

## MINUTES

**LANCASTER CITY COUNCIL REGULAR MEETING OF SEPTEMBER 13, 2021**

The City Council of the City of Lancaster, Texas, met in a called Regular Meeting in the Council Chambers of City Hall on September 13, 2021, at 7:00 p.m. with a quorum present to-wit:

**Councilmembers Present (City Hall & Zoom):**

Mayor Clyde C. Hairston  
Carol Strain-Burk  
Deputy Mayor Pro-Tem Stanley M. Jaglowski  
Marco Mejia  
Mayor Pro-Tem Racheal Hill  
Betty Gooden-Davis

**Councilmembers Absent:**

Keithsha C. Wheaton

**City Staff Present (City Hall & Zoom):**

Opal Mauldin-Jones, City Manager  
Andrew Waits, Director of Public Works  
Carey Neal, Assistant City Manager  
Chris Youngman, Emergency Management Chief  
Kenneth Johnson, Fire Chief  
Mike Delmore, Interim Director of Finance  
Sam Urbanski, Police Chief  
Bryce Reed, Communications and Public Relations Coordinator  
Keturah Barnett, Assistant to the City Manager  
Ron Gleaves, IT Manager  
David T. Ritter, City Attorney  
Sorangel O. Arenas, City Secretary

**Call to Order:**

Mayor Hairston called the meeting to order at 7:00 p.m. on September 13, 2021.

**Invocation:**

Bishop Clyde C. Hairston of Miracle Temple Fellowship Church gave the invocation.

**Pledge of Allegiance:**

Deputy Mayor Pro-Tem Jaglowski led the pledge of allegiance.

**Proclamations:**

Mayor Hairston read the Blood Cancer Awareness Month, and the National Payroll Week proclamations.

**Public Testimony:**

There were no speakers.

**Consent:**

1. Consider approval of minutes from the City Council Regular Meeting held on May 10, 2021, and May 24, 2021.

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2. Consider a resolution approving the terms and conditions of an interlocal agreement by and between the City of Lancaster and Dallas County Department of Health and Human Services to provide certain food establishment inspections and environmental services.
3. Consider a resolution adopting the City of Lancaster's Financial Policy providing for prudent financial management of all funds to enable the City to maintain a long-term stable and positive financial condition; and to provide guidelines for the day-to-day planning and operation of the City's financial matters.
4. Consider a resolution adopting the City of Lancaster's Investment Policy providing that all funds of the city be managed and invested for safety, liquidity, and diversification and yield investments chosen in a manner that promotes diversity by market sector, credit, and maturity; providing that this policy serves to satisfy the requirements of Chapter 2256 of the Local Government Code, "Public Funds Investment Act".
5. Consider a resolution adopting the City of Lancaster Debt Management Policy establishing guidelines for debt financing to provide for land, long-term capital additions, and infrastructure improvements while minimizing the impact of debt payments on current and future revenues.
6. Consider declaring certain board, commission or committee position(s) vacant due to resignations.
7. Consider a resolution approving the terms and conditions of an interlocal agreement by and between the City of Lancaster, the City of Dallas and County of Dallas, Texas for the annual Project 25 (P25) Infrastructure Support Fee in the amount of \$28.00 per month, per Subscriber Radio or console.

**MOTION:** Deputy Mayor Pro-Tem Jaglowski made a motion, seconded by Councilmember Strain-Burk to approve Consent items 1-7. The vote was cast 6 for, 0 against [Wheaton absent].

**Public hearing:**

8. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Beltline Ashmoore Public Improvement District.

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

9. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Boardwalk Public Improvement District.

Mayor Hairston opened the public hearing.

Vincent Johnson, 1301 Pennsylvania Ave, asked if a park would be added to the Boardwalk Community, shared he would like more information.

Trina Whaley, 1554 Illinois Ave, asked if there were more homes being built behind Boardwalk.

Eddie Thomas, 1558 Illinois Ave, had the same questions as the other speaker questions regarding a public park and additional homes being built behind Boardwalk.

**MOTION:** Mayor Pro-Tem Hill made a motion, seconded by Councilmember Gooden-Davis to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**10. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Glendover Estates Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Mayor Pro-Tem Hill to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**11. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Lancaster Mills Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**12. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Meadowview Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**13. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Millbrook East Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Mayor Pro-Tem Hill made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

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**14. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Pleasant Run Estates Phase 1-A Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**15. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Rolling Meadows Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Mayor Pro-Tem Hill made a motion, seconded by Councilmember Gooden-Davis to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**16. Conduct a public hearing and discuss an ordinance making certain findings in connection with the proposed supplemental services ordered in connection with the Tribute at Mills Branch and Tribute East at Mills Branch Public Improvement District.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**17. Conduct a public hearing and discuss an ordinance regarding the proposed fiscal year 2021/2022 budget for the fiscal year beginning October 1, 2021, and ending September 30, 2022; providing that expenditures for said fiscal year shall be in accordance with said budget.**

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Mayor Pro-Tem Hill to close the public hearing. The vote was cast 6 for, 0 against [Wheaton absent].

**18. Conduct a public hearing and discuss an ordinance regarding the proposed revenue increase from levying ad valorem taxes for fiscal year 2021/2022 at \$0.769287 per one hundred dollars assessed valuation of all taxable property within the corporate limits to provide revenues for current maintenance and operational expenses and interest and sinking fund requirements; providing due and delinquent dates; penalties and interest; providing a homestead exemption and disability exemption.**

City Manager Mauldin-Jones shared state Truth-in-Taxation law, Local Government Code and the City Charter require that an ordinance levying the ad valorem taxes be read and a public hearing held at a regular or special meeting of the Lancaster City Council. The tax rate proposed for fiscal year 2021/2022

is \$0.769287 per one hundred dollars assessed valuation on taxable property within the corporate limits. These tax dollars provide revenue for current operations and maintenance expenses and interest and sinking fund requirements. This tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will effectively be raised by 4.38% and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$-16.11. This is the first of two public hearings regarding the proposed tax rate. The second public hearing and consideration of the tax rate is scheduled for Monday, September 20, 2021, Special Council Meeting at Lancaster Municipal Center, City Council Chambers located at 211 North Henry Street, Lancaster, Texas. The governing body must announce the date, time, and location of the meeting at which it will officially vote on the tax rate. The vote on the tax rate is scheduled for Monday, September 20, 2021, at 7:00 p.m. at Lancaster Municipal Center, City Council Chambers located at 211 North Henry Street, Lancaster, Texas. Staff recommends City Council conduct and close the public hearing, and announce the date, time and location of the second public hearing and final vote. The second public hearing and final vote are scheduled for Monday, September 20, 2021, at 7:00 p.m. at the Lancaster Municipal Center, Council Chambers, 211 North Henry Street, Lancaster, Texas.

Mayor Hairston opened the public hearing.

There were no speakers.

**MOTION:** Deputy Mayor Pro-Tem Jaglowski made a motion, seconded by Councilmember Strain-Burk to close the public hearing and announce the second public hearing and final vote are scheduled for Monday, September 20, 2021, at 7:00 p.m. at the Lancaster Municipal Center, Council Chambers, 211 North Henry Street, Lancaster, Texas. The vote was cast 6 for, 0 against [Wheaton absent].

**Action:**

**19. Discuss and consider an ordinance, establishing the Lancaster Paid Quarantine Leave Program for Firefighters, Emergency Medical Technicians/Paramedics and Peace Officers.**

City Manager Mauldin-Jones shared in June 2021 Chapter 180 of the Texas Local Government Code was amended when H.B. 2073 was passed by the House and Senate. The amendment to Section 180.008 became effective on June 15, 2021, which states that the city shall provide paid quarantine leave for all Firefighters, Emergency Medical Technicians/Paramedics and Peace Officers defined by law. Quarantine leave shall be used to quarantine or isolate Firefighters, Emergency Medical Technicians/Paramedics and Peace Officers due to a possible or known exposure to a communicable disease while on duty. The Paid Quarantine Leave Program shall be provided after a Firefighter, Emergency Medical Technician/Paramedic or Peace Officer has had a possible or known exposure to a communicable disease while on duty. The Chief of Police or Fire Chief shall allow for the use of paid quarantine for the duration of quarantine, all as determined by the City's health authority. Any employee on the Paid Quarantine Leave Program shall receive all employment benefits, including pension and health plan benefits, and there shall be no reduction in the employee's sick leave balance, vacation leave balance, holiday leave balance or other paid leave balance in connection with the utilization of this program. When applicable, employees who must quarantine may be eligible for reimbursement for reasonable costs related to the quarantine, including lodging, medical expenses, and transportation. Staff recommends approval of the ordinance, as presented.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Councilmember Gooden-Davis to approve item 19. The vote was cast 6 for, 0 against [Wheaton absent].

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**20. Discuss and consider a resolution approving a Chapter 380 Economic Development Agreement by and between the City of Lancaster, Texas and Project Rex (Thred Up, Inc.).**

City Manager Mauldin-Jones shared Project Rex (Thred Up, Inc) is a company that sells products online and plans to fulfill these orders at the Lancaster location. The company contracted to lease a six hundred thousand (600,000) square foot building located at the southeast corner of I-35E and I-20. The building is currently under construction. Construction of the building is expected to be completed by the third quarter of 2022. There are no financial incentives for the real property (building) owner. The company plans to invest fifty million dollars (\$50,000,000) in Business and Personal Property in the building. The Project Rex facility will allow the addition of a minimum of one thousand five hundred (1,500) new jobs within three (3) years after completion. Wages will be based on market demand however, an LEDC Performance Agreement will provide the company with financial incentives for jobs going to local residents that pay over fifty thousand dollars (\$50,000) annually. This item is for consideration of a Chapter 380 incentive: Business Personal Property (BPP) Tax Rebate, a ten (10) year, sixty-five percent (65%) rebate of BPP taxes paid by the company. The company must obtain a Certificate of Occupancy for the building by January 1, 2023; invest a minimum of fifty million dollars (\$50,000,000) in BPP at the facility; and meet all other contractual obligations including reporting. The City will rebate fifty percent (50%) of the City's 1% sales tax collection on materials handling and operations equipment and construction materials for the Facility that are sourced to the City of Lancaster. All such expenditures must occur prior to January 1, 2023. The intent of this action is to increase the amount of taxable construction expenditures sourced to the City of Lancaster. This incentive is contingent on the company obtaining a Certificate of Occupancy for the building by January 1, 2023, and submission of all reports by May 1, 2023. The City will rebate fifty percent (50%) of the City's 1% sales tax collection on consumer goods sold from the facility that are sourced to the City of Lancaster for a period of ten years. The intent of this action is to increase local sales tax collections by providing incentives for the company to source sales to the City of Lancaster. Collections for the Facility (BPP and Real property) for the next ten years will be approximately six million two hundred thousand dollars (\$6,200,000), of which incentive rebates are estimated to be approximately two million five hundred thousand (\$2,500,000). There is an ongoing discussion at the state level related to how sales tax collections are sourced. It is difficult to calculate the impact of the sales tax rebate for consumer goods sales sourced to Lancaster. Staff recommends approval of the resolution as presented.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Deputy Mayor Pro-Tem Jaglowski to approve item 20. The vote was cast 6 for, 0 against [Wheaton absent].

**21. Discuss and consider a resolution ratifying a grant agreement, in an amount not to exceed one hundred seventy thousand dollars (\$170,000), with Project Rex (ThredUp, Inc.) from funds collected from the one-fourth (1/4) of one (1) percent additional sales and use tax for the promotion and development of new and expanded business enterprises, as authorized by state law.**

City Manager Mauldin-Jones shared Project Rex is a company that sells products online and plans to fulfill these orders at the Lancaster location. The company is contracted to lease a 600,000 square foot building located at the southeast corner of I-35E and I-20. The building is currently under construction. Construction of the building is expected to be completed by the third quarter of 2022. There will be no financial incentives for the real property (building) owner. The company plans to invest fifty million dollars (\$50,000,000) in Business and Personal Property in the building. The Project Rex (ThredUp, Inc.) facility will allow the addition of a minimum of one thousand five hundred (1,500) new jobs within three (3) years after completion. Wages will be based on market demand however, this agreement will provide the company with financial incentives for jobs going to local residents that pay over fifty thousand dollars (\$50,000) annually. The maximum grant amount for the project is one hundred seventy thousand dollars (\$170,000) for each Lancaster resident that is employed in a full-time equivalent employment position at the facility, ("resident of Lancaster, Texas" being defined as a person who has resided in the City for at least two years prior to the date claimed as a qualifying employee by Developer), the Lancaster Economic Development Corporation (LEDC) grant will pay to ThredUp \$1,000, up to a total of one hundred fifty (150) qualifying employees totalling one hundred fifty thousand dollars (\$150,000). Supporting documentation

must accompany each claim, and all submissions for the payments must be submitted to the City no later than January 1, 2026; and LEDC agrees to provide an Inland Port Transportation Management Association (IPTMA) grant up to twenty thousand dollars (\$20,000). The grant amount will reimburse the company for expenses related to being a member of the Inland Port Transportation Management Association for two years. Documentation must be supplied showing evidence of expenditure and membership in the Inland Port Transportation Management Association. LEDC will provide the reimbursement to Developer within thirty (30) days of receipt of records demonstrating: (1) the amount of Developer's membership dues for the IPTMA, and (2) Developer's membership for not less than a period of two (2) years in IPTMA. The Lancaster Economic Development Corporation recommended approval at their September 9, 2021 meeting. Staff concurs with the Lancaster Economic Development Corporation and recommends approval.

Councilmember Strain-Burk congratulated staff for incentivizing companies to hire Lancaster residents.

Deputy Mayor Pro-Tem Jaglowski shared his excitement to have Thred Up in the City of Lancaster.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Mayor Pro-Tem Hill to approve item 21. The vote was cast 6 for, 0 against [Wheaton absent].

**Executive Session:**

**22. City Council shall convene into closed executive session to consult with the City's Attorney regarding pending or contemplated litigation pursuant to Texas Government Code Section 552.971(1)(a): litigation regarding taxation under 34 TAC 3.334.**

**23. Reconvene into open session and take any action necessary.**

The City Council recessed for Executive Session at 7:47p.m. and reconvened into open session at 8:21p.m.

No action taken.

**MOTION:** Councilmember Strain-Burk made a motion, seconded by Mayor Pro-Tem Hill to adjourn. The vote was cast 6 for, 0 against [Wheaton absent].

The meeting was adjourned at 8:22 p.m.

**ATTEST:**

  
Sorangel O. Arenas, City Secretary

**APPROVED:**

  
Clyde C. Hairston, Mayor