 29th at 7 pm at the Star Center in Farmers Branch for a discussion in regards to this proposed zoning change request by Mercer Crossing, which I plan to attend. Please let me know if there are any other meetings in regards to this matter.

Sincerely,

A handwritten signature in black ink that reads "Thomas L. Vander Heiden".

Thomas L. Vander Heiden
President



City of Farmers Branch

City Hall
13000 Wm. Dodson Pkwy
Farmers Branch, TX 75234

Electronic Agenda Packet Planning and Zoning Commission

Monday, February 22, 2016

7:00 PM

City Hall

Study Session Meeting to be held at 6:00 PM in Study Session Room

Hard copies of the full Planning and Zoning Commission agenda packet are accessible the Friday prior to every regularly scheduled meeting at the following locations:

- 1) Manske Library
- 2) City Hall

Additionally, the agenda packet is available for download from the City's web site at www.farmersbranchtx.gov. This download may be accessed from any computer with Internet access, including computers at the Manske Library and in the lobby of City Hall.

Any individual who wishes to speak on an agenda item should fill out a Registration Form for Appearance before the Planning and Zoning Commission (white card located in the back of the Council Chambers) and submit the completed card to City Administration member prior to the start of the meeting.

A. STUDY SESSION

- A.1 [TMP-1644](#) Discuss regular agenda items.

B. REGULAR AGENDA ITEMS

- B.1 [TMP-1645](#) Consider approval of the minutes of the February 8, 2016 Planning and Zoning Commission meeting and take appropriate action.
- B.2 [15-PL-10](#) Consider a request for final plat approval of Waters Edge Addition, Lot 1, Block A and take appropriate action.

C. PUBLIC HEARING

- C.1 [15-ZA-05a](#) Continue a public hearing and consider a request from Billingsley Company to amend Planned Development No. 88 (PD-88) and take appropriate action. The proposed amendment includes changing an approximate 25.27 acre tract from "Office-1" subdistrict into "Mid-Density Residential" subdistrict and establishing a Conceptual Site Plan.

D. ADJOURNMENT

Farmers Branch City Hall is wheelchair accessible. Access to the building and special parking are available at the main entrance facing William Dodson Parkway. Persons with disabilities planning to attend this meeting who are deaf, hearing impaired or who may need auxiliary aids such as sign interpreters or large print, are requested to contact the City Secretary at (972) 919-2503 at least 72 hours prior to the meeting.

Certification

I certify that the above notice of this meeting was posted on the bulletin board at City Hall on Friday, February 19, 2016 by Kenecia Brown.

City Administration



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: TMP-1645

Agenda Date: 2/22/2016

Version: 1

Status: Regular Agenda

In Control: Planning and Zoning Commission

File Type: Minutes

Agenda Number: B.1

Consider approval of the minutes of the February 8, 2016 Planning and Zoning Commission meeting and take appropriate action.

BACKGROUND:

RECOMMENDATION:

Staff recommends approval of the minutes of the February 8, 2016 meeting.

ACTIONS:

1. Motion to approve the minutes of February 8, 2016.
2. Any other action desired by the Commission.

ATTACHMENTS:

1. **Minutes of February 8, 2016.**



City of Farmers Branch

City Hall
13000 Wm. Dodson Pkwy
Farmers Branch, TX 75234

Meeting Minutes

Planning and Zoning Commission

Monday, February 8, 2016

7:00 PM

City Hall

Study Session Meeting to be held at 6:00 PM in Study Session Room

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Additionally, the agenda packet is available for download from the City's web site at www.farmersbranchtx.gov. This download may be accessed from any computer with Internet access, including computers at the Manske Library and in the lobby of City Hall.

Any individual who wishes to speak on an agenda item should fill out a Registration Form for Appearance before the Planning and Zoning Commission (white card located in the back of the Council Chambers) and submit the completed card to City Administration member prior to the start of the meeting.

A. STUDY SESSION

- Absent** 2 - Vice Chairman Chuck Beck, and Commissioner David Honnoll
- Present** 7 - Commissioner Jamie Reed, Commissioner Sergio De Los Santos, Commissioner Bronson Blackson, Commissioner Jason O'Quinn, Chairman Nancy Hardie, Commissioner Terry Lynne, and Commissioner Chris Brewer
- Staff** 4 - Andy Gillies Director of Community Services, Alexis Jackson Senior Planner, Andreea D. Udrea Planner II, and Kenecia Brown Administrative Assistant I

A.1 [TMP-1630](#) Discuss regular agenda items.

B. REGULAR AGENDA ITEMS

Chairperson Hardie called the Regular Session meeting to order at 7:01 pm

B.1 [TMP-1631](#) Consider approval of the minutes of the January 25, 2016

Planning and Zoning Commission meeting and take appropriate action.

A motion was made by Commissioner Blackson, seconded by Commissioner Lynne, that this Minutes be approved. The motion carried by the following vote:

Aye: 7 - Commissioner Jamie Reed, Commissioner Sergio De Los Santos, Commissioner Bronson Blackson, Commissioner Jason O'Quinn, Chairman Hardie, Commissioner Terry Lynne and Commissioner Chris Brewer

C. PUBLIC HEARING

C.1 ORD-3359 Conduct a public hearing and consider adopting Ordinance No. 3359 to change the zoning of an approximately 268 acres from Planned Development No. 88 (PD-88) to Planned Development No. 99 (PD-99); and take appropriate action. The proposed PD-99 includes specific Development Standards and a Conceptual Site Plan that would allow the development of a master planned community consisting of single family residential, multi-family residential, retail, restaurant, office, entertainment and hotel land uses.

Andy Gillies, Community Services Director, gave a brief presentation stating that the 268 acre site is comprised of two sections of land: Tract I and II. Tract I (approximately 248 acres) is located north of IH 635 and Tract II (approximately 20 acres) is located south of IH 635, east of Luna Rd. The applicant is proposing the creation of PD-99 within PD-88 for the development of a low density master planned community that will allow mixed uses, noting that two subdistricts are within the proposed area: the Urban Commerce subdistrict (129 acres) which would allow by right, full service hotels, restaurants, multi-family development, and retail and the Urban Residential subdistrict (139 acres) which would allow a variety of single family detached and single family attached residences. The proposed land use plan includes the development of single family (71 acres ≈ 26%), townhomes (21 acres ≈ 8%), multi-family (61 acres ≈ 23 %), commerce (49 acres ≈ 18%), parks and open spaces (31 acres ≈ 13%), and streets and roadways (36 acres ≈ 13%).

Tract I of the property will include a linear park composed of open space, park land, and a trail that will run along the east side of Chartwell Crest Rd. West of Chartwell Rd. will be a variety of single family lot sizes and 1,500 units of multi-family. To the west of Luna Rd., the applicant is proposing to develop 173 single family homes, 204 townhomes, another 1,000 units of multi-family use, a hotel, and other commerce development. An existing gas well site is located on the property near

Mercer Pkwy. A 600 ft. no build zone surrounding this gas well site has been established. The applicant is aware that development in this "no build zone" is prohibited until the gas well site has been removed or relocated.

Tract II runs south along LBJ Fwy with frontage along eastbound IH 635 and is located in the Urban Commerce subdistrict which would allow a variety of uses. The applicant is proposing the development of a 150 room hotel, restaurants, retail, a large boardwalk that will allow access to the lake, and an entertainment venue.

The proposed conceptual site elevations will include 75% masonry requirement throughout the subdivision as well as limited other elevation requirements. The subdivision will consist of various lot sizes to include 60 ft. wide lots, 50 ft. rear loaded lots, 50 ft. front loaded lots, 40 ft. rear loaded lots, and townhomes with minimal setback requirements. Staff notes that the Urban Commerce subdistrict requires a 1-story minimum to a 12-story maximum for the development, which will require the multi-family residences to meet a 4-story minimum and an 80% structured parking requirement. The applicant is also proposing an amenity center at the corner of Chartwell Crest and future Mercer Pkwy, and a trail that will run through the linear park and around the amenity center. Over 13% of the conceptual site plan is dedicated to parks, open space, and over 14,000 linear ft. of trail. The proposed street system will include the future Mercer Pkwy, Wittington, local streets and alley ways with traffic signals located at Wittington and future Mercer Pkwy.

The applicant has agreed to a phasing plan to limit single family development in Tract I to 300 lots until Tract II has been developed with at least 25,000 sq. ft. of retail space as well as 25,000 sq. ft. of retail space in the Urban Commerce subdistrict near Valley View and Luna Rd. and a 65,000 sq. ft. office building located at Chartwell Crest and Wittington. Only when these nonresidential developments have been substantially started will the applicant will be permitted to apply for additional residential permits to continue developing other areas of the proposed site.

Another element of the proposed master planned community includes the formation of a Public Improvement District (PID). The estimated amount of this PID is between \$30 - \$40 million. The PID will span a 30 year term and the improvement funds will be used for streets, parks, and public infrastructure and will be assessed to the future property owners in the community. The City of Farmers Branch will participate in the administration of the PID Assessment. The applicant is also requesting a Tax Increment Refinance Fund (TIRF) designation to provide a rebate to the property owner.

38 zoning notifications were mailed to the surrounding properties; though 14 letters of opposition were received, only 3 were from property owners within 200 ft. of the affected site which comprises 15.6% of the total area adjacent to the proposed rezoning case.

Staff has the following concerns regarding the proposed rezoning request:

- Too many small lots
- Too many multi-family units
- Proximity to future gas well
- No school site
- Soil conditions
- No strong Identity
- No commerce open space requirement
- Economic value
- Inconsistency with West Side Plan
- Incompatible land uses

Based on these concerns City staff is recommending denial of the rezoning request. Chairperson Hardie asked if any of the Commissioner had any questions regarding this agenda item; there being none, Chairperson Hardie advised that questions would be held until the applicant and neighboring property owners complete their presentations.

Mr. Mehrdad Moayed (1800 Valley View Ln.), President of Centurion American LLC, approached the podium and gave a brief presentation reviewing the details of the proposed conceptual site plan and rezoning request. Mr. Moayed also noted that he is open to site plan modifications as requested by the Commissioners.

Commissioner Lynne asked Mr. Moayed to consider increasing the number of single family units and reducing the number of multi-family units. Mr. Moayed advised that he must adhere to the certain loan restrictions however, the number of proposed multi-family units on the northern portion of the property have been reduced from 2,500 units to 1,500 units as well as 500 units on the southern portion of the property.

Commissioner Blackson asked Mr. Moayed to review the PID and TIRZ calculations. Mr. Moayed advised that the PID funds will be used to maintain the community and will equate to approximately \$2,400 annual assessment per household. Mr. Kirk Wilson, representing Centurion American, presented the details of the PID fund management, distribution, tax increment reinvestment zone, and fiscal impact. Commissioner Blackson asked Mr. Wilson How the TIRZ works. Mr. Wilson explained that the TIRZ is used to lessen the financial burden on the homeowner. Mr. Wilson stated that Centurion American was talking with the City about using a TIRZ of approximately 48% of the overall PID assessment. The goal of this TIRZ is to keep the overall tax burden of the future property close to \$3.05 per \$100 of value. Mr. Moayed stated that any cost over the \$3.05 level would be the responsibility

of Centurion American to resolve.

Commissioner Blackson asked for more details of the senior living facility and accommodations. Mr. Moayedí advised that the details of the senior living facility are currently in the planning stages with a 3rd party company.

Commissioner Lynne asked if the size and location of the proposed school will easily accommodate the student demand or if other schools within the district will need to help absorb the student population. Commissioner Lynne also stated that the City's anticipated absorption rate is much different than that of RSI and is concerned about meeting the schools attendance requirements and asked about the value of the various residences. Mr. Moayedí stated that the proposed community will be of the best quality and notes that the associated homebuilders companies provide excellent results.

Commissioner Reed asked which agency would be responsible for park maintenance. Mr. Moayedí advised that Centurion American or the property owner association will be responsible for the park maintenance.

Commissioner Brewer asked if the community will meet the required number of residences to support a grocer. Mr. Moayedí advised that approximately 1,000 additional units will need to be developed before the community qualifies to acquire a grocer.

Commissioner O'Quinn asked Mr. Moayedí to briefly discuss Centurion American's perspective of the current East Side of the lake and how it relates to the proposed conceptual site plan. Mr. Moayedí stated that the Billingsley development does not hurt the proposed community.

Commissioner O'Quinn asked for clarity regarding the proposed land use in Phase I and Phase II. Mr. Michael Beaty stated that before the 301st residential building permit can be issued, Centurion American must substantially start 25,000 sq. ft. of retail space south of LBJ, 25,000 sq. ft. of retail space at Luna and Valley View, and 65,000 sq. ft. of office space at Wittington and Chartwell Crest. Mr. Moayedí asked Mr. Gillies if construction on more than 300 units can occur if all other permitting requirements are met to allow developing companies a steady construction schedule. Mr. Gillies stated that no additional residential permits would be allowed until the above mentioned retail and office developments were underway.

Commissioner O'Quinn asked if a detailed site plan would be more appropriate for review after the rezoning request has been addressed. Mr. Moayedí agrees.

Commissioner Blackson asked Mr. Moayedí if the approval of 1,100 residential units rather than the proposed 1,500 units would be feasible. Mr. Moayedí advises that he is willing to compromise as long as he remains in compliance with the restrictions of his construction loan. Commissioner Blackson asked Mr. Moayedí to confirm that he is willing to limit development to 1,250 units on the northern portion of the property. Mr. Moayedí agrees.

Commissioner Reed expresses concerns for the various residential lot sizes and asked for the percentages of each type. Mr. Moayedhi notes that a mixture of residences will increase the absorption rate for the developed community. Mr. Gillies stated that the following lot sizes were proposed: 60 ft. lots (25 units), 50 ft. lots (128 units), 40 ft. lots (209 units), and 204 townhome lots. Mr. Gillies stated that currently, approximately 73% of the property is composed of 40 ft. lots and townhomes lots. Staff feels there are too many small lots, and the conceptual plan needs to include more 50 ft. and 60 ft. wide lots.

Commissioner Blackson and Commissioner De Los Santos advised that smaller lots are less desirable and asked Mr. Moayedhi to consider increasing the percentage of proposed 50 ft. lots. Mr. Moayedhi asked Mr. Gillies to provide insight on the percentages that would be appropriate for each lot size. Mr. Gillies advises that staff will need review the suggested changes in detail in order to provide a proper recommendation and requests two weeks to conduct a detailed review.

Commissioner O'Quinn asked if any specifications can be established between a conceptual site plan and a detailed site plan to address land use percentages. Mr. Gillies stated that these specifications or percentages need to be established at this time - not later.

Kevin Laughlin, City Attorney, notes that the detailed site plan must conform to the conceptual site plan and any changes between either will make it challenging to draft an objective, enforceable Ordinance, particularly without staff having the opportunity to review and prepare an informed recommendation. Mr. Moayedhi agrees to continue working with staff to meet the suggested land use percentages.

Robert Michaelson, Attorney for Centurion American, stated that it is possible to have a concept plan that allows certain uses as long as the ordinance requirements are satisfied. Mr. Laughlin advises that the percentages must be satisfactory to both City Council and the Planning Commission.

Dave Denison (1440 Briarcroft Circle, Carrollton, TX) President of Valwood Improvement Authority, gave a brief presentation in opposition of the proposed rezoning and submitted a resolution (Resolution 86) signed by the Valwood Improvement Authority Board of Directors. The Resolution was based on the results of a fiscal impact analysis conducted by MetroStudy that revealed potentially negative implications that the proposed development presents to Valwood and the Authority's ability to provide responsible flood control management to the entire district. Mr. Denison stated that John Boyle, Attorney for Valwood Improvement Authority, is available for questions.

Commissioner Blackson asked for more information on the difference in the tax revenues generated from the undeveloped land vs. developed land. Mr. Denison stated that approximately \$2 million dollars of improvements have been established in the area over 35-40 years and ongoing service and maintenance is expensed from the tax revenues in the PD-88 area. Commissioner Blackson asked

if Valwood's fiscal responsibilities would be negatively impacted by allowing the applicant to begin developing the proposed property. Mr. Blackson stated currently Valwood Improvement Authority was not getting any significant revenue from this 268 acres. Mr. Denison replied that fiscal projections and future estimated taxes for development of PD-88 is much greater than the development value of PD-99.

Commissioner O'Quinn asked how many Board members participate on the Valwood Improvement Authority and the voting process for Resolution No. 86. Mr. Denison stated that all 7 Board members are appointed by the City of Farmers Branch and the City of Carrollton; noting that an official vote was taken on Jan. 15th, 2016 with the following tally: 4 in favor, 2 abstained due to conflict of interest, and 1 absentee.

Mr. John F. Boyle (4201 Wingren Rd. Suite 108, Irving, TX), Legal Counsel for Valwood Improvement Authority, approached the podium and gave a brief presentation stating that the Valwood Improvement Authority is opposed to the proposed rezoning request to create PD-99 based on the results of the fiscal impact study conducted by Metro Study Consulting firm. Mr. Garrett Gray approached the podium and presented the research results on the current and future property values, density assumptions, and cost assumptions of PD-88 and their effect on planned uses, taxes, and land values within PD-88 and PD-99. Mr. Gray advised that PD-88 has a 30% greater property value buildout than that of PD-99 as well as the greater potential for PD-88 to generate \$544 million more in tax revenue over 25 years than PD-99.

Commissioner Lynne asked for the total amount of revenues earned by Valwood Improvement Authority last year. Mr. Gray stated that total revenues exceeded \$4 million. Mr. Denison stated that the 2016 annual budget totals \$4.75 million which were allocated as follows: \$3.5 million for debt service and \$1.25 million for operations and maintenance. Mr. Gray notes that from 2040 - 2060, Farmers Branch is estimated to collect \$178.5 million from PD-88 vs. \$77 million from the proposed PD-99.

Commissioner Lynne asked about the retirement of debts noting that the estimated tax revenues would help relieve the total debt. Mr. Denison advised that Valwood Improvement is anticipated to relieve all debt within 10 -12 years, however necessary levy adjustments, pump maintenance, or other projects may require additional loans to complete.

Commissioner Blackson asked if it is possible to forecast the potential stagnation of PD-88 compared to the potential growth of PD-99. Mr. Gray advised that an accelerated forecast would likely show positive revenues within PD-99 but noted that Valwood Improvement Authority is more concerned about sustaining adequate funding for operations and flood management over the long term.

At 9:10 pm, Chairperson Hardie calls a 10 min. intermission. The session reconvenes at 9:20 pm.

Chairperson Hardie calls Mrs. Lucy Billingsley to the podium. Mrs. Billingsley (6701 Turtle Creek Blvd), representing the Billingsley Company, gives a brief presentation in opposition of the proposed rezoning and discusses the fiscal and physical challenges that the development will present to Monitronics Inc. and future Billingsley projects east of Mercer Crossing Lake. Mrs. Billingsley also discusses the potential liability and fiscal effects of PIDS and TIRZ expenses on community property values.

Commissioner Blackson asked Mrs. Billingsley to highlight the differences between the applicant's proposal and the Cypress Waters project as proposed by the Billingsley Company. Mrs. Billingsley notes that the Cypress Waters development is a 1,000 acre property that includes 7 commercial buildings that will be used as an economic generator with the goal of attracting families and other residents and retaining them as the labor force for the established commercial businesses. Commissioner Blackson advised that the applicant's proposed project may have the potential to become a similar success on a smaller scale. Mrs. Billingsley replied that the rezoning will stagnate the growth of Monitronics and future commercial and office projects and requests a significant entry access roadway be built to allow direct access to the business.

Commissioner Lynne asked if is possible for commercial businesses to succeed in areas of close proximity to residential developments. Mrs. Billingsley advises that the visibility of the Plano Legacy area is key to the success of the surrounding businesses.

Chairperson Hardie invites Mr. Ben Robinson (13824 Wooded Creek Court) to the podium. Mr. Robinson gave a brief presentation in opposition of the proposed rezoning, advising that a change in ownership of PD-88 several years ago, prompted the City Council to establish a TIF to encourage development. Mr. Robinson stated the creation of this TIF has not really stimulated growth. Mr. Robinson stated that Staff presented reliable information in opposition of the rezoning request. Mr. Robinson also mentioned that the City should avoid getting involved in a PID for this area resulting in carrying the subsequent liability.

Mr. David Verret (1990 Wittington Place), Monitronics Representative, gave a brief presentation in opposition of the proposed rezoning, noting the steady growth of the Monitronics property and the lack of security that the applicant's development will create regarding the location and continued growth of the business.

Ms. Pat Edmonson (14215 Tanglewood Dr.) gave a brief presentation in opposition of the proposed rezoning and discussed the issue of aging multi-family properties.

Ms. Judy Byrd (2980 Eric Ln) gave a brief presentation in opposition of the proposed rezoning, expressed concern that a rezoning will discourage future commercial developers from coming to Farmers Branch and requests that the Commissioners consider supporting PD-88.

Mr. David Koch (3243 Brincrest Dr.) gave a brief presentation in support of the proposed rezoning, noting that the development property will attract young families with children that will support local businesses. Mr. Koch suggests that PD-88 is growing obsolete and no longer supports revitalization.

Mr. Lucilo Peña (1722 Routh St., Suite 200, Dallas, TX 75201) Billingsley Company Representative, gave a brief presentation in opposition of the proposed rezoning, advising that while mixed uses are successful, high-density multi-family and high-density office are in high demand because they are pedestrian friendly. Mr. Pena also notes that Billingsley is actively pursuing commercial property in the proposed area by developing office, industrial, and multi-family projects. Allowing PD-99 will discourage this future development east of the lake.

Chairperson Hardie asked if anyone from the public audience would like to make a presentation. Mr. Moayedí approached the podium to offer responses to the public hearing presentations and discusses the tax revenues, construction schedule, developer partnerships, and professional reputation of Centurion American. Mr. Moayedí also advises his willingness to modify the land use percentages as follows: (50%) 50 ft. lots, (20%) 40 ft. lots, (10%) 60 ft. lots, (20%) townhomes, and 1,250 multi-family units.

Commissioner O'Quinn asked Mr. Moayedí to clarify the residential percentages. Mr. Moayedí advised the following: (50%) 50 ft. lots, and a reduction of the remaining 73% of residential to (10%) 60 ft. lots, (20%) 40 ft. lots, (20%) townhomes, and 1,250 multi-family units. These changes will lower the 73% proposed residential land use to 40%.

Mr. Ted Dameris, Park West Hold Co. Representative, approached the podium and gave a brief presentation in opposition of the proposed rezoning, noting that the issue regarding PD-88 rests with the land owner not the requirements within PD-88.

Mr. Gillies stated that further discussion with Mr. Moayedí regarding the proposed changes within PD-99 is needed and recommended giving staff time to revise the proposed PD before the Planning and Zoning Commission take action. Mr. Gillies also stated that larger lot sizes will help enhance a single family development however these concepts need to be better displayed on a revised conceptual site plan.

Chairperson Hardie closed the public hearing and advised that further discussion is needed to address concerns regarding soil testing, traffic, light pollution, and population density, and to allow staff the proper time to gather more concrete data. Chairperson Hardie recommends a continuation of the case until February 22, 2016.

Commissioner De Los Santos agrees with the suggested continuation and notes that the number of proposed 40 ft. lots should be reduced.

Commissioner Reed agrees with the suggested lot reduction and asked that the number of townhomes be reduced as well.

Commissioner Blackson asked when the case will be presented to City Council and if the continuation will affect the City Council's review schedule. Mr. Gillies stated that the case is tentatively scheduled to be presented to City Council on March 1, 2016, and notes that a motion to continue this case on February 22, 2016 will move the Council presentation date to March 15, 2016.

Commissioner Blackson notes the potential of PD-88 but expresses concerns that the area may remain undeveloped, severely limiting the City's growth and discouraging young families from becoming residents.

Commissioner O'Quinn advised that the Demo Rebuild Program is beneficial but not enough to keep pace with the demand for new residential development to attract and retain young professional families who are looking for a sense of community.

Commissioner Brewer agrees with the need for quality residential development and supports the idea that young professional families will significantly grow the City.

Commissioner Lynne advised that home owners have equity in the City and thus should be prioritized when considering further residential development in the City and asked the Commissioners to review the information presented, allow staff to prepare an updated conceptual site plan, and continue the discussion at the next meeting. Mr. Lynne also expresses his appreciation for Mr. Moayed's vision and asked that he also consider the feedback regarding his proposal when working with staff.

Commissioner O'Quinn notes that he has confidence that Mr. Moayed will make his plan happen. He disagrees with the Chairperson's recommendation to continue this case to the next meeting. Commissioner O'Quinn makes a motion to recommend approval to change the zoning of an approximately 268 acre tract from PD-88 to PD-99 with the following modifications: a maximum of 1,250 multi-family units on the northern tract, a 50% of 50 ft. wide residential lots, 20% of 40 ft. wide residential lots, a 20% for townhomes, and a 10% for 60 ft. wide residential lots.

Commissioner Lynne seconds the motion.

Chairperson Hardie asked all Commissioners to clearly state their voting preference. Commissioner De Los Santos votes in favor of the motion, Commissioner Reed votes in favor of the motion, Chairperson Hardie votes against the motion, Commissioner Blackson votes in favor of the motion, and Commissioner Brewer votes in favor of the motion. Chairperson Hardie advised that the motion passed by a 6 to 1 vote.

A motion was made by Commissioner O'Quinn, seconded by Commissioner Lynne, that this Ordinance be recommended for approval. The motion carried by the following vote:

Nay: 1 - Chairman Hardie

Aye: 6 - Commissioner Jamie Reed, Commissioner Sergio De Los Santos, Commissioner Bronson Blackson, Commissioner Jason O'Quinn, Commissioner Terry Lynne and Commissioner Chris Brewer

C.2 [15-ZA-05](#)

Conduct a public hearing and consider a request from Billingsley Company to amend Planned Development No. 88 (PD-88) and take appropriate action. The proposed amendment includes changing an approximate 25.27 acre tract from "Office-1" subdistrict and an approximate 19.51 acre tract from "Commerce" subdistrict into "Mid-Density Residential" subdistrict and establishing a Conceptual Site Plan for a multi-family residential community containing approximately 1,059 dwelling units.

Chairperson Hardie read the overview of the rezoning request into the record and opened the public hearing. Andy Gillies, Community Services Director, approached the podium to and recommended the continuation of the zoning case until the next meeting.

Mr. Gillies asked Mrs. Billingsley if she would like to make a presentation or request a continuance for the next Planning and Zoning meeting on February 22, 2016.

Mrs. Billingsley agreed to continue the case until the next meeting. Mr. Gillies asked the Commissioners to continue the proposed zoning amendment until the February 22, 2016 meeting and reconvene as an open public hearing.

A motion was made by Commissioner Blackson and seconded by Commissioner De Los Santos to continue the zoning amendment request until the next Planning and Zoning Commission meeting scheduled for February 22, 2016. The motion passed by all 7 Commissioners.

A motion was made by Commissioner Blackson, seconded by Commissioner De Los Santos, that this Zoning Amendment be continued. The motion carried by the following vote:

Aye: 7 - Commissioner Jamie Reed, Commissioner Sergio De Los Santos, Commissioner Bronson Blackson, Commissioner Jason O'Quinn, Chairman Hardie, Commissioner Terry Lynne and Commissioner Chris Brewer

D. ADJOURNMENT

A motion was made by Commissioner O'Quinn, seconded by Commissioner Brewer, that this Meeting be adjourned at 10:35 pm. The motion carried by the following vote:

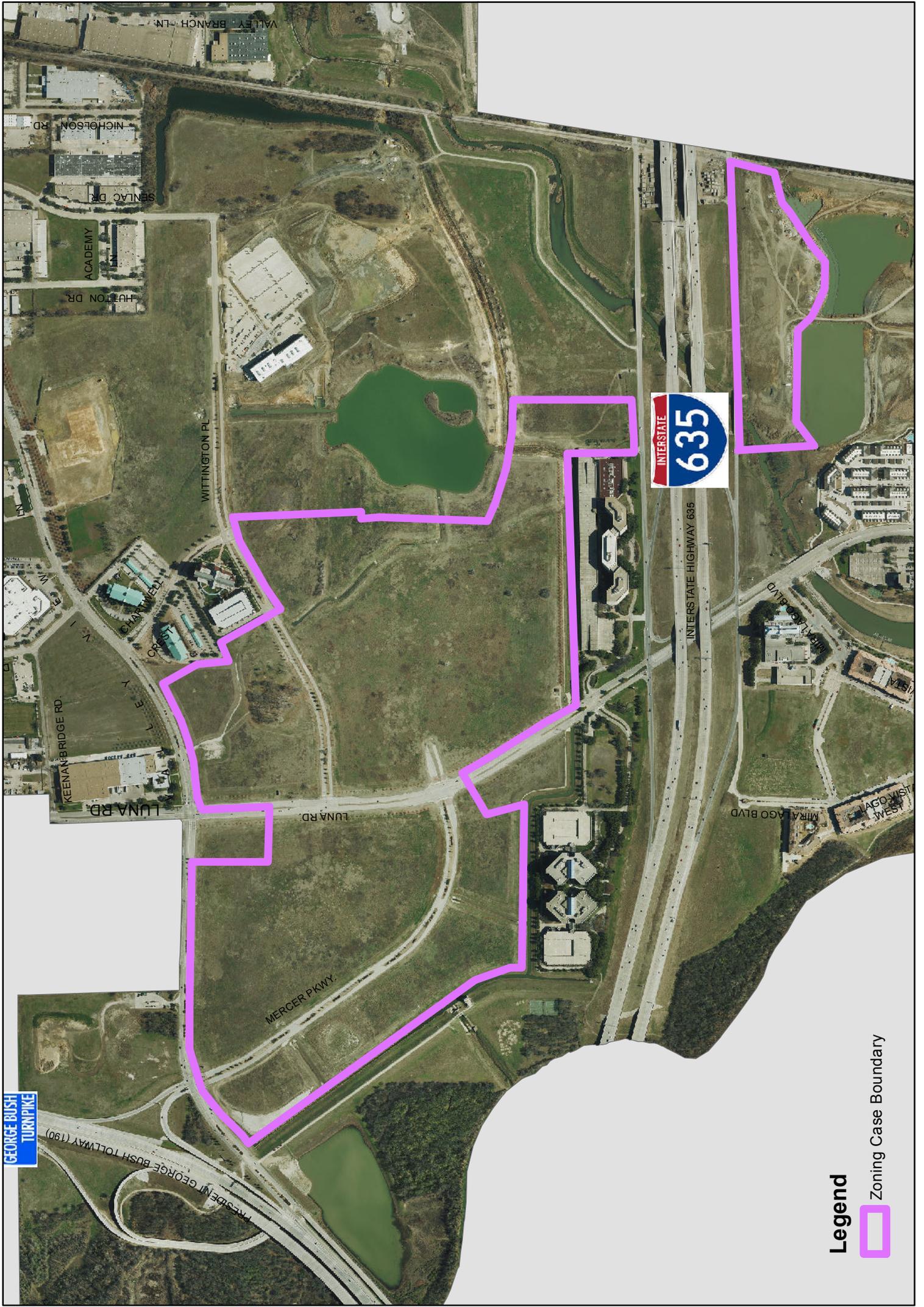
Aye: 7 - Commissioner Jamie Reed, Commissioner Sergio De Los Santos, Commissioner Bronson Blackson, Commissioner Jason O'Quinn, Chairman Hardie, Commissioner Terry Lynne and Commissioner Chris Brewer

Farmers Branch City Hall is wheelchair accessible. Access to the building and special parking are available at the main entrance facing William Dodson Parkway. Persons with disabilities planning to attend this meeting who are deaf, hearing impaired or who may need auxiliary aids such as sign interpreters or large print, are requested to contact the City Secretary at (972) 919-2503 at least 72 hours prior to the meeting.

Certification

I certify that the above notice of this meeting was posted on the bulletin board at City Hall on Thursday February 4, 2016 by Kenecia Brown.

City Administration



GEORGE BUSH
TURNPIKE

PRESIDENT GEORGE BUSH TOLLWAY (190)

MERCER PKWY.

LUNA RD.

LUNA RD.

KEENAN BRIDGE RD.

CHANTWELL
CRIST

WITTINGTON PL.

HUTTON DR.

SENAC DR.

NICHOLSON RD.

VALLEY BRANCH PLN.



INTERSTATE HIGHWAY 635

MIRALAGO BLVD

INTERSTATE

Legend

 Zoning Case Boundary



Information MEMORANDUM

TO: Mayor and City Council

FROM: Andy Gillies
Director of Community Services

DATE: March 1, 2016

SUBJECT: Ordinance No. 3359 –Zoning amendment establishing PD-99

Action by Planning & Zoning Commission:

Note:

The information at the beginning of this memorandum is based on the original rezoning submittal that went before the Planning & Zoning Commission on February 8th, 2016. At that public hearing the Planning & Zoning made several modifications regarding the mix of lot sizes within the Urban Residential subdistrict, as well as reducing the number of multi-family dwelling units north of LBJ Freeway. A motion to recommend approval of proposed Planned Development No. 99 (PD-99) was successfully made with the following modifications:

Within the Urban Residential subdistrict

- *50 % of all proposed single family lots shall be a least 50 feet in width*
- *10% of all proposed single family lots shall be at least 60 feet in width*
- *No more than 20% of all single family lots shall be at least 40 feet in width and no more than 49 feet*
- *No more than 20% of all single family lots shall be townhome lots of at least 25 feet in width.*

Within the Urban Commerce subdistrict

- *No more than 1,250 multi-family dwelling units shall be allowed on Tract One (tract north of LBJ freeway).*

Existing Conditions:

This site extends from the intersection of Valley View Lane and PGBT southeasterly to the LBJ Freeway (See Location Map). It is composed of two main tracts. Tract 1 contains approximately 248 acres and is located north of LBJ Freeway (I-635). Tract 2 contains approximately 20 acres and is located just south of the LBJ Freeway eastbound frontage road, approximately 1100 feet east of the intersection of Luna Road and the LBJ Freeway. Both tracts are currently located within Planned Development No. 88 (PD-88), a large zoning district commonly known as the Mercer Crossing Code.

Tract One

To the north of Tract One is Valley View Lane and a wide variety of commercial land uses, including light manufacturing, warehouse and distribution, and office. Along the eastern edge of Tract 1 is the expanding Mercer Crossing Lake, and the new Monitronics corporate headquarters. To the south of the tract are two large office complexes (Browning Place and Park West II) and the LBJ Freeway. To the west is Valwood Improvement District levee system and the floodplain of the West Fork of the Trinity River.

Tract Two

Immediately north of the site is the eastbound frontage road of the LBJ Freeway. To the east and south of the site is a new 30 acre man-made lake. To the west is the site of the recently approved QuikTrip fueling station and convenience store and Luna Road.

Overall Community Design:

The applicant, Centurion American (CA), proposes to develop a new master planned residential community consisting of single family detached residential, single family attached residential, multi-family residential, retail, retail service, restaurant, office, entertainment, and hotel land uses. In order for CA to effectively create this new master-planned community they are requesting a new Planned Development zoning district, Planned Development No. 99 (PD-99). Listed below is a summary of that proposed zoning district.

Proposed Planned Development No. 99

The primary purpose of PD-99 is to create an opportunity for introducing owner-occupied single family residential development within the large underdeveloped area commonly known as Mercer Crossing. Within proposed PD-99, these single family neighborhoods will be grouped within the proposed "Urban Residential" subdistrict. The applicant has also included several areas within the PD for complimentary non-residential land uses. These commercial developments are grouped within the proposed "Urban Commerce" subdistrict. All allowed land uses within PD-99 fall within one of these two basic subdistricts.

Urban Commerce – 128 Acres

(After P&Z modifications on February 8th, Urban Commerce is approximately 92.7 acres)

Tract 2 is proposed to be a new regional retail destination district containing a hotel, several restaurants, and an entertainment center all oriented along a new wide boardwalk on the northern shore line of the new lake.

Within Tract 1, a more neighborhood-oriented retail area is proposed on the southeast corner of Luna Road and Valley View Lane. This neighborhood shopping area is proposed to include a small grocery store as well as several small retail buildings containing a variety of retail services and restaurant opportunities. Another hotel site is proposed on the southwest corner of Valley View Lane and Mercer Parkway. Approximately 48% (61 acres) of the Urban Commerce subdistrict in Tract 1 is proposed for multi-family development.

Urban Residential- 139 Acres

(After P&Z modifications on February 8th, Urban Residential is approximately 174.2 acres)

The remaining area within Tract 1 will be essentially used for single family residential development. A major design feature of Tract 1 is the western edge of Mercer Crossing Lake as a large public open space or park. This lake is currently being expanded by the Valwood Improvement Authority to approximately 50 acres (almost doubling the original size). This expanded lake will serve the West Side as a large park and special event area. In addition to providing a public shoreline and perimeter trail along this western edge of the lake, the applicant is proposing a new outdoor amphitheater on the northwestern corner of the lake. This facility (with an approximate capacity of 2,000 people) will be used for a series of concerts and activities during the year. These events will be organized and sponsored by the developer, Centurion American, or the Property Owners Association (POA). This amphitheater, however, is located outside of the requested new zoning district. On the southwest corner of the lake, CA is proposing an Amenity Center with community meeting rooms, fitness room, and swimming pool. The applicant has tried to create interconnectivity with the various proposed residential neighborhoods to this unique physical amenity (public lake area) through the use of a network of public trails and smaller neighborhood parks. (See Conceptual Land Use Plan).

To take full advantage of the lake views CA plans to use the land immediately west of future Chartwell Crest for traditional single family detached development. The lots closest to the lake will be the largest within the PD. These lots will be 60' wide by 105' in depth. These lots will feature rear loaded driveways to improve the curb appeal along this lake side street. These proposed 60' lots have minimal setbacks to take full advantage of the lot, and require a minimum house size of 2,500 square feet. As the residential development moves further westward, toward Luna Road, the lots become smaller. These lots will be approximately 50' wide and 105' in depth. Most of these lots will utilize rear loaded driveways and garages, but some (approximately 13) will use front loaded drives to take advantage of the linear park and trail access running through the central part of the neighborhood. To the south of the lake and future Mercer Parkway the applicant has proposed a small enclave of narrower lots for single family development. These lots will be approximately 40' wide and 105' in depth. These lots will utilize a "zero lot line" (ZLL) configuration and will have rear loaded driveways. Surrounding this single family enclave of patio homes will be multi-family development consisting of approximately 1,500 dwelling units.

West of Luna Road, the applicant is proposing denser single family lot configurations. Immediately west of Luna, CA is proposing to continue their 40' wide ZLL configuration. However, as the community extends westward, CA is proposing a series of townhome developments, and eventually more multi-family developments along the western edge and terminus of the Mercer Parkway. (See Conceptual Land Use Plan).

Original Land Use Summary

| | | |
|---------------------------------|--------------------|--------------------------------|
| Single Family Detached | | |
| 50-60' wide lots | 34.5 acres | 153 dwelling units |
| 40' wide lots | <u>36.3 acres</u> | <u>209 dwelling units</u> |
| | 70.8 acres | 362 dwelling units |
| Single Family Attached | | |
| Townhomes (25' wide) | 20.5 acres | 204 dwelling units |
| Multi-Family | 61.0 acres | 2,500 dwelling units (maximum) |
| Commerce/Hotel | 48.6 acres | |
| Parks/Recreational Area | 25.3 acres | |
| Valwood Open Space/Lake | 6.0 acres | |
| <u>Streets/Easements/other.</u> | <u>34.7 acres</u> | |
| Total | 266.9 acres | 3,066 dwelling units |

(After P&Z modifications on February 8th many of these land use acreages changed- see P&Z Revisions section –page 14)

The following paragraphs generally outline the highpoints of this new proposed zoning district, Planned Development No. 99 (PD-99).

Permitted Uses:

The applicant is requesting a wider variety of land uses than currently allowed within PD-88. The proposed land uses can be categorized into two basic subdistricts:

Urban Commerce:

As mentioned earlier, this subdistrict allows for non-residential land uses such as retail, retail services, restaurants, entertainment and full service hotels. Multi-family development is also allowed within this subdistrict. No single family development will be allowed within this subdistrict.

Within the **Urban Commerce** subdistrict, a Specific Use Permit (SUP) would be required for the following land uses:

- Limited Service or Extended Stay Hotel
- Drive-Through Businesses
- Outdoor Display
- Gas Station and or Carwash
- Assisted Living or Skilled Nursing Home

Within the **Urban Commerce** subdistrict the Prohibited Land Uses would include the following:

- Motor Vehicle Repair, Sales, or Rental
- Outside Storage
- Gas Wells
- Industrial uses
- Sexually Oriented Businesses
- Tattoo Studios

Urban Residential:

Only Single Family Detached and Single Family Attached development will be allowed within this subdistrict.

Within the **Urban Residential** subdistrict, a Specific Use Permit would be required for the following land uses:

- Accessory Unit
- Assisted Living or Skilled Nursing Home
- Amenity Center and Amphitheater
- Civic Building or School

Setbacks:

In order to have more flexibility developing this master planned community CA is proposing the following setbacks for each subdistrict:

Urban Commerce

- Front Setback- Minimum of 10 feet
- Side Setback- Minimum of 10 feet
- Rear Setback- Minimum of 5 feet (with alley), 10 feet (without alley)

Urban Residential

- 60' wide lots front 10'/side 5'/rear 5'
- 50' wide lots front 10'/side 5'/rear 5' (rear load), 10' (front load)

- 40' wide lots front 10'/side 5'/rear 5'
- Townhome lots front 10'/side 5'/rear 5'

Building Heights and Lot Coverage:

The proposed maximum height for each subdistrict shall be as follows:

Urban Commerce

- All multi-family developments must be at least 4 stories
- Maximum height for all buildings is 12 stories
- Maximum lot coverage of 90% for commercial development
- Maximum lot of coverage of 80% for multi-family development

Urban Residential

- Maximum height is 3 stories for 60' lots
- Maximum height is 2.5 stories for 50' and 40' lots
- Maximum height is 3.5 stories for Single Family Attached (Townhomes)

Parking:

Urban Commerce

The Urban Commerce subdistrict requires the majority (51%) of the required parking for each site to be located behind the front façade of the primary building. No more than 25% of the parking spaces shall be located between the street and the front façade. All required parking shall be accommodated at grade (surface) or in structures. All surface parking areas must be screened with vegetation. The following parking ratios shall be enforced as a minimum requirement for these basic land uses:

- Office Space- 1 parking space per 300 square feet
- Retail Space- 1 parking space per 250 square feet
- Restaurant - 1 parking space per 150 square feet
- Hotel- 1 parking space per room (plus banquet/restaurant)
- Multi-Family - 1 parking space per 1.6 dwelling units (80% structured required)

The standard parking space is 9 feet wide by 18 feet long. No economy car spaces shall be allowed.

Urban Residential

Each single family detached residential lot is required to provide at least two (2) parking spaces within a garage. In addition, rear loaded driveways are to be designed to provide adequate room for two more onsite surface parking spaces.

Townhouse units are required to provide at least one (1) parking space in a garage. Additional visitor and overflow parking (1 space for every 5 units) shall be included in the approved site plan for the development.

Signs:

Signs within PD-99 will follow the requirements outlined in the City-wide Sign Ordinance (Ordinance No. 3247).

Exterior Materials:

Urban Commerce

Exterior walls shall be constructed of at least 75% brick or stone material (interior courtyard facades require 60%). Stucco may be used only as a secondary material and shall not exceed 25% of the façade. EIFS may be used only as an accent material and shall not exceed 5% of the façade.

Urban Residential

All exterior walls shall be constructed of at least 75% masonry material, however, minimum 3/4" stucco will be allowed as a masonry material on SFD and SFA residential units.

All residential front facades must include at least two architectural items such as a balcony, porch, chimney, front courtyard, natural stone or stone accents, double entry doors, covered entry, gables, arch or circle top windows, or stained wood columns.

In order to prevent repetition of these facades, no facade can be repeated within 4 lots in any direction. No floorplan can be repeated within 3 lots in any direction.

Street Design:

PD-99 includes a wide variety of street types. These street types range from the 6 lane boulevard configuration required for Luna Road to the typical local street used throughout all of the single family neighborhoods. (See Street Types). These local streets will be 31' from curb to curb, and include 5' wide sidewalks on both sides. On street parking spaces will be allowed on most local streets.

Special emphasis has also been placed on the landscaping within the street right of way (ROW). Pedestrian movement along all streets is also encouraged, and wider sidewalks and trails have been incorporated throughout the community. In addition, the installation of ample landscaping, both in the boulevard medians, and on both sides of the street will be included in the approved site plan. The developer has agreed to install street trees (3" caliper minimum) every 25 feet along the wider boulevard streets and every 35 feet along all local streets. Special streetlights will be installed along both sides of the proposed street. All streetlight and landscape

maintenance within the street ROW will be the responsibility of the developer or future Property Owners Association (POA). The City will be responsible only for the maintenance of the street pavement. (See Street Cross Section).

Parks and Trails:

PD-99 has incorporated a wide variety of parks and open space throughout the planned community. Over 18 acres of neighborhood parks and linear parks are proposed. Over 3 acres for the Amenity Center. Over 6 acres of landscaped open space is proposed within the various multi-family areas (10% minimum). In short, over 37 acres within PD-99 (approximately 13%) will be used for parks, recreation activities, and open space.

An extensive network of trails and sidewalks is proposed within PD-99. (See Trails and Open Space). Along the western shoreline of Mercer Crossing Lake CA proposes to install a 12' wide trail linking Wittington (and future Amphitheater) with Mercer Parkway (and the future Amenity Center) to the south. Additional trails extend westward along both Wittington and future Mercer Parkway and connect through the various neighborhoods and terminate close to the entrance of the John Burke Nature Preserve entrance and the PGBT. Approximately 14,700 linear feet of trails are proposed throughout the development. In addition to the miles of trails, all local streets will be installed with 5' sidewalks (See Parks, Open Space Trails Map).

Note: After the February 8th P&Z hearing CA has reduced the area dedicated for parks and trails to approximately 26.8 acres (approximately 10% of total area).

Landscaping:

Urban Commerce

The applicant has not established a landscaped open space requirement for most uses within the Urban Commerce subdistrict. Instead, the applicant wants to encourage outdoor areas and enhance the pedestrian experience by creating informal seating areas within courtyards and plazas. Multi-family developments will require at least 10% of their site to be used for landscaped open space.

The perimeter of all commercial surface parking areas fronting a street or public area shall provide at least a 5' wide landscaped area containing evergreen shrubbery at least 3' in height. Parking areas with more than 20 spaces will provide internal landscaped parking islands containing at least 1 tree (3" caliper minimum). A landscaped area or island shall also be required for every 15 parking spaces within all surface parking areas.

Urban Residential

All 60' or 50' wide lots will require at least 2 trees to be planted in the front yard. All 40' lots will require at least 1 tree to be planted in the front yard. All yards will be sodded and or landscaped and include an automatic irrigation system. All residential local streets shall have street trees within the parkways planted every 35' on center.

All residential fences shall be wooden “board on board” design and no higher than 6 feet in height. All fences abutting a park, open space, or street shall be ornamental metal and no higher than 6’. CA proposes the use of masonry neighborhood walls along portions of Wittington, Mercer Parkway, and Luna Road.

Special Conditions:

City Staff has determined that eventually additional traffic signals will be needed along Luna Road as the community develops. These future traffic signals will be located at the intersection of Luna Road and Wittington, and the intersection of Luna Road and Mercer Parkway. In addition, the existing sanitary sewer lift station located southeast of the Luna/Mercer Parkway intersection must be expanded. The applicant has agreed to participate in the cost of these additional city facilities as determined by the City Public Works Department.

Comprehensive Plan:

The 2003 West Side Plan is the Comprehensive Plan for the western portion of the City. In that plan, the area just west of Mercer Crossing Lake was designated as the “Urban Center”. The Urban Center is to be used for a mix of high intensity land uses such as offices, retail, and “high density” housing. The area west of Luna Road is designated as a “Regional Center”. Land uses within the Regional Center are to be less dense than the Urban Center, but to serve as employment and regional retail locations. The tracts south of Mercer Crossing Lake, and south of the LBJ freeway are designated as “Employment Districts”. As the label implies, these Employment Districts serve as areas primarily for commercial land uses, not residential. In fact, the 2003 West Side Plan established no special land areas or districts for Single Family residential development. All future residential development on the West Side was anticipated to be of a higher density and be located within very urbanized area such as the Town Center or Urban Center.

Therefore the proposed PD-99 is not consistent with the 2003 West Side Plan.

Thoroughfare Plan:

The 2013 Thoroughfare Plan identifies both Wittington and Mercer Parkway as eventual 6 lane divided streets. However, with this “down-sizing” of land uses to single family residential, keeping these streets 6 lanes is not appropriate. The applicant is proposing to reduce the size of these streets to a 4 lane divided design. City Staff has determined the 4 lane configuration of the proposed boulevard to be adequate and that ample existing ROW could be better used creating off street trails and landscaped open space. (See Street Classification Map and Street Cross Sections)

Market Study:

One of the main concerns Staff has expressed regarding this case, is how marketable will 566 single family lots be in this area of the Metroplex. To help answer those concerns, the applicant

has provided a Market Study, developed by Residential Strategies (RSI). In this market study RSI anticipates approximately 5 homebuilders (Sienna, Megatel, Lennar, Beazer, and M/I Homes) participating in the development of the approximate 566 units. The RSI report states that the proposed home prices are compatible with other home prices in the East Irving/Coppell/Farmers Branch submarket, and projects that the development could create and sell approximately 192 lots each year. (See RSI Market Study).

RSI Projected Values of the Single Family Housing Stock

| <u>Description</u> | <u>Lot Count</u> | <u>Lot Price</u> | <u>Estimated Home Price</u> | <u>Builders</u> |
|--------------------|------------------|------------------|-----------------------------|--------------------|
| 60' lots | 25 | \$180,000 | \$495,000-\$697,000 | Lennar,Beazer,M/I |
| 50' lots | 128 | \$150,000 | \$445,000-\$688,000 | Lennar,Beazer, M/I |
| 40' lots | 209 | \$120,000 | \$394,000-\$499,000 | Lennar, Beazer,M/I |
| Townhomes | 204 | \$ 75,000 | \$279,000-\$395,000 | Sienna, Megatel |
| Total | 566 | | | |

The RSI report did not include any market projections regarding future Multi-Family development within the East Irving/Coppell/ Farmers Branch submarket. Earlier this year, however, two Market Studies regarding Multi-Family supply and demand for Farmers Branch have been submitted to the City (Meyers Research, Catalyst Commercial). The Meyers report (submitted by JPI for a zoning amendment south of LBJ on Knightsbridge) projected the City could absorb approximately 980 year until 2019. The Catalyst Commercial report (performed for the City) projected a more conservative absorption figure of approximately 400 multi-family units a year. Currently the City has 1,101 existing multi-family units on the West Side, with 2,600 additional units already approved for development (total existing and approved = 3,701 dus). The applicant is requesting adding another 2,500 multi-family units to this total.

To confirm these projected values, the City contracted with MetroStudy to perform a Pricing and Product Types Opinion Report. The highlights of this report are as follows:

- Projected value of 50' wide lots with improvements could be between \$476,715 and \$615,296.
- Projected value of 40' wide lots with improvements could be between \$377,048 and \$486,656.
- Projected value of Townhome lots with improvements could be between \$361,696 and \$466,842.

The Inclusion of a Public Improvement District

In order to build all the proposed public improvements within PD-99 the applicant will be requesting the City participate in the formation and administration of a Public Improvement District (PID) for an estimated amount of \$30,000,000. The bond funds raised by the PID will be used by Centurion American to construct streets, water and sewer lines, parks and trails throughout the master planned community. Payment on these bonds will be assessed on all the future property owners within the designated district for 30 years. The preliminary estimated PID assessment to each ultimate property owner is approximately \$0.60 per \$100 of property value.

To help offset this high PID assessment fee, CA is requesting the City rebate approximately \$0.29 back to the property owner each year through the formation of a Tax Increment Reinvestment Zone (TIRZ).

Public Response:

Thirty-Eight (38) zoning notification letters were mailed to the surrounding property owners on January 28, 2016. Eight (8) zoning notification signs was also placed throughout the two tracts on that same day. As of February 22, twelve (12) letters of opposition has been received. Three (3) of these letters of opposition are from adjacent property owners within 200 feet of the zoning request. These opposing property owners represent approximately 15.6% of the notified property area within Farmers Branch. (See Mailed Notices Summary and Opposition Letters)

Staff Concerns:

City Staff has concerns regarding proposed Planned Development 99 and Conceptual Plan based on the following elements:

Too much Multi-Family

The applicant is proposing 61 acres (23% of area) to be used for multi-family development within this plan (2,500 unit maximum). Staff has asked for this area and unit count to be reduced. In particular, the multi-family areas proposed east of Luna Road are too close to the premium single family neighborhoods. Staff has asked this area to be converted to more 50' and 60' wide single family detached lots.

Note: After P&Z modification on February 8th, multi-family units have been reduced to 1,250 units on Tract 1, and 500 units on Tract 2.

Too Many Small Residential Lots

Staff has asked for larger lots throughout the review process. The majority of the proposed Single Family housing stock is either 40' wide ZLL patio home lots or townhomes (413 lots out of 566 = 73%). Staff is would like to see the majority of the proposed lots to be at least 50' and 60' wide. Including some larger premium lots along both Chartwell Crest and the internal Greenbelt area would also beneficial to the plan.

Note: After P&Z modification on February 8th, 60' lots have been increased to 73 lots (over 10% of total), 50' lots have been increased to 323 lots (over 50% of total) 40' lots have been reduced to 100 lots (less than 20% of total) and townhomes reduced to 111 lots (20% of total).

No School Site

Staff has been asking for a 10 acre elementary school site to be incorporated into the neighborhoods west of Luna Road. Adding a school into the mix of single family homes would greatly improve the long term sustainability of the overall community. Although the applicant has had some preliminary meetings with CFBISD, no agreements have been reached as of the date of this report.

Note: After the P&Z hearing of February 8th, CA has added an 8.6 acre school site to Tract 1, west of Luna Road. CFBISD has taken no action on acquiring this site yet.

No Strong Identity or Sense of Community

The proposed Conceptual Site lacks a unified sense of community. For example, the proposed development east of Luna Road has no real connection or link to the proposed development west of Luna. They are essentially two separate communities. Nothing proposed on the Conceptual Site Plan makes this community unique or special. No significant effort has been made by Centurion American to create a special identity or brand for this 268 acre master planned community. Without this strong identity, City staff is concerned with the long term sustainability of the community.

No Commerce Open Space Requirement

Staff has asked for all proposed sites within the Urban Commerce subdistrict to include at least 10% of the area be dedicated for landscaped open space. CA has only offered a 10% landscaped open space requirement for Multi-Family developments.

Economic Value

The existing PD-88 creates more economic value than PD-99. PD-88 established this area for future high density urban land uses and activity. The City contracted with Catalyst Commercial to perform a land use value comparison between existing PD-88 and proposed PD-99. The basic findings of this study are as follows:

The projected total value of proposed PD-99 at ultimate buildout is approximately \$862,200,000. This value would generate approximately \$15,000,000 in taxes annually.

The projected total value for the same area using the development standards outlined in PD-88 would be \$1,212,000,000 (approximately 40% more than PD-99). This would generate approximately \$21,000,000 in taxes annually (approximately 40% more than PD-99).(See Catalyst Land Use Value Comparison)

Inconsistency with the Comprehensive Plan

As mentioned earlier in this report, the 2003 West Side Plan designated much of this area as an “Urban Center”. The Urban Center is to be used for a mix of high intensity land uses such as offices, retail, and “high density” housing. The remaining areas included in this zoning request are designated as “Employment Districts”. These Employment Districts serve as areas primarily used for commercial land uses, not residential. In fact, the 2003 West Side Plan established no land areas or districts for Single Family residential development. All future residential development on the West Side was anticipated to be higher density than single family detached housing and located within very urbanized areas such as the Town Center or Urban Center subdistricts.

In addition, the West Side Plan made the recommendation to limit future residential development to 5,000 dwelling units west of Stemmons Freeway. Currently the City has 1,101 existing dwelling units in place, and another 2,600 under construction or approved on the West Side. With the approval of this zoning request, the total number of dwelling units would exceed 6,058. Two other zoning amendments are also currently under consideration by the City. These two requests include another 1,538 possible dwelling units.

Therefore the proposed PD-99 is not consistent with the 2003 West Side Plan. If the City decides to approve this zoning request, a significant revision or update to the West Side Plan should be initiated in the next 12 months.

Incompatible Land Uses

Most of the existing land uses on West Side are industrial. Single family residential development is not compatible with industrial land uses. Once these two conflicting land uses are placed in close proximity to one another, issues such as truck traffic, noise, hours of operation, light and even odor will become a growing problem between our corporate and residential citizens.

Soil Conditions

A good portion of the land within proposed PD-99 was used for gravel excavation operations in the 1940s-1960's. Upon the removal of the usable gravel material, many of these open pits were then used as official or unofficial land fill sites. Therefore the stability of the soil is very questionable and will require thorough testing and possible extensive reconditioning. Staff is concerned these areas may cause future foundation and structural problems for future homeowners. In addition, the old GNB battery plant site is located just north of Mercer Crossing Lake and the eastern portion of PD-99. The City staff still has concerns about the soil conditions south of this abandoned industrial site. Additional soil testing reports will be needed in the future before any kind of residential development can be allowed.

Gas Well Proximity

An approved undeveloped Gas Well Site is located on Mercer Parkway within proposed PD-99. Although the applicant has made efforts to remove this potential drilling site from the project area, the Specific Use Permit (SUP) is still valid and future gas well activities could legally develop in close proximity to the proposed single family homes along the western portion of Mercer Parkway. Until this SUP is completely removed, residential development in this area is inappropriate. (See Gas Well Exhibit).

Revisions based on Planning & Zoning Commission Recommendation:

On February 8th, the Planning & Zoning Commission voted to recommend approval of Planned Development No. 99 (PD-99) with the following modifications:

Within the Urban Residential subdistrict

- 50 % of all proposed single family lots shall be a least 50 feet in width
- 10% of all proposed single family lots shall be at least 60 feet in width
- No more than 20% of all single family lots shall be at least 40 feet in width and no more than 49 feet
- No more than 20% of all single family lots shall be townhome lots of at least 25 feet in width.

Within the Urban Commerce subdistrict

- No more than 1,250 multi-family dwelling units shall be allowed on Tract One (tract north of LBJ freeway).

Based on these new percentages, and the inclusion of a public school site west of Luna Road, the proposed Land Use Summary for the revised Conceptual Plan contains the following:

Revised Subdistricts Summary

| | |
|-------------------------------|--------------------|
| Urban Commerce subdistrict | 92.7 acres |
| Urban Residential subdistrict | 174.2 acres |
| Total | 266.9 acres |

Revised Land Use Summary (per P&Z modifications)

| | | |
|--------------------------|--------------------|--------------------------------|
| Single Family Detached | | |
| 60' wide lots | 19.1 acres | 73 dwelling units |
| 50' wide lots | 71.2 acres | 323 dwelling units |
| 40' wide lots | <u>18.9 acres</u> | <u>100 dwelling units</u> |
| | 109.2 acres | 496 dwelling units |
| Single Family Attached | | |
| Townhomes (25' wide) | 8.1 acres | 111 dwelling units |
| Multi-Family (Tract 1) | 26.0 acres | 1,250 dwelling units (maximum) |
| Multi-Family (Tract 2) | 5.0 acres | 500 dwelling units (maximum) |
| Commerce/Hotel | 50.3 acres | |
| Parks/Recreational Area | 26.8 acres | |
| School Site | 8.6 acres | |
| Streets/Easements/other. | 32.9 acres | |
| Total | 266.9 acres | 2,357 dwelling units |

All these modifications to PD-99 have been included in the Ordinance No. 3359.

Possible Council Action:

1. I move to adopt Ordinance No. 3359
2. I move to adopt Ordinance No. 3359 with the following modification(s)...
3. I move to continue this public hearing until the next regularly scheduled City Council Meeting on March 15th, 2016.

DEVELOPMENT
DISTRICT
MAP

Legend

- District Boundary
- Urban Commerce 92.7 ac.
- Urban Residential 174.2 ac.

NOTES:
Accesses, land use, lot yields, road alignments, park/open spaces and trails are illustrative in nature and may change due to final surveys and engineering. Final site plans, and City of Farmers Branch and other governmental agency reviews and approvals, Ion Design Group, LLC is not responsible for the final design. Owner reserves right to modify land-use allocations and densities by ±10%.

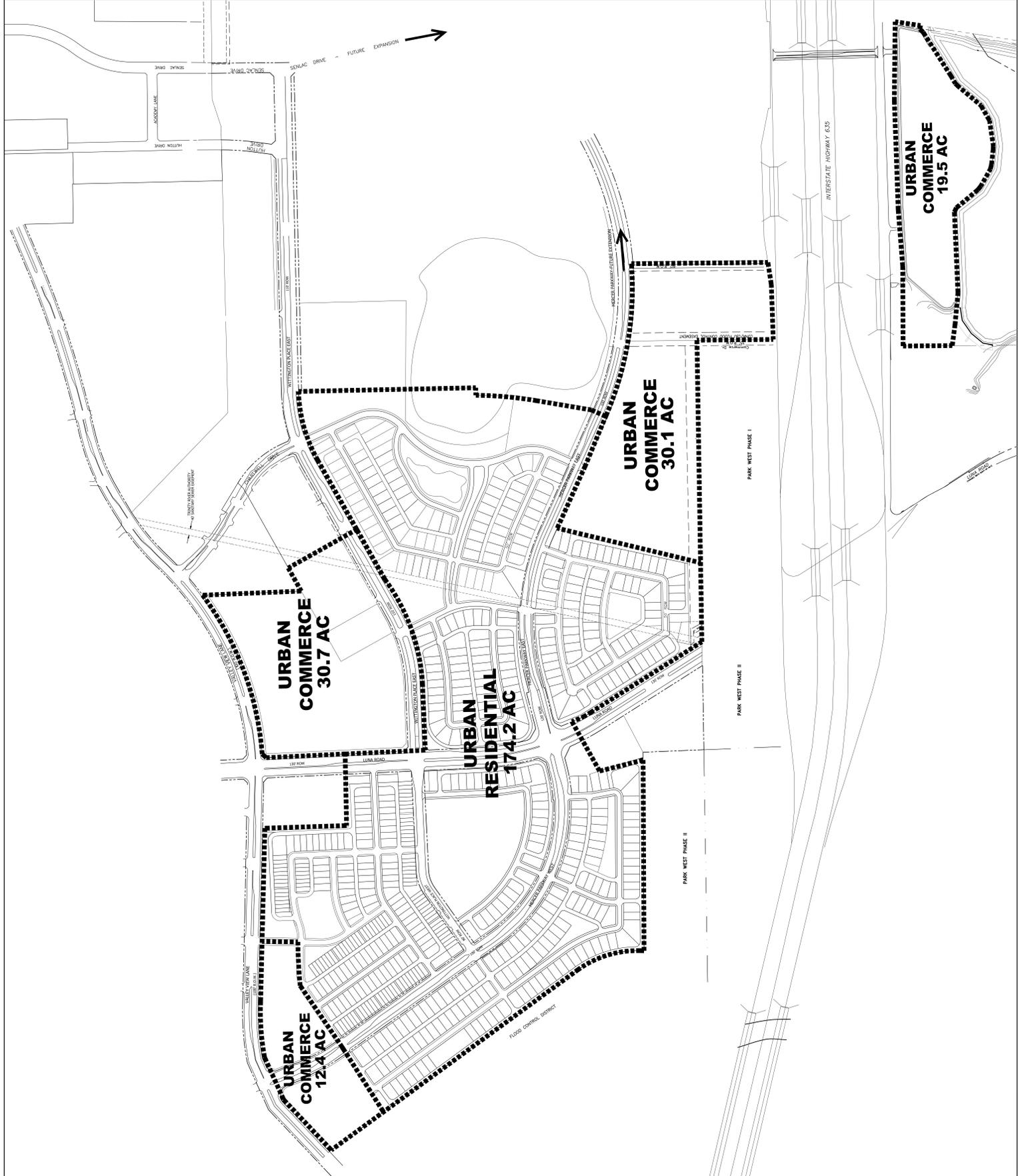


Mercer Crossing Layout
CITY OF FARMERS BRANCH, TEXAS



Ion Design Group
10000 North Loop West, Suite 1000
Houston, Texas 77040
281.430.4000

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DRILL SITE
MAP

Legend

- Existing Drill Site Easement ---
- 300' Setback ---
- 600' Setback ---
- Zoning Boundary

Note:

Drill site proposed to be abandoned.

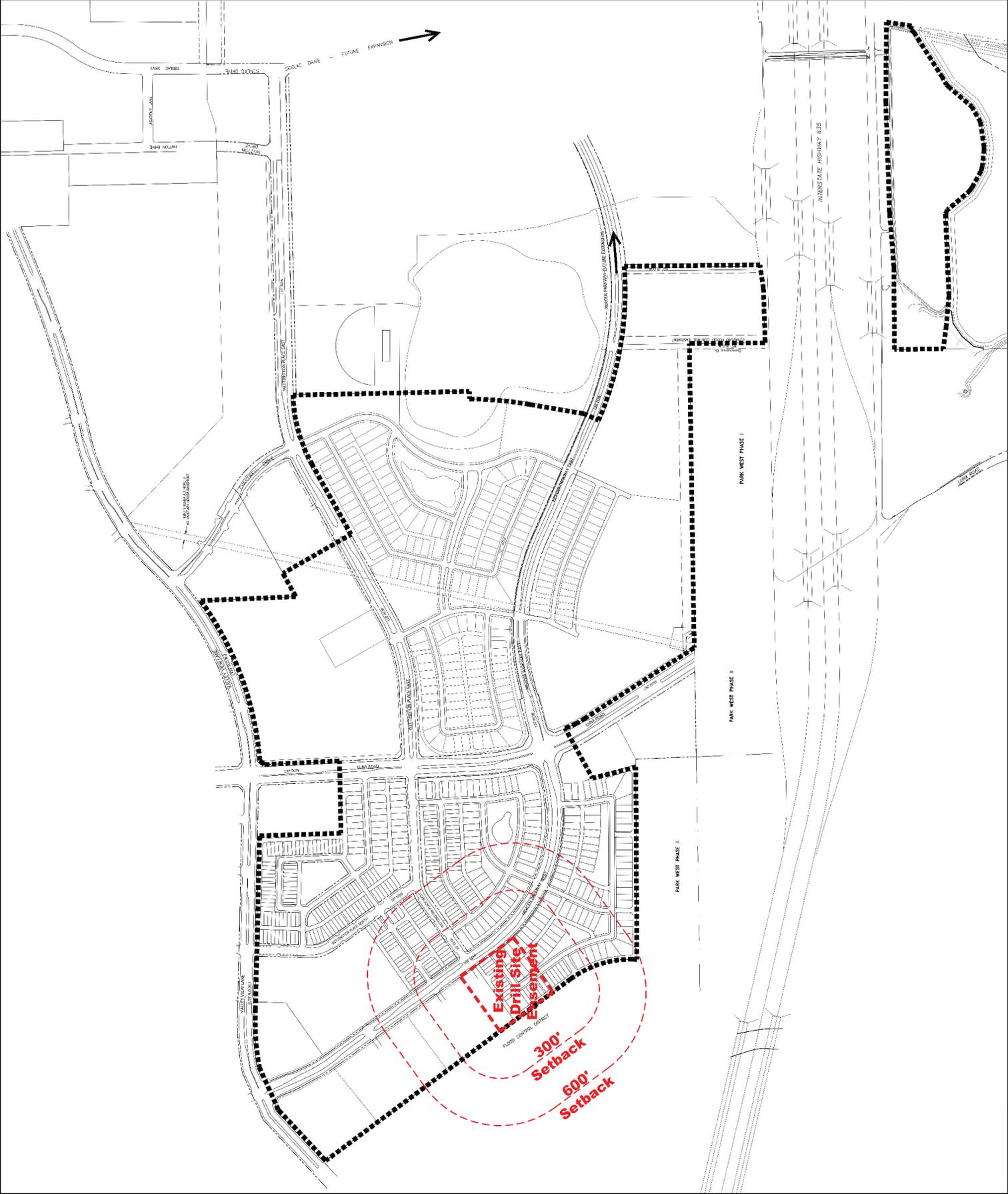
NOTICE:
Acreages, land uses, lot yields, road alignments, park/open spaces and trails are illustrative in nature and may change due to environmental findings, utilities, final site plans, and City of Farmers Branch and other governmental agency reviews and approvals. Owner reserves right to modify land use allocations and densities by ±10%.



Mercer Crossing Layout
CITY OF FARMERS BRANCH DALLAS COUNTY TEXAS

1001 Park West Area
Block 100
Phase 100
Plan No. 10020
10/10/2010

Ion Design Group, LLC 02/02/2010



Parks and Open Spaces Map, version 2.23.2016

PARKS, OPEN SPACE, TRAILS AND OTHER RECREATION FACILITIES MAP

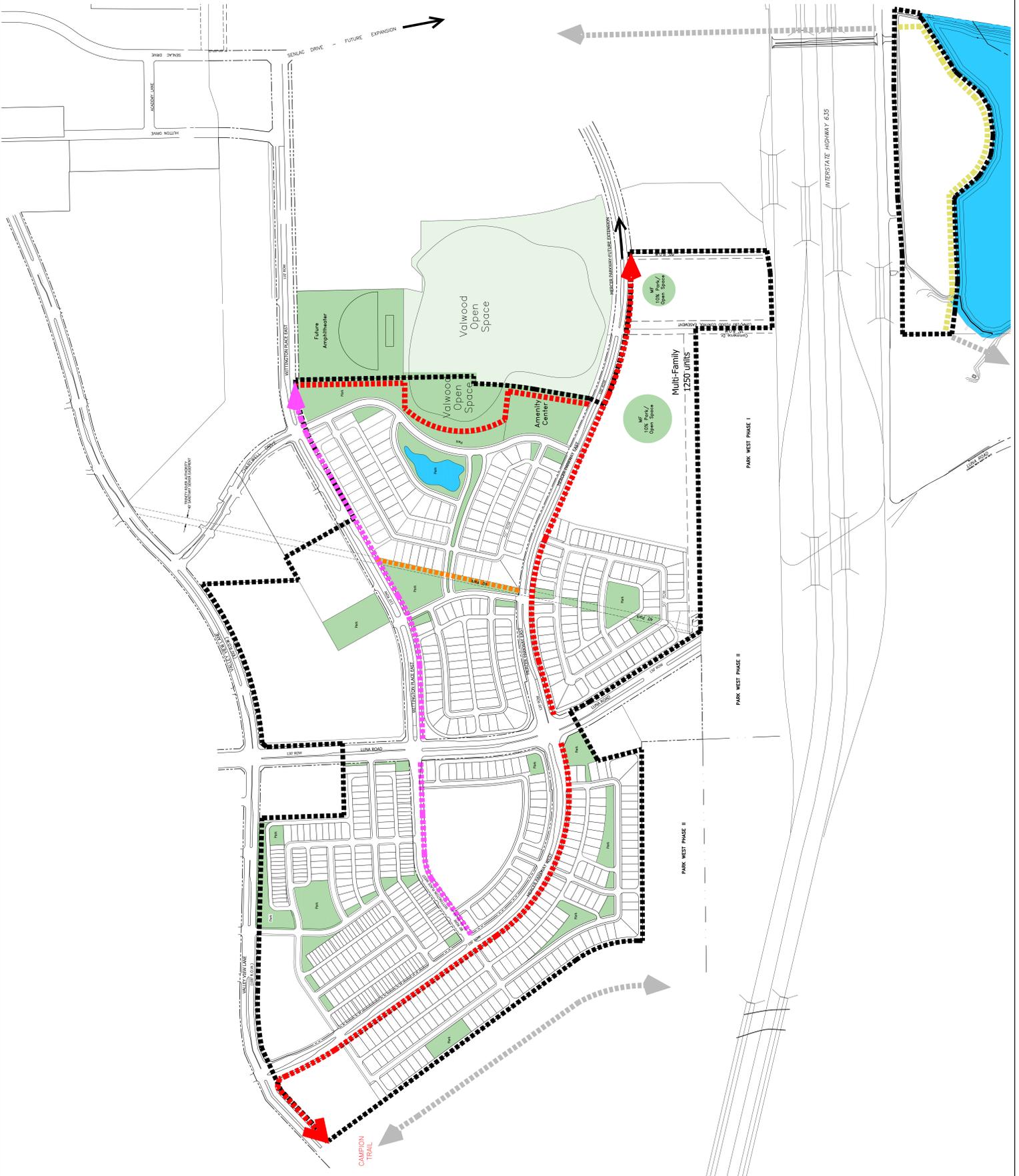
Legend

- Parks & Other Recreation Facilities** 35.6 AC.
 - Parks - 17.2 Ac.
 - Linear Parks - 1.2 Ac.
 - Amenity Center - 3.2 Ac.
 - Amphitheater - 8.8 Ac.
 - Valwood OS (inside) - 5.2 Ac.
- Multi-Family Open Space - 10%** 2.6 AC.
- Valwood Open Space (Outside)** 31.2 AC.
- Trails/Boardwalk - 15,700 Feet**
 - 8' Trail
 - 10' Trail
 - 12' Trail
 - 12' Boardwalk
- Future City Trail (By Others)**
- Zoning Boundary**

NOTICE: Acreages, land uses, lot yields, road alignments, park/open spaces and trails are preliminary and subject to change due to final surveys, field conditions and environmental findings, utilities, final site plans, and City of Farmers Branch and other agencies. Ion Design Group, LLC is not responsible for loss of lots and land use changes due to these conditions. Owner reserves right to modify land-use allocations and densities by ±10%.

Mercer Crossing Layout
CITY OF FARMERS BRANCH, DALLAS COUNTY, TEXAS

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2023 Park Ave
Dallas, Texas 75201
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Fax: 972.970.1111
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Street Classification Map, version 2.23.2016

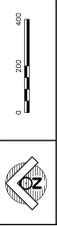
STREET CLASSIFICATION MAP

Legend

- Major Street
≥ 100 ft ROW
- Major Street
80 ft ROW
- Minor Street
- Alley
- Zoning Boundary

* Final alignment of Wittington and Luna intersection to be addressed during street design.

NOTICE: Acreages, land uses, lot yields, road alignments, park spaces and trails are preliminary. All dimensions are subject to final surveys, field conditions and environmental findings. Utilities, final site plans, and City of Farmers Branch and other agencies are to be consulted. Ion Design Group, LLC is not responsible for loss of lots and land use changes due to these conditions. Owner reserves right to modify land-use allocations and densities by 10%.



Mercer Crossing Layout
CITY OF FARMERS BRANCH, DALLAS COUNTY, TEXAS

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STREET CROSS SECTIONS (TYP.)

Note:
 Images are for illustration purposes only. Final street cross sections shall be determined at planting.

* Final alignment of Wittington and Luna intersection to be addressed during street design.

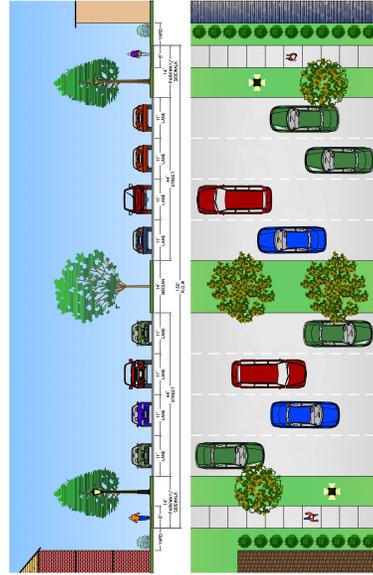
Residential Street - 50-Foot Right-of-Way



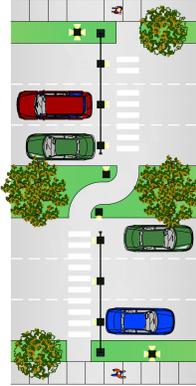
Wittington Place North/West - West of Luna Road (Looking West) *



Luna Road - North of Wittington Place (Looking North)



Valley View Lane Pedestrian Crosswalk with HAWK Signal



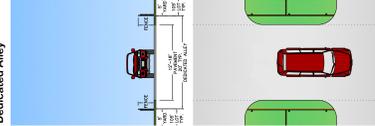
Mercer Parkway West - West of Luna Road (Looking North)



Luna Road - South of Wittington Place



Dedicated Alley



Mercer Parkway East - East of Luna Road (Looking East)



Wittington Place East - East of Luna Road (Looking East)



NOTICE: Road uses, lot yields, road alignments, park/open spaces and trails are illustrative in nature and may change due to final surveys, field conditions and engineering design. The design team, plans and City of Florence Board and other governmental agency reviews and approvals. Ion Design Group, LLC is not responsible for loss of jobs and land use changes due to these conditions. Final allocations and densities by 110%.

Mercer Crossing Layout
 CITY OF FLORENCE, SOUTH CAROLINA

Ion Design Group
 2000 West 11th Ave
 Ocala, Florida 32811
 352.237.1111

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City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: ORD-3360

Agenda Date: 3/1/2016

Version: 1

Status: Regular Agenda

In Control: City Council

File Type: Ordinance

Agenda Number: H.1

Consider adopting Ordinance No. 3360 Amending Chapter 66 of the City of Farmers Branch Code of Ordinances related to solid waste and recycling; and take appropriate action.

BACKGROUND:

On December 7, 2015, City Council authorized the City Manager to negotiate and execute and contract with Community Waste Disposal for residential and municipal operations solid waste and recycling collection services. The solid waste and recycling service level chosen by City Council was twice per week garbage collection in resident supplied bags and once per week recyclable material collection in rollout carts. Due to the change in service, the Code of Ordinances are amended to reflect the operational changes.

DISCUSSION:

Changes to the ordinance regarding solid waste include:

- Adding or updating definitions
- Stipulating proper locations to place trash and garbage for collection
- Establishing rules regarding the size and type of bags that may be used by residents for garbage storage and collection.

These changes include the addition of a new section regarding recycling storage and collection. Requirements for rollout carts screening and placement for collection have been added. It also provides a fine for non-compliance and for purposeful damage to the recycling containers supplied by the contractor.

RECOMMENDATION:

City Administration recommends adopting Ordinance No. 3360 amending Chapter 66 of the City of Farmers Branch Code of Ordinances related to solid waste and recycling.

POSSIBLE COUNCIL ACTION:

1. I move to approve adopt Ordinance No. 3360 amending Chapter 66 of the City of Farmers Branch Code of Ordinances related to solid waste and recycling.
2. I move to approve adopt Ordinance No. 3360 amending Chapter 66 of the City of Farmers Branch Code of Ordinances related to solid waste and recycling, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENTS:

1. Amended Chapter 66 of Code of Ordinances



ORDINANCE NO. 3360

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERS BRANCH, CHAPTER 66 “SOLID WASTE,” BY AMENDING SECTION 66-1 “DEFINITIONS” TO AMEND THE DEFINITIONS OF “GARBAGE” AND “TRASH” AND ADD DEFINITIONS FOR THE PHRASES “DISPOSABLE REFUSE CONTAINER,” “RECYCLABLE MATERIALS,” AND “RECYCLING CONTAINER;” SECTION 66-3 “DEPOSITING GARBAGE, TRASH AND OTHER MATTER ON STREETS, VACANT LOTS AND OTHER PUBLIC OR PRIVATE PREMISES” TO INCLUDE PLACEMENT OF MATERIALS IN A DISPOSABLE CONTAINER AS A DEFENSE; SECTION 66-4 “DEPOSITING TRASH, GARBAGE, OTHER WASTE MATERIALS OR RECYCLABLE MATERIALS ON OR IN A COMMERCIAL OR BUSINESS CONTAINER” AND SUBSECTION (a) OF SECTION 66-6 “APPLICATION FOR PERMIT” TO INCLUDE RECYCLABLE MATERIALS; SUBSECTION (B) OF SECTION 66-7 “ANNUAL FEE” TO DELETE OUTDATED LANGUAGE; AMENDING IN ITS ENTIRETY ARTICLE II “COLLECTION AND DISPOSAL” RELATING TO THE REGULATIONS FOR COLLECTION AND DISPOSAL OF GARBAGE AND TRASH; AND AMENDING SAID CHAPTER 66 BY ADDING A NEW ARTICLE III TITLED “COLLECTION OF RECYCLABLE MATERIALS” PROVIDING REGULATIONS FOR THE COLLECTION OF RECYCLABLE MATERIALS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR PENALTY OF FINE UP TO \$2000.00; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council has determined it to be in the public interest to provide for the collection of recyclable materials and to establish specific requirements for the use of disposable refuse containers with respect to the collection and disposal of garbage and trash for residences within the City; and

WHEREAS, the City Council of the City of Farmers Branch finds it to be in the public interest and necessary for the preservation of public health and safety within the City of Farmers Branch to amend the Code of Ordinances to provide for regulations of the above referenced activities.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. Chapter 66 “Solid Waste”, Article I “In General” of the Code of Ordinances of the City of Farmers Branch is amended as follows:

- A. Section 66-1 “Definitions” is amended by amending the definition of the words “Garbage” and “Trash” to read as follows:

Garbage means solid waste consisting of putrescible animal and vegetable waste materials resulting from the handling, preparation, cooking, and consumption of food, including waste materials from markets, storage facilities, handling, and sale of produce and other food products.

Trash means rubbish such as paper, boxes, grass, shrubs, yard cleanings, yard clippings, leaves, tree trimmings, weeds, hedge trimmings, and tree trunks and tree limbs cut in lengths not exceeding ten feet, and any other nonputrescible material or object which is discarded or thrown away.

- B. Section 66-1 “Definitions” is amended by adding definitions for the phrases “disposable refuse container,” “recyclable materials,” and “recycling container” to read as follows:

Disposable refuse container means plastic or paper bags with a volumetric capacity of not less than 13 gallons nor greater than 39 gallons or cardboard boxes with closed lids which are intended to be removed from the right of way and placed into the collection vehicle and not returned to the location where collected.

Recyclable materials means materials that have been recovered or diverted from the nonhazardous waste stream for purposes of reuse, recycling, or reclamation. Recyclable materials are not solid waste; however, a recyclable material may become solid waste if abandoned or disposed of rather than recycled, at which time the material will become solid waste only with respect to the party actually abandoning or disposing of the material.

Recycling container means a 65 gallon or 95 gallon rollout cart with functional wheels and closable lid provided by the City or its franchisee.

- C. Section 66-3 “Depositing Garbage, Trash and Other Matter on Streets, Vacant Lots and Other Public or Private Premises” to read as follows:

Section 66-3 Depositing garbage, trash and other matter on streets, vacant lots and other public or private premises

It is unlawful for any person to sweep, throw or deposit any garbage, trash, dirt, concrete, rocks, stagnant water or dead animals into, upon or along any drain, gutter, alley, sidewalk, street or vacant lot, or upon any public or private premises within the corporate limits of the city. It shall be a defense to a violation of this section the described materials were deposited into a disposable refuse container or in a manner as authorized by Section 66-41.

- D. Section 66-4 “Depositing Trash, Garbage, and Other Waste Materials on or in a Commercial or Business Container” is recaptioned and amended to read as follows:

Sec. 66-4. Depositing trash, garbage, other waste materials or recyclable materials on or in a commercial or business container.

It is unlawful for any garbage, trash, or other waste material, any recyclable material, or any injured or dead animal to be deposited, thrown or swept into, on, in or alongside a trash container which is provided for a business or establishment, by any person who is not the owner, operator, occupier, person in control, agent or employee of such business or establishment for which the container is provided.

- E. Subsection (a) of Section 66-6 “Application for Permit; Expiration” is amended to read as follows:

- (a) To obtain a solid waste and/or recyclable materials collection permit, a person must submit an application on a form provided by the director of finance or designee. The applicant must be the person who will own, control, or operate the proposed collection service.

- F. Subsection (b) of Section 66-7 “Annual Fee” is amended to read as follows:

- (b) The permit holder shall remit the annual fee quarterly to the city's finance department, on or before the 30th day of April, July, October, and January, based upon the revenues collected during the previous calendar quarter.

SECTION 2. Chapter 66 “Solid Waste”, Article II “Collection and Disposal” of the Code of Ordinances of the City of Farmers Branch, Texas, is amended in its entirety to read as follows:

Article II. Collection and Disposal

Sec. 66-36. - Duty of owner or occupant to provide containers.

Each owner, occupant, tenant or lessee using or occupying any building, house or structure within the corporate limits of the city, for residences, churches, schools, colleges, lodges, commercial businesses and other purposes shall provide and maintain containers of sufficient number and type, as specified in this article, to hold the garbage and trash that will normally accumulate on the premises.

Sec. 66-37. - Use of Disposable Containers for Garbage and Trash Collection; exception.

Each owner, occupant, tenant and lessee of each dwelling designed for occupancy by either one or two families shall provide or cause to be provided for each

dwelling unit or residence disposable refuse containers. Only disposable refuse containers may be used for the disposal and collection of garbage and trash, except in those cases where commercial containers are designated by the Director of Public Works or designee for use in apartment, commercial and other areas.

Sec. 66-38. - Use of Disposable Containers for Garbage and Trash Collection; exception.

Each owner, occupant, tenant and lessee of each dwelling designed for occupancy by either one or two families shall provide or cause to be provided for each dwelling unit or residence disposable refuse containers. Only disposable containers as defined by Sec. 66-1 may be used as garbage containers, except in those cases where commercial containers are designated by the Director of Public Works or his or her designee for use in apartment, commercial and other areas.

Sec. 66-39. - Residences to use approved disposable containers

The City will not collect garbage from any dwelling unit designed for use of either one or two families unless garbage is contained in disposable containers.

Sec. 66-40. - Use of disposable containers by churches, schools, offices or other establishments.

Disposable containers may be used by churches, schools, offices or any other establishment if the City Manager and/or the Director of Public Works or his or her designee shall find such use to be practicable, sanitary and not detrimental to the collection of such waste by the city.

Sec. 66-41. - Trash containers; weight; size of piles.

- (a) If trash is of such nature that it cannot be placed in disposable containers, it shall be placed in bundles or piles. The combined weight of the trash and bundle or container shall not be more than 50 pounds, and, on the day of trash collection, it shall be placed on the curb if pickup is made from the front of the building, or alongside the alley, or easement, wherever the garbage pickup is regularly made from the alley or alley easement. Tree limbs, tree trunks and hedge cuttings shall not exceed ten (10) feet in length and must be placed at the curb. If the weight of the tree limb(s) or tree stumps are greater than the operational capacity of the collection vehicle or the weight, size, or nature of the material creates an unsafe working condition, the Director of Public Works or his or her designee will request the material be reduced in size, weight, or reconfigured before collection of such materials occurs. Trash, garbage, or other waste materials which exceed the weight and/or size authorized by this section must be transported by the owner or resident to an appropriate facility for recycling or disposal.

- (b) It shall be unlawful to place out for collection by the City or any party authorized to collect trash or garbage for the City any trash or garbage which is not in compliance with this article.
- (c) If wastes or trash is collected by someone other than the City or a person or entity with whom the City has granted a franchise to provide solid waste or recycling collection, such collection shall occur using only containers approved by the Director of Public Works or his or her designee which are designed to prevent water from entering, wind from dispersing the wastes inside, any leakage, the escape of odors, and the entry of rodents and other animals.

Sec. 66-42. - Placing containers for collection

- (a) If the house, building or premises from which garbage is to be collected and removed is adjacent to an alley or easement designated for garbage collection, the owner, occupant, tenant or lessee of such premises shall place the disposable containers containing garbage or trash adjacent to the alley or easement so designated in a manner that provides easy accessibility to the collector from the outside of any fence or hedge that may surround the premises. If it is not practicable to collect and remove the garbage from an alley or easement, or if there is no alley or easement adjacent to the premises, the owner, occupant, tenant or lessee of the premises shall place the disposable container at the curblin, at the houselin so as to be visible from the street, or at such point on the premises that the Director of Public Works or his or her designee shall find and designate as being the most accessible for collecting and removing.
- (b) Disposable containers of garbage shall not be placed for pickup, excluding alley pickup, earlier than 6:00 p.m. on the day immediately preceding the day of collection. Residents with special considerations or physical limitations may be allowed individual exceptions to the time or location garbage is placed for pickup by the City, with prior written approval obtained from the Director of Public Works.

Sec. 66-43. - Waste from building operations.

Rock, waste, building materials and other trash resulting from building and remodeling operations will not be removed from a dwelling by the City's authorized solid waste collector, unless the material is placed in a container of sufficient size and strength to allow for bulky vehicle pickup. Otherwise, such waste shall be removed by the builder, owner or occupant of the building at his own expense.

Sec. 66-44. - Disposal of dead animals.

Dogs, cats or other dead animals shall not be placed in disposable containers.

Sec. 66-47. - Denial or delay of service.

The collection of a disposable container or other container the contents of which includes any corrosive, flammable, explosive, medical or other toxic or hazardous wastes may be delayed or denied until such items or materials are removed.

SECTION 3. Chapter 66 “Solid Waste” of the Code of Ordinances of the City of Farmers Branch, Texas shall be amended by adding a new Article III titled “Collection of Recyclable Materials” to read as follows:

Article III. - Collection of Recyclable Materials

Sec. 66-50. - Duty of owner or occupant to maintain recycling containers.

Each owner, occupant, tenant or lessee using or occupying any building, house or structure within the corporate limits of the city, who elects to place for collection recyclable materials shall maintain recycling container(s) of sufficient number to contain all recyclable materials (other than materials that are bundled and set out for collection pursuant to Section 66-53) that are placed for collection in accordance with this article.

Sec. 66-51. - Use of Recycling Containers for Garbage; exception.

Except as allowed pursuant to Section 66-53, each owner, occupant, tenant and lessee of each dwelling designed for occupancy by either one or two families who elects to use curbside or alley collection of recyclable materials shall place all recyclable materials in recycling containers. Only recycling containers as defined by Sec. 66-1 may be used, except in those cases where commercial containers are designated by the Director of Public Works or his or her designee for use in apartment, commercial and other areas.

Sec. 66-52. - Residences to use approved recycling containers.

No collection of recyclable materials by the City or anyone authorized by the City to collect recyclable materials from any dwelling unit designed for use of either one or two families shall occur unless such recyclable materials are contained in recycling containers.

Sec. 66-53. - Recycling containers; weight; size of piles.

Recyclable materials that are of such volume they cannot be placed in recycling containers shall be placed in bundles. On the day of recyclable material collection,

the bundled recyclable material(s) shall be placed next to the recycling container on the curb if pickup is made from the front of the building, or alongside the alley, or easement, wherever the recyclable material collection is regularly made from the alley or alley easement. Recyclable materials such as large cardboard boxes shall be broken down and/or cut up to a size where such materials are capable of being placed in a recycling container.

Sec. 66-54. - Placing recycling containers for collection.

- (a) If the house, building or premises from which the recyclable materials are to be collected and removed is adjacent to an alley or easement designated for garbage collection, the owner, occupant, tenant or lessee of such premises shall place the recycling container(s) containing recyclable materials adjacent to the alley or easement so designated in a manner that provides easy accessibility to the collector from the outside of any fence or hedge that may surround the premises. If it is not practicable to collect and remove the recycling container(s) from an alley or easement, or if there is no alley or easement adjacent to the premises, the owner, occupant, tenant or lessee of the premises shall place the recycling container(s) at the curblineline, at the houseline so as to be visible from the street or at such point on the premises that the director of public works or his or her designee shall find and designate as being the most accessible for collecting and removing.
- (b) Recycling containers shall not be placed for pickup earlier than 6:00 p.m. on the day immediately preceding the day of collection. Recycling containers shall be promptly removed from the point of collection, but no later than 8:00 a.m. on the day after service. Residents with special considerations or physical limitations may be allowed individual exceptions to the time or location recyclable materials are placed for pickup with prior written approval obtained from the Director of Public Works.
- (c) Except when placed for collection during the days and times authorized by subsection (b) of this section, recycling containers shall be kept in a location on the property where the recycling container cannot be viewed from a public or private street or alley.

Sec. 66-55. – Ownership of Recycling Containers

Title to and ownership of recycling containers provided to Residential Customers by the City or City's authorized contractor shall not pass to any Residential Customer.

Sec. 66-56. - Damage or destruction of recycling container.

It shall be unlawful for a person to damage or destroy a recycling container.

Sec. 66-57. – Recycling Optional

Nothing in this article shall be construed as mandating any person to engage in the collection and disposal of Recyclable Materials within the City; provided, however, any person electing to engage in the collection and disposal of Recyclable Materials within the City shall do so in compliance with this article.

SECTION 4. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 5. All provisions of the ordinances of the City of Farmers Branch reconcilably in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Farmers Branch not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 6. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

SECTION 7. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 8. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such case provide.

DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 1ST OF MARCH, 2016.

ATTEST:

APPROVED:

Amy Piukana, City Secretary

Bob Phelps, Mayor

APPROVED AS TO FORM:

Peter G. Smith, City Attorney
(kbl:2/23/16:75160)



City of Farmers Branch

Farmers Branch City Hall
13000 Wm Dodson Pkwy
Farmers Branch, Texas
75234

Staff Report

File Number: 16-062

Agenda Date: 3/1/2016

Version: 1

Status: Closed Session

In Control: City Council

File Type: Report

Agenda Number: I.1

**Council may convene into closed Executive Session pursuant to Section 551.074 of the Texas Government Code to deliberate regarding:
Personnel Matters - City Manager's 90 day progress report.**